

AGENDA
Borrego Water District Board of Directors
Regular Meeting
October 28, 2015 9:00 a.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda (1-2)
- E. Approval of Minutes
 - Special meeting of September 15, 2015 (3-5)
 - Regular meeting of September 23, 2015 (6-10)
- F. Comments from Directors and Requests for Future Agenda Items
- G. Comments from the Public and Requests for Future Agenda Items (comments will be limited to 3 minutes)
- H. Correspondence: Letter from Robin Michaelson Fiduciary Services, LLC. (11-12)

II. CURRENT BUSINESS MATTERS

- A. Discussion of comment letters submitted to Department of Water Resources on the Draft Critical Overdraft for Borrego Valley Basin. (13-15)
- B. Discussion of Groundwater Sustainability Plan (GSP) process and incorporation of water credit program
- C. Discussion of a groundwater Sustainability Agency (GSA) regulatory fee to complete the development of a Groundwater Sustainability Plan (GSP) as required under the Sustainable Groundwater Management Act (SGMA) (16-22)
- D. Discussion of Raftelis Blended Share model of cost distribution for the GSP.
- E. Discussion and possible approval of a budget to retain Dudek to complete its work on the Borrego Valley Groundwater Basin (BVGB) boundary adjustment and economic work on the costs associated with groundwater supply and quality necessary for Raftelis to begin its rate-tier modeling work for a 2016 Proposition 218 process.
- F. Discussion of progress meeting the Executive Order B-29-15 requiring a 25% mandatory reduction in water use by the District (23)
- G. Consideration and possible approval of process for handling claims received for Tier 2 refunds.. (24-25)
- H. Discussion and possible approval of **Resolution 2015-10-03 REVISING THE SCHEDULE OF REGULAR MEETINGS** to meet on November 18th and December 16th, 2015 (26-27)
- I. Review of planning calendar (28-29)

III. STAFF REPORTS

- A. Financial Reports – September 2015 (31-45)
- B. General Manager / Operations Report
- C. Water and Wastewater Operations Report – September 2015 (46)
- D. Water Production/Use Records – September 2015 (47-50)

IV. ATTORNEY’S REPORT

V. COMMITTEE REPORTS & PROPOSALS:

Ad Hoc Committees

- | | |
|--------------------------------------|----------------------|
| 1. Audit Committee | (L. Brecht, Tatusko) |
| 2. Due-Diligence | (L. Brecht, Tatusko) |
| 3. Strategic Planning Committee | (Hart, L. Brecht) |
| 4. Executive Committee | (Estep, Hart) |
| 5. Operations & Management Committee | (Delahay, Tatusko) |
| 6. Parks Committee | (Hart, Estep) |
| 7. CFD Committee | (Estep, Delahay) |
| 8. Conservation Committee | (Hart, Tatusko) |

VI. INFORMATIONAL ITEMS

- A.** DRAFT discussion document: *Economics of Overdraft* prepared by Director Brecht. This discussion deck is Director Brecht's own analysis based on his research and not representative of the District or the Board's views. (51-56)

VII. CLOSING PROCEDURE

The next Regular Meeting of the Board of Directors is scheduled for November 18, 2015 at the Borrego Water District

(CVWD) type excessive water use penalties and water efficiency incentive program: Jerry Rolwing referred to Raftelis' analysis of Executive Order B-29-15, included in the Board package. The District has instituted an outreach program to explain the Order to major pumpers, HOAs and irrigation customers. Mr. Rolwing reported that as of June the District had achieved a 16 percent reduction, increasing to 26 percent in July and August, for an overall reduction of 23 percent. Ordinances are in place to implement excessive water use penalties in the event the voluntary reduction is insufficient, and Mr. Peterson's ad hoc committee is investigating the issue further. Director Brecht pointed out that while regulatory fees may be required initially, in the long run the District should consider a rate structure which will encourage long-term water use efficiency. Mr. Peterson noted that the ad hoc committee may suggest a different approach from that proposed by the new ordinances.

Michael Sadler suggested publishing information on water conservation progress in the *Borrego Sun*, and agreed to work with Jeannie Beck and Mr. Rolwing to prepare it. President Hart suggested including today's Informational Items (toilet rebates and Neighborhood Reinvestment Program Grant), and Mr. Peterson pointed out that the public needs to know that it costs the District money when ratepayers conserve water. Director Estep noted that the article could be considered a public service announcement, free of charge.

D. Discussion of cash flow projections and future financing needs analysis: Director Brecht recommended expanding the budget projection from four to eight years, and including the GSP costs. He asked that the Operations and Management Committee also extend the Capital Improvement Plan, and the Due Diligence Committee work on projections for the GSP implementation costs.

E. Discussion of FY 2015 accounting issues that may carry over to FY 2016 financial results: Director Brecht reported that the auditors had suggested that the District devalue the water credits currently on the BWD books. Going back to the 2007 purchase by the District of the Viking Ranch, the credits were valued at a rate substantially higher than what they are selling for today. Director Estep suggested discussing the matter further with the auditors. Director Brecht further reported that the District's contingent liability for the Calpers pension plan should be increased from \$300,000 to \$669,000, based on Calpers' latest valuation report. Mr. Ehrlich suggested doing an actuarial assessment and including it as part of the audit. Lastly, based on the recent court decision invalidating San Juan Capistrano's tiered water rates, the auditors recommend that the District establish a reserve fund for potential challenges to its previous tiered rate structure. The potential cost may be \$172,000, depending on how far back a claimant may be entitled to reimbursement. President Hart requested that the issue be placed on the next Agenda, with Morgan Foley participating in the discussion.

F. Discussion of potential agenda items for September 23rd board meeting: Items for the next Agenda will include a Resolution authorizing investment in the Local Agency Investment Fund, a public hearing on Ordinances 15-01 and 15-02, discussion with Mr. Foley regarding the District's potential claims liability arising from its prior tiered rate system, discussion and possible approval of an existing claim under the District's current claims policy, further discussion of Ordinance 15-02 and procedures for establishing regulatory rates, a Resolution authorizing the District to apply for GSA status, devaluation of water credits (with auditor's participation), Proposition 1 funding update, and a Resolution approving an application for a Neighborhood Reinvestment Program Grant.

III. INFORMATIONAL ITEMS

A. Toilet Rebates: Director Tatusko announced that rebates for low flow toilet purchase and turf removal are available from the State.

B. Neighborhood Reinvestment Program Grant: Director Tatusko invited the Board's attention to information on a Neighborhood Reinvestment Program Grant, which could offset the cost of the District's participation in the UCI air quality management program. Diana Del Bono will send the proposed Resolution authorizing the grant application to Mr. Foley for approval.

IV. CLOSING PROCEDURE

There being no further business, the Board adjourned at 11:10 a.m. The next Regular Meeting of the Board of Directors is scheduled for September 23, 2015 at the Borrego Water District.

opened the public hearing at 9:10 a.m. Julie Taylor asked whether the State had mandated the ordinances under consideration. Director Brecht explained that the State mandated an ordinance providing criminal penalties for actions contrary to Executive Order B-29-15. The ordinances before the Board today provide alternative administrative penalties. President Hart added that the District already has an ordinance authorizing criminal penalties, enacted in 1990.

Mr. Rolwing announced an error in his overall water use reduction report at the last meeting. The correct reductions were 16 percent in June, 26 in July and a 10 percent increase in August, for an overall savings of 14 percent. John Peterson asked whether golf course irrigation was included, and Mr. Rolwing replied that it was not. Bob McKee noted that even though the Rams Hill wells were not counted in calculating the water use reduction, they still contribute to the overdraft.

President Hart reported that Superintendent of Schools Martha Deichler was going to send another information packet home with all students, in English and Spanish, concerning the 25 percent water use reduction mandate. She also suggested redistributing excerpts from her previous letters on the subject. Mr. McKee felt the baseline water use should be calculated from longer ago, since most Borregans began saving water a year or more ago.

President Hart distributed an e-mail from Harry Ehrlich, suggesting that the rates for fines and penalties imposed pursuant to Ordinances 15-01 and 15-02 be set by ordinance, rather than resolution, requiring public notice and hearings.

Hearing no further comments, President Hart closed the public hearing at 9:20 a.m.

B. Discussion and possible adoption of ORDINANCE No. 15-01 OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ESTABLISHING ADMINISTRATIVE FINES AND PENALTIES FOR VIOLATIONS OF DISTRICT ORDINANCES; ESTABLISHING ADMINISTRATIVE PROCEDURES GOVERNING THE IMPOSITION, ENFORCEMENT, COLLECTION, AND ADMINISTRATIVE REVIEW OF ADMINISTRATIVE FINES AND PENALTIES AND FOR VIOLATING OTHER WATER USE REGULATIONS AND RESTRICTIONS: The Board discussed the pros and cons of setting the fine and penalty rates by ordinance, rather than resolution as provided. It was the consensus to stay with the resolution to provide flexibility. *MSC: Estep/Brecht adopting Ordinance No. 15-01 of the Board of Directors of the Borrego Water District Establishing Administrative Fines and Penalties for Violations of District Ordinances; Establishing Administrative Procedures Governing the Imposition, Enforcement, Collection, and Administrative Review of Administrative Fines and Penalties and for Violating Other Water Use Regulations and Restrictions.*

C. Discussion and possible adoption of ORDINANCE No 15-02 ORDINANCE OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ESTABLISHING CONSERVATION ENFORCEMENT MEASURES FOR CUSTOMERS; ESTABLISHING BASE USAGE CRITERIA; AND PROVIDING FOR FINES AND PENALTIES FOR CUSTOMERS EXCEEDING BASE USAGE ALLOCATIONS: *MSC: Estep/Brecht adopting Ordinance No. 15-02, Ordinance of the Board of Directors of the Borrego Water District Establishing Conservation Enforcement Measures for Customers; Establishing Base Usage Criteria; and Providing for Fines and Penalties for Customers Exceeding Base Usage Allocations.*

D. Discussion and possible approval of Resolution 2015-9-1 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND: Kim Pitman explained that this Resolution would remove former Director Marshal Brecht from the list of authorized signatories for the LAIF account. *MSC: Brecht/Tatusko adopting Resolution 2015-9-1, Resolution of the Board of Directors of the Borrego Water District Authorizing Investment of Monies in the Local Agency Investment Fund.*

E. Discussion and possible approval of Resolution 2015-09-02 AUTHORIZING SUBMITTING AN APPLICATION TO THE COUNTY OF SAN DIEGO NEIGHBORHOOD REINVESTMENT PROGRAM: Director Tatusko explained that the resolution would authorize a grant application to defray the District's investment in UCI's air quality sensor facilities. *MSC: Brecht/Estep adopting Resolution 2015-09-02 Authorizing Submitting an Application to the County of San Diego Neighborhood Reinvestment Program.*

F. Discussion of Groundwater Sustainability Agency (GSA) designation under the Sustainable Groundwater Management Act (SGMA) legislation mandate: Director Brecht reported that San Diego County, Imperial County and BWD are the only potential GSAs in the Borrego Basin. Imperial County has already applied for GSA status, but only wants to regulate Imperial County. However, David Aladjem believes that this application starts a 90-day time period after which Imperial will be the sole GSA if no one else applies. Others agree with Mr. Aladjem, but San Diego County disagrees. Director Brecht recommended that BWD apply for GSA status, attaching a map of the portion of the basin for which BWD seeks to be responsible and a letter of agreement from Imperial County. President Hart asked Mr. Rowling to find out if Raftelis can complete its GSP development cost analysis within the next month. The Board concurred in Director Brecht's recommendation, and Mr. Rolwing and staff were requested to begin the GSA application process.

G. Discussion of progress meeting the Executive Order B-29-15 requiring a 25% mandatory reduction in water use by the District and the potential necessity for Coachella Valley Water District (CVWD) type excessive water use penalties and water efficiency incentive program: Director Brecht distributed a chart depicting the net increase/decrease in cash and cash equivalents for the District from 2007 to 2016 (estimated). He expressed concern that the cash and cash equivalents may be \$200,000 to \$300,000 short for 2016, and continued deferrals of repair and rehabilitation could be necessary. The water use reduction mandated by the Executive Order and the potential for claims against the District resulting from the prior tiered rates are factors. Options for dealing with the issue include future regulatory fees, earlier beginning of the 218 process for new rates, reduction of operations and maintenance expenses (risky), or sale of the Viking Ranch water credits and property. Director Brecht recommended asking the Operations and Management Committee to look at the current \$1 million operations and maintenance budget and see if it could be reduced by \$300,000 if necessary. Mr. Rolwing pointed out that approximately that much in Proposition 1 grant applications is in process. Director Estep recommended that before selling the Viking Ranch property, the District should investigate the feasibility of its use for a recharge basin.

H. Discussion and possible approval of claim under Resolution 2015-06-01: Morgan Foley joined the meeting via teleconference. President Hart explained that questions have arisen regarding the one-year period for filing a claim against the District pursuant to Resolution 2015-06-01 and its effect on potential claims arising from the former tiered rate system. Mr. Foley explained that the normal statute of limitation is three years, but State law allows districts to adopt other requirements in certain instances, such as refunds, which BWD has done.

President Hart pointed out that the income generated by tiered rate was used exclusively to reimburse the District for expenses associated with its conservation program (rebates for water saving appliances, turf removal, etc.) Mr. Rolwing noted that only about half the conservation program expenses were recouped through tiered rates.

Mr. Foley explained that the court decision in the San Juan Capistrano case invalidating tiered rates required that the cost of water service may only cover the cost to the District of providing the water. Providing water to an excessive user doesn't necessarily cost more than providing water to an efficient user. He suggested calculating the actual cost, but noted the District is only obligated to pay claims going back one year from the date of payment of the tiered rate.

Director Estep interpreted the law as allowing one year to file a claim, but upon filing the claimant may ask for a refund going back three years. Ms. Pitman inquired about notification to potential claimants, and Mr. Foley replied that notification was not required. Mr. Foley explained that the one-year filing period begins with the date of the claimant's last Tier 2 payment, and the three years would run from the date of filing the claim.

MSC: Brecht/Estep authorizing a letter to customers who paid Tier 2 rates within the last three years, informing them they may have a claim against the District and notifying them of the deadline to do so. President Hart asked Mr. Foley and Ms. Pitman to work on the letter and the claim policy and form, and present it to the Executive Committee for review.

I. Discussion of Prop 1 Funding update: Director Tatusko reported that he, Mr. Rolwing and Greg Holloway met with Dudek staff and prepared Proposition 1 grant applications totaling approximately \$720,000, primarily for upgrades to the wastewater treatment plant. David Dale will review the applications prior to submittal.

J. Discussion and possible approval for the District to absorb the cost of taking minutes for the Groundwater Sustainability Plan Process: Mr. Rolwing reported that the State Facilitator for the GSP had indicated their services could be extended if taking minutes was not included. Mr. Rolwing tentatively offered to have the District absorb the cost of minutes, and suggested the GSP meetings be combined with the monthly workshops. Discussion followed regarding whether the District should absorb these costs before it is accepted as a GSA. **MSC: Brecht/Delahay authorizing the District to fund some clerical expenses related to the GSP process prior to obtaining GSA status, not to exceed \$1,500. Director Estep abstained from the vote.**

K. Review of planning calendar: President Hart recommended that the last item under GSP (Implement GSP funding mechanism; start GSP development), listed for October, be moved forward.

III. STAFF REPORTS

A. Financial Reports – July and August 2015: Kim Pitman reported that water use in July decreased by 16 percent. Maintenance expenses and electricity costs were low. Calpers was paid \$66,000 for annual unfunded liability. The District spent \$68,000 for training on the new computer system. In August, \$200,000 was paid for COP debt, and a \$35,000 Viking Ranch payment was made. Umpqua Bank has submitted a proposal to handle the District's banking at an annual savings of \$4,000.

B. General Manager/Operations Report: Mr. Rolwing reported that he had been working with the Bureau of Reclamation and USGS in an effort to obtain their reports. He also was working with the County on the proposed boundary adjustment. The fence at the wastewater treatment plant solar facility has been completed. Work with UCI continues regarding placement of the weather stations.

C. Water and Wastewater Operations Report – June 2015:

D. Water Production/Use Records – June 2015:

Mr. Holloway reported that there is still some water loss (unaccounted-for water). Staff is in the process of replacing older meters.

IV. ATTORNEY'S REPORT

None

V. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

Auditor Chris Thibodeau joined the meeting via teleconference. He explained that Calpers had hired an outside actuary to evaluate pension liability costs, and BWD's was determined to be \$199,000. The liability must be recorded and adjusted annually.

Ms. Pitman inquired about the proposed devaluation of the Rudy Monica water credits. Mr. Thibodeau explained that he had calculated the difference between the value of the credits currently shown on the District's books and what credits are actually selling for at present.

President Hart brought up the potential liability for claims against the District arising from the former tiered rate system. Director Brecht replied that there are sufficient funds in reserve to cover it.

2. Due-Diligence

No report.

3. Strategic Planning Committee/IRWM

No report.

4. Executive Committee

President Hart reported that the Committee would be reviewing information provided by Ms. Pitman and Mr. Foley regarding claims against the District.

5. Operations & Management Committee

Director Delahay announced that the Committee would be meeting this Thursday at 2:00 p.m.

6. Parks Committee

Director Estep reported that the Committee hoped to meet with representatives of Club Circle West to discuss the pending Borrego Springs Resort escrow and formulate future plans.

Mr. Rolwing reported that a meeting with County Parks and Recreation has been scheduled for October 22 to discuss a new park in the church area and the new library project.

7. CFD Committee

Mr. Rolwing reported that Mr. Foley had drafted a letter to Allison Burns regarding her replacement as bond counsel, for President Hart's signature. President Hart had made some changes, and Mr. Rolwing will follow up with Mr. Foley.

8. Conservation Committee

President Hart suggested using her July letter to heavy water users as a basis for the next distribution.

VI. INFORMATION ITEMS

A. Business of the Water District: Director Brecht invited the Board's attention to information in the Board package which he had compiled in response to questions from John Peterson's committee.

VIII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 11:50 a.m. The next Special Meeting of the Board of Directors is scheduled for October 20, 2015 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for October 28, 2015 at the Borrego Water District.

Robin Michaelson Fiduciary Services, LLC
Robin Michaelson
15910 W Cottonwood St.
Surprise, AZ 85374
(623) 556-6146 (cell phone)
rmichaelson4@cox.net

October 6, 2015

Borrego Water District
Attention: Board of Directors
806 Palm Canyon Drive
PO Box 1870
Borrego Springs, CA 92004

Re: Lot 66 (200-061-02)

Dear Board of Directors:

I represent the owners of record for the above referenced parcel, Barbara Penhallow and Sarah Stewart.

My husband has been in contact with your water district in regards to the parcel. We are interested in donating this parcel to the water district for a tax deduction for charitable purposes.

If you are interested please send me the necessary forms to arrange this donation and I will get them signed by the owners immediately.

Thank you in advance for your attention to this matter.

Sincerely,



Robin Michaelson
Certified Fiduciary



1 PAY ONLINE www.sdtreastax.com
2 PAY BY PHONE (855) 829-3773
3 QUESTIONS (877) 829-4732

4 TAX BILL YEAR
2013-2014

For Fiscal Year Beginning July 1, 2013 and Ending June 30, 2014

5 PROPERTY ADDRESS - DESCRIPTION - SUBDIVISION

STEWART SARAH J ET AL
434 E 52ND ST #4F
NEW YORK NY 10022

LOT 66
DEEP WELL TRAIL

6 MAP NO.	7 DESCRIPTION	VALUES & EXEMPTIONS
003207	LAND IMPROVEMENTS	\$ 7293
5 DOCUMENT NO. 563327	TOTAL L&I PERSONAL PROPERTY EXEMPTIONS	7293
8 DOCUMENT DATE 05/14/03	HOMEOWNERS OTHER	\$
	NET TAXABLE VALUE	7293

10 OWNER OF RECORD ON JANUARY 1, 2013
STEWART SARAH J AND PENHALLOW BARBARA J & STEWART SARA M & PENHALLOW BARBARA J

Z10022 C50064 01927 1/1

11 PARCEL / BILL NO	12 TAX RATE AREA	13 CORTAC NO.	14 1st Installment 11/01/13	15 2nd Installment 02/01/14	16 TOTAL DUE
200-081-02-00	58031		60.14	60.14	120.28

17 YOUR TAX DISTRIBUTION

AGENCY	RATE	TAX AMOUNT
1% TAX ON NET VALUE	1.00000	72.93
VOTER APPROVED BONDS:		
COMMUNITY COLLEGE	NET 0.01260	.91
TOTAL ON NET VALUE	1.01260	73.84
FIXED CHARGE ASSMTS:	PHONE #	
FIRE DIST SPEC TAX	760-767-5436	2.50
MOSQUITO SURVEILLANCE	800-273-5167	2.28
VECTOR DISEASE CTRL	800-273-5167	1.46
PEST CONTRL STANDBY	760-767-5806	2.50
WATER STANDBY CHARGE	760-767-5806	37.70
TOTAL AMOUNT		120.28

18 YOUR TAX DISTRIBUTION

AGENCY	RATE	TAX AMOUNT
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*1/2 - Barbara J. Penhallow - 860.14
1/2 - Sarah J. Stewart - 860.14*

SECURED TAX BILL

23L (Rev 7/13)

DISTRICT 1
JOHN R. RENISON

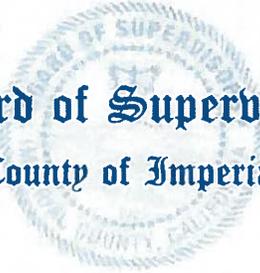
DISTRICT 2
JACK TERRAZAS

DISTRICT 3
MICHAEL W. KELLEY

DISTRICT 4
RYAN E. KELLEY

DISTRICT 5
RAY CASTILLO

September 22, 2015


Board of Supervisors
County of Imperial

COUNTY ADMINISTRATION CENTER

940 MAIN STREET, SUITE 209
EL CENTRO, CA 92243-2871
TELEPHONE: (442) 265-1030
FAX: (442) 265-1027

VIA U.S. MAIL AND E-MAIL (sgmps@water.ca.gov)

California Department of Water Resources
Attn: Sustainable Groundwater Management Section
P.O. Box 942836
Sacramento, CA 94236

Re: Comments on the California Department of Water Resources' Draft Designation of Critical Overdraft for Borrego Valley Basin, No. 7-24

To Whom It May Concern:

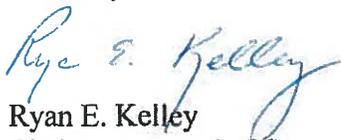
Thank for you for the opportunity for the County of Imperial ("County") to comment on the California Department of Water Resources' ("Department") proposed list of Critically Overdrafted Groundwater Basins dated August 6, 2015. The following comments address the proposed designation of the Borrego Valley Basin, No. 7-24 ("Basin") as a critically overdrafted basin.

The County elected to serve as the Groundwater Sustainability Agency for the portion of the Basin within Imperial County. According to the Department's public notice, the Department's proposed list is based, in part, on discussions with local agencies about groundwater levels, as well as groundwater well data for the base period 1989 to 2009. However, the County has not been contacted by the Department and is unaware of any decline in groundwater levels within the Imperial County portion of the Basin that would warrant a designation of critical conditions of overdraft.

The County respectfully requests an opportunity to discuss the proposal with the Department and Borrego Water District before the entire Basin is designated as a critically overdrafted basin.

Please contact Andy Horne at (442) 265-1005, andyhorne@co.imperial.ca.us, to discuss this matter further.

Sincerely,



Ryan E. Kelley
Chairman, Board of Supervisors

Cc: Mr. Jerry Rolwing, General Manager, Borrego Springs Water District
Ralph Cordova, Jr., Esq., County Executive Officer, County of Imperial
Katherine Turner, Esq., County Counsel, County of Imperial
Mr. Jim Minnick, Director, Planning and Development Services, County of Imperial
Behrooz Mortazavi, Ph.D., P.E., Water Resources Engineers

AAWARE

1515 Hope Street SOUTH PASADENA, CA 91030

September 22, 2015

VIA U.S. MAIL AND E-MAIL (sgmps@water.ca.gov)

California Department of Water Resources
Attn: Sustainable Groundwater Management Section
P.O. Box 942836
Sacramento, CA 94236

Re: Comments on the California Department of Water Resources' Draft Designation of Critical Overdraft for Borrego Valley Basin, No. 7-24

To Whom It May Concern:

The following comments are submitted on behalf of the Agricultural Alliance for Water and Resource Education ("AAWARE"), a California nonprofit mutual benefit corporation formed in 2003 by the majority of the growers in the Borrego Valley Groundwater Basin area. AAWARE has been working on a path to bringing the Borrego Valley aquifer into balance over the next 20 years. For the past two years, AAWARE's efforts have been focused on participating as part of the Borrego Water Coalition, which was created by the Department of Water Resources' ("Department") local facilitation process to assemble the major water users in Borrego Valley. The Coalition's recommendations have been shared with the Borrego community, Borrego Water District, the County of San Diego, and the Department.

This comment letter is submitted in response to the Department's draft list of Critically Overdrafted Groundwater Basins dated August 6, 2015 ("Draft List"). Specifically, the following comments address the Department's proposed designation of the Borrego Valley Basin, No. 7-24 ("Basin") as a critically overdrafted groundwater basin. As discussed below, the publicly available Basin data does not support the proposed designation of the Basin as being critically overdrafted. For the reasons discussed in this letter, the Department should remove the Basin from the Draft List.

According to the Department's public notice, the Department analyzed basins for the Draft List based on the Department's groundwater well data for the non-hydrologic base period, 1989-2009 ("base period"). Those that showed "obvious evidence of adverse impacts within the hydrologic base period" were included on the Draft List. (See the Department's August 2015 presentation in connection with its Update of Critically Overdrafted Basins 2-15 Draft List at http://www.water.ca.gov/groundwater/sgm/pdfs/CriticalOverdraftPresentation_V8_final.pdf.)

AAWARE has reviewed the data available on the Department's Groundwater Level Data Reports webpage at <http://www.water.ca.gov/waterdatalibrary/groundwater/hydrographs/>

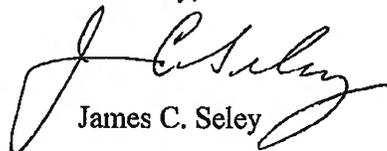
index.cfm for data available during the base period, consistent with the Department's evaluation process. *The Department's data does not support the Basin's draft designation for reasons including the following:*

- The Basin boundaries were changed in the various Department Bulletin 118 publications during the base period. The current Basin boundary was shown for the first time in the Department's 2003 Update to Bulletin 118. However, all of the Department's publicly available data appear to be within the pre-2003 Basin boundary.
- Of the 16 wells that contain data during the base period, half cannot establish elevation trends because they contain only one water level measurement. Without additional water level measurements from the same wells, it is impossible to determine changes in water levels.
- 5 of the remaining 8 wells have just two water level measurements, taken exclusively in years 2008 to 2009. Some wells show an actual increase in water levels. Also, some of the well measurements are taken just days apart. For example, the two measurements for State Well No. 10S06E34M001S were taken on December 4 and December 5, 2008.
- Measurements for the 3 remaining wells are limited to the first five years of the base period, 1989-1994. That is, three-quarters of the base period are not measured. Additionally, these data show that one well has remained stable, one well has increased in elevation, and the last well has decreased slightly.

Based upon the Department's publicly available data, there is inadequate support for the Basin's proposed designation as critically overdrafted. The Department also acknowledged that it lacked sufficient data to make the determinations without looking to other data sources, but the Department did not disclose the other reports and data. *AAWARE requests a meaningful opportunity to review and comment on any additional reports and data considered by the Department in advance of designating the Basin as critically overdrafted.*

For the reasons discussed above, AAWARE urges the Department to remove the Basin from proposed list of critically overdrafted basins. If the Department would like to discuss these comments further, please contact me at (626) 799-1196 or jim@seleyco.com.

Sincerely,



James C. Seley

DOWNEY BRAND

MEMORANDUM

To: BORREGO WATER DISTRICT BOARD OF DIRECTORS

From: DAVID R.E. ALADJEM
REBECCA R.A. SMITH

Date: SEPTEMBER 24, 2015

Re: **PROCEDURE FOR IMPOSITION OF REGULATORY FEES UNDER
SGMA**

Climat: 41511.00000

Borrego Water District intends to serve as the groundwater sustainability agency for its boundaries, as well as some “white areas” outside its boundaries. In that role, the District will be required to develop and implement a groundwater sustainability program consistent with the requirements of the 2014 Sustainable Groundwater Management Act (SGMA).

We have previously advised you that a fee to fund the costs of a groundwater sustainability program that is imposed under Water Code §10730(a) should be considered a regulatory fee, and therefore not subject to Proposition 218.¹ This memorandum lays out the procedures that the District must follow to impose such a fee.

FORM OF THE REGULATORY FEE

The District has the authority under its existing police power to impose regulatory fees, and Water Code 10730 provides agencies that have established themselves as GSAs with the explicit authority to impose such fees to fund the costs of their groundwater sustainability programs. These costs include the expenses associated with preparing, adopting, enforcing, and administering a groundwater sustainability plan (Water Code § 10730(a)).

Before adopting a fee under Section 10730, the District must compile the data upon which the fee is to be based. See Water Code § 10730(b)(3). That data should demonstrate that:

- The fee is imposed in an amount necessary to carry out the purposes and provisions of the regulation (here, to fund the groundwater sustainability plan and program);
- Does not exceed the reasonable cost of providing the services necessary to the activity on which the fees are based; and

¹ As we previously advised you, this issue is the source of on-going litigation (see *City of San Buenaventura v. United Water Conservation District* (Cal. Ct. App., Mar. 17, 2015) 185 Cal.Rptr.3d 207). Although the appellate court in *City of San Buenaventura* observed that fees under section 10730 did not require Proposition 218 compliance, the California Supreme Court has granted review of that decision, and it can no longer be cited as binding law. Still, we believe that the reasoning in *City of San Buenaventura* is strong. We will of course apprise the District of any changes to the law on this point.

- Is not levied for an unrelated revenue purpose.

California Assn. of Professional Scientists v. Department of Fish & Game (2000) 79 Cal.App.4th 935, 945). Fees on groundwater extractions that fund the costs of a groundwater management program, including property acquisition; water supply, treatment, and distribution; and program administration, operation, and maintenance, are explicitly required to comply with Proposition 218. The District's proposed regulatory fee should therefore be carefully structured to avoid such a characterization. Additionally, no fees may be imposed under section 10730 on de minimis extractors unless the District as groundwater sustainability agency has already regulated them. De minimis extractors are defined as persons who "extract, for domestic purposes, two acre-feet or less per year." Water Code § 10721.

Pursuant to recent amendments to SGMA (SB 13), these fees may not be imposed on property outside of the District's boundaries. Water Code § 10726.8(b).

PROCEDURES FOR ADOPTION OF FEE

To impose a regulatory fee under Section 10730(a), the District must act by resolution or ordinance, following a properly noticed public meeting. That procedure requires:

- Notice of the public meeting at which the fee is to be considered, published twice weekly, at least two weeks prior to the meeting; posted on the District's website, and mailed to any party that has filed a written request for notice regarding meetings on new or increased fees. Water Code § 10730(d); Gov. Code § 6066. The notice should include "a general explanation of the matter to be considered" and a statement that the data upon which the fee is based is available for the public to review (with guidance as to how to obtain that data).
- Data supporting the new fee, available to the public at least 10 days prior to the public meeting at which the District will consider the adoption of the fees. Water Code § 10730(b)(3).
- A public meeting, at which oral and written presentations may be made. Following the public meeting, and after considering all public comments, the District may adopt and implement the fee. The District may also, by resolution, request that the County collect the fee in the same manner as ordinary municipal ad valorem taxes.

The Water Code does not provide for any waiting period between when the fee is adopted and when it is effective, nor does it require additional noticing procedures to be conducted following the fee's adoption. If the District elects to proceed via ordinance, additional noticing and publication procedures may apply. We would be happy to assist the District in developing and implementing a fee program tailored to the District's needs. Please do not hesitate to contact me with any questions.

GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT COSTS ESTIMATES

August 25, 2015 Best Professional Estimates

GSP Cost Allocation Summary

US Bureau of Reclamation	\$850,000
US Geological Survey	\$211,650
US Environmental Protection Agency	\$250,000
California Department of Water Resources	\$ 670,000
Borrego Water District (ratepayers only)	\$1,056,000
All Pumpers (including District)	\$1,385,522

Total Economic Cost to Produce a Defensible GSP	\$4,423,172
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GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT COSTS ESTIMATES

GSP TASK ITEM	CONSULTANT	COST ESTIMATE	ALLOCATION
Basin Characteristics (2015)	US Geological Survey (USGS)	\$740,000	\$422,000 District ratepayers to USGS, \$106,000 District ratepayers to DWR; \$212,000 USGS
Engineering & Economics of Imported Water (2015)	US Bureau of Reclamation (Reclamation)	\$862,000	\$425,000 Reclamation; \$425,000 District ratepayers in-kind services; \$12,000 District ratepayers
Potential sources of augmented supply from nearby basins (2013)	US Environmental Protection Agency (USEPA)	\$746,000	\$496,000 District ratepayers; \$250,000 USEPA
Economics of Reduction options	California Department of Water Resources	\$70,000	\$70,000 California Department of Water Resources (DWR)
Water Level Monitoring	California Department of Water Resources	\$600,000	\$600,000 DWR costs estimated by Tim Ross
GSA application legal costs & basin boundary changes	District special counsel	\$20,000	\$20,000 District ratepayers
GSP governance & stakeholder facilitation services	choice of vendor will depend on whether DWR provides a full grant for these services over next 18-months	\$60,000	all pumpers will share in these costs
Basin depth dependent water quality study necessary to defend reduction timeline	USGS	\$240,000	all pumpers
Project management costs	Dudek	\$120,000	all pumpers
Plan technical requirements to meet DWR regulations	Dudek	\$470,522	all pumpers

GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT COSTS ESTIMATES

GSP TASK ITEM	CONSULTANT	COST ESTIMATE	ALLOCATION
Market structure; Financial structuring and investment banking services to pay for GSP implementation costs	Orrick bond counsel; investment banking services chosen in future depending on financial structure	\$110,000	all pumpers
Court validation costs	District & County legal counsel for GSA	\$35,000	all pumpers
GSP defense reserve for litigation	Reserve used only if/when GSP must be defended	\$350,000	all pumpers
County land use and groundwater ordinance changes			

GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT COSTS ESTIMATES

Milestone	estimated date (1)	responsible party
draft withdrawals benchmarks methodology acceptable to DWR, SWRCB, GSAs	June - August 2015	Borrego Water Coalition ("the Coalition) benchmarks committee
establish location of all producing wells in Valley	June - August	Coalition benchmarks committee
establish who owns each producing well in Valley	June - August	Coalition benchmarks committee
finalize depth dependent water quality scope of work	June - July	Borrego Water District ("the District") & San Diego County Department of Planning & Development Services ("the County" or "PDS")
draft MOU among Coalition + County + District for recognition as official stakeholder in GSP process	June - August	Coalition representative committee
GSP development estimated costs proposal finalized	August	District
Raftelis apportionment memo	August	District
final withdrawals benchmark methodology sent to GSAs	September	Coalition
Development costs & apportionment of GSP development costs agreed to	September	Coalition + County + District
County & District have applied for GSA status	September	County + District
GSP governance structure agreed to in writing by parties	September - October	Coalition + County + District
218 process to establish GSP development costs funding mechanism	October	District
Start depth-dependent water quality study	October	District
Contract with main GSP development engineer finalized	November	District
DWR has allowed adjustment of Basin boundary from existing Bulletin 118 boundary	November	County + District
GSP development tasks finalized	December	Coalition + County + District

GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT COSTS ESTIMATES

Milestone	estimated date (1)	responsible party
218 rate process w/ Raftelis	January/February 2016	District
Begin creation of reduction plan	January	GSAs + Coalition
Town Hall community-wide meeting for GSP	March	Coalition + GSAs
Release of final DWR GSP regulations & conformance w/ work to date	June	GSAs + Coalition
Draft GSP released for public comment	September	Coalition & GSAs
Adoption of GSP	December	GSAs
Court validation process	January - June 2017	GSAs
GSP funding process	July 2017 - January 2018	District

Well Meter Reads for drought reduction period: June-November in Acre Feet

2013		ID1-8	ID1-10	ID1-12	ID1-16	ID4-4	ID4-10	ID4-11	ID4-18	ID5-5	Wilcox	Total				
MONTH																
Jun	6.78	0.04	32.48		0.88	9.52	102.65	6.02	16.22	0.75		175.34				
Jul	0.02	7.16	34.82		10.28	11.12	114.63	0.04	19.46	0.38		197.91				
Aug	0.08	13.53	27.61		3.08	9.31	98.37	3.03	11.83			166.84				
Sep	1	10.35	30.32			9.42	95.61	4.33	7.6	0.34		158.97				
Oct	0.06	11.21	29.22		0.09	10.69	113.95	4.64	12.89	0.01		182.76				
Nov		11.99	21.04		0.22	9.41	93.97	4.29	10.85			151.77				
Totals	7.94	54.28	175.49	0	14.55	59.47	619.18	22.35	78.85	1.48		1033.59				
2014																
MONTH																
Jun	0.04	24.42	63.2		46.08	9.43	54.04	3.64	10.57			211.42				
Jul	0.03	39.19	70.1		49.84	10.39	64.3	4.96	11.88	0.08		250.77				
Aug	0.61	27.67	59.88	22.69	31.96	8.86	61.91	3.5	8.53			225.61				
Sep	0.06	19	48.79	31.97	54.73	10.84	62.48	4.39	10.38			242.64				
Oct	0.01	19.36	46.55	43.45	43.63	8.66	62.73	3.36	12			239.75				
Nov	0.05	15.19	30.76	36.26	46.53	9.26	54.05	4.03	9.13			205.26				
Totals	0.8	144.83	319.28	134.37	272.77	57.44	359.51	23.88	62.49	0.08		1375.45				
Total without golf:											996.74	Golf:	378.71			
% reduced over one-year period:											-4					
2015																
MONTH																
Jun	0.03	0.26	20.84	20.33	50.06	8.4	45.42	3.67	9.12			158.13				
Jul	0.02		27.1	12.86	40.26		46.4	3.43	18.8			148.87				
Aug	8.17	2.56	18.88	7.09	42.84		48.91	3.05	18.74	0.01		150.25				
Sep	17.31	8.03	8.95	16.12	47.84		59.16	3.73	22.2	0.04		183.38				
Oct																
Nov																
Totals																
% Reduction over 2 Year Period:											Jun	Jul	Aug	Sep	Nov	AVERAGE
											-16	-26	-10	14	-10	



BORREGO WATER DISTRICT

October 28, 2015

MEMO TO: Board of Directors
FROM:  Kim Pitman, Administration Manager
SUBJECT: Board to consider and possibly approve claims received for "Tier 2" Conservation rate refunds

As the Board requested, I composed a letter, with committee member approval, to notify customers who may have paid tier 2 rates, that they may be entitled to a refund and to contact the office to begin the claim process.

To date, we have mailed out 49 claim forms, totaling approximately \$24,000 in possible refunds.

Ten (10) claim forms have been completed and returned to the office. I have reviewed and concur with the total refund requested for each claim. Each claim complies with Resolution/Policy NO. 2015-06-01, stating overpayment of water rates, by paying tier 2 rates. The total of these six claims comes to \$8,006.37.

Thank you for your consideration in this matter.



BORREGO WATER DISTRICT

October 7, 2015

Dear Borrego Water District Customer,

The Borrego Water District provides water to its customers, both for domestic and irrigation uses. Like many public agencies providing this commodity the District sets rates based on studies of its consultants with an effort to provide affordable water to all of its customers while, at the same time, encouraging water conservation and providing a means for collecting sufficient revenue to continue its operations in a safe and efficient matter.

When the District's Board of Directors set rates in 2010 it relied on a rate study performed by qualified consulting engineers. The rates adopted contained 2 levels of differing rates, commonly referred to as "tiers". This methodology provides a structure for keeping water rates affordable to those that conserve and use less of the District's available water, and increasing the rate for each tier in order to provide a means of collecting sufficient revenues, in total, to pay costs incurred by the District to operate the enterprise and meet its objective of providing water in a safe and efficient manner.

Due to the controversy in the court system challenging the tiered rate structure, the current Board of Directors voluntarily suspended the tier 2 rate as of June, 2015.

This letter has been sent to notify customers, who may have paid tier 2 rates, that they may be entitled to a refund. If you feel you might be entitled to a refund, please contact the District office to begin the claim process. In order to qualify for this claim, the claim form has to be dated by July 1, 2016.

Sincerely,

Board of Directors
Borrego Water District

RESOLUTION NO. 2015-10-03

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

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

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

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

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

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

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

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

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

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

Section 2. Notwithstanding Section 1, above, the regular meetings of the Board of Directors of the Borrego Water District for the months of November and December 2015 shall be held on the third Wednesday of such months (November 18th and December 16th, 2015).

ADOPTED, SIGNED AND APPROVED this 28th day of October, 2015.

President of the Board of Directors of Borrego Water District

ATTEST:

Secretary of the Board of Directors of Borrego Water District

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

I, Joseph Tatusko, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said District at a regular meeting held on the 28th day of October, 2015, and that it was so adopted by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

Secretary of the Board of Directors of Borrego Water District

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

I, Joseph Tatusko, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2015-10-03, of said Board, and that the same has not been amended or repealed.

Dated:

Secretary of the Board of Directors of Borrego Water District

	Contract / Project	January	February	March	April	May
	PAYMENTS					
1	T2 Borrego	1/1/15: Pay spare cost in advance			Raftelis spare capacity cost analysis	5/1/15 Notice of 2015/2016 spare capacity due.
2	P & I Payment for ID4 COP's			1st half of payments due		
3	Compass Bank		2016 - payment due March 1st.			2016 - payment due June 1st.
4	CONTRACTS					
5	American Red Cross-can cancel any time for any reason					
6	Club Circle (Cameron)		option to renew lease by 2/28/2017			
7	Green Desert Landscape		discuss w/ Bob the option of continuing with contract 2/28/2017			
8	Xerox					
9	Secap - postage machine				4/1/2017 send letter of cancellation if desired	
10	San Diego Mailing Solutions (Annual maintenance - postage and stuffer machine)					
11	Ramona Disposal - Club Circle					
12	Ramona Disposal - BWD Dumpsters					
13	REPORTS					
14	CASGEM				Submit CASGEM water level data	
15	CCR					
16	Cameron Bros. Water Usage Report (golf course) to county					
17	Santago Estate					
18	Annual EAR Report (CDHS)			Due 3/31 for previous year		
19	Check fallow property for water usage					
20	ADMINISTRATIVE					
21	Audit					
22	Budget			Pump check	CIP meeting, draft budget document	Final Budget document / FY Rate Resolution
23	Business Plan	January 2016 - Update Availability Fees (property tax assessments)		March 2015-Identify & Implement Mechanism to pay for GSP costs. March 2016- Update rate structure & water, sewer & WWT rates		
24	Groundwater Sustainability Plan (GSP)	District Meeting Jan. 20 to discuss policy recommendations, DRAFT MOU between County & District	District Meeting February 17th to discuss policy recommendations, Draft MOU of County and District with Coalition; proposal for mechanism(s) to pay for GSP development		District Meeting March 17th to discuss policy recommendations, Draft MOU between County and District; DRAFT MOU of County and District with Coalition; proposal for mechanism(s) to pay for GSP development	
25	Investment Policy					
26	Special Assessments / tax bill resolutions-Taussig					
27	Town Hall Meeting			March 2016'		
28	Water Credit Policy			2015- Check if pricing needs to be adjusted (moved to due diligence)		

	June	July	August	September	October	November	December
1	6/15/15: commitment of annual spare capacity due from T2 6/30/15: T2 to fallow 200 acre feet 6/30/15: T2 to pay BWD \$110 per a/f over 800.	7/1/17: establish water budget					12/31/14: T2 to purchase land to fallow 12/31/18 lease expires Send invoice for Spare Capacity
2				2nd half of payments due			
3		1st payment due September 1st			Payment due December 1st.		
4							
5							
6	Lease expires 6/30/2017						
7	Agreement expires 6/30/2017	Cost of Water Adjustment each July 1st. With Cameron					
8		Lease contract expires 7/2020					
9		lease expires 7/2017					
10			Annual maintenance contract expires 10/6/16				
11			contact RDS re: contract renewal 2015				rate valid until 12/2015
12			contact RDS re: contract renewal 2015				rate valid until 12/2015
13							
14						Submit CASGEM water level data	
15					10/1/15 Mail CCR Certification form		
16					Send to County DPLU by 10/31		
17	Occupancy report due						
18							
19				Annual fallow property check			
20							
21			Begin audit	Review of draft audit report			
22							
23					November 2015-Update Development Fees (water credits & infrastructure buy-in costs for new connections)		
24				DRAFT MOU of County and District with Coalition; proposal for mechanism(s) to pay for GSP development		Implement GSP funding mechanism; start GSP development	
25	Investment polices restated						
26	Special Assessments resolutions due						
27							
28							

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ITEM III A FINANCIALS

	C	D	BM	BN	BO	BP	BQ
1	BWD		5/27/2015				CASH FLOW
2	CASH FLOW		ADOPTED	ACTUAL	PROJECTED	ACTUAL	YTD + PROJ MONTHS
3	2015-2016		BUDGET	SEPTEMBER	SEPT	YTD	PROJECTED
4			2015-2016	2015	2015	2015-2016	2015-2016
5	REVENUE						
6	WATER REVENUE						
7	Residential Water Sales		932,150	89,148	97,054	242,776	906,933
8	Commercial Water Sales		128,750	12,091	11,613	33,351	127,604
9	Irrigation Water Sales		143,170	12,827	12,556	39,328	141,630
10	GWM Surcharge		117,420	11,039	12,009	30,408	113,988
11	Water Sales Power Portion		373,890	35,716	38,768	98,516	361,963
12	Drought Penalty-1%		(9,045)	(1,608)	(1,675)	(4,444)	(4,302)
13	Drought Rates-5.5%		(40,781)			-	(40,781)
14	TOTAL WATER COMMODITY REVENUE:		1,645,554	160,821	170,327	439,936	1,602,590
15							
16							
17	Readiness Water Charge		1,335,180	112,004	112,880	317,746	1,333,666
19	RH Golf Course surplus capacity lease		0	0	0	9,630	9,630
20	Meter Installation		0	0	0	6,876	6,876
22	Reconnect Fees		1,700	340	0	680	2,040
23	Backflow Testing/installation		6,500	0	0	-	6,500
24	Bulk Water Sales		0	0	0	-	0
25	Penalty & Interest Water Collection		9,600	800	800	3,881	11,081
26	TOTAL WATER REVENUE:		2,998,534	273,965	284,007	762,243	2,955,878
27		Receivables					
28	PROPERTY ASSESSMENTS/AVAILABILITY CHARGES	as of 10/06/15					
29	641500 1% Property Assessments -	78,556	64,000	475	475	1,798	64,752
30	641502 Property Assess wtr/swr/fld -	106,826	60,000	75	75	1,085	60,624
32	641501 Water avail Standby -	100,034	84,000	818	818	894	83,607
34	641504 ID 3 Water Standby (La Casa)	35,359	34,000	64	64	85	33,925
35	641503 Pest standby	19,978	17,000	96	96	144	16,976
36	TOTAL PROPERTY ASSES/AVAIL CHARGES:	340,752	259,000	1,528	1,528	4,006	259,883
37							
38	SEWER SERVICE CHARGES						
39	Town Center Sewer Holder fees		171,240	14,274	14,270	42,885	171,315
40	Town Center Sewer User Fees		39,960	3,330	3,330	9,990	39,960
41	Sewer user Fees		333,900	28,036	27,825	82,069	332,494
45	TOTAL SEWER SERVICE CHARGES:		545,100	45,679	45,425	134,983	543,808
46							
47	OTHER INCOME						
51	Miscellaneous Income (net csd fee/JPIA rebate/check free)			47	0	797	797
52	Water Credits income			0	0	1,000	1,000
56	Interest Income		80	2	2	6	80
57	TOTAL OTHER INCOME:		80	49	2	1,804	1,877
58							
59	TOTAL INCOME:		3,802,713	321,220	330,961	923,985	3,782,396
60							
61	CASH BASIS ADJUSTMENTS						
62	Decrease (Increase) in Accounts Receivable			(23,199)	0	(42,339)	(42,339)
64	Other Cash Basis Adjustments-Construction meter deposit			850	0	850	850
65	TOTAL CASH BASIS ADJUSTMENTS:			(22,349)	0	(41,489)	(41,489)
66							
67	TOTAL INCOME RECEIVED:		3,802,713	298,871	330,961	882,496	3,740,907

	BR	BS	BT	BU	BV	BW	BX	BY	BZ
1									
2	PROJECTED								
3	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
4	2015	2015	2015	2016	2016	2016	2016	2016	2016
5									
6									
7	87,636	81,976	75,160	58,801	54,142	56,555	84,844	67,841	97,201
8	10,870	12,342	8,486	10,002	9,023	10,208	12,902	10,324	10,096
9	19,012	14,318	8,351	7,704	6,663	7,425	12,736	11,672	14,420
10	11,208	10,588	7,830	6,942	6,993	7,366	10,876	10,888	10,888
11	36,337	34,225	25,372	22,514	22,672	23,874	33,590	31,743	33,122
12	(1,606)	(1,489)	(1,207)						
13				(5,621)	(5,265)	(5,592)	(8,315)	(7,079)	(8,910)
14	163,457	151,960	123,992	100,341	94,228	99,837	146,632	125,389	156,817
15									
16									
17	112,880	112,880	112,880	112,880	112,880	112,880	112,880	112,880	112,880
19	0	0	0	0	0	0	0	0	0
20	0	0	0	0	0	0	0	0	0
22	0	340	0	340	0	340	0	340	0
23	0	0	0	6,500	0	0	0	0	0
24	0	0	0	0	0	0	0	0	0
25	800	800	800	800	800	800	800	800	800
26	277,137	265,980	237,672	220,861	207,908	213,857	260,312	239,409	270,497
27									
28									
29	967	2,938	22,483	13,843	1,906	2,102	18,015	500	200
30	0	1,759	5,841	47,856	1,018	693	1,072	1,000	300
32	1,114	7,235	18,257	29,014	2,438	3,015	4,363	15,277	2,000
34	43	1,562	3,280	14,052	346	889	1,046	12,132	490
35	125	1,000	3,426	6,354	329	416	2,063	2,597	523
36	2,249	14,494	53,287	111,118	6,038	7,114	26,558	31,506	3,513
37									
38									
39	14,270	14,270	14,270	14,270	14,270	14,270	14,270	14,270	14,270
40	3,330	3,330	3,330	3,330	3,330	3,330	3,330	3,330	3,330
41	27,825	27,825	27,825	27,825	27,825	27,825	27,825	27,825	27,825
45	45,425	45,425	45,425	45,425	45,425	45,425	45,425	45,425	45,425
46									
47									
51	0	0	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0	0	0
56	15	2	2	16	3	2	16	2	16
57	15	2	2	16	3	2	16	2	16
58									
59	<u>324,826</u>	<u>325,901</u>	<u>336,386</u>	<u>377,421</u>	<u>259,375</u>	<u>266,398</u>	<u>332,311</u>	<u>316,342</u>	<u>319,451</u>
60									
61									
62	0	0	0	0	0	0	0	0	0
64	0	0	0	0	0	0	0	0	0
65	0	0	0	0	0	0	0	0	0
66									
67	<u>324,826</u>	<u>325,901</u>	<u>336,386</u>	<u>377,421</u>	<u>259,375</u>	<u>266,398</u>	<u>332,311</u>	<u>316,342</u>	<u>319,451</u>

	C	D	BM	BN	BO	BP	BQ
1	BWD		5/27/2015				CASH FLOW
2	CASH FLOW		ADOPTED	ACTUAL	PROJECTED	ACTUAL	YTD + PROJ MONTHS
3	2015-2016		BUDGET	SEPTEMBER	SEPT	YTD	PROJECTED
4			2015-2016	2015	2015	2015-2016	2015-2016
68	EXPENSES						
69							
70	MAINTENANCE EXPENSE						
71	R & M Buildings & Equipment		185,000	7,059	10,000	39,571	194,571
72	R & M - WWTP		132,000	1,999	6,000	7,486	121,486
73	Telemetry		10,000	1,050	850	1,050	8,500
74	Trash Removal		4,000	359	300	933	4,033
75	Vehicle Expense		18,000	3,989	1,500	7,266	20,766
76	Fuel & Oil		25,000	1,517	2,500	6,252	24,752
77	TOTAL MAINTENANCE EXPENSE:		374,000	15,974	21,150	62,558	374,108
78							
79	PROFESSIONAL SERVICES EXPENSE						
80	Tax Accounting (Taussig)		3,000	1,055	0	1,055	2,555
81	Administrative Services (ADP/Bank Fees)		6,000	(1,168)	500	1,980	6,480
82	Audit Fees		14,439	4,813	4,813	14,439	14,439
83	Computer billing-TBD		9,900	143	825	1,005	8,430
84	Consulting/Technical/Contract Labor		1,200	0	100	50	950
85	Engineering		35,000	1,635	3,000	25,481	52,481
86	District Legal Services		30,000	644	2,500	1,775	24,275
87	Testing/lab work		12,000	350	1,000	1,645	10,645
88	Regulatory Permit Fees		33,000	9	3,165	4,386	34,221
89	TOTAL PROFESSIONAL SERVICES EXPENSE:		144,539	7,481	15,903	51,817	154,477
90							
91	INSURANCE/DEBT EXPENSE						
92	ACWA Insurance		59,000	24,670	24,000	24,670	59,670
93	Workers Comp		16,000	4,016	4,000	4,016	16,016
94	COP 2008 Installment		254,525		0	198,838	254,525
95	Viking Ranch Debt Payment		143,312			35,872	143,488
96	TOTAL INSURANCE/DEBT EXPENSE:		472,837	28,686	28,000	263,395	473,699
97							
98	PERSONNEL EXPENSE						
99	Board Meeting Expense (board stipend/board secretary)		16,500	1,500	1,500	2,980	16,480
100	Salaries & Wages (gross)		761,000	64,875	63,150	188,771	760,221
101	Taxes on Payroll		20,000	1,601	1,080	3,909	20,838
102	Medical Insurance Benefits		185,000	37,430	15,093	82,710	207,314
103	Calpers Retirement Benefits		169,200	7,829	8,270	89,485	163,915
104	Salaries & Wages contra account		(14,520)	(1,420)	(1,320)	(1,634)	(13,514)
105	Conference/Conventions/Training/Seminars		7,000	2,114	333	3,939	7,143
106	TOTAL PERSONNEL EXPENSE:		1,144,180	113,929	88,106	370,159	1,162,397
107							
108	OFFICE EXPENSE						
109	Office Supplies		18,000	1,658	1,500	3,335	16,835
110	Office Equipment/ Rental/Maintenance Agreements		25,000	515	1,500	9,012	29,012
111	Postage & Freight		13,000	13	75	2,078	12,853
112	Taxes on Property		2,500	0	0	-	2,500
113	Telephone/Answering Service		8,400	680	700	2,163	8,463
114	Dues & Subscriptions		3,600	36	36	116	3,152
115	Printing, Publications & Notices		1,000	408	0	464	1,463
116	Uniforms		5,400	430	450	1,436	5,486
117	OSHA Requirements/Emergency preparedness		4,000	137	300	304	3,204
118	TOTAL OFFICE EXPENSE:		80,900	3,878	4,561	18,907	82,969
119							
120	UTILITIES EXPENSE						
121	Pumping-Electricity		430,000	31,892	42,000	91,603	385,603
122	Office/Shop Utilities		19,000	3,348	2,361	9,374	21,181
123	Cellular Phone		7,500	703	625	2,195	7,820
124	TOTAL UTILITIES EXPENSE:		456,500	35,943	44,986	103,172	414,604
125							
126	TOTAL EXPENSES:		2,672,956	205,890	202,706	870,009	2,662,254
127							
128	CASH BASIS ADJUSTMENTS						
129	Decrease (Increase) in Accounts Payable			201,306	0	108,937	108,937
130	Increase (Decrease) in Inventory			134	0	3,478	3,478
131	Other Cash Basis Adjustments-Loss on water credit sold				0	-	0
132	TOTAL CASH BASIS ADJUSTMENTS:			201,439	0	112,415	112,415
133							
134	TOTAL EXPENSES PAID:		2,672,956	407,330	202,706	982,424	2,774,669
135							
136	NET CASH FLOW (O&M)		1,129,758	(108,459)	128,256	(99,927)	966,238

	BR	BS	BT	BU	BV	BW	BX	BY	BZ
1									
2	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
4	2015	2015	2015	2016	2016	2016	2016	2016	2016
68									
69									
70									
71	10,000	15,000	15,000	15,000	15,000	15,000	15,000	40,000	15,000
72	6,000	16,000	6,000	6,000	6,000	56,000	6,000	6,000	6,000
73	850	850	850	850	850	800	800	800	800
74	300	350	350	350	350	350	350	350	350
75	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
76	2,000	2,000	2,500	2,000	2,000	2,000	2,000	2,000	2,000
77	20,650	35,700	26,200	25,700	25,700	75,650	25,650	50,650	25,650
78									
79									
80	0	0	0	0	0	0	0	0	1,500
81	500	500	500	500	500	500	500	500	500
82	0	0	0	0	0	0	0	0	0
83	825	825	825	825	825	825	825	825	825
84	100	100	100	100	100	100	100	100	100
85	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
86	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
87	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
88	10,968	7,350	0	0	1,250	4,722	422	3,000	2,123
89	18,893	15,275	7,925	7,925	9,175	12,647	8,347	10,925	11,548
90									
91									
92	0	0	0	0	0	35,000	0	0	0
93	0	0	4,000	0	0	4,000	0	0	4,000
94	0	0	0	0	0	55,688	0	0	0
95		35,872			35,872			35,872	
96	0	35,872	4,000	0	35,872	94,688	0	35,872	4,000
97									
98									
99	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
100	63,150	67,350	64,750	61,750	61,750	64,650	61,750	63,150	63,150
101	1,055	945	1,050	5,000	2,390	1,078	1,612	2,200	1,600
102	15,093	15,093	15,093	15,325	16,000	16,000	16,000	16,000	0
103	8,270	8,270	8,270	8,270	8,270	8,270	8,270	8,270	8,270
104	(1,320)	(1,320)	(1,320)	(1,320)	(1,320)	(1,320)	(1,320)	(1,320)	(1,320)
105	167	395	479	48	790	500	100	600	126
106	87,915	92,233	89,822	90,573	89,380	90,678	87,912	90,400	73,326
107									
108									
109	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
110	4,412	3,288	1,584	1,665	1,552	2,000	2,000	1,500	2,000
111	2,100	75	2,100	50	2,100	75	2,100	75	2,100
112	2,500	0	0	0	0	0	0	0	0
113	700	700	700	700	700	700	700	700	700
114	0	0	0	248	134	200	2,360	50	45
115	242	0	94	353	94	116	0	0	100
116	450	450	450	450	450	450	450	450	450
117	300	400	400	400	250	250	300	300	300
118	12,204	6,413	6,828	5,366	6,780	5,291	9,410	4,575	7,195
119									
120									
121	43,000	44,000	33,813	27,000	25,554	25,633	30,000	32,000	33,000
122	1,773	1,321	1,030	1,543	1,165	1,286	1,079	1,100	1,511
123	625	625	625	625	625	625	625	625	625
124	45,398	45,946	35,468	29,168	27,344	27,544	31,704	33,725	35,136
125									
126	<u>185,059</u>	<u>231,439</u>	<u>170,242</u>	<u>158,732</u>	<u>194,251</u>	<u>306,497</u>	<u>163,022</u>	<u>226,147</u>	<u>156,855</u>
127									
128									
129	0	0	0	0	0	0	0	0	0
130	0	0	0	0	0	0	0	0	0
131	0	0	0	0	0	0	0	0	0
132	0	0	0	0	0	0	0	0	0
133									
134	<u>185,059</u>	<u>231,439</u>	<u>170,242</u>	<u>158,732</u>	<u>194,251</u>	<u>306,497</u>	<u>163,022</u>	<u>226,147</u>	<u>156,855</u>
135									
136	<u>139,767</u>	<u>94,462</u>	<u>166,144</u>	<u>218,689</u>	<u>65,123</u>	<u>(40,099)</u>	<u>169,289</u>	<u>90,195</u>	<u>162,596</u>

	C	D	BM	BN	BO	BP	BQ
1	BWD		5/27/2015				CASH FLOW
2	CASH FLOW		ADOPTED	ACTUAL	PROJECTED	ACTUAL	YTD + PROJ MONTHS
3	2015-2016		BUDGET	SEPTEMBER	SEPT	YTD	PROJECTED
4			2015-2016	2015	2015	2015-2016	2015-2016
137	NON O & M EXPENSES						
138	Water						
139	Twin Tanks, 1970's-inside coating (rescheduled into 2015-2016)		125,000			-	125,000
140	Pickup		30,000			-	30,000
141	Backhoe		150,000			-	150,000
142	ID 5-5, 200 HP		10,000			-	10,000
143	Pipeline-Bending Elbow Road-Second Half		55,590			-	55,590
145	Pump and Cleaning Well ID4-4		70,000			-	70,000
146	Booster Station Motors-Country Club & ID1 station 1 #2 30 hp		8,000			-	8,000
148	Air Quality Compliance-Wilcox Well		37,000			-	37,000
151	Sewer						
153	WWTP-Portable engine driven trash pump/Backup generator		92,000			-	92,000
155	WWTP-Rehab grit chamber		6,000			-	6,000
157	WWTP-Rehab Clarifier/pump/bearings		66,500			6,709	66,500
159	WWTP-Solar Project		205,088	16,565	8,000	118,485	205,088
160	Collection system repairs \$25,000/manhole replacement \$50,000					-	
162	GWM						
164	GWM -legal/Misc.-prop 1 grant		60,000	3,010	5,000	18,554	63,554
165	District portion of GSP		80,000		6,500	-	60,500
172	218 Process		110,000		9,100	-	82,700
177	OTHER						
181	GPS Locating System		12,000			-	12,000
183	New Computer for server and new Software system		85,500	349	7,150	82,715	97,015
191	TOTAL NON O&M EXPENSES		1,202,678	19,925	35,750	226,463	1,170,947
192							
193	CASH RECAP						
194	Cash beginning of period		2,611,448	2,654,382	2,538,528	2,852,387	2,852,387
195	Net Cash Flow (O&M)		1,129,758	(108,459)	128,256	(99,927)	966,238
196	Total Non O&M Expenses		(1,202,678)	(19,925)	(35,750)	(226,463)	(1,170,947)
197	CASH AT END OF PERIOD		2,538,528	2,525,998	2,631,033	2,525,998	2,647,678
198							
199	RESERVES						
200	Debt Reserves		(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
201	Working Capital (4 months)		(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
203	Contingency Reserves (10% O&M)		(270,000)	(270,000)	(270,000)	(270,000)	(270,000)
204	Rate Stabilization Reserves		(480,000)	(480,000)	(480,000)	(480,000)	(480,000)
205	Available for Emergency Reserves		488,528	475,998	581,033	475,998	597,678
206	Target Emergency Reserves		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
207	Emergency Reserves Deficit		(1,511,472)	(1,524,002)	(1,418,967)	(1,524,002)	(1,402,322)
208							
209							
210	SIGNIFICANT ITEMS		ACTUAL	PROJECTED			
211							
212	Total Water Revenue		273,965	284,007	(10,042)	3.5% decrease in water usage	
213	Administrative Services (ADP/Bank Fees)		(1,168)	500	(668)	Calpers refund-\$1,700 GASB reports	
214	Medical Insurance Benefits		37,430	15,093	22,337	Paid October premium early	
215							
216							
217			310,227	299,600			

	BR	BS	BT	BU	BV	BW	BX	BY	BZ
1									
2	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
3	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
4	2015	2015	2015	2016	2016	2016	2016	2016	2016
137									
138									
139							125,000		
140	30,000								
141									150,000
142		10,000							
143					35,000	20,590			
145		35,000		35,000					
146		8,000							
148				37,000					
151									
153		92,000							
155				6,000					
157	13,291		20,000		6,500		20,000		
159	23,072	39,179	24,352						
160									
162									
164	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
165	6,500	6,500	6,500	6,500	6,500	6,500	6,500	7,500	7,500
172	9,100	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200
177									
181	12,000								
183	5,720	5,720	2,860						
191	104,683	210,599	67,912	98,700	62,200	41,290	165,700	21,700	171,700
192									
193									
194	2,525,998	2,561,081	2,444,945	2,543,176	2,663,165	2,666,088	2,584,699	2,588,288	2,656,783
195	139,767	94,462	166,144	218,689	65,123	(40,099)	169,289	90,195	162,596
196	(104,683)	(210,599)	(67,912)	(98,700)	(62,200)	(41,290)	(165,700)	(21,700)	(171,700)
197	2,561,081	2,444,945	2,543,176	2,663,165	2,666,088	2,584,699	2,588,288	2,656,783	2,647,678
198									
199									
200	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)
201	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
203	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)
204	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)	(480,000)
205	511,081	394,945	493,176	613,165	616,088	534,699	538,288	606,783	597,678
206	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
207	(1,488,919)	(1,605,055)	(698,427)	(506,450)	(401,877)	(575,451)	(1,461,712)	(1,393,217)	(1,402,322)
208									
209									
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BORREGO WATER DISTRICT

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125				BALANCE SHEET	BALANCE SHEET	MONTHLY
126				September 30, 2015	August 31, 2015	CHANGE
127				(unaudited)	(unaudited)	(unaudited)
128						
129				ASSETS:		
130						
131						
132						
133						
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135						
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185						
186	Balance sheet continued					
187				BALANCE SHEET	BALANCE SHEET	MONTHLY
188				September 30, 2015	August 31, 2015	CHANGE
189				(unaudited)	(unaudited)	(unaudited)
190				LIABILITIES:		
191						
192						
193						
194	CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS					
195	Accounts Payable			\$ 50,953.91	\$ 252,259.60	\$ (201,305.69)
196	Accrued expenses			\$ 113,983.36	\$ 104,676.36	\$ 9,307.00
197	Deposits			\$ 22,943.75	\$ 22,093.75	\$ 850.00
198						
199	TOTAL CURRENT LIABILITIES PAYABLE					
200	FROM CURRENT ASSETS			\$ 187,881.02	\$ 379,029.71	\$ (191,148.69)
201						
202	CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS					
203	Debt Service:					
204	Accounts Payable to CFD 2007-1			\$ 99,273.00	\$ 136,532.55	\$ (37,259.55)
205	Tier 2 Rate Refund Payable			\$ 172,195.00	\$ -	
206						
207	TOTAL CURRENT LIABILITIES PAYABLE					
208	FROM RESTRICTED ASSETS			\$ 271,468.00	\$ 136,532.55	\$ 134,935.45
209						
210	LONG TERM LIABILITIES					
211	2008 Certificates of participation			\$ 2,475,000.00	\$ 2,475,000.00	\$ -
212	Viking Ranch Note			\$ 1,104,442.20	\$ 1,104,442.20	\$ -
213	Net Pension Liability-calPERS			\$ 699,055.00	\$ -	\$ 699,055.00
214	Deferred Inflow of Resources-calPERS			\$ 160,113.00	\$ -	
215						
216	TOTAL LONG TERM LIABILITIES			\$ 4,438,610.20	\$ 3,579,442.20	\$ 859,168.00
217						
218	TOTAL LIABILITIES			\$ 4,897,959.22	\$ 4,095,004.46	\$ 802,954.76
219						
220	FUND EQUITY					
221	Contributed equity			\$ 9,611,814.35	\$ 9,611,814.35	\$ -
222						
223	Retained Earnings:					
224	Unrestricted Reserves/Retained Earnings			\$ 2,964,351.66	\$ 4,201,003.23	\$ (1,236,651.57)
225						
226	Total retained earnings			\$ 2,964,351.66	\$ 4,201,003.23	\$ (1,236,651.57)
227						
228	TOTAL FUND EQUITY			\$ 12,576,166.01	\$ 13,812,817.58	\$ (1,236,651.57)
229						
230	TOTAL LIABILITIES AND FUND EQUITY			\$ 17,474,125.23	\$ 17,907,822.04	\$ (433,696.81)
231						
232						



BORREGO WATER DISTRICT

TREASURER'S REPORT SEPTEMBER, 2015

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

Cash and Cash Equivalents:

Demand Accounts at WFB/UB/LAIF

WFB/UB General Account/Petty Cash	\$ 2,400,669	\$ 2,386,390	\$ 2,386,390	94.47%	0.00%	N/A	WFB/UB
Payroll Account	\$ 70,303	\$ 68,175	\$ 68,175	2.70%	0.01%	N/A	WFB
MMA	\$ 50,452	\$ 50,452	\$ 50,452	2.00%	0.03%	N/A	WFB
LAIF	\$ 20,982	\$ 20,982	\$ 20,982	0.83%	0.22%	N/A	LAIF
Total Cash and Cash Equivalents	\$ 2,542,406	\$ 2,525,998	\$ 2,525,998	100.00%			

Facilities District No. 2007-1

First American Treas Obligation -US BANK	\$ 99,273	\$ 99,273	\$ 99,273				
Total Cash, Cash Equivalents & Investments	\$ 2,641,679	\$ 2,625,271	\$ 2,625,271				

Cash and investments conform to the District's Investment Policy statement filed with the Board of Directors on June 24, 2015.

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

Sources of valuations are Umpqua Bank, Wells Fargo Bank (WFB), LAIF and US Trust Bank.



 Kim Pitman, Administration Manager



BORREGO WATER DISTRICT

To: BWD Board of Directors
From: Kim Pitman
Subject: Consideration of the Disbursements and Claims Paid
Month Ending September, 2015

Vendor disbursements paid during this period: **\$ 173,229.24**

Significant items:

San Diego Gas & Electric	\$	33,824.48
CalPERS Payments	\$	10,803.12
Medical Health Benefits (Sept/Oct)	\$	38,635.56
ACWA/JPIA-Auto and General Liability Premium	\$	24,670.00
ACWA/JPIA Workers Compensation quarterly premium	\$	4,016.00

Capital Projects/Fixed Asset Outlays:

Big J Fencing, Inc.- WWTP Solar Project	\$	6,900.00
LTS Solar Energy-WWTP payment for labor	\$	8,450.00

Total Professional Services for this Period:

Downey Brand, Attorneys	Legal-GWM	\$	1,312.50
McDougal Love Eckis	Legal-general	\$	643.50
Hoska, Rotherham & Company-Audit final payment for FY 2015		\$	4,813.00

Payroll for this Period:

Gross Payroll	\$	64,875.26
Employer Payroll Taxes and ADP Fee	\$	1,601.00
Total	\$	66,476.26

BORREGO WATER DISTRICT
FOR BOARD CONSIDERATION AND APPROVAL
SEPTEMBER 30, 2015

GENERAL ACCOUNT

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
30000	10/16/15	U.S.BANK CORPORATE PAYMENT SYS SEE INVOICE FOR DETAILS SEE INVOICE FOR DETAILS	5,954.20
20176	09/30/15	ABILITY ANSWERING/PAGING SER ANSWERING SERVICE	188.12
30001	10/16/15	ACCELA, INC. #774375 HP 9000 PROGRAMMING	142.50
20152	09/15/15	CB&T ACWA-JPIA MEDICAL COVERAGE	18,360.33
30002	10/16/15	CB&T ACWA-JPIA MEDICAL COVERAGE	20,275.23
20153	09/15/15	ACWA/JPIA AUTO AND GENERAL LIABILITY PROGRAM FOR 10/1/15 - 10/1/16	24,670.00
30003	10/16/15	ACWA/JPIA WORKERS COMPENSATION FOR PE 7/1/15 - 9/30/15	4,016.00
20164	09/22/15	AFLAC EMPLOYEE PAID SUPPLEMENTAL INS	1,889.44
30004	10/16/15	AMERICAN LINEN INC. UNIFORMS FOR CREW	430.45
30005	10/16/15	AT CONFERENCE CONFERENCE CALLS	54.83
30006	10/16/15	AT&T MOBILITY CELL PHONES FOR CREW	588.61
30007	10/16/15	AT&T-CALNET 2 PHONE SERVICE	351.11
20165	09/22/15	BIG J FENCING, INC. SECURITY FENCING, WWTP SOLAR PROJECT	6,900.00
30008	10/16/15	BORREGO LANDFILL REMOVAL OF MISC TRASH AT WWTP	60.33
30009	10/16/15	BORREGO SPRINGS BOTTLED WATER WATER FOR CREW	112.30
20154	09/15/15	BORREGO SUN ANNUAL SUBSCRIPTION	36.00
20155	09/15/15	PUBLIC EMP'S RETIREMENT SYSTEM RETIREMENT BENEFITS	5,268.29
30010	10/16/15	PUBLIC EMP'S RETIREMENT SYSTEM RETIREMENT	5,534.83
30011	10/16/15	CONTRON SCADA SERVICES AT RHWTF	1,050.40
30012	10/16/15	DAVID TAUSSIG & ASSOCIATES, INC PROFESSIONAL SERVICES LEVIES	1,055.47
30013	10/16/15	JAMES G HORMUTH/DBA TRUE VALUE SEE INVOICE FOR DETAILS	263.46
20156	09/15/15	DEBBIE MORETTI PEST CONTROL	113.00
20177	09/30/15	DOWNEY BRAND PROFESSIONAL SERVICES	1,312.50

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 SEPTEMBER 30, 2015

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
30014	10/16/15	DUDEK PROFESSIONAL SERVICES	95.00
30015	10/16/15	E.S. BABCOCK & SONS, INC. WATER SAMPLES TO LAB	320.00
20166	09/22/15	FASTENAL COMPANY SAFETY EQUIPMENT FOR SEWER PLT	331.70
20167	09/22/15	FED EX SHIPPING CHARGES	8.02
30016	10/16/15	GREEN DESERT LANDSCAPE MANAGEMENT FEE CLUB CIRCLE	4,770.00
30017	10/16/15	HOME DEPOT CREDIT SERVICES SEE INVOICE FOR DETAILS	502.37
20157	09/15/15	HOSAKA, ROTHERHAM & CO. FINAL INSTALLMENT FOR AUDIT	4,813.00
20168	09/22/15	BORREGO AUTO PARTS, INC. TIRES FOR BACKHOE 420 D CAT	1,438.50
30018	10/16/15	JC LABS & MONITORING SERVICE WASTEWATER CONSULTING SERVICES	1,500.00
20158	09/15/15	KENNY STRICKLAND, INC. FUEL FOR DISTRICT VEHICLES	1,024.46
20178	09/30/15	FUEL FOR DISTRICT VEHICLES KENNY STRICKLAND, INC.	463.22
20169	09/22/15	FUEL FOR DISTRICT VEHICLES LAIDLAW PLUMBING	661.84
20159	09/15/15	REPLACE TOILET @ SEWER OFFICE LTS SOLAR ENERGY	8,450.00
20179	09/30/15	SOLAR PROJECT CONTRACT LABOR McCALLS METERS, INC	4,218.49
20170	09/22/15	42 3/4" METERS McDOUGAL LOVE ECKIS	643.50
30019	10/16/15	PROFESSIONAL SERVICES NAPA AUTO PARTS INC	235.01
20146	09/10/15	MISC AUTO PARTS NIELSEN, MICHAEL	-35.12
30020	10/16/15	REFUND ACCT# 0861911 NIELSEN, MICHAEL	35.12
20160	09/15/15	REFUND ACCOUNT 0861911 NORTH GARDENS MANAGEMENT, LLC	2,902.50
20161	09/15/15	ENGINEERING ASSISTANCE PACIFIC PIPELINE SUPPLY INC	688.52
20171	09/22/15	PARTS FOR WWTP PACIFIC PIPELINE SUPPLY INC	2,431.23
20180	09/30/15	INVENTORY: SPARE PARTS, COPPER PIPE INVENTORY: STOPS, BOLT KITS INVENTORY: NON-ASB RING GASKET	403.72
30021	10/16/15	QUILL CORPORATION OFFICE SUPPLIES OFFICE SUPPLIES RAMONA DISPOSAL SERVICE	3,195.98
		WASTE DISPOSAL SERVICE WASTE SERVICE OFFICE WASTE DISPOSAL SERVICE	

BORREGO WATER DISTRICT
 FOR BOARD CONSIDERATION AND APPROVAL
 SEPTEMBER 30, 2015

CHECK#	DATE	PAYEE & DESCRIPTION	AMOUNT
20172	09/22/15	RECORDER/COUNTY CLERK'S OFFICE RELEASE OF LIEN 01-01844	13.00
30022	10/16/15	RECORDER/COUNTY CLERK'S OFFICE RELEASE OF LIEN VELASCO 06-2555-0	13.00
20173	09/22/15	SAN DIEGO GAS & ELECTRIC ELECTRICITY CHARGES	33,824.48
20174	09/22/15	SECAP FINANCE POSTAGE MACHINE LEASE	137.49
20162	09/15/15	SOUTHLAND WATER TECHNOLOGIES REPLACEMENT PARTS FOR THE PUMP AT THE BIO PLANT	298.10
30023	10/16/15	STAPLES CREDIT PLAN SEE INVOICE FOR DETAILS	129.58
30024	10/16/15	UNDERGROUND SERVICE ALERT DIG ALERTS	9.00
20175	09/22/15	U-T SAN DIEGO PUBLIC HEARING ON ORDINANCE 15-01 AND 15-02	408.00
30025	10/16/15	VERIZON WIRELESS EMERGENCY CELL PHONES	114.25
30026	10/16/15	WENDY QUINN RECORDING SECRETARY SERVICE	180.00
20163	09/15/15	XEROX FINANCIAL SERVICES COPIER LEASE	377.88
TOTAL			----- 173,229.24 =====

GROUNDWATER MANAGEMENT
Accounting-FY 2016
01-5480

MONTH	DOWNEY BRAND	UC REGENTS	CONFERENCE/ MEALS	Monthly Total	FYE 2015 Total
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Jul-15	534.95	15,000.00		15,534.95	15,534.95
Aug-15			8.31	8.31	15,543.26
Sep-15	1,312.50		50.36	1,362.86	16,906.12
Oct-15				-	16,906.12
Nov-15				-	16,906.12
Dec-15				-	16,906.12
Jan-16				-	16,906.12
Feb-16				-	16,906.12
Mar-16				-	16,906.12
Apr-16				-	16,906.12
May-16				-	16,906.12
Jun-16				-	16,906.12

Total	<u>1,847.45</u>	<u>15,000.00</u>	<u>58.67</u>	<u>16,906.12</u>	<u>16,906.12</u>
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BORREGO WATER DISTRICT

September 2015

WATER OPERATIONS REPORT

WELL	TYPE	FLOW RATE	STATUS	COMMENT
ID1-8	Production	350	In Use	
ID1-10	Production	300	In Use	
ID1-12	Production	950	In Use	
ID1-16	Production	850	In Use	
Wilcox	Production	150	In Use	Diesel backup well for ID-4
ID4-4	Production	350	In Use	
ID4-11	Production	1000	In Use	Diesel engine drive exercised monthly
ID4-18	Production	250	In Use	
ID5-5	Production	900	In Use	

System Problems: All Production Wells and reservoirs are in operating condition.

WASTEWATER OPERATIONS REPORT

Rams Hill Water Reclamation Plant serving ID-1, ID-2 and ID-5 Total Cap. 0.25 MGD (million gallons per day):

Average flow: 47,464 (gallons per day)

Peak flow: 63,745 gpd Sunday September 6, 2015



BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY

September 2015

DATE	ID-1	ID-3	ID-4	DISTRICT-WIDE TOTALS
Sep-13	30.51	11.16	117.30	158.97
Oct-13	29.63	10.86	142.27	182.76
Nov-13	21.45	11.58	118.74	151.77
Dec-13	16.85	6.75	92.64	116.24
Jan-14	12.51	7.44	103.25	123.20
Feb-14	20.59	6.37	93.87	120.83
Mar-14	38.28	6.90	93.46	138.64
Apr-14	55.77	8.32	124.43	188.52
May-14	64.47	8.46	116.31	189.24
Jun-14	78.14	9.52	123.76	211.42
Jul-14	100.19	9.13	141.45	250.77
Aug-14	101.13	9.72	114.76	225.61
Sep-14	89.33	10.49	142.82	242.64
Oct-14	99.66	9.71	130.38	239.75
Nov-14	71.94	10.32	123.00	205.26
Dec-14	38.95	6.96	95.47	141.38
Jan-15	32.95	6.38	85.84	125.17
Feb-15	22.13	6.15	86.06	114.34
Mar-15	16.78	5.94	86.54	109.26
Apr-15	32.79	8.30	129.76	170.85
May-15	29.25	7.28	104.29	140.82
Jun-15	32.44	9.02	116.67	158.13
Jul-15	29.94	10.04	108.89	148.87
Aug-15	28.19	8.51	113.56	150.26
Sep-15	29.17	9.63	132.98	171.78
12 Mo. TOTAL	464.19	98.24	1313.44	1875.87

Totals reflect individual improvement district usage. Interties from ID-3 have been subtracted from well pumpage totals and applied to respective ID's. All figures in Acre Feet of water pumped or recorded on intertie meters.

WATER LOSS SUMMARY (%)

DATE	ID-1	ID-3	ID-4	ID-5	DISTRICT-WIDE AVERAGE
Sep-15	4.97	1.35	18.09	N/A	8.14
12 Mo. Average	1.31	1.97	15.96	N/A	6.41

BORREGO WATER DISTRICT
Water Production / Use Records

ID # 1

Month of September 2015

----- Water Production (Acre Feet) -----									
Date	Well 1	Well 2	Well 8	Well 10	Well 12	Well 16	-Wells1&2	=TotProdn	LessID3&4
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
SEP'14	26.13	11.75	0.06	19.00	48.79	31.97	37.88	99.82	89.33
OCT'14	18.53	10.42	0.01	19.36	46.55	43.45	28.95	109.37	99.66
NOV'14	19.97	10.60	0.05	15.19	30.76	36.26	30.57	82.26	71.94
DEC'14	4.60	1.60	0.00	0.00	20.47	25.44	6.20	45.91	38.95
JAN'15	0.00	4.02	0.04	0.00	16.31	22.98	4.02	39.33	32.95
FEB'15	23.23	4.27	0.06	3.62	14.33	10.27	27.50	28.28	22.13
MAR'15	19.16	14.36	0.02	1.81	14.00	6.89	33.52	22.72	16.78
APR'15	31.57	9.59	0.02	0.00	22.01	19.06	41.16	41.09	32.79
MAY'15	26.99	0.00	4.63	0.00	14.61	17.29	26.99	36.53	29.25
JUN'15	29.81	13.05	0.03	0.26	20.84	20.33	42.86	41.46	32.44
JUL'15	31.62	0.00	0.02	0.00	27.10	12.86	31.62	39.98	29.94
AUG'15	29.12	0.00	8.17	2.56	18.88	7.09	29.12	36.70	28.19
SEP'15	26.32	0.00	17.31	8.03	8.96	4.50	26.32	38.80	29.17
TOTALS	260.92	67.91	30.36	50.83	254.82	226.42	328.83	562.43	464.19

----- Water Use (Acre Feet) -----										
Date	Domestic	Irrigat'n	Constrt'n	Golf Course	Golf Spare Cap	ID 3	ID 4	Total	Water Loss	% Loss
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
SEP'14	12.86	13.42	0.00	0.00	61.73	10.49	0.00	98.50	1.32	1.32%
OCT'14	11.83	15.39	0.01	0.00	71.55	9.71	0.00	108.49	0.88	0.81%
NOV'14	10.38	11.94	0.18	0.35	51.35	10.32	0.00	84.52	-2.26	-2.75%
DEC'14	8.58	7.05	0.04	0.00	30.83	6.96	0.00	53.46	-7.55	-16.46%
JAN'15	7.88	6.82	0.00	0.00	17.00	6.38	0.00	38.08	1.25	3.17%
FEB'15	7.60	5.30	0.00	0.00	7.72	6.15	0.00	26.77	1.51	5.36%
MAR'15	7.44	6.18	0.00	0.00	3.03	5.94	0.00	22.59	0.13	0.51%
APR'15	9.66	10.38	0.00	0.00	9.29	8.30	0.00	37.63	3.46	8.44%
MAY'15	8.32	9.21	0.00	0.00	9.47	7.28	0.00	34.28	2.25	6.15%
JUN'15	8.74	10.93	0.00	0.00	10.82	9.02	0.00	39.51	1.95	4.72%
JUL'15	10.10	14.86	1.18	0.00	2.47	10.04	0.00	38.65	1.33	3.31%
AUG'15	10.71	13.84	1.16	0.00	0.00	8.51	0.00	34.22	2.48	6.77%
SEP'15	10.22	13.04	1.41	0.00	2.57	9.63	0.00	36.87	1.93	4.97%
TOTALS	111.46	124.94	3.98	0.35	216.10	98.24	0.00	555.07	7.36	1.31%

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 3
 Month of September 2015

Date	La Casa del Zorro Total Acre Feet		Deep Well Trail / Others Acre Feet			Total Irrigat'n	Total Domestic	Total Acre Feet
	Irrigat'n	Domestic	Irrigat'n	Domestic	Total			
SEP'14	0.00	3.19	0.11	6.97	7.08	0.11	10.16	10.27
OCT'14	0.00	2.94	0.11	6.23	6.34	0.11	9.17	9.28
NOV'14	0.00	4.80	0.25	5.21	5.46	0.25	10.01	10.26
DEC'14	0.00	2.65	0.06	4.23	4.29	0.06	6.88	6.94
JAN'15	0.00	2.63	0.11	3.47	3.58	0.11	6.10	6.21
FEB'15	0.00	2.39	0.10	3.37	3.47	0.10	5.76	5.86
MAR'15	0.00	2.26	0.10	3.54	3.64	0.10	5.80	5.90
APR'15	0.00	3.03	0.14	4.98	5.12	0.14	8.01	8.15
MAY'15	0.00	2.46	0.25	4.37	4.62	0.25	6.83	7.08
JUN'15	0.00	3.32	0.24	5.17	5.41	0.24	8.49	8.73
JUL'15	0.00	3.46	0.13	5.93	6.06	0.13	9.39	9.52
AUG'15	0.00	3.43	0.16	5.28	5.44	0.16	8.71	8.87
SEP'15	0.00	3.33	0.14	6.03	6.17	0.14	9.36	9.50
TOTALS	0.00	36.70	1.79	57.81	59.60	1.79	94.51	96.30

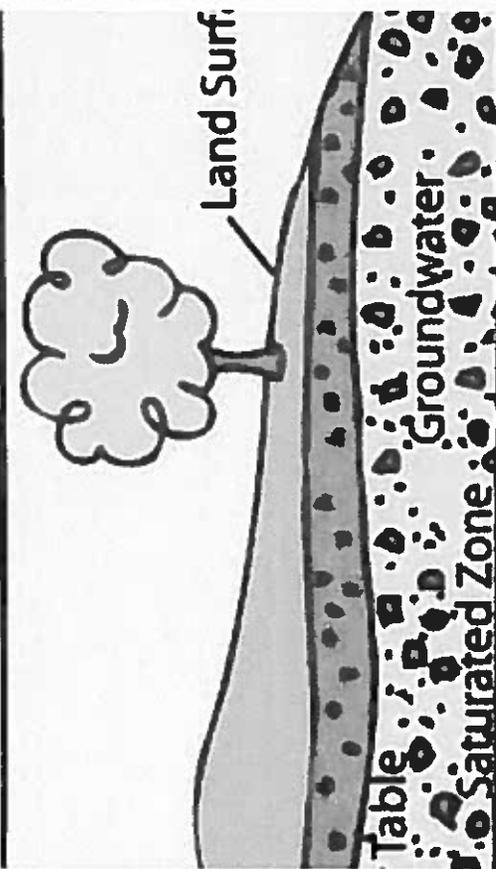
Date	Water Produced Acre Feet	Water Delivered Acre Feet	Wtr Loss	% Loss
SEP'14	10.48	10.27	0.21	2.00%
OCT'14	9.71	9.28	0.43	4.43%
NOV'14	10.32	10.26	0.06	0.58%
DEC'14	6.96	6.94	0.02	0.29%
JAN'15	6.38	6.21	0.17	2.66%
FEB'15	6.15	5.86	0.29	4.72%
MAR'15	5.94	5.90	0.04	0.67%
APR'15	8.30	8.15	0.15	1.81%
MAY'15	7.28	7.08	0.20	2.75%
JUN'15	9.02	8.73	0.29	3.22%
JUL'15	10.04	9.52	0.52	5.18%
AUG'15	8.51	8.87	- .36	-4.23%
SEP'15	9.63	9.50	0.13	1.35%
TOTALS	98.24	96.30	1.94	1.97%

BORREGO WATER DISTRICT
 Water Production / Use Records
 ID # 4
 Month of September 2015

----- Water Production (Acre Feet) -----											
Date	Well 2	Well 3	Well 4	Well 5	Well 10	Well 11	Well 18	Wilcox	Well 85	Total	Less ID5
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
SEP'14	0.00	0.00	54.73	10.38	10.84	62.48	4.39	0.00	0.00	142.82	140.83
OCT'14	0.00	0.00	43.63	12.00	8.66	62.73	3.36	0.00	0.00	130.38	124.41
NOV'14	0.00	0.00	46.53	9.13	9.26	54.05	4.03	0.00	0.00	123.00	118.23
DEC'14	0.00	0.00	50.05	5.20	9.88	27.86	2.48	0.00	0.00	95.47	95.47
JAN'15	0.00	0.00	46.58	5.52	9.21	22.40	2.13	0.00	0.00	85.84	85.84
FEB'15	0.00	0.00	45.03	5.35	8.85	24.24	2.59	0.00	0.00	86.06	86.06
MAR'15	0.00	0.00	43.04	5.91	8.26	27.25	2.08	0.00	0.00	86.54	86.54
APR'15	0.00	0.00	52.18	10.61	9.98	53.46	3.53	0.00	0.00	129.76	129.76
MAY'15	0.00	0.00	44.16	9.57	6.91	40.55	3.09	0.01	0.00	104.29	104.29
JUN'15	0.00	0.00	50.06	9.12	8.40	45.42	3.67	0.00	0.00	116.67	116.67
JUL'15	0.00	0.00	40.26	18.80	0.00	46.40	3.43	0.00	0.00	108.89	108.89
AUG'15	0.00	0.00	42.85	18.74	0.00	48.91	3.05	0.01	0.00	113.56	113.56
SEP'15	0.00	0.00	47.84	22.20	0.00	59.16	3.74	0.04	0.00	132.98	132.98
TOTALS	0.00	0.00	552.21	132.15	79.41	512.43	37.18	0.06	0.00	1313.44	1302.70

Date	Water Produced Acre Feet	Water Use Acre Feet	Wtr Loss	% Loss	ID 5 Acre Feet
=====	=====	=====	=====	=====	=====
SEP'14	142.82	118.27	24.55	17.19%	1.99
OCT'14	130.38	118.26	12.12	9.30%	5.97
NOV'14	123.00	106.93	16.07	13.07%	4.77
DEC'14	95.47	77.31	18.16	19.02%	0.00
JAN'15	85.84	66.24	19.60	22.83%	0.00
FEB'15	86.06	69.74	16.32	18.96%	0.00
MAR'15	86.54	73.17	13.37	15.45%	0.00
APR'15	129.76	106.38	23.38	18.02%	0.00
MAY'15	104.29	87.10	17.19	16.48%	0.00
JUN'15	116.67	99.06	17.61	15.09%	0.00
JUL'15	108.89	94.21	14.68	13.48%	0.00
AUG'15	113.56	96.54	17.02	14.99%	0.00
SEP'15	132.98	108.92	24.06	18.09%	0.00
TOTALS	1313.44	1103.86	209.58	15.96%	10.74

GROUNDWATER



Groundwater fills the spaces between soil particles and fractured rock beneath the earth's surface.

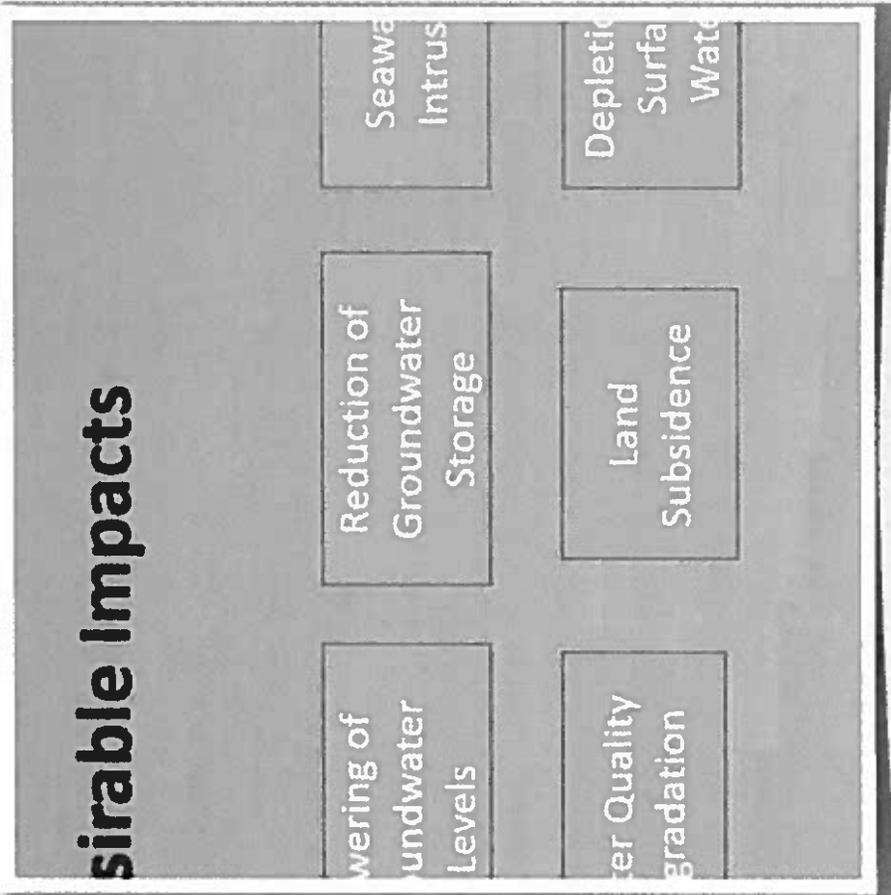
- groundwater occurs almost everywhere beneath the land surface. Groundwater is also commonly an important source of surface water
- groundwater is the world's most extracted, economically limiting natural resource
- future freshwater availability is a national security priority for economic development; for almost all nations of the world
- even the US does not have adequate freshwater resources; for projected future energy, agricultural, industrial, commercial, and residential requirements
- result: big changes in groundwater pricing: globally; nationally; regionally; locally

GROUNDWATER PRICING



- BVGB groundwater is priced at zero dollars. The assumption is that groundwater is free
- the only costs of using groundwater are lifting costs; distribution costs; and for municipal use, treatment costs
- the assumption that groundwater has no value is pure economic fiction
- when an overdraft exists, this assumption is dangerous; it encourages usage that may be destructive to the economic system

OVERDRAFT IS NOT FREE



- **CONTEXT:** California is the 8th largest economy in the world
- overdrafts collectively cause billions of \$\$ in lost business revenue
- overdrafts have caused billions of \$\$ in property damage
- overdrafts will require billions of \$\$ for advanced water treatment
- overdrafts ultimately may prevent future economic development

LOCAL ECONOMIC REALITY

- supply uncertainty has *real* economic costs
- supply uncertainty may limit present economic activity
- supply uncertainty constrains future economic development
- supply uncertainty typically reduces property values
- water quality degradation costs big money for advanced municipal water treatment

The image shows a close-up of a bank statement. A red circle highlights two entries: 'O/DRAFT INTEREST FEE' and 'O/DRAFT EXCESS FEE'. The statement is titled 'BALANCE BROUGHT FORWARD JANUARY' and includes a 'Details' section. Other visible entries include 'BALANCE DIRECT', 'LOANS DIRECT', 'DIRECT DEBIT', 'CHARGE', 'CHARGE SERV CHG', 'FIXED', and 'DEPOSIT'. At the bottom, there is a section for 'BALANCE CARRIED FOR' and 'BALANCE BROUGHT FORWARD FEBRUARY'. A note at the bottom right states 'Indication Of Charges For the period 10 August 2007 to 10 September 2007'.

Activity	Payment type	Details
7	Direct Debit	BALANCE DIRECT
7	Charge	LOANS DIRECT
07	Charge	O/DRAFT INTEREST FEE
07	Charge Serv Chg	O/DRAFT EXCESS FEE
07	Fixed	ACCOUNT CHARGES CTR
07	Deposit	INT'L SERVICE CARRIED FOR
, 07		BALANCE BROUGHT FORWARD

Indication Of Charges For the period 10 August 2007 to 10 September 2007

O/DRAFT INTEREST FEE
O/DRAFT EXCESS FEE

LOCAL OVERDRAFT: HOW DO WE KNOW?

- ~\$3.0 million spent to determine: (a) basin boundaries & geology; (b) basin-wide overdraft exists; (c) its magnitude; (c) other sources of alternate supply are not readily available or affordable at this time. Expenditures to date:
 - Borrego Water District Ratepayers provided ~\$1,056,000
 - US Bureau of Reclamation provided ~\$850,000
 - California Department of Water Resources contributed ~\$670,000
 - US Environmental Protection Agency provided ~\$250,000
 - US Geological Survey provided ~\$211,000

GROUNDWATER PRICING RULES

- for markets to work efficiently, pricing of groundwater needs to be right
- if the pricing is right, this attracts capital; justifies investments in end-use efficiency & use transfers
- this is what has occurred everywhere in the world where groundwater pricing reflects its *economic* value
- regulations (market rules) are required to produce price adjustments; attract capital necessary for addressing overdraft

