

Borrego Water District Board of Directors
Regular Meeting
October 26, 2021 @ 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

COVID-19 UPDATE: The Borrego Water District Board of Directors meeting as scheduled in a remote meeting format. BWD will be providing public access to the Meeting thru electronic means only to minimize the spread of the COVID-19 virus, based upon direction from the California Department of Public Health, the California Governor's Office and the County Public Health Office. Anyone who wants to listen to or participate in the meeting is encouraged to observe the GO TO MEETING at:

Please join the meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/824955869>

You can also dial in using your phone.
United States: +1 (408) 650-3123
Access Code: 824-955-869

I. OPENING PROCEDURES -

- A.** Call to Order
- B.** Pledge of Allegiance
- C.** Directors' Roll Call: Directors Baker, Brecht, Duncan, Johnson and President Dice
- D.** Approval of Agenda
- E.** Approval of Minutes
 - 1. September 14, 2021: Special Board Meeting
 - 2. September 28, 2021: Regular Board Meeting
- F.** Comments from the Public & Requests for Future Agenda Items (may be limited to 3 min)
- G.** Comments from Directors
- H.** Correspondence Received from the Public- None

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION -

- A.** BWD Legislative Advocacy Update – John Freshman and Advocacy Team: Best, Best and Krieger
- B.** Informal Bidding Process for the Borrego Valley Road North of Palm Canyon Drive Water Pipeline Project Funded by SDG&E – G Poole/D Dale
- C.** California Water Boards COVID-19 Arrearages Relief Grant – J Clabaugh
- D.** RESOLUTION NO. 2021-10-01:RESOLUTION OF THE BOARD OF DIRECTORS OF BORREGO WATER DISTRICT ADOPTING A BASELINE PRODUCTION ALLOWANCE ACQUISITION PROGRAM - G Poole/S Anderson
- E.** Borrego Springs Subbasin Watermaster Board – VERBAL D Duncan/K Dice
 - 1. Claim of BWD Pumping Carry Over from 2020-21 Water Year – J Clabaugh
 - 2. Update on Board Activities
 - 3. Update on Technical Advisory Committee Activities

AGENDA: October 26, 2021

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

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

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

III. MONTHLY FINANCIAL & OPERATIONS REPORTS

- A. Financial Reports: September 2021
- B. Water and Wastewater Operations Report: September 2021
- C. Water Production/Use Records: September 2021

IV. STAFF REPORTS - VERBAL

- A. Administration – Diana Del Bono
- B. Engineering- David Dale
- C. Operations – Alan Asche
- D. Wastewater- Roy Martinez
- E. General Manager – Geoff Poole
 - 1. Water Reservoir Replacement Grant Update
 - 2. Solarization of BWD Wells
 - 3. Future Focus Of Outreach Committee

V. CLOSED SESSION:

- A. Conference with Legal Counsel - Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Section 54956.9: (Two (2) potential cases)
- B. Conference with Legal Counsel – Existing Litigation (BWD v. All Persons Who Claim a Right to Extract Groundwater, et al. (San Diego Superior Court case no. 37-2020-00005776)
- C. Conference with Real Property Negotiators (Gov. Code § Section 54956.8) Property APN: 140-303-0900 & 140-303-1100, 150 acres BWD Negotiator: Geoff Poole Negotiating Parties: Geoff Poole, General Manager and Owner: Viking Ranch: Price and Terms of Payment Property Negotiations.

- VI. **CLOSING PROCEDURE:** The next Board Meeting is scheduled for 9:00 AM, November 9, 2021, to be available online. See Board Agenda at BorregoWD.org for details, Agenda information available at least 72 hours before the meeting.

AGENDA: October 26, 2021

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

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Borrego Water District Board of Directors
MINUTES
Special Meeting
September 14, 2021 @ 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A.** Call to Order: President Dice called the meeting to order at 9:00 a.m.
- B.** Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C.** Roll Call:
 - Directors: Present: President Dice, Secretary/Treasurer
Duncan, Baker, Johnson
 - Absent: Vice-President Brecht
 - Staff: Jessica Clabaugh, Finance Officer
David Dale, District Engineer
Esmeralda Garcia, Administrative Assistant
Wendy Quinn, Recording Secretary
 - Public: Nora O’Brien, Best, Best & Krieger
Lora Carpenter, Fieldman/Rolapp

D. Approval of Agenda: ***MSC: Johnson/Duncan approving the Agenda as written.
The motion passed by unanimous roll call vote of those present.***

- E.** Approval of Minutes: None
- F.** Comments from the Public and Requests for Future Agenda Items: None
- G.** Comments from Directors: None

H. Correspondence Received from the Public: Cathy Milkey had sent a letter outlining her comments at the last meeting regarding the Pilot Program for Provision of Water for Small Developments.

II. ITEM FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Resolution No. 2021-09-01 of the Board of Directors of Borrego Water District Authorizing Execution and Delivery by the District of an Installment Purchase Agreement and an Assignment Agreement and Approving Certain Other Actions in Connection Thereto: Jessica Clabaugh explained that the proposed Resolution authorizes the bond refinancing and \$3 million in new money. Lora Carpenter noted that on July 27 the Board authorized proceeding with private placement bids, and on August 24 they approved Capital One Public Funding. The proceeding is expected to close on October 1. It will mature in 15 years, and the interest rate is 2.19 percent.

In response to Director Johnson, Nora O’Brien explained that the BWD Public Facilities Corporation was created in 1996 because BWD does not have the power to issue bonds without voter approval. There is a three-party agreement among the District, the PFC and the bank. Director Baker requested a copy of the PFC Bylaws, and Ms. Clabaugh agreed to send all Directors copies of the Articles of Incorporation from the 2018 bond issue.

MSC: Duncan/Baker adopting Resolution No. 2021-09-01 of the Board of Directors of Borrego Water District Authorizing Execution and Delivery by the District of an Installment Purchase Agreement and an Assignment Agreement and Approving Certain Other Actions in Connection thereto. The motion passed by unanimous roll call vote of those present.

At 9:20 a.m., the BWD Board adjourned, and thereafter reconvened at 9:25 a.m. In response to Director Baker, Ms. O’Brien said there should be two sets of Minutes for today, one for BWD and one for PFC. The PFC Minutes will be considered for approval at the Annual Meeting.

IV. CLOSED SESSION

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Section 54956.9: (Two (2) potential cases):

B. Conference with Legal Counsel – Existing Litigation (*BWD v. All Persons Who Claim a Right to Extract Groundwater, et al.* (San Diego Superior Court case no. 37-2020-00005776):

The Board adjourned to Closed Session at 9:27, and thereafter, the open session reconvened. There was no reportable action.

V. CLOSING PROCEDURE

The next Board Meeting is scheduled for September 28, 2021, at 9:00 a.m. at Borrego Water District, 806 Palm Canyon Drive, Borrego Springs, CA 92004 – ELECTRONICALLY. There being no further business, the Board adjourned.

Borrego Water District Board of Directors
MINUTES
Regular Meeting
September 28, 2021 @ 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order: Secretary/Treasurer Duncan called the meeting to order at 9:00 a.m.
- B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C. Roll Call: Directors: Present: Secretary/Treasurer Duncan, Baker, Johnson
Absent: President Dice, Vice-President Brecht
Staff: Geoff Poole, General Manager
 David Dale, District Engineer
 Jessica Clabaugh, Finance Officer
 Diana Del Bono, Administration Manager
 Esmeralda Garcia, Administrative Assistant
 Wendy Quinn, Recording Secretary
- D. Approval of Agenda: **MSC: Johnson/Baker approving the Agenda as written. The motion passed by unanimous roll call vote of those present.**
- E. Approval of Minutes:
 1. August 24, 2021 Special Board Meeting. **MSC: Johnson/Baker approving the Minutes of the Regular Board Meeting of August 24, 2021 as written. The motion passed by unanimous roll call vote of those present.**
- F. Comments from the Public and Requests for Future Agenda Items: None
- G. Comments from Directors: None
- H. Correspondence Received from the Public: None

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

- A. Calculation of Capacity Charges and Replacement/Expansion of Cost of WWTP: Geoff Poole explained that this item is a key step in setting developer-related charges, now that the Proposition 218 rate setting is complete. The developer charge is a one-time fee to connect to the system and acquire capacity needed for water and sewer. Expansion costs for the treatment plant would also be considered. Mr. Poole recommended analyses by Dudek and Raftelis to ensure that development costs are connected to benefits and that ratepayers don't pay for new development. Discussion followed regarding the assumption in Mr. Poole's Agenda memo that Rams Hill Each does not need to pay its fair share of anticipated capacity expansion because they are paying for capacity through tax assessment. Director Baker was not comfortable with this provision. **MSC: Johnson/Baker approving a contract with Dudek for \$19,000 from sewer cash reserves, with a note that the provision on Rams Hill capacity may need to be revised. The motion passed by unanimous roll call vote of those present.**
- B. Opening New Account & Updating Signature Cards: Jessica Clabaugh explained that a new bank account needs to be established in order to keep the \$3 million being acquired through the bond issue separate. The signatories also need to be changed on all accounts to remove former Director Delahay and add Director Baker. **MSC: Johnson/Baker authorizing the establishment of a new bank account and changing the signatories on all accounts. Signatories will be Tammy Baker, Lyle Brecht, Kathy Dice, Dave Duncan, and Diane Johnson. Ray Delahay will be removed. The motion passed by unanimous roll call vote of those present.**

C. Borrego Springs Subbasin Watermaster Board:

1. Update on Board Activities.
 2. Update on Technical Advisory Committee Activities.
- No report.

III. MONTHLY FINANCIAL & OPERATIONS REPORTS

A. Financial Reports: August 2021: Ms. Clabaugh reported just under \$5.5 million in cash reserves. Income for August was \$406,000, and expenses were normal. Net income for August was \$193,753. The new production well is nearly complete, as is the gravity main at La Casa Del Zorro. Some headway is being made on clearing past due accounts.

B. Water and Wastewater Operations Report: August 2021:

C. Water Production/Use Records: August 2021:

To be reviewed at the October 12, 2021 Special Board Meeting.

IV. STAFF REPORTS

A. Administration: Diana Del Bono reported that the office had been quiet. Val Bowman is on vacation until October 4. Some new meter applications have been sent out for miniature golf, a helipad and the Springs. There was an inquiry about the proposed Dollar General store, and Mr. Poole agreed to check into it.

B. Engineering: David Dale reported he had been working on the SDG&E pipeline and encountered an issue with underground utilities. He was working with the Fire Chief on the locations for fire hydrants. The design is 90 percent complete. Mr. Dale noted that he had authorized the wastewater treatment plant contractor to order some equipment several months ago, and some of it has still not arrived. The Twin Tanks replacement is moving forward toward final plans and bidding, as well as Rams Hill 2 and Indian Head.

C. Operations: No report.

D. Wastewater: Mr. Poole reported that Roy Martinez was continuing to work on the oxygen injection system, and the odor has been confined to the headworks. Security cameras are being installed at the wastewater treatment plant and in the office.

E. General Manager:

1. Wastewater Treatment Plant Renovation and Water Reservoir Replacement Grant Update. Mr. Poole reported that the Wastewater Treatment Plant Renovation and Water Reservoir Replacement grant documents have been received and filed. There will be a final agreement after bidding. Director Johnson asked about Best Best & Krieger's advocacy efforts, and Mr. Poole agreed to send her a link so she can join tomorrow's conference call with Syrus Devers.

2. 2018 BWD Bond Refinance/New Money Update. No report.

V. CLOSED SESSION

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to Government Code paragraph (3) of subdivision (d) of Section 54956.9 (Two (2) potential cases):

B. Conference with Legal Counsel – Existing Litigation (*BWD v. All Persons Who Claim a right to Extract Groundwater, et al.* (San Diego Superior Court case no. 37-2020-00005776)):

C. Conference with Real Property Negotiators (Gov. Code Section 54956.8) Property APN: 140-303-0900 & 140-303-1100, 150 acres BWD Negotiator: Geoff Poole Negotiating Parties: Geoff Poole, General Manager and Owner: Viking Ranch: Price and Terms of Payment Property Negotiations:

The Board adjourned to closed session at 10:15 a.m., and thereafter, the open session reconvened. There was no reportable action.

VI. CLOSING PROCEDURE

The next Board Meeting is scheduled for 9:00 a.m. October 12, 2021, to be available on line. See Board Agenda at BorregoWD.org for details. Agenda information available at least 72 hours before the meeting. There being no further business, the meeting was adjourned.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 26, 2021
AGENDA ITEM II.A

October 18, 2021

To: Board of Directors

From: Geoffrey Poole, General Manager

SUBJECT: BWD Legislative Advocacy Update – John Freshman and Advocacy Team: Best, Best and Krieger

RECOMMENDED ACTION

Receive bi-monthly update from BWD Legislative Advocates in both Washington DC and Sacramento.

ITEM EXPLANATION

BWD utilizes the services of Best, Best and Krieger for Advocacy services and as part of their services a bi-monthly update is provided and scheduled for this Meeting.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 26, 2021
AGENDA ITEM II.B

October 18, 2021

To: Board of Directors

From: Geoffrey Poole, General Manager

SUBJECT: Informal Bidding Process for the Borrego Valley Road North of Palm Canyon Drive Water Pipeline Project Funded by SDG&E – G Poole/D Dale

RECOMMENDED ACTION

Receive Staff Report and approve staff to begin the informal bidding process.

ITEM EXPLANATION

SDG&E contacted District staff to request a 1 mile of 8-inch diameter water pipeline, fire hydrant and 1" meter along Borrego Valley Road, from Palm Canyon Drive to the SDG&E substation next to solar array. The District does not currently have the staff available to construct the pipeline in-house, so plans and specifications were prepared, and will administer and oversee the project construction by a Contractor

On December 8, 2020 the Board of Directors approved a reimbursement agreement with SDG&E. A \$20,000 deposit was made by SDG&E for the preparation of the plans and specifications. The design work is ready and was completed in-house by the District Engineer. The agreement includes reimbursement for administration costs related to the project, including office personnel, bidding and other soft costs.

Now that the plans and specifications are complete, SDG&E will deposit funds equal to 50% of the engineer's opinion of probable construction cost; after the bid is accepted the full amount of the contract plus a 10% contingency will be required. Any funds that are deposited with the District that are not expended will be refunded to SDG&E.

The District's Purchasing and Contract Review Policy & Procedures ("Policy") states "public works" contracts greater than \$25,000 must be awarded through a formal competition solicitation. The Policy defines "public works" as "the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind." While SDGE is reimbursing the district for the project, there is no distinction in the definition of "public works" between reimbursed projects and District-funded projects. Section 8 of the Policy allows the

General Manager to effect procurements free of the Policy when the Board has determined that such would be in the best interest of the district.

To expedite the project, the district can solicit informal bids from contractors in lieu of a formal bidding process. Approval from the Board of Directors is required to use this method. It may expedite getting construction started and some of the costs of bidding the project. Staff would contact contractors that have done good work here to provide a proposal. The work included in the project is typical of other water pipelines that the district has completed, and is not considered complex. The informal quotes would be due at a certain time and place and would not be opened until that time like a normal formal bidding process.

If approved for the informal bidding process, the district would require performance and payment bonds, contractor insurances per the specifications, and prevailing wages as required by the contract documents. Though correspondence, the informal bidding method is acceptable with SDG&E.

NEXT STEPS

Upon approval, SDG&E will provide a deposit of 50% of the engineer's opinion of probable construction cost estimate. Staff will then contact multiple contractors for the informal bid. Upon receipt of the proposals, the lowest responsive one will be sent to SDG&E for approval of the remaining funds to cover 100% of the project costs. There will be soft costs, such as construction management and geotechnical testing, that will be included in the project costs.

FISCAL IMPACT

CIP Project 1 – No fiscal impact to BWD. Funds for the total project are covered by SDG&E per the referenced agreement.

ATTACHMENTS

1. Engineer's Opinion of Probable Construction Cost - \$510,208 as of 10/19/21.

BORREGO WATER DISTRICT
 Borrego Valley Road North of Palm Canyon Drive Pipeline Project
 10/21/2021

ITEM	QUANTITY	UNIT	ITEM	UNIT COST	AMOUNT
1	1	LS	Mobilization of equipment and material, Performance Bond, Payment Bond, General Liability Insurance, Workman's Compensation Insurance, Construction water, freight, project signs, Air pollution control district requirements and fees, Restroom Facilities, Vehicle Insurance, Taxes, Permits, Business license, and Similar expenses and other costs not specifically addressed within this bid item list.	\$ 40,000.00	\$ 40,000.00
2	1	LS	Preparation and Implementation of Dust Control Plan Per San Diego County Air Pollution Control District	\$ 2,500.00	\$ 2,500.00
3	1	LS	Preparation of Traffic Control Plan, Implementation of Traffic Control and Construction Area Signs	\$ 1,500.00	\$ 1,500.00
4	1	LS	Potholing of the Existing Underground Utilities and Pipelines as indicated on Improvement Plans.	\$ 4,000.00	\$ 4,000.00
5	1,075	LF	Sawcut/grind out Existing AC Pavement	\$ 7.00	\$ 7,525.00
6	1,350	SF	Remove and Dispose of AC Pavement and Underlying Base Material	\$ 3.00	\$ 4,050.00
7	5,325	LF	Furnish and Install New 8-inch Dia. AWWA C-900 DR 18 - Pressure Class 150 PVC Water Pipeline, Including Backfill and Compaction.	\$ 58.00	\$ 308,850.00
8	150	CYS	Furnish and install Import sand material for backfilling the water pipe.	\$ 75.00	\$ 11,250.00
9	1	EA	Install 1 inch Water Lateral including Connection to 8" Water Main, 1 Inch Copper Pipe to Property Line and 1 inch Bronze Angle Meter Stop with Lockwing. (Do not include Water Meter, Meter box and Shut Off Valve).	\$ 2,200.00	\$ 2,200.00
10	3	EA	Furnish and Install New 8-Dia. Ductile Iron Resilient Wedge Gate Valve with Valve Cover and Riser.	\$ 3,200.00	\$ 9,600.00
11	1	EA	Furnish and Install New 8 inch x 8 inch x 8-Inch Dia. Epoxy-Coated Ductile Iron Tee and thrust block	\$ 2,300.00	\$ 2,300.00
12	4	EA	Furnish and Install 8-inch MJxMJ 45 DI Degree Bend	\$ 900.00	\$ 3,600.00
13	1	EA	Furnish and Install 8-inch 90 Degree DI Ell and Thrust Block	\$ 900.00	\$ 900.00
14	1	EA	Furnish and Install 10" x 8" DI Reducer Fitting	\$ 850.00	\$ 850.00
15	1	EA	Furnish and Install 8" x 6" DI Reducer Fitting	\$ 750.00	\$ 750.00
16	1	EA	Furnish and Install 8-inch Blind Flange and Thrust Block	\$ 450.00	\$ 450.00
17	1	EA	Furnish and Install New Fire Hydrant Assembly Including 6" Lateral, Riser, 6" Gate Valve and Valve Can and all parts per Detail WF-01 on sheet 8	\$ 12,500.00	\$ 12,500.00
18	75	Tons	Install 4 Inches of AC Pavement 3/4" Type III Class B3 (Per San Diego County Standards and Specifications)	\$ 300.00	\$ 22,500.00
19	75	CYS	Install 9 Inches of Class II Base	\$ 100.00	\$ 7,500.00
20	1	LS	Contractor to Complete Hydrostatic Pressure Testing per Specifications.	\$ 3,000.00	\$ 3,000.00
21	1	LS	Contractor to Complete Disinfection of the New Pipeline per Specifications	\$ 3,000.00	\$ 3,000.00
22	1	LS	San Diego County Encroachment Permit Fee Allowance. Contractor to obtain encroachment permit. If permit fees exceed or are less than the allowance fee, a change order or deductive change order based on the actual cost of the permit fees only will be processed to cover the difference.	\$ 15,000.00	\$ 15,000.00

Total Base Bid Items:	\$ 463,825
10% Contingency:	\$ 46,383
Engineer's Opinion of Probable Construction Cost:	\$ 510,208

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 26, 2021
AGENDA ITEM II.C

October 21, 2021

To: Board of Directors

From: Geoff Poole, General Manager

Subject: Water Boards COVID-19 Arrearages Relief Grant

RECOMMENDED ACTION

None, receive update on BWD request for Arrearages Relief.

ITEM EXPLANATION

Last week staff received application submission confirmation for Community Water Systems COVID Relief thru the State Water Resources Control Board. The initial response indicated approximately \$11,000 would be received. Esmeralda made a call and at the conclusion BWD was approved for over \$100,000 since the State had allocated sufficient funds, to cover 100% of requested amounts. BWD's maximum funding allotment is \$102,577.28 which includes \$99,419.40 for residential accounts, \$197.90 for commercial accounts and \$2,987.69 for administrative expenses.

According to grant guidelines, the funds are to be used to issue credits on customer accounts for which amounts billed for water during the period of March 4, 2020 thru June 15, 2021 are still outstanding. Any excess grant funds are to be returned to the State.

From the Customer FAQ

I already paid my past-due bill to my water service. Can I receive reimbursement?

No. This program only covers past-due amounts that remain unpaid at the time a water system receives program funding. However, we can use it for people who signed up for a payment plan.

Disbursements will begin on November 1 with timing prioritized to Small Community Water Systems with an emphasis on Disadvantaged Communities, of which BWD is both. The current program only authorizes funds to be used for Water arrearages. Funds may become available at a later date for Wastewater arrearages.

FINANCIAL IMPACT

Receipt of Grant up to \$102,577.28 to reduce Accounts Receivable and cover Administrative Costs.

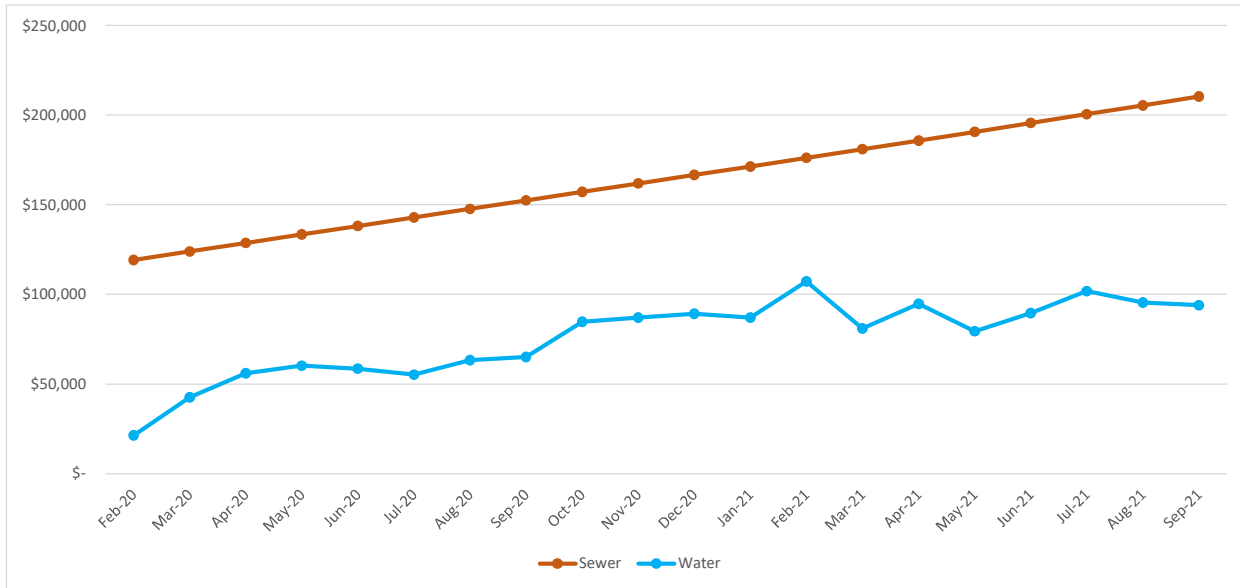
ATTACHMENTS

1. BWD COVID-19 Arrears Tracking
2. Arrearages Payment Program Guidelines



Borrego Water District COVID-19 Arrears Tracking

Total Aging History by Type



BWD Customer Account Aging by Amount

	30-60 Days	60-90 Days	90-120 Days	>120 Days	Total Past Due	Sewer	Water
Feb-20	\$ 3,663	\$ 10,822	\$ 6,983	\$ 119,159	\$ 140,626	\$ 119,219	\$ 21,407
Mar-20	\$ 22,220	\$ 13,374	\$ 6,897	\$ 124,046	\$ 166,538	\$ 123,954	\$ 42,585
Apr-20	\$ 28,523	\$ 14,363	\$ 11,538	\$ 130,223	\$ 184,647	\$ 128,688	\$ 55,959
May-20	\$ 30,224	\$ 11,968	\$ 11,290	\$ 140,206	\$ 193,688	\$ 133,423	\$ 60,266
Jun-20	\$ 27,011	\$ 12,974	\$ 9,745	\$ 147,074	\$ 196,804	\$ 138,157	\$ 58,647
Jul-20	\$ 26,042	\$ 10,376	\$ 9,402	\$ 152,323	\$ 198,143	\$ 142,892	\$ 55,252
Aug-20	\$ 30,197	\$ 13,467	\$ 8,397	\$ 158,871	\$ 210,932	\$ 147,626	\$ 63,306
Sep-20	\$ 29,144	\$ 15,062	\$ 10,615	\$ 162,570	\$ 217,391	\$ 152,361	\$ 65,030
Oct-20	\$ 37,011	\$ 18,925	\$ 13,913	\$ 171,970	\$ 241,819	\$ 157,095	\$ 84,724
Nov-20	\$ 30,367	\$ 21,218	\$ 14,820	\$ 182,465	\$ 248,870	\$ 161,830	\$ 87,041
Dec-20	\$ 28,235	\$ 19,289	\$ 15,976	\$ 192,305	\$ 255,804	\$ 166,564	\$ 89,240
Jan-21	\$ 26,235	\$ 18,357	\$ 15,597	\$ 198,179	\$ 258,368	\$ 171,299	\$ 87,070
Feb-21	\$ 40,880	\$ 18,324	\$ 15,735	\$ 208,375	\$ 283,314	\$ 176,128	\$ 107,186
Mar-21	\$ 23,574	\$ 15,243	\$ 12,818	\$ 210,275	\$ 261,911	\$ 180,958	\$ 80,953
Apr-21	\$ 26,964	\$ 15,703	\$ 11,874	\$ 225,891	\$ 280,432	\$ 185,788	\$ 94,644
May-21	\$ 23,986	\$ 14,767	\$ 12,075	\$ 219,248	\$ 270,076	\$ 190,617	\$ 79,458
Jun-21	\$ 35,794	\$ 15,205	\$ 11,552	\$ 222,548	\$ 285,099	\$ 195,543	\$ 89,556
Jul-21	\$ 53,839	\$ 15,708	\$ 10,876	\$ 221,792	\$ 302,214	\$ 200,468	\$ 101,747
Aug-21	\$ 51,211	\$ 17,181	\$ 11,616	\$ 220,828	\$ 300,836	\$ 205,392	\$ 95,443
Sep-21	\$ 42,430	\$ 19,165	\$ 13,499	\$ 229,201	\$ 304,295	\$ 210,317	\$ 93,977

**CALIFORNIA WATER AND WASTEWATER
ARREARAGE PAYMENT PROGRAM
GUIDELINES: WATER ARREARAGES**

*Adopted
September 21, 2021*



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INTRODUCTION

The purpose of this document is to establish the process and criteria for the allocation and administration of the funds appropriated to the State Water Resources Control Board (State Water Board) in the Fiscal Year 2021-22 Budget for the California Water and Wastewater Arrearage Payment Program: Water Arrearages (Program). The criteria include requirements associated with establishing payment plans for customers, and prohibitions on discontinuation of service for water systems participating in the Program. The funding source for the Program is the American Rescue Plan Act (ARPA) of 2021. Any federal requirements associated with the funding source may be requirements of the Program. The State Water Board will notify water systems' administrative contacts via email if any requirements change during Program implementation and correspondingly post changes to its website.

The Deputy Director of the Division of Financial Assistance (DFA) and the Deputy Director of the Division of Drinking Water (DDW) may make clarifying, non-substantive amendments to these Guidelines. Future changes to these Guidelines may be necessary due to changes in law or in State Water Board policy. If substantive changes are necessary, amendments to the Guidelines will be considered by the State Water Board.

DEFINITIONS

Arrearage – amount of money owed to a water system from nonpayment of residential and commercial accounts that accrued from completed billing periods during the COVID-19 pandemic bill relief period. Arrearage does not include late fees and interest on outstanding balances.

Community water system – a system described and regulated under the Safe Drinking Water Act (commencing with section 116270 of the Health and Safety Code): a public water system that serves at least 15 service connections used by permanent residents or regularly serves at least 25 permanent residents of the area served by the system. (Health & Saf. Code, § 116275, subd. (i).)

Commercial customer – a water system customer or connection that serves a commercial/institutional customers e.g., hotels, motels, restaurants, office buildings, government and military facilities, gas stations, hospitals, educational institutions, retail establishments, dormitories, nursing homes, churches, jails, prisons, mental health facilities, addiction recovery centers, farmworker housing, and campgrounds. Commercial customer does not include industrial (manufacturing, chemical, refineries, cooling towers, animal & food processing, etc.); agriculture irrigation (crops, aquaculture, etc.); or landscape irrigation (parks, golf courses, etc.).

COVID-19 pandemic bill relief period – the period from March 4, 2020, to June 15, 2021, inclusive, and includes any customer billing period that includes these dates.

Customer notification – a written notification to residential and commercial water system customers or connections of the amount of debt/arrearage bill credit provided by the Program. Notification must acknowledge the source of funds from the State. Notification language will be provided at a later date.

Default – either of the following:

- A customer's failure to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more;
- A customer's failure to pay current residential service charges for 60 days or more from its due date, regardless of whether the customer is subject to an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges.

Disadvantaged Community (DAC) – a community with an annual median household income that is less than 80 percent of the statewide annual median household income. ([Wat. Code, § 79505.5.](#))

Large community water system – a community water system that serves more than 3,300 connections or a yearlong population of more than 10,000 persons.

Past-due bills – customer water bills that are 60 days or more past due and includes both active and inactive accounts and accounts that have payment plans or payment arrangements.

Payment plan – a plan for deferred or reduced payment including, but not limited to minimum payments, alternate payment schedules, or amortization of unpaid balances. The payment plan should allow 12 or more months for repayment of outstanding balances.

Residential customer – water service customers, including groundwater well owners charged for water in managed basins, residing in single-family residences, multifamily residences, mobile homes, including, but not limited to, mobile homes in mobile home parks, or farmworker housing that receive a bill for water service.

Small community water system – a community water system as defined above that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons. (Health and Saf. Code, § 116275, subd. (z).)

State – the State of California.

Wastewater treatment provider – city, county, special district, or joint powers authority that provides wastewater collection, treatment or disposal services through a publicly owned treatment works. (Health & Saf. Code, § 116773.2 subd. (g).)

Water enterprise revenue shortfall – water service revenue decrease accrued as a difference between a water system’s 2019 fiscal or calendar year and its 2020 fiscal or calendar year as a result of the COVID-19 pandemic.

Water shutoff – discontinuation of water service for nonpayment.

SECTION A: ELIGIBILITY

The following are eligible for funding:

- Community water systems that accrued residential and commercial customer arrearages during the COVID-19 pandemic bill relief period are eligible for the Program. This includes community water systems that transferred arrearage debt to a third-party such as a county under a Teeter Plan or a debt collection entity.
- Community water systems that collect eligible customer revenue through property tax rolls are also eligible if they are able to identify drinking water arrearages and can directly credit customers' accounts.
- Community water systems that accrued residential and commercial customer arrearages during the COVID-19 pandemic bill relief period and used a customer assistance program for that arrearage.

SECTION B: PROGRAM REQUIREMENTS

Water systems that participate in the Program must:

- Waive customer late fees for any arrearages accrued during the COVID-19 pandemic bill relief period in their entirety;
- Allocate payments as bill credits to customer accounts within 60 days of receiving payment;
- Notify customers of the amount credited, and if splitting the credit between tax years, when the second credit will be applied;
- Offer to enroll customers with remaining debt into a payment plan by direct notification to each customer;
- Allow customers 30 days to enroll in a payment plan;
- Not discontinue water service until the customer defaults on the payment plan or misses the deadline to enroll in the payment plan;
- Not discontinue water service prior to the date established in 116733.4 (e)(2)(A);
- Comply with all terms and conditions of payment; and
- Report on expenditures and customer credits.

More detail on Program requirements is provided below.

Participating water systems that do not comply with Program requirements may be subject to enforcement actions by the Division of Drinking Water and may be required to return moneys to the State Water Board.

B.1 REQUIREMENT FOR ALL COMMUNITY WATER SYSTEMS – REGARDLESS OF PARTICIPATION IN THE PROGRAM

All community water systems, regardless of size or participation in the Program, must offer payment plans to customers with arrearages, pursuant to AB 148. The payment plans and their associated rules must be consistent with the Water Shutoff Protection Act established under Health and Safety Code section 116900 et seq. (Health and Safety Code, § 116773.4, subd. (e).) Associated rules include, but are not limited to, rules and practices relating to the timing and manner of notice and discontinuation of service for payment plan defaults. Community water systems that violate provisions of the Water Shutoff Protection Act may be subject to enforcement action by DDW or the Attorney General.

SECTION C: PROPORTIONAL ALLOCATION OF FUNDS TO COMMUNITY WATER SYSTEMS

C.1 PURPOSE AND OVERVIEW

Section C of the Guidelines describes the process the State Water Board will use to establish the total statewide need and the allocation methodology. One-time payments will be made to water systems based on the allocation methodology established in this section. Community water systems receiving payments will credit customer bills in accordance with the methodology established in Section E after receiving payment from the State Water Board.

C.2 TOTAL STATEWIDE WATER NEED

The State Water Board surveyed all community water systems from August 11, 2021 through September 10, 2021 to determine accrued residential and commercial arrearages, as well as revenue loss, during the COVID-19 pandemic bill relief period (March 4, 2020 through June 15, 2021). Approximately 87% of community water systems that charge for water submitted the survey. For systems that were not able to disaggregate the arrearages for drinking water from other non-water charges on their bill, State Water Board staff used data from systems that reported all debt information to estimate drinking water arrearages for those systems.

For the 13% of community water systems that charge for water and did not respond to the survey, the State Water Board staff estimated their residential and commercial arrearages based on the average reported arrearages of systems of similar size proportionally by the proportion of reported accounts in arrears. These estimates were added to the total statewide need numbers.

Table 1 shows the data and calculations used to establish the total statewide need.

Table 1: Drinking Water Arrearage Survey Data Analysis

	Reported	Estimated	Total
Community Water Systems (2,844)	2,293 (80.6%)	n/a	
Community Water Systems that Charge for Water	1,845 (86.7%)	283 (13.3%)	2,128
Total Arrearages	\$315,400,661	\$8,324,272	\$323,724,934
Residential	\$276,583,036	n/a	
Commercial	\$42,817,626	n/a	
Total Late Fees	\$16,009,161	\$578,291	\$16,587,992
Residential	\$13,008,330	n/a	
Commercial	\$3,001,371	n/a	
3% Administrative Costs*	\$8,031,399	\$267,077	\$8,298,416
TOTAL Estimated Maximum Program Need**:	\$339,441,221	\$9,169,640	\$348,611,342
*Not to exceed \$1 million.			
**This total includes the addition of late fees as they were reported in the survey, but does not mean they will be an eligible amount.			

C.3 METHODOLOGY TO ESTABLISH ALLOCATION

Because the funding amount is sufficient to cover the full statewide need plus requested administrative costs, the State Water Board will provide water systems with 100 percent of their requested amounts (arrears plus administrative costs). Water systems may update the arrearage amounts they reported in the survey as part of the application.

SECTION D: APPLICATION REQUIREMENTS

State Water Board staff sent multiple emails to water systems requesting initial documents (i.e., Payee Data Record (STD. 204)) that systems are required to provide in order to process applications and receive state funds. Technical assistance was provided to water systems that requested help in completing the documents. Systems that have not completed the initial documents **MUST** submit them as part of their application.

State Water Board staff will provide an application package to all eligible community water systems and begin accepting complete applications within 14 days of State Water Board adoption of these Guidelines. The applications will be accepted through the EAR or another online portal. Technical assistance will be available through the Division of Drinking Water staff, and outside providers to assist community water systems that need help completing the application.

The application will consist of the following forms:

- Application/disbursement form - identifying the maximum amount of funding the water system may apply for. The application form must be signed by the community water system's authorized representative or designee.
- Conditions of payment form – details the program requirements with which the authorized representative, on behalf of the system, agrees to comply.

There will be an initial 60-day application period. State Water Board staff will attempt to contact any community water system that does not apply during the initial application period and provide technical assistance with the application. State Water Board staff will also contact community water systems with incomplete applications to assist them.

D.1 SMALL COMMUNITY WATER SYSTEMS

The State Water Board will provide small community water systems with an application that identifies the amount of funding the system is eligible to receive based on the reported or estimated arrearages. Small community water systems may update their reported arrearages as part of the application. Small community water systems must upload the application, signed by the authorized representative or designee for the system, to the application portal or mail the forms to the State Water Board prior to December 6, 2021. The authorized representative, or its designee, must attest that the application is true and accurate based on the community water system's documentation or the methodology used by the State Water Board if the community water system lacks documentation on customer arrearages or revenue shortfalls.

D.2 LARGE COMMUNITY WATER SYSTEMS

D.2.1 Application Process

State Water Board staff will notify large community water systems of the amount of funding the system is eligible to receive based on their reported arrearages. Large water systems may update their reported arrearages as part of the application. Large water systems must provide documentation from accounting or billing systems verifying the reported arrearages as part of the application. Applications must be submitted no later than December 6, 2021. The authorized representative, or its designee, must attest to the accuracy of the application material and the reported arrearages.

D.2.2 Application Review Process

State Water Board staff will verify that the reported arrearages are supported by the community water systems' documentation. Staff may request additional information if the arrearages submitted with the application differ from those reported in the survey, or documentation is inadequate to support the amount. Technical assistance may be available for systems serving disadvantaged communities that lack supporting documentation of arrearages.

D.3 COMMUNITY WATER SYSTEMS WITH COMBINED BILLING SYSTEMS

For systems that combine water with other utilities including but not limited to wastewater, stormwater, refuse, and/or energy, only the water-related portion of the arrearage is eligible for total or partial reimbursement. Community water systems with combined billing may not shut off water due to non-payment of the portion of the bill for other services that accrued during the COVID-19 pandemic relief bill period. This prohibition does not apply to debt accrued before or after the COVID-19 pandemic relief bill period.

For systems that cannot determine the proportion of the arrearage related to water service for each customer account, the water system will use an average customer approach to estimate the proportion of a system's arrearage that is attributable to the water portion of the bill for its residential and commercial customer classes. For each customer class, the water system will first calculate the average annual bill. Next the water system will calculate the average annual water portion of the average annual customer bill. Then the average annual water portion will be determined using the following formula:

Average Annual Percentage of Water Charge =

(Average Annual Water Charges / Total Average Annual Bill) x 100

The average annual percentage of water charge will be the percentage that is applied to the water system's customer arrearages.

The Deputy Director of DDW is authorized to resolve any disputes regarding the estimation methodology.

D.4 LATE APPLICATIONS

The State Water Board will allow water systems that did not respond to the initial survey to complete an abbreviated survey and apply for funds. The State Water Board will also hold funds allocated to water systems that do not complete the application by December 6, 2021 until January 15, 2022. The State Water Board will contact water systems that are late with applications to assist the systems in applying. Third-party technical assistance providers will also be utilized to assist systems. State Water Board staff will post lists of systems that have not applied during the initial 60-day application period on the Program website. Community water systems that submit late surveys and applications are not guaranteed funding.

SECTION E: DISBURSEMENT PROCESS AND PRIORITY

State Water Board staff will process disbursements as soon as complete applications are received and reviewed. Staff will prioritize the timing of disbursements to small community water systems. State Water Board staff may also prioritize the timing of disbursements to community water systems serving disadvantaged communities. Staff

will begin disbursing funds by November 1, 2021. In order to expedite payments, checks may be sent to either the water system's physical address or the address of the Authorized Representative, if that address is on file with DFA.

Staff will contact systems with incomplete or missing applications to assist systems and expedite payments.

SECTION F: WATER SYSTEM ALLOCATION TO CUSTOMERS

F.1 ALLOCATION

Community water systems may expend up to three percent (3%), or up to \$1 million, whichever is less, for costs the system incurs in applying for assistance or complying with Program requirements. Because there are sufficient funds to cover the statewide arrearage total plus the administrative costs, system may request enough funds to cover both. System costs to apply for funds and comply with Program requirements must be documented and reported to the State Water Board. The State Water Board will provide a template for reporting administrative costs.

F1.1 Debt Transferred to Third Parties

Community water systems that have transferred their arrearages that qualify for the Program to a third party are eligible and may still apply to receive funding. Community water systems that no longer hold the arrearage debt may credit qualifying customer accounts by doing any of the following: (1) directly paying the third party to reduce or eliminate the debt; (2) refunding the credited amount to the customer; or (3) creating a positive balance for customers to apply toward future water bills. Community water systems must notify their customers of this credit and must indicate that the relief afforded by this credit should be used to pay down the debt that was transferred to the third party.

F.1.2 Water Systems that Utilized Customer Assistance Funds

Community water systems that utilized an existing customer assistance program to aid customers with qualifying arrearages may be eligible for the Program and receive payment for those arrearages previously covered by their customer assistance program. Eligibility will be determined after consultation with the State Water Board to determine that all program requirements can be met.

F.1.3 Late Fees

Water systems must waive late fees for customers with arrearages. Late fees cannot be included in the calculation of the system's total arrearages, or deducted from the amount to credit to customers' bills.

F.2 CUSTOMER CREDIT AND NOTIFICATION

F.2.1 Notification of Customer Bill Credits

Water systems must allocate the funds as bill credits to customers within 60 days of receiving funds. Water systems may apply the credits in two installments within different tax years provided they notify the customer when the second credit will be applied and meet the requirement to remit any moneys not credited to customers within six months of receipt back to the State Water Board. Water systems must notify customers in writing of the amount credited. The acknowledgement must state that the credited amount is being provided through the California Water and Wastewater Arrearage Payment Program through funding from the State Water Resources Control Board using federal ARPA funds.

F.2.2 Payment Plans

Water systems must offer to enroll any residential and commercial customers with remaining balances after the credits have been applied in a payment plan. The notice offering the payment plan must provide the customer with 30 days to enroll in the plan from the date of the notice. All other provisions of Health and Safety Code section 116900 related to payment plans apply to any plans established under this Program, regardless of the size of the community water system.

- Policies and related notices must be in English and any other language spoken by 10% or more of the community water system's customers
- A formal mechanism for a customer to contest or appeal a bill must exist and must be shared with customers.
- The community water system must provide a telephone number to allow a customer to contact a system representative to discuss options for averting water shutoff for nonpayment.

Water systems must also include a referral statement in the payment plan notice that additional assistance may be available through the Low Income Household Water Assistance Program administered by the Department of Community Services and Development (CSD) and other low-income assistance programs, including a contact number for appropriate Local Service Provider(s) or other program hotline to help with enrollment in those programs.

The State Water Board recommends that water systems enter into agreements with CSD and other appropriate agencies and local service providers to share appropriate information to identify and target assistance to customers at risk of being shutoff so that eligible customers receive benefits through those and other assistance programs. The State Water Board further recommends that water systems that offer local customer assistance programs consider entering into data sharing agreements with IOUs participating in the California Alternate Rates for Energy (CARE) program to support ongoing enrollment.

F.2.3 Shut Off Prohibition

A community water system receiving funds from this Program due to non-payment of bills may not discontinue water service before the later of the following dates: (1) the date identified in Health and Safety Code section 116773.4 (i.e., September 30, 2021 or a later date if amended); or (2) for a customer that has been offered a payment plan, the date the customer misses the enrollment deadline for, or defaults on, the payment plan. A community water system may not discontinue water service to a customer that remains current on a payment plan. Community water systems, regardless of size, must comply with Health and Safety Code section 116908 *et seq.* regarding discontinuation of service.

F.2.4 Consumer Debt Reporting and Third-Party Collection

The community water system must agree to not furnish information regarding arrearages for which credits have been provided to customers under this Program to any consumer reporting agency, as that term is defined at 15 U.S.C. section 1681a, subdivision (f). The system must also agree not to assign to a third party any arrearage for which a credit has been provided to a customer under this Program for purposes of collection.

If a water system has furnished information regarding arrearages for which credits have been provided to customers under this Program to a consumer reporting agency, as that term is defined at 15 U.S.C. section 1681a, subdivision (f), the water system agrees to, within thirty days of receiving payment:

Instruct each such consumer reporting agency to delete all information regarding the arrearages for which credits have been provided to customers under this Program; and

Cease further furnishing of information regarding the arrearages for which credits have been provided to customers under this Program to any consumer reporting agency.

If a water system has assigned arrearages for which credits have been provided to customers under this Program for purposes of collection to a third party that is not a tax agency, the water system agrees to recall the debt. If the third party at any time furnished information regarding the debt to one or more consumer reporting agencies, as that term is defined at 15 U.S.C. section 1681a, subdivision (f), the water system agrees to, within thirty days of receiving payment, require the third party to:

Instruct each such consumer reporting agency to delete all information regarding the debt; and

Cease further furnishing of information regarding the debt to any consumer reporting agency.

F.2.5 Tax Information

Water systems should consult with tax professionals regarding potential tax liability and reporting requirements. The State Water Board is not authorized to provide federal or state tax advice to water systems.

The State Water Board has been directed to issue a 1099-G to each community water system that receives funding. A water system's tax liability will depend on various factors, which may include the water system's entity status, if the water system has an offsetting loss, any other relevant factors specific to each water system, and current federal and state tax laws. Water systems should consult their own tax professional for questions about potential tax liability.

Some water systems may be subject to tax reporting requirements, including the issuance of a 1099-C or other tax form to customers who receive debt relief. Water systems must include in the notification to customers of the bill credits a statement that the bill credits may be taxable and that customers should consult with their own tax advisors regarding taxability. Water systems should also repeat this statement in a notice to credited customers in January of the next calendar year after the bill credits were allocated (i.e., the year that taxes on the allocations may be due). Water systems should consult their own tax professional for questions about tax reporting requirements. If the State Water Board receives clarifying information regarding tax information for this Program from the Internal Revenue Service, a notice will be posted on the website and an email will be sent to all participating community water systems.

F.3 RETURN OF FUNDS NOT CREDITED TO CUSTOMERS

Water systems must remit any funds not credited to customers, or used by the water system to apply for funds and comply with Program requirements, back to the State Water Board within six months of receiving payment.

SECTION G: REPORTING REQUIREMENTS

All community water systems that receive funds must provide certification to the State Water Board that, except for authorized administrative costs, Program funds were applied as credits to customer bills to offset COVID-19 arrearages. Systems must report the total amount credited, the number of accounts credited, the number of customers enrolled in a payment plan and the number of customers that did not enroll in a payment plan. Systems must also report the amount used for administration of the Program. The State Water Board will provide a template or online portal for reporting, including a template for reporting administrative costs. The State Water Board may request the supporting documentation to validate the reported amounts. Water systems accepting funds may be audited and must retain documentation supporting the reported amounts for seven years following final reporting.

SECTION H: WASTEWATER ARREARAGE PROGRAM

Because the appropriated amount exceeds the Statewide Need for water system arrearages and the total amount requested by water systems, the State Water Board will initiate a program for funding wastewater treatment provider arrearages and revenue shortfalls. The State Water Board will establish the wastewater arrearage program no later than February 1, 2022.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 24, 2021
AGENDA ITEM II.D

October 18, 2021

To: Board of Directors

From: Geoffrey Poole, General Manager

SUBJECT: RESOLUTION NO. 2021-10-01 RESOLUTION OF THE BOARD OF DIRECTORS OF BORREGO WATER DISTRICT ADOPTING A BASELINE PRODUCTION ALLOWANCE ACQUISITION PROGRAM - G Poole/S Anderson

RECOMMENDED ACTION

Review Board Resolution 2021-10-01 and Direct Staff as Deemed Appropriate

ITEM EXPLANATION : To comply with the Judgment and meet Sustainability Goals, BWD is committed to provide water rights (aka BPA) for its existing customer base during the 75% rampdown/pumping restrictions and beyond. Any new demands will need to be met by acquiring water rights and transferring them to BWD. To estimate the amount and timing of the BPA acquisition to meet existing demands, Staff and the BWD Board discussed the major assumptions needed in the Model, as shown below:

- 1,500 AFY is deemed to be existing demand
- Assume 100 meters that are currently in service and unused will be connected in the current year. Residential Equivalent Dwelling Unit Demand shall be 0.50 AFY/EDU = 50 afy total
- 1%/year will be added to annual demands to take Climate Disruption into consideration
- Follow rampdown schedule from Judgment

The attached spreadsheet combines the assumptions outlined above and concludes 2021 demands are 1,550 afy (GREEN HIGHLIGHT ON SPREADSHEET) a Short Fall (S/F) occurs in year 10, which means water supply is needed to avoid penalties (YELLOW

HIGHLIGHT). The spreadsheet also projects BWD will not come close to the 2X BPA maximum pumping carry over which equals: $2,581 \times 2 = 5,062$ afy. Last and definitely not least, the cumulative shortfall at the end of current rampdown schedule is 1,295 afy (RED HIGHLIGHT).

Now that the quantity and timing of water right acquisition has been projected (attached spreadsheet), a Policy and Strategy is needed to meet the goal. Attached is Board Resolution 2021-10-01 Policy for BPA acquisition which will be the guiding document for the Board and Staff. In addition, the Policy will be a key document in developing an Implementation Strategy, which will occur in November. In this document, BWD will share with the Public the various steps that are and will be taken to ensure existing demands are met.

FISCAL IMPACT

1. TBD

NEXT STEPS

1. Begin BPA Acquisition Process/Develop Implementation Plan

ATTACHMENT

1. Projections for Quantity and Timing of Water Rights/BPA
2. BPA Acquisition Policy – RESOLUTION NO. 2021-10-01
RESOLUTION OF THE BOARD OF DIRECTORS OF BORREGO WATER DISTRICT
ADOPTING A BASELINE PRODUCTION ALLOWANCE ACQUISITION PROGRAM

	WY End	BPA + WC ^a	Alloc % ^b	Alloc ^c	Allow ^f	Demand ^g	C/O ^j	Shortfall	Max c/o
0	2020	2,581	0.0	2,581	2,581	1524	-	-	5,162
1	2021	2,581	95.0	2,452	2,452	1529	923	-	5,162
2	2022	2,581	90.0	2,323	3,246	1550	1,696	-	5,162
3	2023	2,581	85.0	2,194	3,890	1600	2,290	-	5,162
4	2024	2,581	80.0	2,065	4,355	1620	2,735	-	5,162
5	2025	2,581	75.0	1,936	4,670	1640	3,030	-	5,162
6	2026	2,581	70.0	1,807	4,837	1660	3,177	-	5,162
7	2027	2,581	65.0	1,678	4,855	1680	3,175	-	5,162
8	2028	2,581	60.0	1,549	4,723	1700	3,023	-	5,162
9	2029	2,581	55.0	1,420	4,443	1720	2,723	-	5,162
10	2030	2,581	50.0	1,291	4,013	1740	2,273	-	5,162
11	2031	2,581	47.5	1,226	3,499	1760	1,739	-	5,162
12	2032	2,581	45.0	1,161	2,901	1780	1,121	-	5,162
13	2033	2,581	42.5	1,097	2,218	1800	418	-	5,162
14	2034	2,581	40.0	1,032	1,450	1820	-	370	5,162
15	2035	2,581	37.5	968	968	1840	-	872	5,162
16	2036	2,581	35.0	903	903	1860	-	957	5,162
17	2037	2,581	32.5	839	839	1880	-	1,041	5,162
18	2038	2,581	30.0	774	774	1900	-	1,126	5,162
19	2039	2,581	27.5	710	710	1920	-	1,210	5,162
20	2040	2,581	25.0	645	645	1940	-	1,295	5,163

Letters correspond to line items on Watermaster Pumping Assessment

a - BPA Rights at end of Water Year (does not change unless BWD purchases additional BPA)

b - Water Year allocation percentage (percent remaining after rampdown)

c - Water Year pumping allocation (BPA AF remaining after rampdown)
a x b

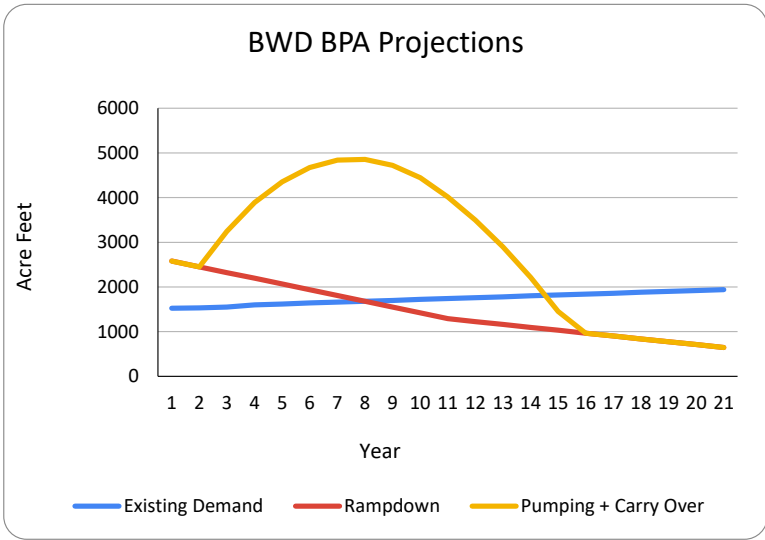
f - Water Year pumping allowed *a* + prior year *j* (allocation plus prior year carryover)
a + prior year j

g - Water Year pumping estimate (green cells are actual)

j - Carryover (unused allowable pumping)
f - g

ASSUMPTIONS	
Reduction %	75.0%
Reduction Period	20 years
Annual Reductions 1-10	5.00%
Annual Reductions 11-20	2.50%
BWD Demands	1,550 AFY

BPA Calculations	
Historic Pumping	2,222
<u>Water Credits</u>	<u>359</u>
TOTAL BPA	2,581



RESOLUTION NO. 2021-10-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF BORREGO
WATER DISTRICT ADOPTING A BASELINE PRODUCTION
ALLOWANCE ACQUISITION PROGRAM**

WHEREAS, on April 8, 2021, Judge Peter J. Wilson of the Orange County Superior Court issued a final Judgment Findings and Order (“Final Order”) in the case of *Borrego Water District v. All Persons Who Claim a Right to Extract Groundwater in the Borrego Valley Groundwater Subbasin, et al.*, Orange County Superior Court case No. 37-2020-00005776. The Final Order adopted the proposed stipulated judgment as the final judgment (“Judgment”) in the comprehensive adjudication of water rights for the Subbasin. (Final Order, para. 1.)

WHEREAS, the Judgment awarded specifically enumerated groundwater pumpers and former water credit holders “baseline pumping allocation” (“BPA”) that will allow each of the BPA holders to pump an amount of “Annual Allocation” from the Subbasin each year and the BPA ramps down over time (see Judgment Section III.A.).

WHEREAS, under the terms of the Judgment, in the interest of advancing the effective and efficient management of the Subbasin and the policy of maximizing the beneficial use of the Subbasin’s groundwater, consistent with Article X, section 2 of the California Constitution, all BPA may be permanently transferred or leased, subject to the provisions of the Judgment.

WHEREAS, the Judgment awarded Borrego Water District (the “District”) BPA in the amount of 2,581 acre feet. (Judgment, Exhibit 4.)

WHEREAS, in view of the rate and timing of pumping rampdown required by the Judgment, the District anticipates that it may need to acquire BPA to meet the needs of its municipal and other customers.

WHEREAS, through adoption of this Resolution, the District Board of Directors intends to commence a program of voluntary acquisition of BPA from willing sellers in order to ensure the District maintains sufficient water supplies to serve its customers over time.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT AS FOLLOWS:

SECTION 1. The recitals above are true and correct and are hereby incorporated herein by this reference.

SECTION 2. The District adopts the Baseline Production Allocation Acquisition Program (“Program”) described in the attached Exhibit A. The Program is a voluntary acquisition program whereby any acquisition of BPA by the District shall be through an arm’s length negotiated transaction and nothing in this Resolution authorizes the use of eminent domain to acquire any BPA.

SECTION 3. The Program does not qualify as a project subject to the California Environmental Quality Act (“CEQA”) because it does not commit the District to purchase any property or to engage in any activity that could result in a potentially significant physical impact on the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378, subd. (b)(4).) Alternatively, the Program is exempt from CEQA as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (State CEQA Guidelines, § 15061, subd. (c)(3).)

SECTION 4. The District’s General Manager and his designee(s) are authorized to commence implementation of the Program.

SECTION 5. The President of the District Board of Directors shall sign this Resolution and the District’s Secretary of the Board of Directors shall attest and certify to the passage and adoption thereof.

SECTION 6. This Resolution shall take effect upon adoption.

PASSED AND ADOPTED by said Board on this ___th day of October, 2021 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President of the Board

ATTEST:

Secretary of the Board

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO)

I, _____, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the foregoing is a true and correct copy of a resolution passed and adopted by the Board of Directors of the Borrego Water District at a meeting of said Board held on the 26th day of October, 2021.

Name: _____
Secretary of the Board of Directors of the
Borrego Water District

EXHIBIT A

Baseline Production Allocation Acquisition Program

The District hereby creates a program for the voluntary acquisition of Baseline Production Allocation (BPA) with the goal of obtaining sufficient BPA to meet the demands of District municipal and other customers for the future.

Under the Judgment, the Annual Allocation available for pumping by the District, as well as by other pumpers within the Borrego Subbasin, will decrease annually by approximately 5% between 2020 and 2030, and at a lower rate thereafter. The District's current volume of annual pumping to meet the demands of its existing customers is approximately 1,600 acre feet. Accordingly, even without any additional customers or demands added to the District's water system, by 2028, it is anticipated that the District's Annual Allocation, and thus ability to produce groundwater, will be insufficient to meet existing demands, even with the "carryover" allowed under the Judgment.

The District anticipates the need to acquire up to _____ [3,300?] acre feet of BPA through the Program.

To meet the anticipated shortfall of available water supply in future years, the District hereby implements a program to acquire BPA from holders of BPA who voluntarily decide to stop or reduce their pumping from the Subbasin and are interested in permanently transferring or leasing, by way of traditional sale, option, or otherwise, a portion of or all of their BPA, whether immediately or in the future.

Acquisition Options

The District is willing to consider a wide range of available methods to consummate the permanent transfer of BPA. Permanent transfer could take a variety of forms including but not limited to:

1. Purchase of BPA alone;
2. Purchase of BPA and associated real property ("Land");
3. Purchase of Land or associated BPA, or both, with the landowner given the opportunity to lease back the land and BPA for a designated period of time; or
4. Option to purchase BPA, with or without the associated Land, in the defined future.

Except in case of acquisition of BPA alone within the spending authority limits of the General Manager, individual transactions under the Program, including the details thereof and any needed environmental compliance, will be subject to review and approval by the District Board of Directors.

Dedicated Marketing to Potential Local Sellers

The Board of Directors directs the General Manager or his designee to market the Program through advertising, social media and other available means, including through contacting directly Parties to the Judgment who own BPA Parcels and/or have BPA and have an interest in permanently transferring or leasing all of part of the BPA assigned to or held by them.

Processing Transactions

The District will consider a range of processing methods to pursue voluntary acquisition. The District would prefer to negotiate letters of intent from willing sellers, leading to more formal purchase and sale agreements. Any sale involving the transfer of real property to the District beyond BPAs should ordinarily proceed through the normal real property acquisition process, including escrow, as well as in compliance with the procedures required by the Judgment and the Borrego Springs Watermaster.

Voluntary Acquisitions

The Program is based upon voluntary acquisition of BPA by the District through arm's length negotiated transactions with third parties.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 24, 2021
AGENDA ITEM II.E.1

October 18, 2021

To: Board of Directors

From: Geoffrey Poole, General Manager

SUBJECT: Claim of BWD Pumping Carry Over from 2020-21 Water Year

RECOMMENDED ACTION

Elect to Accumulate Carry Over and Notify Water Master

ITEM EXPLANATION

BWD has been notified by the WaterMaster that now is the time for to elect to accumulate Carry Over of unused pumping rights OR NOT. Staff recommends notifying the WaterMaster that BWD desires to accumulate carry over.

FISCAL IMPACT

1. Water Master pumping fees will be charged on the Carry Over

NEXT STEPS

1. Notify Water Master

ATTACHMENTS

1. Email Correspondence and Attachments from Water Master:

EMAIL AND ATTACHMENTS FROM WATER MASTER

Good Afternoon,

Please find attached for your review and Action your Water Year 2021 Carryover Election Report. The letter and its enclosure are provided to you to assist in making an informed decision regarding Carryover election or any election not to Pump your Annual Allocation in Water Year 2022. This notice will provide you with an estimate of your unpumped Annual Allocation eligible for Carryover and your expected Watermaster Pumping Assessment in Water Year 2022.

Please carefully read this notice and the referenced sections of the Judgment (available at www.borregospringswatermaster.com). As described in the notice, you must report your election for Carryover or your election to forego pumping in WY 2022 no later than Tuesday, November 9, 2021. **If you do not timely respond to the Watermaster with your election for Carryover or notice to forego pumping in WY 2022 by November 9, 2021, your eligible Carryover from WY 2021 will be lost, and, in the case of failure to report your intent to forego Pumping, you will be responsible for paying pumping assessments based on your Adjusted Pumping Calculation.**

Should you need any additional information or support in understanding the enclosed report, or would like to review your pumping estimates, please reach out to Watermaster staff as follows:

- Samantha Adams, Executive Director: sadams@westyost.com, 949.238.0698
- Lauren Sather, Staff Scientist: lsather@westyost.com, 949.600.7510
- General inquiries to: borregospringswm@westyost.com

MEMO FROM SAMANTHA ADAMS

Borrego Springs Watermaster

c/o West Yost • 23692 Birtcher Drive • Lake Forest, CA 92630
www.borregospringswatermaster.com

October 15, 2021

Subject: Annual Notice of Water Eligible for Carryover and Request for Response of Party's Election for Carryover or Election to Forego Pumping by November 9, 2021

Dear Party to the Borrego Springs Judgment,

This letter and its enclosure are provided to you to assist in making an informed decision regarding Carryover election or any election not to Pump your Annual Allocation in Water Year (WY) 2022¹. This notice will provide you with an estimate of your unpumped Annual Allocation eligible for Carryover and your expected Watermaster Pumping Assessment in WY 2022.

Please carefully read this notice and the referenced sections of the Judgment. As described in this notice, you must report your election for Carryover or your election to forego pumping in WY 2022 no later than November 9, 2021. **If you do not timely respond to the Watermaster with your election for Carryover or notice to forego pumping in WY 2022 by November 9, 2021, your eligible Carryover from WY 2021 will be lost, and, in the case of failure to report your intent to forego Pumping, you will be responsible for paying pumping assessments based on your Adjusted Pumping Calculation.**

Background

Carryover. Section III.B of the Stipulated Judgment (Judgment) provides that any unused Annual Allocation arising from your Baseline Pumping Allocation (BPA) may be carried over for use in subsequent water years as "Carryover" (subject to certain restrictions on the amount or duration of Carryover), so long as the Party electing to Carryover is in good standing with respect to payment of assessments and accurate metering of wells.

Annual Pumping Assessment. Section IV.E.4 of the Judgment establishes that the annual Watermaster Budget be funded through the establishment of an annual uniform pumping assessment (expressed in dollars per acre-foot of pumping). To determine each Party's total pumping assessment, Watermaster will calculate the Party's annual "Adjusted Pumping Calculation" in acre-feet (af) as follows:

$$\begin{array}{l} \text{Total Pumping by Party (af)} \\ + \text{ Total Pumping by Party's Lessee (af)} \\ - \text{ Amount of Carryover Pumped by Party (af)} \\ - \text{ Amount of Annual Allocation or Carryover Leased from Others and Pumped by Party (af)} \\ + \text{ Carryover Election (af)} \\ \hline = \text{ Adjusted Pumping Calculation (af)} \end{array}$$

¹ Water Year 2021 is October 1, 2020 to September 30, 2021. Water Year 2022 is October 1, 2021 through September 30, 2022.

Alternatively, if a Party timely notifies Watermaster that no pumping will occur pursuant to the Party's BPA (including Leases/Transfers of BPA) in the ensuing WY and that the Party will not elect to Carryover any of its Annual Allocation from the preceding WY, that Party's Adjusted Pumping Calculation will be excluded from the total of all Parties' Adjusted Pumping Calculations and the Party will not be assessed a Pumping Assessment in the ensuing WY².

Once all Parties have made their election to Carryover or not to pump, the uniform pumping assessment is calculated based on the total of all Parties' Adjusted Pumping Calculations as follows:

$$\begin{array}{r} \text{Total Watermaster Assessment for WY (\$)} \\ \div \text{Total Adjusted Pumping Calculation of all Parties who did not forego Pumping (af)} \\ \hline = \text{Pumping Assessment Rate (\$/af)} \end{array}$$

The final Pumping Assessment of each Party is then computed as follows:

$$\begin{array}{r} \text{Adjusted Pumping Calculation (af)} \\ \times \text{Pumping Assessment Rate (\$/af)} \\ \hline = \text{Pumping Assessment (\$)} \end{array}$$

Annual Notice to Parties and Election of Carryover. Section IV.E.4 of the Judgment provides the detailed schedule of milestones for Watermaster to develop the annual budget to fund Watermaster activities, calculate Adjusted Pumping, and issue assessment invoices. To support the estimation of the Adjusted Pumping Calculations, by October 15th of each new WY, Watermaster is required to submit a notice to each Party of its total prior WY pumping, amount of Carryover pumped, amount of leases and transfers pumped, and the maximum amount of Annual Allocation eligible for Carryover from the preceding WY. And, the report must provide an estimate of the Pumping Assessment for the ensuing WY to support the Parties' elections to Carryover or not pump.

The schedule in Section IV.E.4 of the Judgment also prescribes that all elections to Carryover or not pump must be reported to the Watermaster by October 31, 2021.

Preliminary Estimation of Your Annual Pumping Calculation for WY 2021 and WY 2022 Pumping Assessment

Enclosed with this notice is a report detailing your WY 2021 pumping, the amount of Carryover pumped in WY 2021, the amount of leases and transfers pumped in 2021, the maximum amount of Annual Allocation eligible for Carryover from WY 2021, and an estimate of your Pumping Assessment for WY 2022, based on a range of potential Total Adjusted Pumping Calculations for all Parties with BPA. The report also includes additional information beyond that which is required by the Judgment to better support your election to Carryover or not Pump. Some of the additional information includes:

² Resumption of pumping in any future water year, either by the Party or through the lease or transfer of BPA rights, will trigger requirement to pay the Pumping Assessments that were avoided by foregoing pumping. The Assessments will be based on the then current Pumping Assessment rate.

- Your Maximum Overproduction Limit for WY 2021. See Sections III.G and V.2 of the Judgment to determine how to remedy Overproduction of your Annual Allocation.
- Your Maximum Allowable Carryover Balance (See Section III.B of the Judgment)
- Whether your WY 2021 was based on metered data or estimated by Watermaster
- A calculation of the amount of pumping over the total allowable limit for WY 2021, if applicable
- An estimate of your total allowable Pumping in WY 2022

Total Allowable Pumping for WY 2021. Rows *a* through *f* of the enclosed report detail your total allowable pumping for WY 2021 based on your BPA rights and the rampdown factor of 95% of BPA in effect for the year. Allowable pumping also includes Carryover Balance (all Parties have a zero balance in WY 2021) and Leased/Transferred Rights from Other BPA Parties.

Water Year 2021 Pumping. Row *g* of the enclosed report shows your total WY 2021 pumping. Sections IV.E.(6) and VI.A of the Judgment require all parties to meter their wells and demonstrate accuracy of meters on an annual basis. The WY 2021 pumping amounts are based on metered data for all parties that had metered wells and meter read data for the start and end of WY 2021. Not all parties to the Judgment installed meters prior to the start of Water Year 2021 (e.g. before October 1, 2020). And, not all Parties with metered wells prior to October 1, 2020 have available well meter data to represent the start of the Water year. In these cases, annual pumping has been estimated by Watermaster in accordance with the methods used to establish each Party's BPA allocation. I

Unpumped Water Eligible for Carryover and Adjusted Pumping Calculation. Row *j* of the enclosed report (highlighted in orange) shows your maximum amount of Annual Allocation eligible for Carryover from WY 2021 based on your allowable pumping, actual WY 2021 pumping, and use of Carryover/leases/transfers. Row *k* of the report (highlighted in yellow) is reserved for entry of your election of Carryover. Row *l* of the report is reserved for entry of your Adjusted Pumping Calculation once your Carryover is elected. The report will be reproduced as final, once you have provided your election for Carryover to Watermaster.

Calculation of Potential WY 2022 Pumping Assessment. At its July 2021 Board meeting, the Board adopted the WY 2022 Budget and established a total assessment amount of \$458,000. Based on the current estimate of total pumping for the Borrego Springs Subbasin in WY 2021, Watermaster estimates that the Pumping Assessment rate for WY 2022 will range between about \$20.00 per acre-foot and \$30.00 per acre-foot. The final Pumping Assessment rate will depend on the amount of Carryover elected by the Parties. Rows *n* through *q* show the calculation of your potential total Pumping Assessment based on the high-end \$/af estimate of \$30/af and assuming you purchase no Carryover. Rows *r* through *u* show the calculation of your potential Pumping Assessment based on the low-end \$/af estimate of \$20/af and assuming you purchase all of your Carryover. Note that this estimation of your assessment does not account for any Overproduction Assessments that could be issued.

Estimation of Potential WY 2022 Allowable Pumping. The section of the report in blue highlighted text shows an estimation of your potential WY 2022 Allowable Pumping based on your BPA rights, the 90% Annual Allocation in effect, and a range of Carryover Elections. This section also indicates if your WY 2022 Allowable Pumping amount exceeds the actual pumping in WY 2021. If it does exceed WY 2021 pumping, this is an indication you will need to reduce pumping or lease/transfer rights from others.

Required Actions and Next Steps

Please report your election to Carryover or not Pump to Watermaster no later than Tuesday, November 9, 2021. Watermaster staff are affording additional time than is allotted in the Judgment for this first WY to give the Parties adequate time to familiarize with this new process. You may provide your elections ***via email or phone call*** to Watermaster at the contact information below. Upon receipt Watermaster will confirm your elections via email. If you do not receive confirmation within three days of notifying Watermaster, please make sure to follow up.

If you do not timely respond to the Watermaster with your election for Carryover or notice to forego pumping in WY 2022 by November 9, 2021, your eligible Carryover from WY 2021 will be lost, and, in the case of failure to report your intent to forego Pumping, you will be responsible for paying pumping assessments based on your Adjusted Pumping Calculation.

Your final WY 2022 Watermaster Pumping Assessment, along with an invoice for your first installment due, will be issued by November 30, 2021 and your payment will be due by December 31, 2021. The invoice for your second installment payment will be issued by May 31, 2022 and your payment will be due by June 30, 2022.

Assistance to BPA Parties in Elections to Carryover or Not Pump

Should you need any additional information or support in understanding the enclosed report, or would like to review your pumping estimates, please reach out to Watermaster staff as follows.:

- Samantha Adams, Executive Director: sadams@westyost.com, 949.238.0698
- Lauren Sather, Staff Scientist: lsather@westyost.com, 949.600.7510
- General inquiries to: borregospringswm@westyost.com

You can find additional information about Watermaster at our website:
www.borregospringswatermaster.com.

Sincerely,



Samantha Adams, Executive Director
Borrego Springs Watermaster

**Draft Water Rights Accounting for WY 2021
and Estimate of High- and Low-End Pumping Assessment for WY 2022**

Borrego Water District

BPA Rights

a BPA Rights as of September 30, 2021 2,581.00 af
b WY 2021 Allocation Percentage 95% of BPA

Calculation of WY 2021 Allowable Pumping

c 2021 Pumping Allocation, 95% of BPA 2,452.00 af
c = a x b (rounded to nearest whole acre-foot, as required)
d Carryover Balance as of October 1, 2020 0 af
No Carryover exists in WY 2021, first year of accounting
e Leased or Transferred Rights from Other BPA Party 0 af
As reported as of September 30, 2021
f Total WY 2021 Allowable Pumping 2,452.00 af

WY 2021 Adjusted Pumping Calculation (Section IV.E.(4) of the Judgment)

g WY 2021 Pumping 1,528.84 af
h Carryover Pumped 0 af
if g > d then h = d; if g < d, then h = g
i Rights leased or transferred to other parties 0 af
As reported as of September 30, 2021
j Unpumped Rights Eligible for Carryover Election 923.16 af
j = c - g - i + h (unless rights have been over-produced)
k Carryover Election af
l WY 2021 Adjusted Pumping Calculation af
l = g + i - h - e + k

Calculation of Potential WY 2022 Assessment

m Total Watermaster Assessment for WY 2022 \$458,000
Assessment - High-End \$/af Estimate*
n Total Estimated Adjusted Pumping of all Parties 15,223 af
if no Parties make an election of Carryover
o Assessment level \$ 30.09 \$/af
o = m/n
p Your Adjusted Pumping with NO Carryover elected 1,528.84 af
p = g + i - h - e
q Your Estimated Assessment at High-End \$/af \$45,996.76
q = o x p

Calculation of Potential WY 2022 Assessment - Low-End \$/af Estimate*

r Total Estimated Adjusted Pumping of all Parties 23,122 af
if all eligible Carryover is Elected
s Assessment level \$ 19.81 \$/af
s = m/r
t Your Adjusted Pumping with ALL Carryover elected 2,452.00 af
t = g + j
u Your Estimated Assessment at Low-End \$/af \$48,569.15
u = s x t

*Estimation of assessment excludes any Over-production penalty assessments

Executed Permanent Transfer(s) in 2021?

no

Maximum Overproduction Limit for WY 2021

120% of Pumping Allocation: 2942.4 af

Maximum Allowable Carryover Balance:

= 2 x BPA Rights: 5,162.00 af

Pumping was: Metered

Did pumping exceed allowable limit?

No

If yes, How much over the allowable limit?

(if over, you have 5 years to remedy) n/a

If yes, did pumping exceed Maximum Limit?

(if over, you have 1 year to remedy) n/a

How much over the maximum allowable limit?

n/a

Your Water Year 2022 Pumping Allocation

WY 2022 Pumping Allocation, 90% of BPA:
2,322.90 af

Carryover Balance with No Carryover Election:

0 af

WY 2022 Pumping Allocation

*Assuming no transfers/leases 2,322.90 af

Is WY 2021 actual pumped amount greater than WY 2022 Pumping Allocation? No

(if yes, will need transfer or reduce pumping in 2022)

WY 2022 Carryover Balance

with Full Carryover Election: 923.16 af

WY 2022 Allowable Pumping

if All Carryover Elected: 3,246.06 af
*Assuming no transfers/leases

Is WY 2021 actual pumped amount greater than Allowable Pumping with Carryover Elected? No

(if yes, will need transfer or reduce pumping in 2022)

III A

FINANACIALS REPORT





TREASURER'S REPORT September 2021

	Bank Balance	Carrying Value	Fair Value	<u>% of Portfolio</u> Current Actual	Rate of Interest	Maturity	Valuation Source
Cash and Cash Equivalents:							
Demand Accounts at CVB/LAIF							
General Account/Petty Cash	\$ 3,248,917	\$ 2,838,536	\$ 2,838,536	57.01%	0.00%	N/A	CVB
Payroll Account	\$ 83,426	\$ 75,731	\$ 75,731	1.52%	0.00%	N/A	CVB
LAIF	\$ 2,064,977	\$ 2,064,977	\$ 2,064,977	41.47%	0.22%	N/A	LAIF
Total Cash and Cash Equivalents	\$ 5,397,320	\$ 4,979,244	\$ 4,979,244	100.00%			
Facilities District No. 2017-1A-B							
Special Tax Bond- Rams Hill -US BANK	\$ 85,038	\$ 85,038	\$ 85,038				
Total Cash,Cash Equivalents & Investments	\$ 5,482,358	\$ 5,064,282	\$ 5,064,282				

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on June 09, 2020
 Cash, investments and future cash flows are sufficient to meet the needs of the District for the next six months.
 Sources of valuations are CVB Bank, LAIF and US Trust Bank.

Jessica Clabaugh, Finance Officer



Borrego Water District
 Operating Budget Analysis
 09/01 - 09/30/2021

	<i>Budgeted FY2022</i>	<i>Actual Sept FY2022</i>	<i>Projected Sept FY2022</i>	<i>Year to Date FY2022</i>
INCOME				
RATE REVENUE				
Water Rates Revenues				
Commodity Rates				
Residential	1,444,114	164,687	157,855	457,416
Commercial	704,908	60,040	77,053	176,485
Irrigation	322,038	29,883	35,202	82,670
Total Commodity	2,471,060	254,611	270,112	716,571
Non-Commodity Charges				-
Base Meter Charges	1,332,062	107,876	111,005	323,933
New Meter/Connection	5,000	25	400	25
Backflow Testing/Install	5,215	-	-	-
Bulk Water Sales	2,583	343	220	1,067
Total Non-Commodity	1,344,860	108,244	111,625	325,024
				-
Total Water Rate Revenues	3,815,920	362,854	381,737	1,041,595
Sewer Rates				
TCS Holder Fees (SA2)	151,602	21,090	12,633	63,270
TCS User Fees (SA2)	120,595	8,636	10,050	25,907
RH Sewer User Fees (ID1)	152,354	11,945	12,696	36,223
Sewer User Fees (ID5)	172,455	13,470	14,371	40,848
Total Sewer Rates	597,006	55,140	49,750	166,249
Availability Charges Collected thru Tax Roll				
ID1 - Water/Sewer/Flood Standby	85,000	37	957	482
ID3/ID4 - Water Standby	110,000	1,182	1,239	1,958
Pest Control Standby	14,000	104	158	195
Total Availability (Tax Roll)	209,000	1,324	2,353	2,636
TOTAL RATE REVENUE	4,621,927	419,318	433,840	1,210,480
OTHER INCOME				
Penalties & Fees	15,000	6,770	1,250	16,996
Leased BPA Agreement	31,064	9,340	7,766	9,340
1% Property Assessments	63,000	654	709	1,723
Interest Income (LAIF)	15,000	-	1,250	-
Groundwater Management Income (see GWM Detail)	116,333	-	326	653
TOTAL OTHER INCOME	240,397	16,764	11,302	28,712
GROSS INCOME	4,862,324	436,083	445,142	1,239,192



**Borrego Water District
Operating Budget Analysis
09/01 - 09/30/2021**

	<i>Budgeted FY2022</i>	<i>Actual Sept FY2022</i>	<i>Projected Sept FY2022</i>	<i>Year to Date FY2022</i>
EXPENSES				
OPERATING EXPENSES				
Operations & Maintenance Expense				
R&M Water	250,000	21,053	20,833	49,714
R&M WWTF	120,000	3,353	10,000	21,599
Telemetry	5,000	4,881	417	4,881
Trash Removal	6,000	347	500	1,247
Vehicle Expense	18,000	6,427	1,500	12,770
Fuel & Oil	35,000	3,757	2,917	15,303
Lab/Testing	30,000	4,466	2,500	7,169
Permit Fees	36,500	-	3,042	3,102
Pumping Electricity	325,000	34,913	35,525	105,069
Total Operations & Maintenance Expense	825,500	79,197	77,234	220,853
Professional Services				
Accounting (Tax & Debt Filings)	4,300	-	-	1,005
Air Quality Study	21,077	-	-	-
<i>Contra - Air Quality Study (BVEF Contribution)</i>	<i>(10,888)</i>	-	-	-
Payroll Services	3,100	274	250	890
Audit Fees	19,500	2,725	5,500	13,440
IT & Cyber Security	35,000	981	2,900	8,417
Financial Consulting	80,000	12,042	6,666	12,042
Engineering (Dudek)	22,500	(4,880)	1,875	(4,880)
Legal Services - General	60,000	3,722	5,000	12,367
Advocacy	60,000	5,000	5,000	15,000
Total Professional Services	294,589	19,864	27,191	58,281
Insurance Expense				
ACWA/JPIA Program Insurance	66,000	-	-	42,348
ACWA/JPIA Workers Comp	18,000	4,105	4,500	4,105
Total Insurance Expense	84,000	4,105	4,500	46,453
Debt Expense				
Compass Bank Note 2018A/B - Principal	303,538	-	-	-
Compass Bank Note 2018A/B - Interest	85,000	-	-	-
Pacific Western 2018 IPA - Principal	172,500	182,000	-	182,000
Pacific Western 2018 IPA - Interest	184,850	89,706	-	89,706
Total Debt Expense	745,887	271,706	-	271,706
Personnel Expense				
Board Meeting Expense	23,000	1,773	1,920	5,935
Salaries & Wages	1,050,000	87,987	87,500	267,518
<i>Contra Account - Salaries & Wages</i>	<i>(58,540)</i>	<i>(13,360)</i>	<i>(4,878)</i>	<i>(34,546)</i>
Contract Labor/Consulting	10,000	-	833	-
Payroll Taxes	28,000	2,038	2,333	6,308
Benefits - Medical	255,000	22,444	21,250	65,310
Benefits - CalPERS	210,000	9,671	12,273	94,180
Trainings & Conferences	18,000	284	1,500	1,067
Uniforms	7,000	730	583	2,044
Safety Compliance & Emergency Prep	5,000	591	417	943
Total Personnel Expense	1,547,460	112,158	123,731	408,759

*Paid Early
For Refi*



**Borrego Water District
Operating Budget Analysis
09/01 - 09/30/2021**

	<i>Budgeted FY2022</i>	<i>Actual Sept FY2022</i>	<i>Projected Sept FY2022</i>	<i>Year to Date FY2022</i>
OPERATING EXPENSES (Con't)				
Office Expense				
Office Supplies	24,000	770	2,000	4,572
Office Equipment	50,000	1,012	4,167	7,299
Postage & Freight	15,000	518	1,250	3,226
Property Tax	3,000	-	-	-
Telephone Expense	20,000	1,573	1,667	4,944
Dues & Subscriptions (ACWA/AWWA)	23,000	489	1,917	1,122
Printing & Publication	5,000	210	417	552
Office/Shop utilities	6,500	1,153	542	3,984
Total Office Expense	<u>146,500</u>	<u>5,725</u>	<u>11,958</u>	<u>25,699</u>
TOTAL OPERATING EXPENSES	3,643,936	492,755	244,614	1,031,751
GROUNDWATER MANAGEMENT EXPENSES (see GWM Detail)				
Pumping Fees	123,578	-	-	-
GWM Expense	55,000	-	4,500	-
Legal Expense	250,000	3,297	20,000	6,209
Watermaster Expense	24,000	2,316	2,000	4,229
Database Hosting (Dudek)	15,175	-	1,265	-
Misc/Contingency	-	-	-	-
TOTAL GROUNDWATER MGMT EXPENSES	<u>467,753</u>	<u>5,613</u>	<u>27,765</u>	<u>10,438</u>
TOTAL EXPENSES	<u>4,111,689</u>	<u>498,368</u>	<u>272,379</u>	<u>1,042,189</u>
NET INCOME	<u><u>750,635</u></u>	<u><u>(62,286)</u></u>		<u><u>197,003</u></u>

meter reading



**Borrego Water District
Cash CIP Budget Analysis
09/01 - 09/30/2021**

	<i>Budgeted FY2022</i>	<i>Actual Sept FY2022</i>	<i>Projected Sept FY2022</i>	<i>Year to Date FY2022</i>
<u>CAPITAL IMPROVEMENT PROJECTS (CIP)</u>				
CASH FUNDED CIP				
Water Projects				
Production Well ID5-15		12,233		225,062
Bending Elbow Pipeline	300,000	10,122		222,736
Double OO/Frying Pan Pipeline	200,000	-		770
BVR Pipeline - <i>To be reimbursed from SDGE</i>	-	10,049		12,338
Facilities Maintenance	65,000			-
Contingency - Management, Consulting, Labor	40,000			-
Emergency System Repairs	60,000	-		3,106
Total Water Projects	<u>665,000</u>	<u>32,404</u>		<u>303,162</u>
Sewer Projects				
BSRd. Gravity Main		1,469		71,161
Manhole Refurbishments	45,150	-		-
Oxygen Injection System	-	-		318
WWTP Monitoring Wells		1,102		1,165
Contingency - Management, Consulting, Labor	18,540	-		-
Total Sewer Projects	<u>63,690</u>	<u>2,571</u>		<u>70,617</u>
Short Lived Asset Replacements				
Main Server Replacement	28,000	-		-
Well ID4-11 Rehab	400,000	-		194,113
Well ID1-16	165,000	-		-
Well ID5-5 Electrical Rebuild		-		12,645
RAS Pumps	60,000	-		-
Trash Pump	15,000	-		-
Trailer Mounted Vacuum Unit	100,000	-		-
Track Skid Steer	125,000	-		-
Total Short Lived Assets	<u>893,000</u>	<u>-</u>		<u>206,758</u>
CASH FUNDED CIP TOTAL	1,651,690	34,975		369,739
<u>TOTAL INCOME AFTER CASH FUNDED CIP (see Cash Flow)</u>	<u>(901,055)</u>	<u>(97,261)</u>		<u>(172,736)</u>



**Borrego Water District
Grant/Bond Funded CIP Budget Analysis
09/01 - 09/30/2021**

	<i>Budgeted FY2022</i>	<i>Actual Sept FY2022</i>	<i>Year to Date FY2022</i>
GRANT FUNDED CIP			
Water Projects- DWR Grant Net \$2M			
Twin Tanks	800,000	455	2,502
Wilcox Diesel Motor	100,000	-	-
Indian Head Reservoir Replacement	450,000	-	-
Recoat Rams Hill Tank #2	554,040	-	-
Total Water Projects - Water Reservoirs Grant	<u>1,904,040</u>	<u>455</u>	<u>2,502</u>
Sewer Projects - DWR Grant - \$788,912			
WWTP Upgrade/Rehabilitation	788,912	34,208	34,536
Total Sewer Projects	<u>788,912</u>	<u>34,208</u>	<u>34,536</u>
TOTAL GRANT FUNDED CIP	2,692,952	34,663	37,038
*Grant Funds not received as of 09/30/2021 (See Cash-Flow)			



Borrego Water District
Groundwater Management Budget Analysis
09/01 - 09/30/2021

	<i>Budgeted FY2022</i>	<i>Actual Sept FY2022</i>	<i>Projected Sept FY2022</i>	<i>Year to Date FY2022</i>
GROUNDWATER MANAGEMENT INCOME				
Reimbursements due thru Stipulation	113,333	-		-
Meter Reading Services Income	3,000	-		653
TOTAL GROUNDWATER MANAGEMENT INCOME	<u>116,333</u>	<u>-</u>	<u></u>	<u>653</u>
GROUNDWATER MANAGEMENT EXPENSES				
Pumping Fees	123,578	-	-	-
GWM Expense	55,000	-	4,583	-
Legal Expense	250,000	3,297	20,833	6,209
Watermaster Expense	24,000	2,316	2,000	4,229
Database Hosting (Dudek)	15,175	-	1,265	-
TOTAL GROUNDWATER MGMT EXPENSES	<u>467,753</u>	<u>5,613</u>	<u>28,681</u>	<u>10,438</u>
NET GROUNDWATER MANAGEMENT EXPENSES PAID	351,420	(5,613)	(28,681)	(9,785)



Borrego Water District
Cash Flow Analysis
09/01 - 09/30/2021

	Actual
	September FY2022
Cash Flows from Operating Activities	
<i>Income Provided by Operating Activities</i>	(64,097)
<i>Increase in Accounts Receivable</i>	(20,869)
<i>Decrease in Accounts Payable</i>	(350,083)
<i>Decrease in Inventory</i>	350
Net Cash Provided by Operating Activities	\$ (434,699)
Cash Flows from Groundwater Management Activities	
Net Cash Paid for Groundwater Management Activities	\$ (5,613)
Cash Flows from Non-Operating Activities	
Net Cash Provided by Other Income	\$ 7,424
Cash Flows from Capital Improvement Activities	
<i>All CIP Activities (Cash + Grant + Bond)</i>	(69,638)
<i>Grant Monies Received</i>	-
Net Cash Paid for Capital Improvements	\$ (69,638)
Cash and Reserves at Beginning of Period	\$ 5,481,770
Net Change in Cash	\$ (502,526)
Cash and Reserves at End of Period	\$ 4,979,244
Restricted Reserves at End of Period	\$789,453
Unrestricted Reserves at End of Period	\$4,189,791
Water Reserves Portion	\$3,618,313
Sewer Reserves Portion	\$370,031
Non-218 Reserves Portion	\$201,447
Fiscal Year Reserves Target	\$ 7,401,787
Fiscal Year Reserves Surplus/Shortfall	\$ (2,422,543)



ASSETS

	BALANCE SHEET September 30, 2021 <small>(unaudited)</small>	BALANCE SHEET August 31, 2021 <small>(unaudited)</small>	MONTHLY CHANGE <small>(unaudited)</small>
CURRENT ASSETS			
Cash and cash equivalents	\$ 4,979,144.20	\$ 5,481,669.53	\$ (502,525.33)
Accounts receivable from water sales and sewer charges	\$ 827,621.74	\$ 741,238.06	\$ 86,383.68
Inventory	\$ <u>132,518.27</u>	\$ <u>132,868.06</u>	\$ (349.79)
TOTAL CURRENT ASSETS	\$ 5,939,284.21	\$ 6,355,775.65	\$ (416,491.44)
RESTRICTED ASSETS			
Debt Service:			
Unamortized bond issue costs	\$ 125,185.22	\$ 125,185.22	\$ -
Viking Ranch Refinance issue costs	\$ (39,683.07)	\$ (39,683.07)	\$ -
Deferred Outflow of Resources-CalPERS	\$ <u>298,965.00</u>	\$ <u>298,965.00</u>	\$ -
Total Debt service	\$ 384,467.15	\$ 384,467.15	\$ -
Trust/Bond funds:			
Investments with fiscal agent -CFD 2017-1	\$ <u>85,037.91</u>	\$ <u>85,037.46</u>	\$ 0.45
Total Trust/Bond funds	\$ 85,037.91	\$ 85,037.46	\$ 0.45
TOTAL RESTRICTED ASSETS	\$ <u>469,505.06</u>	\$ <u>469,504.61</u>	
UTILITY PLANT IN SERVICE			
Land	\$ 2,310,115.95	\$ 2,310,115.95	\$ -
Flood Control Facilities	\$ 4,287,340.00	\$ 4,287,340.00	\$ -
Capital Improvement Projects	\$ 2,722,617.86	\$ 2,665,222.73	\$ 57,395.13
Bond funded CIP Expenses	\$ 2,443,313.44	\$ 2,431,080.38	\$ 12,233.06
Sewer Facilities	\$ 6,175,596.99	\$ 6,175,596.99	\$ -
Water facilities	\$ 14,105,278.21	\$ 14,105,278.21	\$ -
General facilities	\$ 1,006,881.07	\$ 1,006,881.07	\$ -
Equipment and furniture	\$ 597,312.57	\$ 597,312.57	\$ -
Vehicles	\$ 687,296.74	\$ 687,296.74	\$ -
Accumulated depreciation	\$ <u>(13,123,256.52)</u>	\$ <u>(13,123,256.52)</u>	\$ -
NET UTILITY PLANT IN SERVICE	\$ 21,212,496.31	\$ 21,142,868.12	\$ 69,628.19
OTHER ASSETS			
Water rights -ID4	\$ <u>185,000.00</u>	\$ <u>185,000.00</u>	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ <u>27,806,285.58</u>	\$ <u>28,153,148.38</u>	\$ (346,862.80)



Balance sheet continued

	BALANCE SHEET September 30, 2021 (unaudited)	BALANCE SHEET August 31, 2021 (unaudited)	MONTHLY CHANGE (unaudited)
LIABILITIES			
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
Accounts Payable	\$ (200,846.07)	\$ 147,141.93	\$ (347,988.00)
Accrued expenses	\$ 188,643.94	\$ 188,643.94	\$ -
Deposits	\$ 64,818.19	\$ 63,618.19	\$ 1,200.00
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 52,616.06	\$ 399,404.06	\$ (346,788.00)
CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
Debt Service:			
Accounts Payable to CFD 2017-1	\$ 1,271,813.15	\$ 1,271,813.60	\$ (0.45)
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 1,271,813.15	\$ 1,271,813.60	\$ (0.45)
LONG TERM LIABILITIES			
2018A & 2018B Refinance ID4/Viking Ranch	\$ 2,243,337.48	\$ 2,243,337.48	\$ -
2018 Certificates of Participation to fund CIP Projects	\$ 4,431,000.00	\$ 4,613,000.00	\$ (182,000.00)
Net Pension Liability-CalPERS	\$ 891,132.00	\$ 891,132.00	\$ -
Deferred Inflow of Resources-CalPERS	\$ 22,588.00	\$ 22,588.00	\$ -
TOTAL LONG TERM LIABILITIES	\$ 7,588,057.48	\$ 7,770,057.48	\$ (182,000.00)
TOTAL LIABILITIES	\$ 8,912,486.69	\$ 9,441,275.14	\$ (528,788.45)
FUND EQUITY			
Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
Retained Earnings:			
Unrestricted Reserves/Retained Earnings	\$ 9,281,984.54	\$ 9,100,058.89	\$ 181,925.65
Total retained earnings	\$ 9,281,984.54	\$ 9,100,058.89	\$ 181,925.65
TOTAL FUND EQUITY	\$ 18,893,798.89	\$ 18,711,873.24	\$ 181,925.65
TOTAL LIABILITIES AND FUND EQUITY	\$ 27,806,285.58	\$ 28,153,148.38	\$ (346,862.80)

To: BWD Board of Directors
 From: Jessica Clabaugh
 Subject: Consideration of the Disbursements and Claims Paid
 Month Ending September 30, 2021



Vendor disbursements paid during this period: \$ 925,891.41

Significant items:

Babcock	Lab Services	\$ 1,396.50
BBVA Compass	Debt Service Payment	\$ 354,316.04
CalPERS	Employee Retirement Benefits Sept	\$ 9,670.98
Employee Health Benefits	Medical JPIA & AFLAC	\$ 22,444.00
Pacific Western Bank	Debt Service Payment	\$ 271,706.00
Ramona Disposal	Garbage Collection	\$ 3,970.02
SC Fuels	Fuel For District Vehicles	\$ 7,631.34
SDGE	August Bill Payment	\$ 37,747.94
SDGE	September Bill Payment	\$ 36,066.55
TS Industrial Supply	WWTP Supplies	\$ 1,350.38

Capital Projects/Fixed Asset Outlays:

Bunten, ML	ID5-5 Electric Panel Rebuild	\$ 6,322.50
Dudek	Extraction Well 2 Management	\$ 3,511.25
Dynamic Consulting Engineers	SDGE Pipeline	\$ 5,100.00
Empire Southwest	ID5-15 Bulldozer Rental	\$ 9,021.04
J&T Tire & Auto	Replace Tires - 4 Trucks	\$ 1,471.82
Kaman Industrial Technology	WWTP Parts for Oxydation Ditch Brush	\$ 8,544.79
McCalls Meters	Meters and Repairs	\$ 3,795.82
Pacific Pipeline Supply, Inc.	Inventory	\$ 4,943.32
Steve's Equipment Repair	WWTP Brush Bearings Replacement	\$ 2,720.00

Total Professional Services for this Period:

BBK	General - September Invoices	\$ 363.47
BBK	Watermaster	\$ 4,196.20
BBK	Advocacy	\$ 5,000.00
Landmark Consultants	Bending Elbow Pipeline Consulting	\$ 1,198.80
Leaf & Cole, LP	Audit Progress Billing	\$ 4,830.00
Quadient	Postage for Postage Meter	\$ 2,000.00
Travis Parker	Computer Support	\$ 2,224.90

Payroll for this Period:

Gross Payroll	\$ 87,986.52
Employer Payroll Taxes and ADP Fee	\$ 273.84
Total	<u><u>\$ 88,260.36</u></u>



AP BOARD REPORT

September 2021

34765	1109	ABILITY ANSWERING/PAGING SER	09/01/2021	230.00
34843	3035	ACWA / JPIA Finance Dept.	10/20/2021	4,104.96
34794	1266	AFLAC	09/29/2021	1,468.86
34809	1001	AMERICAN LINEN INC.	10/06/2021	729.84
34844	61	AT&T MOBILITY	10/20/2021	569.84
34795	9529	AT&T-CALNET 3	09/29/2021	497.38
34832	9255	BABCOCK LABORATORIES	10/12/2021	4,465.65
34810	10884	BEST BEST & KRIEGER ATTORNEYS A	10/06/2021	18,871.55
34811	10900	BORREGO AUTO PARTS & SUPPLY CO	10/06/2021	3,376.12
34845	11102	BORREGO SPRINGS WATERMASTER, I	10/20/2021	2,002.70
34786	1037	BORREGO SUN	09/15/2021	70.00
34796	1037	BORREGO SUN	09/29/2021	108.00
34812	1037	BORREGO SUN	10/06/2021	70.00
34813	11066	BRAX COMPANY, INC.	10/06/2021	1,410.13
34797	9339	CEB	09/29/2021	234.41
34833	11099	CONTROL SYSTEMS ENGINEERING INC	10/12/2021	4,880.63
34789	1222	DEBBIE MORETTI	09/15/2021	140.00
34834	96	DISH	10/12/2021	66.75
34798	9640	DUDEK	09/29/2021	3,511.25
34846	9640	DUDEK	10/20/2021	2,400.00
34787	1447	DYNAMIC CONSULTING ENGINEERS	09/15/2021	5,100.00
34815	1094	EMPIRE SOUTHWEST, LLC	10/06/2021	3,751.25
34835	1094	EMPIRE SOUTHWEST, LLC	10/12/2021	2,664.05
34816	1048	GRAINGER	10/06/2021	2,078.55
34847	1048	GRAINGER	10/20/2021	268.16
34817	3026	HACH COMPANY	10/06/2021	223.53
34836	1136	HOME DEPOT CREDIT SERVICES	10/12/2021	1,144.53
34799	11021	J & T Tire and Auto	09/29/2021	1,471.82
34814	1022	JAMES HORMUTH DE ANZA TRUE VALL	10/06/2021	88.34
34800	9378	LANDMARK CONSULTANTS, INC.	09/29/2021	1,198.80
34818	9378	LANDMARK CONSULTANTS, INC.	10/06/2021	5,229.60
34848	11063	LEAF & COLE LLP	10/20/2021	3,725.00
34819	11090	LUPE'S GARDENING MAINTENANCE INI	10/06/2021	585.00
34788	9771	MANUEL MARIN	09/15/2021	188.51
34801	1216	McCALLS METERS,INC	09/29/2021	3,795.82
34820	1216	McCALLS METERS,INC	10/06/2021	3,795.82
34726	1000	MEDICAL ACWA-JPIA	08/11/2021	25,075.47
34821	11115	METRO BUILDERS & ENGINEERS GROI	10/06/2021	34,207.60
34837	11073	NYHART	10/12/2021	1,500.00
34790	11114	OCEANUS BOTTLED WATER, INC	09/15/2021	123.60
34802	11114	OCEANUS BOTTLED WATER, INC	09/29/2021	43.70
34838	11114	OCEANUS BOTTLED WATER, INC	10/12/2021	35.71
34791	1208	PACIFIC PIPELINE SUPPLY INC	09/15/2021	214.79
34803	1208	PACIFIC PIPELINE SUPPLY INC	09/29/2021	4,943.32
34822	11100	PRECISION GARAGE DOORS & GATES	10/06/2021	1,825.00
34823	11095	QUADIEN INC	10/06/2021	518.10
34850	9546	RAFTELIS FINANCIAL CONSULTANTS, I	10/20/2021	12,042.48
34824	9633	RAMONA DISPOSAL SERVICE	10/06/2021	3,970.02
34804	9481	RS INSTRUMENTS & SERVICES	09/29/2021	542.00
34805	1065	SAN DIEGO GAS & ELECTRIC	09/29/2021	36,066.55
34839	1065	SAN DIEGO GAS & ELECTRIC	10/12/2021	1,469.00
34792	11067	SC FUELS	09/15/2021	2,218.58
34806	11067	SC FUELS	09/29/2021	1,021.20
34825	1059	STAPLES CREDIT PLAN	10/06/2021	6.55
34840	9106	T.S. INDUSTRIAL SUPPLY	10/12/2021	116.13
34826	9581	TRAVIS PARKER	10/06/2021	981.20
34827	3000	U.S.BANK CORPORATE PAYMENT SYS	10/06/2021	3,970.15
34828	1023	UNDERGROUND SERVICE ALERT	10/06/2021	9.90
34829	9439	USABLUEBOOK	10/06/2021	882.66
34841	1100	VERIZON WIRELESS	10/12/2021	275.41
34849	1623	WENDY QUINN	10/20/2021	100.00
34842	92	XEROX FINANCIAL SERVICES	10/12/2021	730.56
34830	9713	XL COMPANY	10/06/2021	248.89
34831	11050	ZITO MEDIA	10/06/2021	281.49
Report Total (64 checks):				217,936.91

To: BWD Board of Directors
 From: Jessica Clabaugh
 Subject: Consideration of Watermaster related Income and Expenses for FY22
 Month Ending September 30, 2021




Net Payments during this Period \$ 5,286.59

Date	Name	Description	Income	Expense	Year To Date
7/31/2021	BBK	Correspondance Re: Stipulation		\$ 153.50	\$ (153.50)
7/31/2021	Borrego Springs Watermaster	July Meter Reading Services	\$ 326.46		\$ 172.96
8/31/2021	BBK	Stipulation Items		\$ 4,671.20	\$ (4,498.24)
8/31/2021	ACWA	RFP-Interim Legal (from 2020)		\$ 475.00	\$ (4,973.24)
9/30/2021	BBK	Stipulation Items		\$ 3,610.35	\$ (8,583.59)
9/30/2021	Borrego Springs Watermaster	WY21 Meter Read Billing		\$ 2,002.70	\$ (10,586.29)
9/30/2021	Borrego Springs Watermaster	Sept Meter Reading Services	\$ 326.46		\$ (10,259.83)

To: BWD Board of Directors
 From: Jessica Clabaugh
 Subject: CIP Items to Consider for Reimbursement from 2021 New Money



Date Paid	Check No	Vendor	GL	Project	Amount	Running Total
6/14/2021	34597	Rove Engineering	17220	Bending Elbow Pline	\$54,870.10	\$54,870.10
7/9/2021	34630	Brax Company	17260	Well 11 Rehab	\$140,936.88	\$195,806.98
7/9/2021	34637	Rove Engineering	17220	Bending Elbow Pline	\$182,653.65	\$378,460.63
7/20/2021	34655	McCall's Meters	17220	Bending Elbow Pline	\$3,241.12	\$381,701.75
7/20/2021	34666	Brax Company	17260	Well 11 Rehab	\$190,390.14	\$572,091.89
7/22/2021	34679	M&L Bunten	17216	Well 5 Cpanel Rebuild(1/2)	\$6,322.50	\$578,414.39
7/22/2021	34680	DeAnza Ready Mix	17260	Well 11 Rehab	\$2,126.06	\$580,540.45
7/22/2021	34681	Empire Southwest, LLC	17130	Well 5-15	\$9,344.29	\$589,884.74
8/3/2021	34702	Rove Engineering	17220	Bending Elbow Pline	\$202,304.59	\$792,189.33
8/11/2021	34724	Pacific Pipeline Supply	17220	Bending Elbow Pline	\$876.54	\$793,065.87
8/19/2021	34731	Empire Southwest, LLC	17130	Well 5-15	\$9,021.04	\$802,086.91
8/19/2021	34734	Southwest Pump & Drilling	17130	Well 5-15	\$124,046.25	\$926,133.16
8/24/2021	34744	DeAnza Ready Mix	17260	Well 11 Rehab	\$407.28	\$926,540.44
8/24/2021	34745	Fredericks Services	17213	LCDZ Sewerline	\$67,727.73	\$994,268.17
9/1/2021	34753	M&L Bunten	17216	Well 5 Cpanel Rebuild(2/2)	\$6,322.50	\$1,000,590.67
9/8/2021	34770	Empire Southwest, LLC	17130	Well 5-15	\$9,021.04	\$1,009,611.71
9/15/2021	34784	Southwest Pump & Drilling	17130	Well 5-15	\$39,963.75	\$1,049,575.46
9/15/2021	34791	Pacific Pipeline Supply	17220	Bending Elbow Pline	\$214.79	\$1,049,790.25
9/29/2021	34798	Dudek	17130	Well 5-15	\$3,511.25	\$1,053,301.50
9/29/2021	34800	Landmark Consultants	17220	Bending Elbow Pline	\$1,198.80	\$1,054,500.30
10/20/2021	34846	Dudek	17130	Well 5-15	\$2,400.00	\$1,056,900.30



III B
WATER & WASTE
WATER
OPERATIONS
REPORT



BORREGO WATER DISTRICT

SEPTEMBER 2021

WASTEWATER OPERATIONS REPORT

There's no know problems with wastewater system at the moment:

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

Average flow: 42700 (gallons per day)

Peak flow: 58000 gpd Wednesday, September 1- 2021



BORREGO WATER DISTRICT

RAMS HILL WASTEWATER TREATMENT FACILITY

4861 Borrego Springs Rd, BORREGO SPRINGS, CA 92004
(760) 767-5806 FAX (760) 767-5994

10/12/2021

CALIFORNIA REGIONAL WATER QUALITY
CONTROL BOARD – REGION 7
73-720 FRED WARING DR. SUITE 100
PALM DESERT, CA. 92260

Attn: Adriana Godinez/WRCE

RE: SEPTEMBER 2021 Borrego Springs WWTP

Dear Adriana,

Please find attached the SEPTEMBER 2021 monthly monitoring reports and Lab results for Borrego springs district WWTP.

We are pleased to inform you that there's no known violations for this month.

If you have any questions please contact ROGELIO MARTINEZ/WT-III. (760)419-2764.

Respectfully,

Rogelio Martinez/ water plant operator III

CC: Geoff Poole/GM

MONTHLY REPORT: R.H.W.T.F

MONTH: SEPTEMBER

YEAR: 2021

BORREGO WATER DISTRICT,
RAMS HILL WASTEWATER TREATMENT FACILITY,
4861 BORREGO SPRINGS ROAD,
BORREGO SPRINGS, CA 92004
760-767-5806; phone
760-767-5994; fax

COMMENTS: THERE ARE NO SPILLS TO REPORT FOR SEPTEMBER 2021; THE FLOW REPORT IS ATTACHED.

Submitted by: ROGELIO MARTINEZ/BWD TO: GEOFF POOLE/BWD;
Date:10/12/2021

SEP 2021	INFLUENT DAILY FLOW GAL.	TOTAL FLOW GAL.
1	58000 GAL	58932000 GAL
2	39000 GAL	58971000 GAL
3	42000 GAL	59013000 GAL
4	46000 GAL	59059000 GAL
5	56000 GAL	59115000 GAL
6	48000 GAL	59164000 GAL
7	41000 GAL	59205000 GAL
8	44000 GAL	59249000 GAL
9	53000 GAL	59302000 GAL
10	41000 GAL	59344000 GAL
11	44000 GAL	59388000 GAL
12	37000 GAL	59425000 GAL
13	36000 GAL	59461000 GAL
14	36000 GAL	59497000 GAL
15	42000 GAL	59539000 GAL
16	41000 GAL	59580000 GAL
17	45000 GAL	59625000 GAL
18	46000 GAL	59671000 GAL
19	46000 GAL	59717000 GAL
20	39000 GAL	59756000 GAL
21	37000 GAL	59793000 GAL
22	38000 GAL	59831000 GAL
23	44000 GAL	59875000 GAL
24	40000 GAL	59915000 GAL
25	41000 GAL	60044000 GAL
26	43000 GAL	60084000 GAL
27	39000 GAL	60123000 GAL
28	40000 GAL	60169000 GAL
29	39000 GAL	60208000 GAL
30	40000 GAL	60248000 GAL

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
COLORADO RIVER BASIN REGION**

WDID NO.: 7A 37 0125 001
ORDEF NO.: R7-2019-0015

**MONITORING AND REPORTING
BORREGO WATER DISTRICT - RAMS HILL WWTF
MONTH: SEPTEMBER
YEAR: 2021**

REPORTING FREQUENCIES: MONTHLY

SEPTEMBER

TYPE OF SAMPLE:	INFLUENT			PONDS		
CONSTITUENTS:	Flow	BOD	TSS	DO	pH	Freeboard
FREQUENCY:	Daily	Monthly	Monthly	Twice Monthly	Twice Monthly	Twice Monthly
DESCRIPTION:	Measurement	Grab	Grab	Grab	Grab	Measurement
UNITS:	gpd	mg/L	mg/L	mg/L	s.u.	ft
REQUIREMENTS						
30-DAY MEAN:						
MAXIMUM:						
MINIMUM:						
DATE OF SAMPLE	SEPTEMBER					
1	58000					
2	39000					
3	42000					
4	46000					
5	56000					
6	48000					
7	41000					
8	44000	0.0	15	6.27	8.18	3.5
9	53000					
10	41000					
11	44000					
12	37000					
13	36000					
14	36000					
15	42000					
16	41000					
17	45000					
18	46000					
19	46000					
20	39000					
21	37000			7.66	8.50	3.5
22	38000					
23	44000					
24	40000					
25	41000					
26	43000					
27	39000					
28	40000					
29	39000					
30	40000					
31						
30-DAY MEAN	42700	0	15	6.97	8.34	3.5
MAXIMUM	58000	0	15	7.66	8.50	3.5
MINIMUM	36000	0	15	6.27	8.18	3.5

I declare under the penalty of law that I personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature: _____
Date: _____

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
COLORADO RIVER BASIN REGION**

WDID NO.: **7A 37 0125 001**
ORDER NO.: **R7- 2019-0015**

**MONITORING AND REPORTING
BORREGO WATER DISTRICT - RAMS HILL WWTF
MONTH: SEPTEMBER
YEAR: 2021**


REPORTING FREQUENCY **MONTHLY**

SEPTEMBER

TYPE OF SAMPLE:	EFFLUENT					
CONSTITUENTS:	BOD	TSS	SS	T. Nitrogen	TDS	pH
FREQUENCY:	Twice Monthly	Twice Monthly	Twice Monthly	Twice Monthly	Twice Monthly	Twice Monthly
DESCRIPTION:	Grab	Grab	Grab	Grab	Grab	Grab
UNITS:	mg/L	mg/L	ml/L	mg/L	ml/L	mg/L
REQUIREMENTS						
30-DAY MEAN:						
MAXIMUM:						
MINIMUM:						
DATE OF SAMPLE						
1						
2						
3						
4						
5						
6						
7						
8	0.0	7.0	0.0	7.5	480	8.61
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	0.0	4.0	0.0	21.0	530	8.79
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
30-DAY MEAN	0.0	5.5	0.0	14.3	505	8.70
MAXIMUM	0.0	7.0	0.0	21.0	530	8.79
MINIMUM	0.0	4.0	0.0	7.5	480	8.61

I declare under the penalty of law that I personally examined and am familiar with the information submitted in this document, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature: _____
Date: _____

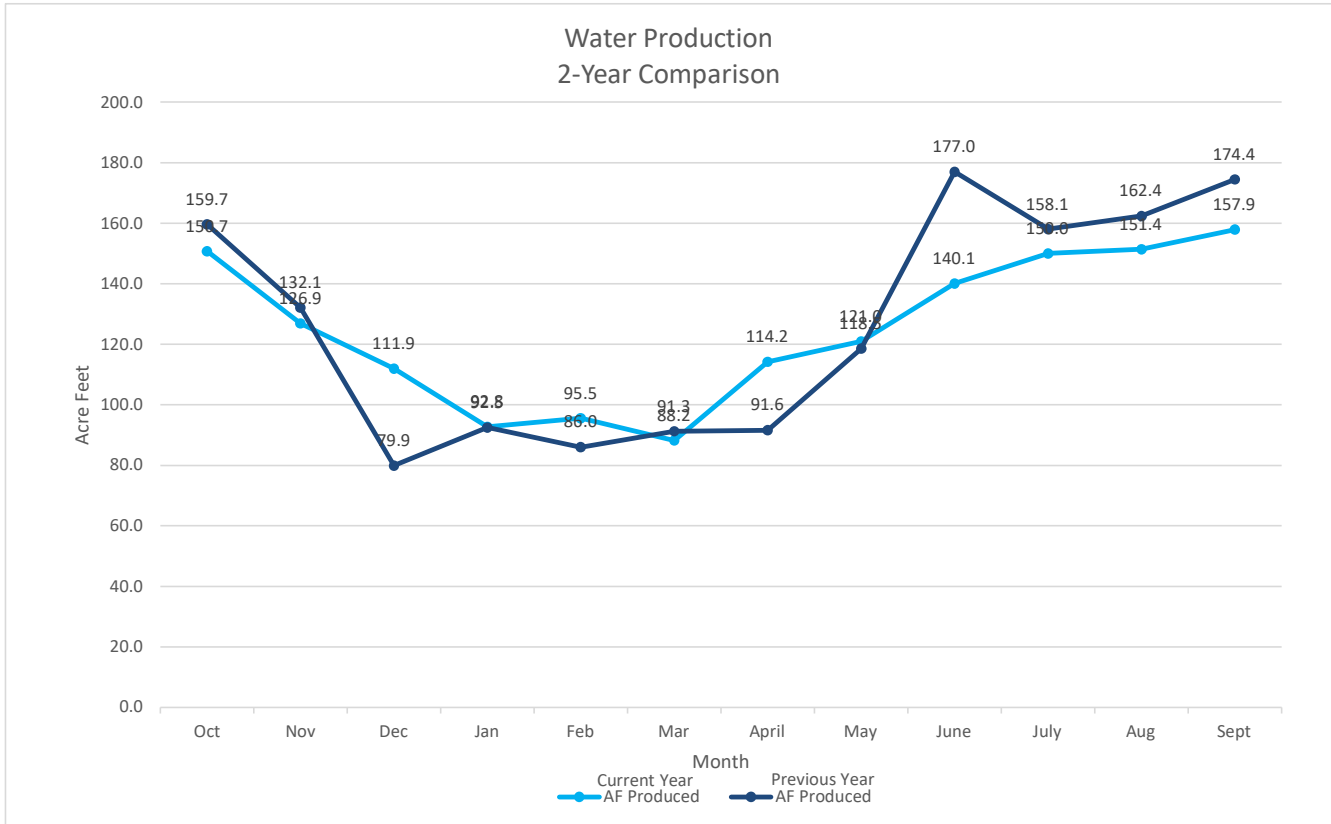
The logo for Oregon Water District is a circular emblem. It features a central figure of a Native American man in traditional dress, holding a bow and arrow. The background of the emblem shows a landscape with a river and mountains. The text "OREGON WATER DISTRICT" is written in a circular path around the central figure. At the bottom of the emblem, it says "EST. 1962".

III C
WATER
**PRODUCTION/
USE RECORDS**



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY SEPTEMBER 2021



Past 12 months Production vs. Sales

	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
AF Used	136.0	119.3	103.2	85.5	83.3	78.1	99.9	111.4	127.4	129.1	133.8	138.0
AF Produced	150.7	126.9	111.9	92.8	95.5	88.2	114.2	121.0	140.1	150.0	151.4	157.9
% Non Rev.	9.8%	6.0%	7.8%	7.9%	12.8%	11.5%	12.5%	8.0%	9.1%	13.9%	11.6%	12.6%

Previous 12 Months Production vs. Sales

	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
AF Used	153.2	121.7	72.6	86.5	82.0	85.3	83.4	110.4	162.5	139.2	145.6	160.4
AF Produced	159.7	132.1	79.9	92.5	86.0	91.3	91.6	118.5	177.0	158.1	162.4	174.4
% Non Rev.	4.0%	7.8%	9.2%	6.5%	4.7%	6.6%	9.0%	6.8%	8.2%	12.0%	10.3%	8.1%

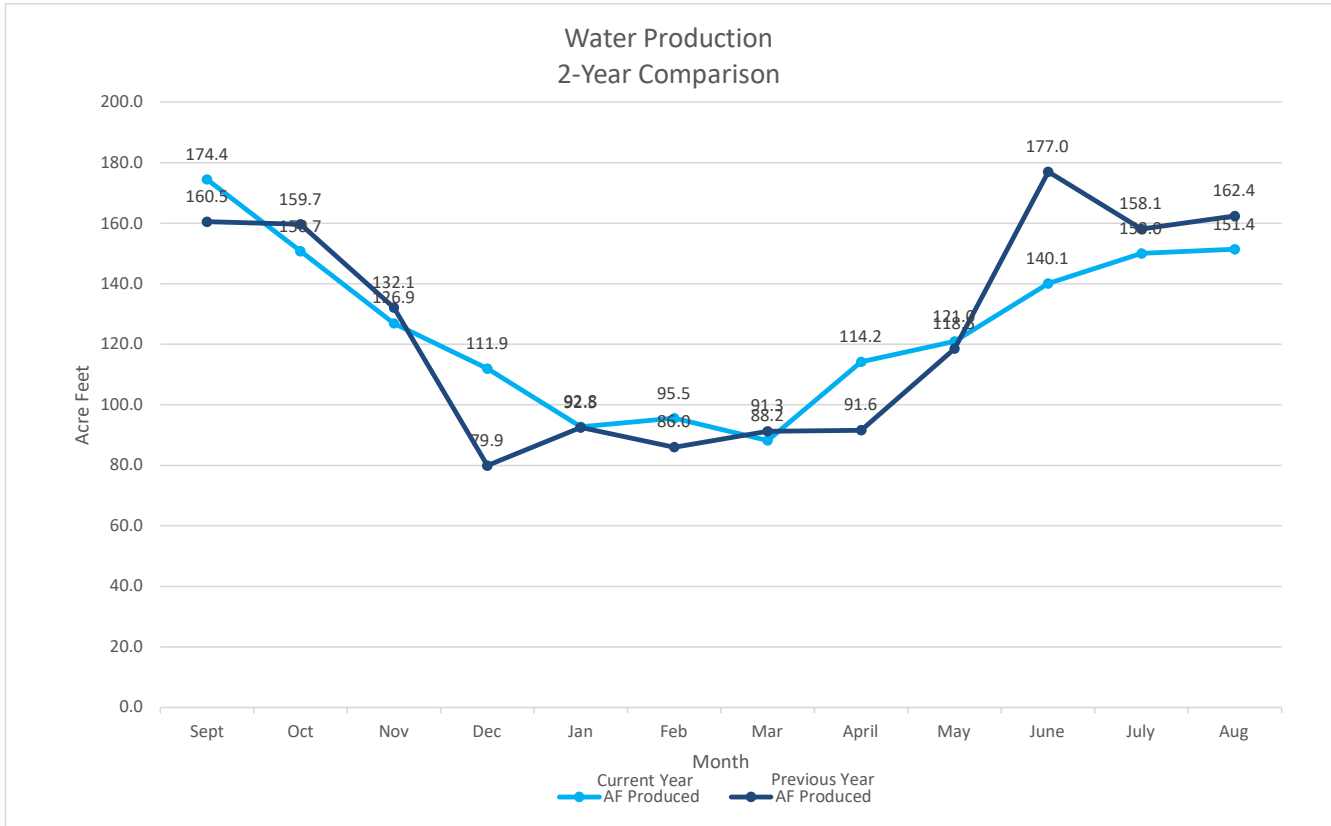
Non Revenue Water Summary

Sep-21	12.6%
Avg. Past 12 Mos.	10.3%
Avg. Past 24 Mos.	9.0%



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY AUGUST 2021



Past 12 months Production vs. Sales

	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21
AF Used	160.4	136.0	119.3	103.2	85.5	83.3	78.1	99.9	111.4	127.4	129.1	133.8
AF Produced	174.4	150.7	126.9	111.9	92.8	95.5	88.2	114.2	121.0	140.1	150.0	151.4
% Non Rev.	8.1%	9.8%	6.0%	7.8%	7.9%	12.8%	11.5%	12.5%	8.0%	9.1%	13.9%	11.6%

Previous 12 Months Production vs. Sales

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
AF Used	150.0	153.2	121.7	72.6	86.5	82.0	85.3	83.4	110.4	162.5	139.2	145.6
AF Produced	160.5	159.7	132.1	79.9	92.5	86.0	91.3	91.6	118.5	177.0	158.1	162.4
% Non Rev.	6.5%	4.0%	7.8%	9.2%	6.5%	4.7%	6.6%	9.0%	6.8%	8.2%	12.0%	10.3%

Non Revenue Water Summary

Aug-21	11.6%
Avg. Past 12 Mos.	9.9%
Avg. Past 24 Mos.	8.8%