

Borrego Water District Board of Directors
Regular Meeting
July 27, 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 an electronic 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:

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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. June 8, 2021 Special Board Meeting (3-5)
 - 2. June 22, 2021 Regular Board Meeting (6-9)
- 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 - (10-23)

- A.** Update on Potential 2018 BWD Bond Refunding and Issuance of Additional Capital (\$2 M est.) – J Clabaugh, BWD & Lora Carpenter, Fieldman Rolapp and Assoc.
 - i.** RESOLUTION NO. 2021-07-02 OF THE BOARD OF DIRECTORS OF BORREGO WATER DISTRICT DECLARING ITS INTENT TO ISSUE TAX-EXEMPT OBLIGATIONS TO BE USED TO REIMBURSE THE BORREGO WATER DISTRICT FOR EXPENDITURES TO BE MADE PRIOR TO THE ISSUANCE OF SUCH OBLIGATIONS – J Clabaugh & Lora Carpenter Fieldman Rolapp and Assoc.
 - ii.** Addendum No. 1 Scope of Services Professional Services Agreement for Municipal Advisor by & between Borrego Water District and Fieldman, Rolapp & Associates, Inc.
 - iii.** Selection of Placement Agent

AGENDA: July 27, 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.

- B. Overview of SDGE Hydrogen Generation Project Planned for Borrego Springs – Shayne Ferber, SDGE (24)
 - C. Best, Best and Krieger Rate Increase Request – G Poole (25-27)
 - D. Proposition 218 Public Hearing Update and Agenda – G Poole (28-36)
 - E. Pilot Program Regarding Provision of Water Supply for Small Development Projects – G Poole/S Anderson (37-49)
 - F. Borrego Springs Subbasin Watermaster Board – VERBAL D Duncan/K Dice
 - i. Update on Board Activities
 - ii. Update on Technical Advisory Committee Activities
- III. MONTHLY FINANCIAL & OPERATIONS REPORTS**
- A. Financial Reports: June 2021 (51-65)
 - B. Water and Wastewater Operations Report: June 2021 (66-72)
 - C. Water Production/Use Records: June 2021 (73-75)
- IV. STAFF REPORTS - VERBAL (76-78)**
- A. Administration – Diana Del Bono
 - B. Engineering- David Dale
 - a. Report on Oxygenation of Wastewater (ATTACHED)
 - C. Operations – Alan Asche
 - D. Wastewater- Roy Martinez
 - E. General Manager – Geoff Poole
- V. CLOSED SESSION:**
- A. Conference with Legal Counsel - Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Section 54956.9: (Three (3) potential cases)
 - B. 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. Cyber Security – Cyber Security - Cyber Security: Government Code, section 54957(a)
 - D. Performance Evaluation of General Manager: GM Performance Review – Conference for Public Employee Performance Evaluation - Title: General Manager Employee Performance Review- pursuant to subdivision (d) (4) of Government Code Section (Government Code §54957)
- VI. CLOSING PROCEDURE:** The next Board Meeting is a Public Hearing on Water and Wastewater System Charges is scheduled for 5:30 PM on July 27, 2021, to be available online. See Board Agenda at BorregoWD.org for details. Agenda information available at least 72 hours before the meeting.

AGENDA: July 27, 2021

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Borrego Water District Board of Directors

MINUTES

Special Meeting

June 8, 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, Vice-President
Brecht, Secretary/Treasurer Duncan,

Baker, Johnson

Staff: Geoff Poole, General Manager
Jessica Clabaugh, Finance Officer
David Dale, District Engineer
Diana Del Bono, Administration Manager
Esmeralda Garcia, Administrative Assistant
Wendy Quinn, Recording Secretary

Public: John Peterson

D. Approval of Agenda: **MSC: Brecht/Johnson approving the Agenda as written. The roll call vote was unanimous.**

E. Approval of Minutes: None

F. Comments from the Public and Requests for Future Agenda Items: *Director Johnson left the meeting at 9:03 a.m.* John Peterson announced that the Sponsor Group had established a Water and Planning Standing Committee, which will be discussing the Regional Conveyance System at 3:00 tomorrow via Zoom. Those interested in participating should contact Mr. Peterson.

G. Comments from Directors: President Dice requested a future Agenda item, when should the Board resume in-person meetings. Mr. Poole will include it on the next Agenda.

H. Correspondence Received from the Public:

1. David Garmon. Geoff Poole reported that Mr. Garmon had sent a letter to Supervisor Desmond, the Acting Planning and Development Services Director and Jim Bennett regarding issues of concern to the Environmental Subcommittee of the Borrego Revitalization Initiative.

II. A. Fiscal Year 2021-22 Draft Budget Presentation/Workshop: Jessica Clabaugh noted that the rate changes had not yet been officially approved, but the budget could be conditionally approved in two weeks, effective July 1. The draft budget included options with and without the rate changes discussed. Raftelis recommends a five percent water rate increase in October and a sewer rate increase in 2023. Proposed gross income would be \$4.719 million without changes and \$4.8 million with. Operating expenses would remain comparable to those in the last two years. Net income would be \$60,800 without changes, \$75,635 with. The District will be receiving another \$133,333 in GWM reimbursement, as well as payment for meter reading services and BPA fees. Operating cash flow is projected at \$866,000 without changes, just over \$1 million with.

B. Withdrawal from Borrego Springs Groundwater Sustainability Agency: Mr. Poole explained that with the April 8 approval of the Stipulated Judgment, the GSA is no longer required. Legal counsel drafted a letter to DWR informing them. **MSC: Brecht/Baker approving the draft letter to DWR. The motion passed by unanimous vote of those present.**

C. Resolution No. 2021-06-01 to Release of Easement/Facilities – 18” La Casa Del Zorro Sewerline: David Dale reported on the new 12-inch sewer line being installed in front of La Casa Del Zorro, replacing the current 18-inch line that goes through the La Casa property. The project is within a couple of weeks of completion. It is now appropriate for the District to vacate its easement through the property and hand over the 18-inch line to La Casa for use as a lateral. **MSC: Brecht/Baker adopting Resolution No.**

2021-06-01, Resolution of the Board of Directors of Borrego Water District Releasing Two Easements Previously Granted by Casa La Casa Del Zorro. The motion passed by unanimous vote of those present.

D. Contract Amendment with Raftelis Financial Consultants for Cost of Service study and related activities: Mr. Poole reported that Raftelis had requested an additional \$12,000 for their Cost of Service study and related activities. He was pleased with their work and recommended approval. **MSC: Brecht/Baker approving a contract amendment with Raftelis for an additional \$12,000 from the Professional Services Budget. The motion passed by unanimous vote of those present.**

E. Borrego Springs Basin Watermaster:

1. **Update on Activities.** Director Duncan announced a WMB meeting Thursday at 4:30. They will discuss the 2021-22 water year budget and the BPA holders who did not sign the Stipulation.

2. **Technical Advisory Committee Update from Trey Driscoll, Dudek Engineering & BWD Representative.** Mr. Poole invited the Board's attention to information from Mr. Driscoll in the Board package. The TAC will be updating the sustainable yield and model.

III. BOARD AD-HOC COMMITTEE

None

IV. STAFF REPORTS

A. Water and Sewer Revenue Update: Ms. Clabaugh presented graphs and reported water revenue for May of \$317,021, an eight percent increase from last year. Water consumption was just over 47,000 units. The three-year average has been consistent. Esmeralda Garcia is continuing to contact delinquent customers and has notified them that late fees will be reinstated in July. Delinquencies are declining (just over 12 percent of the customers). President Dice requested that copies of the graphs be sent to the Board. *Director Johnson rejoined the meeting.*

B. Solarization of BWD Wells: Mr. Poole reported that he was continuing discussions with SDG&E regarding a new program. SDG&E would serve as project manager for the local agency, providing solar and various financing options. Director Duncan asked what permits would be required, and Mr. Poole agreed to find out.

C. Prop 218 Notice Update: Mr. Poole reported that the notices were being assembled and should be in the mail by Friday to all existing customers, including renters. Director Baker asked that the final notice be distributed to the Board before mailing.

D. Surplus Property Declaration on June 22nd Agenda: Mr. Poole noted that BWD owns 12 to 15 pieces of property, which Ms. Garcia listed and shared with ABF, who is interested in purchasing some of them. The first step in the required process to sell is to declare the property surplus, which will be considered at the next meeting.

V. CLOSED SESSION:

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Government Code Section 54956.9: (Six (6) 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. Property Disposal – Viking Ranch – 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 US Gypsum: Price and Terms of Payment Property Negotiations:

D. Cyber Security: Government Code section 54957(a):

The Board adjourned to closed session at 9:50 a.m., and thereafter, the open session reconvened. There was no reportable action.

VI. CLOSING PROCEDURE

The next Board Meeting is scheduled for June 22, 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.

STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS ON LAND WITHIN THE DISTRICT FOR THE FISCAL YEAR 2021-22;

RESOLUTION NO. 2021-06-04 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COSTS OF OPERATIONS AND MAINTENANCE FOR IMPROVEMENT DISTRICT NO. 2 AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS ON CERTAIN LAND WITHIN IMPROVEMENT DISTRICT NO. 1 FOR THE FISCAL YEAR 2021-22;

RESOLUTION NO. 2021-06-05 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF PROVIDING PEST CONTROL SERVICES BY THE DISTRICT AND REQUESTING LEVY AND COLLECTION OF SAID CHARGES AND/OR ACREAGE ASSESSMENTS FOR THE FISCAL YEAR 2021-22;

RESOLUTION NO. 2021-06-06 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT, SAN DIEGO COUNTY, CALIFORNIA, LEVYING STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS TO DEFRAY THE COST OF OPERATING AND MAINTAINING THE WATER FACILITIES WITHIN IMPROVEMENT DISTRICT NO. 3 OF THE DISTRICT AND REQUESTING THE LEVY AND COLLECTION OF SAID STANDBY CHARGES AND/OR ACREAGE ASSESSMENTS FOR THE FISCAL YEAR 2021-22;

RESOLUTION NO. 2021-06-07 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2017A OF THE BORREGO WATER DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2017-1 FOR THE FISCAL YEAR 2021-22;

RESOLUTION NO. 2021-06-08 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2017B OF THE BORREGO WATER DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2007-1 FOR THE FISCAL YEAR 2021-22.

The motion passed by unanimous vote of those present.

B. Local Agency Formation Commission Special District Alternate Representative Elections: Geoff Poole explained that LAFCO is a 13-member commission, and there are alternates for all positions. It is now time to elect a special districts alternate representative. Mr. Poole had known David Drake for 20 years and recommended him. He served on the boards of ACWA/JPIA and the Rincon Del Diablo Municipal Water District. Mr. Drake explained that LAFCO deals with relationships among water districts such as boundaries. ***MSC: Brecht/Baker approving a vote for David Drake as alternate special districts representative to LAFCO. The motion passed by unanimous vote of those present.***

C. Viking Ranch Restoration Overview: Mr. Poole explained that BWD has owned Viking Ranch for a number of years. The fallowing has been completed and some plant life has been reestablished. Dudek did an environmental assessment. The property is in the streambed of Coyote Creek, and a berm was constructed to redirect the flow. The District continues to monitor it. US Gypsum is interested in using the land for off-site mitigation. BWD has declared the property surplus and notified the appropriate housing authorities.

Luis Carrasco of US Gypsum explained that US Gypsum is expanding its Plaster City mine site and would like to use the Viking Ranch for mitigation. They would restore the flood plain hydrology and native vegetation, remove the berm and organic debris. They are working with the State Park and ABF. Director Brecht noted that the reference to the GSP on Board package page 337 should be changed to GMP. Mr. Carrasco noted that there would be a ten-year maintenance and monitoring program, and reports will be sent to the Department of Fish and Wildlife. Director Johnson mentioned DWR's Managed Aquifer Recharge program, and Mike Sweezy of US Gypsum asked her to send him information.

D. Resolution No. 2021-06-09 Declaring BWD Properties as Surplus: Mr. Poole reported that staff had identified 10 to 11 BWD properties that are of interest to other parties, mainly ABF, and recommends

declaring them surplus. The Viking Ranch is included. President Dice requested a map, which Mr. Poole will share with the Board. **MSC: Brecht/Baker adopting Resolution No. 2021-06-09 Declaring BWD Properties as Surplus. The motion passed by unanimous vote of those present.**

E. Fiscal Year 2021-22 Borrego Water District Budget: Jessica Clabaugh reported that the only change in the budget since the last meeting was an update to the remaining bond funds. **MSC: Brecht/Baker approving the Fiscal Year 2021-22 BWD Budget contingent on the recommended rate adoption. The motion passed by unanimous vote of those present.**

F. Interim Borrego Springs Subbasin Watermaster Board:

A. Update on Board Activities. President Dice asked that the “Interim” be removed from this Agenda item. She will attend the next meeting for Director Duncan. Director Johnson reported there had been a lot of discussion about additional water quality wells.

B. Update on Technical Advisory Committee Activities. Director Baker reported that Andy Malone had presented the TAC recommended budget and noted that there was not uniform agreement.

III. AD-HOC COMMITTEE REPORTS

A, Public Outreach: Twin Tanks Inspection Video Review: Director Baker reported that the Twin Tanks video inspection had been posted on the Borrego Springs 92004 Facebook page. Forty-five people liked it. She will send the comments to the Board. There were 214 views, and no negative comments so far.

IV. MONTHLY FINANCIAL & OPERATIONS REPORTS

A. Financial Reports: May 2021: Ms. Clabaugh reported the cash and cash equivalents were just under \$7 million at the end of May, including the remaining bond funds. Revenues for May were \$385,115, and the general operating expenses were \$227,458. There was a small emergency repair, just under \$800. There was not much change in the balance sheet. Director Brecht inquired about the Net Operating Income Received and the Actuals for May 2021 of \$981,880 (Board package page 358). Ms. Clabaugh will check on it.

B. Water and Wastewater Operations Report: May 2021: The Water and Wastewater Operations Report was included in the Board package.

C. Water Production/Use Records: May 2021: The Water Production/Use Records were included in the Board package.

V. STAFF REPORTS

A. Administration: Diana Del Bono commended staff for dealing with the 218 notices, bills and notices to delinquent customers during her absence. Esmeralda Garcia is continuing to work with delinquent customers and is making a positive impact. Ms. Del Bono worked with Alan Asche on the Consumer Confidence Report and it is ready to be distributed and posted on the website. The Risk and Resilience Assessment is ready for review.

B. Engineering: David Dale reported there are four projects currently under contract. The La Casa Del Zorro sewer line is about 250 feet away from completion and should be done in the next week or two. The Bending Elbow project is mostly completed, but an additional 600 feet might be added from Weather Vane to Borrego Springs Road. Staff is awaiting final equipment submittals on the wastewater treatment plant upgrade. The project should be completed in April 2022, and additional State funding is expected in August or September. A survey of the Twin Tanks was completed using drones. Director Baker requested pictures.

C. Operations: Mr. Asche reported that the Bending Elbow project was going well. The extension down Weather Vane begins today. Vegetation and trees have been removed from the Twin Tanks site. The southern tank will be demolished, and the northern tank will be used during construction of the new one. Pump testing for Well 5-15 should begin next week. Pump replacement for Well 11 is in progress, and another pump was replaced at Well 18. Meter replacement at Double O and Frying Pan is continuing. A new employee, Eddie Lopez, has joined the crew.

D. Wastewater: No report.

E. General Manager:

- i. 218 Notice Distribution. Mr. Poole reported that the Proposition 218 notices had been distributed.
- ii. State Drought Notice Received. The State has issued a drought notice, and policies may follow.
- iii. State Extension of Water Shut Off Moratorium. The water shut off moratorium has been extended until September. Director Brecht recommended that the ratepayers be informed of this, as well as the drought notice.
- iv. Potential BWD 2018 Bond Refinancing. Mr. Poole reported that there had been recent discussions with Fieldman Rolapp regarding possible refinancing of the 2018 bonds. It could save the District \$500,000.
- v. Property Tax Assessments for Delinquent Accounts. Mr. Poole reported that Ms. Garcia had been working with delinquent customers. The District can place a lien on the property as part of the property tax assessment process, but Ms. Garcia will contact the customers first to alert them to this option.

VI. CLOSED SESSION

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

B. 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. Cyber Security – Government Code section 54957(a):

The Board adjourned to closed session at 11:00 a.m., and thereafter, the open session reconvened. There was no reportable action.

VII. CLOSING PROCEDURE

The next Board Meeting is scheduled for 9:00 a.m. July 13, 2021, to be available on line. See Board Agenda at BorregoWD.org for details, Agenda information available at least 72 hours before the meeting. President Dice requested a discussion of water conservation and whether to meet in August. There being no further business, the meeting adjourned.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING JULY 27, 2021
AGENDA ITEM II.A

June 16, 2021

TO: Board of Directors

FROM: Geoffrey Poole, General Manager

SUBJECT: Updated Projections on Potential 2018 BWD Bond Refunding and Issuance of Additional Capital (\$2 M est.) – J Clabaugh, BWD & Lora Carpenter, Fieldman Rolapp and Assoc.

i. RESOLUTION NO. 2021-07-02 OF THE BOARD OF DIRECTORS OF BORREGO WATER DISTRICT DECLARING ITS INTENT TO ISSUE TAX-EXEMPT OBLIGATIONS TO BE USED TO REIMBURSE THE BORREGO WATER DISTRICT FOR EXPENDITURES TO BE MADE PRIOR TO THE ISSUANCE OF SUCH OBLIGATIONS – J Clabaugh & Lora Carpenter Fieldman Rolapp and Assoc.

ii. Addendum No. 1 Scope of Services Professional Services Agreement for Municipal Advisor by and between Borrego Water District and Fieldman, Rolapp & Associates, Inc.

iii. Selection of Placement Agent – Hilltop Financial

RECOMMENDED ACTION: Authorize Staff to proceed with 2018 Bond Refinance through a bidding process to coincide with October 2021 refunding/prepayment option. Adopt Reimbursement Resolution to allow BWD to finance some recent CIP Expenses, Addendum to Fieldman Rolapp Contract (Municipal/Financial Advisor) and selection of Hilltop Financial (Placement Agent) to assist with this effort.

ITEM EXPLANATION: BWD issued Bonds in 2018 at 3.8% that have a prepayment feature effective October 2021. Staff was contacted by Lora Carpenter with our Financial Advisors, Fieldman Rolapp and Associates (FRA) and informed the current market conditions are such that savings can be realized by refinancing the existing debt. In addition, conditions are also favorable to consider issuing new debt of approximately \$2 M due to the low current rates. A \$2M bond issue has been included in the recent BWD Rate Model. Lora Carpenter from FRA will provide updated pertinent information on this topic at the meeting, including:

1. Market Conditions Overall: Rates continue at historic lows and have reduced since BWD 2018 Bond Issuance to merit consideration of refunding which is allowed starting on Oct 1 2021
2. Existing Lender Contacted for new Rate Quote: FRA contacted Pac West and received a quotation for refunding and \$2 M in new money for CIP purposes.
3. Potential Exists for Even Lower Rates: Based on "similar transactions", if BWD were to request bids from other lenders for the Refi and New Money, a drop of somewhere between 105 to 180 BP from original 2108 rate of 3.8 % is possible.

4. Decisions for the Board:

A. Proceed with Refi: If YES, accept Pac West quote (80 BP drop) or go out to bid?

B. Proceed with \$2M in New Money: If YES, accept Pac West quote or go out to bid?

5. Schedule/Next Steps

A. Reimbursement Resolution

B. Notify Pac West

C. Bid with Other Banks to Refinance 2018 Bonds plus \$2M in New Money, if that option is selected by the Board

If following Loras presentation the Board desires to continue, approval of a Reimbursement Resolution is recommended to allow for BWD to recover costs on recently completed CIP projects. In addition, a Contract Addendum is recommended with FRA to act as BWD Advisor, as well as selection of a Placement Agent, Hilltop, for the transaction. The Placement Agent acts as an intermediary between those seeking to raise money and those who may be interested in investing.

NEXT STEPS:

1. To be provided by Lora at meeting

FISCAL IMPACT:

1. To be provided by Lora at meeting

ATTACHMENTS:

1. Reimbursement Resolution 2021-07-02
2. FRA Addendum for Advisor Services on Refinancing
3. Proposal from Hilltop for Placement Agent services

RESOLUTION NO. 2021-07-02

RESOLUTION OF THE BOARD OF DIRECTORS OF BORREGO WATER DISTRICT
DECLARING ITS INTENT TO ISSUE TAX-EXEMPT OBLIGATIONS TO BE USED TO
REIMBURSE THE BORREGO WATER DISTRICT FOR EXPENDITURES TO BE MADE
PRIOR TO THE ISSUANCE OF SUCH OBLIGATIONS

WHEREAS, the Borrego Water District (the “District”) desires to finance construction of water and sewer facilities and repairs to the District’s water and sewer system, including, but not limited to production well construction and replacement of and repairs to water and sewer infrastructure (the “Project”); and

WHEREAS, the District intends to use proceeds from the sale of obligations in one or more series the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”) to financing the Project; and

WHEREAS, pursuant to Section 1.150-2(d) of the Regulations of the United States Department of the Treasury (the “Regulations”), the District may reimburse the amounts advanced by the District for the Project if not later than 60 days after payment of the original expenditure of an amount advanced by the District, the Board of Directors (the “Board”) adopts an official intent to reimburse the expenditure of such advanced amount, and such reimbursement occurs not later than 18 months after the later of the date of the original expenditure is paid or the date the Project is placed in service, but in no event more than three (3) years after the original expenditure is paid; and; and

WHEREAS, the District expects to incur certain expenditures relating to the Project and to pay for such expenditures from certain moneys on hand prior to the execution of the Obligations; and

WHEREAS, the District reasonably expects to use a portion of the proceeds of the Obligations to reimburse the District for expenditures made prior to the date the Obligations are entered into.

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

SECTION 1. Recitals. The above recitals are true and correct.

SECTION 2. Declaration of Official Intent. This Board declares that it is the intent of the District that it will be reimbursed the amounts advanced by the District from its Water Fund and Sewer Fund for the design, construction, acquisition, installation and equipping of the Project from the proceeds of the sale of the Obligations.

SECTION 3. Expected Maximum Principal Amount. The Obligations shall be issued in one or more series in the expected maximum principal amount of \$2,500,000. The Obligations are expected to be issued by the District for the purpose of providing tax-exempt financing for the Project.

SECTION 4. Other Approvals. The adoption of this Resolution shall not bind the District to proceed with execution and delivery of the Obligations until and unless all other necessary actions and approvals are taken or received in accordance with all applicable laws.

SECTION 5. Effective Date. This Resolution shall take effect upon adoption.

PASSED AND ADOPTED by said Board on this 27th day of July, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kathy Dice
President, Board of Directors
Borrego Water District

ATTEST:

Dave Duncan
Secretary, Board of Directors
Borrego Water District

STATE OF CALIFORNIA)
)
COUNTY OF SAN DIEGO)

I, Dave Duncan, 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 27th day of July, 2021.

Dave Duncan
Secretary of the Board of Directors of the
Borrego Water District

**ADDENDUM NO. 1
SCOPE OF SERVICES
PROFESSIONAL SERVICES AGREEMENT
FOR MUNICIPAL ADVISOR
BY AND BETWEEN
BORREGO WATER DISTRICT
AND
FIELDMAN, ROLAPP & ASSOCIATES, INC**

This Addendum to that certain agreement dated June 4, 2020, (the "Agreement"), is made by and between Borrego Water District, (the "District") and Fieldman, Rolapp & Associates, Inc. (the Consultant") to include the following scope of services.

WHEREAS, the District hereby requests Consultant to provide municipal advisory services in connection with the issuance of a private placement to refinance existing loans outstanding and fund additional capital improvement projects, (the "Services").

Consultant shall provide the following services:

1. Prepare financial analysis in connection with meeting the required legal covenants and review the District's existing debt obligations.
2. Assist in evaluations and structuring a private placement to refinance the District's outstanding debt obligations and / or issue funds for capital improvement needs.
3. Review and evaluate the refinancing opportunity for the outstanding 2018 Loan and 2018A&B Notes.
4. Review legal and financial documentation pertaining to the capital funding and refinancing.
5. Attend any related meetings at the District's request and provide presentations, analysis, and or recommendations as may be directed by the District.
6. Advising the district in connection with hiring a placement agent, if needed.
7. Assist the District in implementing the selected financing approach.
8. Provide the District any related final loan or bond financing numerical information and assist in the finalization of any final documentation and related coordination.
9. Other tasks as directed by the District.

Fees and Compensation

The Consultant proposes to be compensated on a fixed fee basis in the amount of \$18,000 plus additional expenses for the execution of the private placement loan(s) to complete the refinancing and funding of capital improvement projects.

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement.

By: _____ Title: _____

Date: _____

By: _____ Title: Executive Vice President
Robert A. Porr

Date: _____

Proposal to Provide Placement Agent Services

Borrego Water District

July 20, 2021



CONTACT:

Mike Cavanaugh, Managing Director
mike.cavanaugh@hilltopsecurities.com

2533 South Coast Highway 101, Suite 250, Cardiff, CA 92007

Phone: 760.632.6824



Mike Cavanaugh
Managing Director
2533 S. Coast Hwy 101
Suite 250
Cardiff, CA 92007
(760) 632-6824
mike.cavanaugh@hilltopsecurities.com

July 20, 2021

Submitted via email

Lora Carpenter lcarpenter@fieldman.com

RE: Placement Agent Services

Hilltop Securities Inc. (“HilltopSecurities”) is pleased to have this opportunity to submit our qualifications to serve as Placement Agent for the Borrego Water District (the “District”) in connection with the proposed approximately \$4.5 million 2021 Private Placement Refunding and potential new money funding (the “2021 Private Placement”). HilltopSecurities is a financial services firm providing investment banking (including private placement agent services), investment advisory, securities clearing, securities brokerage, and asset management services. When evaluating our qualifications, please consider:

Commitment to Public Finance in California. HilltopSecurities traces its California roots back to 1966 with the opening of our Beverly Hills office. HilltopSecurities has been and remains committed to California. Since January 1, 2015, we have participated in hundreds of California transactions totaling more than \$34 billion in par. Over the past decade, the firm has been using placements as an alternative to publicly offered debt.

Private Placements. Placements often provide a lower cost of borrowing than a traditional public offering. Since 2017, our combined California experience includes 128 financings totaling \$1,350 million. Our four-person office in Cardiff by the Sea is responsible for 30 or more placements a year which demonstrates our success and proficiency for California issuers. Additionally, we have been invited speakers on the topic of private placements at both the Bond Buyer and the Association of Government Finance and Leasing Annual Conferences.

Committed Team. We bring the District an experienced team, providing the highest level of service. We will make ourselves available to the District, Fieldman Rolapp, Bond Counsel and other members of the team to ensure the District’s financing needs are met.

I will be involved with the transaction from start to finish and will be responsible for all work generated by HilltopSecurities. To most effectively meet your needs, I commit our experience, personnel and reputation.

Sincerely yours,

Mike Cavanaugh
Managing Director
HilltopSecurities



II. Questions / Firm Information

1. Describe your firm's California placement agent experience. Please indicate the number of placements your firm has completed in the past 3 years. Please do not include financings in which your firm served as underwriter.

HilltopSecurities' Private Placement Experience. HilltopSecurities is an active participant in the private placement market, having completed 128 private placements in California totaling \$1,350 million since January 1, 2017. This includes 27 for Water and Sewer totaling over \$137 million. The four-person Cardiff-by-the-Sea banking team assigned to the District has completed every transaction on this list, including 25 already this year. In addition, we have summarized our experience with water and sewer placements and Special Districts.

Year	Placement Agent		Water and Sewer		Special District	
	#	Par	#	Par	#	Par
2017	36	366,437,460	8	45,969,374	2	4,889,305
2018	22	349,426,660	3	28,000,274	3	25,305,563
2019	25	179,984,976	2	16,233,000	4	10,567,500
2020	38	412,814,973	7	27,141,809	9	36,605,963
2021	7	42,145,655	7	19,935,133	5	28,132,985
Totals	128	1,350,809,724	27	137,279,590	23	105,501,316

HilltopSecurities is unique in our ability to transform long-term bank relationships into lower borrowing costs for municipal entities, such as the District. We will connect the District with the bank that is able to help it achieve its financing goals. HilltopSecurities has an extensive list of banking contacts in excess of 150 names. This list, our personal relationships with many of the banks, and the ability to provide solutions for the District along with other California entities is the basis for our success.

Our recent private placement experience includes: Western Municipal Water District, Yolo County Flood Control and Water Conservation District, Saucelito Irrigation District, Terra Bella Irrigation District, Lindmore Irrigation District and Lindsay-Strathmore Irrigation District. We worked with Fieldman Rolapp and Stradling Yocca Carlson Rauth on most of these transactions. Most financings were won through a competitive request for proposal process. HilltopSecurities was able to find banks that provided low bids for those issuers and we would expect similar results for the District. Having worked on those prior deals has provided HilltopSecurities current insight into the Water District space which will be valuable in finding a purchaser that provides the lowest interest rate. HilltopSecurities is currently engaged with multiple issuers which keeps us informed of the current needs and wants of the banks.

2. Please note/highlight the 3 placements you believe are most comparable to the District's proposed transaction.

HilltopSecurities Private Placement Experience. As noted above, HilltopSecurities is very active with private placements having completed 108 private placements in California totaling \$1,236 million since January 1, 2017. Below are recent examples:



A comparable is Saucelito Irrigation District (SID) with a water pledge that was completed in 2021. Mike Cavanaugh was hired via a request for proposal to provide placement agent services for their \$5,221,027 Installment Sale Agreement. SID refunded publicly offered deals via a placement. The refunding reduced debt service by \$3,331,948, primarily accomplished by reducing the final maturity from 2041 to 2033. HilltopSecurities



reached out to 21 banks and received 4 bids with the lowest rate of 2.50% and a range up to 2.68%. The refunding closed on January 23, 2021.



Lindmore Irrigation District is another comparable being a water system pledge and a special district which was completed earlier this year. Lindmore was able to obtain a rate of 1.23%, which was over 100bps lower than our initial estimated rate. The final maturity on this loan was only 10 years. The lower rate increase savings for the district to over \$1,800,000 on the \$4,285,000 of outstanding bonds. The present value benefit to the district was \$700,000 or 16% of the refunded bonds.

3. Please provide a proposed project team and brief resumes. Please provide experience over the last 3 years with:

a. California Special District debt placements

b. Note each individual's 3 placements you believe are most comparable to the District's proposed transaction

Mike Cavanaugh, Managing Director, will serve as the primary contact and lead banker responsible for coordination of all HilltopSecurities efforts on behalf of the District. Mike will be the day-to-day contact and will design structures and strategies to best achieve the objectives of the District. He will be personally calling and in communication with all banks. He will be able to provide Fieldman Rolapp and the District with constant updates on each bank upon request. As noted below, Mike has a significant amount of Special District experience including Saucelito Irrigation District, Terra Bella Irrigation District, Lindmore Irrigation District, Lindsay Strathmore Irrigation District, Tulare Local Health Care District, the Capitol Area Development Authority, Cambria Community Services District, Rincon Del Diablo Water District, Desert Recreation District, Southgate Rec & Park District, Burbank-Paradise Fire Protection District, Placer Hills Fire Protection District, Weaverville Community Services District, Western Municipal Water District and West Valley Mosquito and Vector Control District.


 A Hilltop Holdings Company	Mike Cavanaugh Managing Director Public Finance Banking
2533 S. Coast Hwy 101, Suite 250 Cardiff by the Sea, California 92007	
☎ 760.632.6824 Office 619.200.4747 Mobile Fax 760.632.8621 Mike.Cavanaugh@hilltopsecurities.com	

Mr. Cavanaugh started his career in Public Finance in 1991 as a financial analyst and has over ten years of senior management banking experience. **Mr. Cavanaugh has completed over 55 placements since 2017 for approximately \$450 million of these 18 were water and sewer deals for a total of over \$119 million.** Mr. Cavanaugh holds a Bachelor of Science Degree in Business Administration from the University of Southern California. He is a Registered Representative with the NASD (Series 7). Mr. Cavanaugh is an active member of the Committee on Assessments, Special Taxes and Other Financing Facilities (CASTOFF), California Society of Municipal Finance Officers (Statewide and the San Diego Chapter), Independent Cities Association. He was an invited speaker on the topic of private placements at the 2016 and 2017 Bond Buyer Conference and the 2017 Association of Government Finance and Leasing.

His placement agent experience since 2017 totals 64 transactions totaling \$503,371,000. This experience includes Terra Bella, Saucelito, Lindmore ID, Lindsay-Strathmore ID, Cambria Community Services District, Rincon Del Diablo Municipal Water District, Weaverville Community Services District, Needles Public Utility Authority and the Colton Public Utility Authority. In addition, Mr. Cavanaugh has experience in this sector with the Cities of Riverbank, Yuba City, California City, Albany, Patterson, Woodland, Torrance, King City, Davis, and Escalon.



Todd Smith, *Managing Director*, will assist Mr. Cavanaugh with the engagement and be available as a contingent and senior level banker, if necessary. Unless needed, his involvement will be without client contact. Mr. Smith has been involved in the underwriting of over \$3.5 billion in public finance transactions since 1996, including revenue bonds, COPs, lease revenue bonds, land secured transactions, tax allocation bonds, affordable housing projects, enterprise revenue bonds, and general obligation bonds. In 2008 and 2009, Mr. Smith was the lead banker on the Far West Region Bond Buyer Deal of the Year for the Yuba County Levee Improvement in 2008. Mr. Smith holds a Bachelor of Arts Degree from California State University Fullerton in Economics. Mr. Smith holds Series 7 (General Securities) and Series 63 (Uniform Securities Agent State Law) licenses.



Todd Smith
Managing Director
Public Finance Banking

2533 S. Coast Hwy 101, Suite 250
Cardiff by the Sea, California 92007

☎ 760.632.1347
Fax 760.632.8621
Todd.Smith@hilltopsecurities.com



Ryan Cunningham
Director
Public Finance Banking

2533 S. Coast Hwy 101, Suite 250
Cardiff by the Sea, California 92007

☎ 760.632.8614
Fax 760.632.8621
Ryan.Cunningham@hilltopsecurities.com

Ryan Cunningham, *Director*, served as a public finance banker for Southwest Securities from 2006-2012. His experience includes cities, counties, school districts, water districts, utility districts, economic development corporations, and tax increment financing. He has also been a consultant for the United Nations in the areas of sustainable/environmental finance and worked as a credit analyst for infrastructure project finance transactions. Mr. Cunningham holds a BS from Saint Vincent College in Political Science, an MPA with a concentration in public finance and MA in Latin American Studies from Indiana University, and a certificate in Climate and Renewable Energy Finance from the Frankfurt (Germany) School of Banking & Management. He holds SIE, Series 52, and Series 63 licenses.

4. Please describe your proposed process for placing the loan with a private placement provider. Please provide a detailed scope of services and timeline for your services as placement agent.

HilltopSecurities will be able to guide you through the process because of our unique and valuable experience with other California Special Districts (specifically water districts) regarding their needs. This experience, with similar credits, provides HilltopSecurities with insight into the banks’ interest in your bonds. This is valuable because we understand the credit, from both a Placement Agent and lender perspective. Our unique experience will translate into the lowest cost of borrowing for the District.

As Placement Agent, HilltopSecurities shall provide the District advice with respect to the structure, timing, terms and other matters concerning the financing. HilltopSecurities has been engaged in a financing that closed in less than 30 days; however, the normal process can take up to 90 days. **We understand the refunding needs to close prior to the October 1, 2021 call date and we can meet that deadline.** All banks have different timelines and processes, so the timeline of services discussed is presented as an estimate. HilltopSecurities’ experience in placements with a vast array of banks cannot, and should not, be overlooked. Investors are fickle, banks have backed out of deals after initial indications of interest, require onerous conditions or have removed themselves from the industry altogether. The District will need a placement agent that has several bank contacts, not just a few. This will ease concerns that investors are in short supply or the banks are not able to close a transaction.

Mike Cavanaugh will have direct communication with all banks. Since 2010, all communication with the banks has been done directly via Mike Cavanaugh and Todd Smith, both in the Cardiff by the Sea, CA office. These years of direct communication has formed relationships that are without comparison and will be valuable to



the District to obtain the lowest cost of borrowing. HilltopSecurities' scope of services for a private placement includes but is not limited to the following:

- HilltopSecurities will conduct due diligence discussions with the District's consultants in the preparation of analyses and/or reports for the proposed 2021 Private Placement. (First week of engagement)
- HilltopSecurities will consult with Counsel and Fieldman Rolapp, in developing the necessary financing documents under which the 2021 Private Placement will be placed and delivered. (First week of engagement)
- Assist District Staff and Fieldman Rolapp by performing analyses, providing bond structuring recommendations and performing other services as needed. (First week through Closing)
- HilltopSecurities will work with Fieldman Rolapp to complete formal bid documents and distribute them to potential investors. HilltopSecurities has a large list of investors that is continuously growing. Currently, we would anticipate distribution to over twenty different firms and banks. The bid document will contain the credit information necessary for investment evaluation purposes for investors looking to respond to the bid request (within two weeks of engagement or sooner if needed for closing).
- HilltopSecurities recommends potential investors be allowed up to two weeks to review the credit and provide a bid (weeks 1-3 after engagement). During this time, HilltopSecurities will speak to the investors several times a week to assist with their needs, questions and concerns and will keep a log of all communication with the investors for review by Fieldman Rolapp, District Staff and others as needed. While HilltopSecurities will attempt to handle all investor questions, we will most likely need the support of District staff, Fieldman Rolapp and legal counsel. This process will allow for the highest number of bids received. When time has been of essence, HilltopSecurities has shortened this step of the process to a week or less. However, we have found that considerably fewer banks will engage in the process.
- HilltopSecurities will obtain and present a bid summary to the District and Fieldman Rolapp for their review and selection. (2-3 weeks after engagement)
- HilltopSecurities will re-negotiate bids with select bidders upon the District's request, if the District is not satisfied with the original bid. (2-3 weeks + 1 day after engagement)
- HilltopSecurities will advise the District and Fieldman Rolapp on the results of the bids received from banks and investors for purchase of the Bonds. HilltopSecurities will certify the yields assigned to the lease are at or below the market yields for similar types of bonds with similar credit characteristics and that, a competitive bidding process has been implemented. If the issuer desires, HilltopSecurities will help negotiate terms and conditions or at the very least be a facilitator in the endeavor (2-3 weeks + 1 day after engagement). There will likely be negotiations with multiple banks after bids are received by the District in order to find the right bank to meet the District's goals.
- HilltopSecurities will work as a liaison between the financing team and the bank to get formal credit approval. Generally, the original "bid" is a rate indication and is "subject to formal bank approval." Formal approval generally takes two weeks after acceptance of their indicative bid. (4-5 weeks after engagement)
- Assist District Staff and Fieldman Rolapp in the final sizing of the loan by preparing various debt service schedules and other forms of numerical and market analysis, as needed. To support, give advice and recommendations, as needed. This happens when the bank/purchaser provides a firm bid and/or rate lock. (This timeframe could be anywhere from 2 weeks to 5 weeks after engagement)
- Following the successful sale, provide numerical documentation and schedules as requested.
- Assist the District, Bond Counsel, Fieldman Rolapp, and Purchaser to get the financing closed. (5-7 weeks after engagement)

"The Municipal Securities Rulemaking Board encourages issuers to voluntarily report alternative debt on EMMA, and several members of the Securities and Exchange Commission have been emphasizing muni market transparency in recent months."



- Report results, per MSRB recommendation
- Provide follow-up and ongoing support to the transaction and District, as needed, prior and after the closing.

These are just some of the services provided in a standard transaction, but because of our experience we have many additional items that could be added to the list. These are derived through our due diligence and the needs of the specific issuer. We examine each transaction independently to find opportunities to obtain the lowest cost of borrowing.

5. Please discuss your initial recommendations on how to handle interest rate risk between submittal of bids and rate lock.

HilltopSecurities has closed 7 private placements so far in 2021 with a generally standardized approach. The size, (perceived) rating and term of the loan are all important metrics, which will have an impact on the ultimate bank rate. HilltopSecurities has experience with all different credit types but the work completed on the five enterprise-based districts this year gives HilltopSecurities an advantage over our competitors. The District should expect to receive up to 6 bids, hopefully more. The following 20 banks will be targeted for the District.

Banner Bank	City National	Key Bank	River City Bank
BB&T/Truist	Capital One	Five Start Bank	Signature Bank
BCI Capital	Chase/JP Morgan	Mechanics Bank	Sterling Bank
BBVA	F&M Bank	Pacific Western Bank	UMPQUA
CA Bank and Trust	First Foundation Bank	Pinnacle Public Finance	Western Alliance

When bidding, many of these banks will provide a rate that is locked through closing or up to 60 days after their term sheet is submitted. A few will not lock until they have formal approval or about 2-3 weeks after being engaged. The District may need to decide whether a “bird in the hand” bid is worth interest rate risk for 2-3 weeks. HilltopSecurities will provide sensitivity analysis and other advice upon request, but we believe the rate should not be the only factor. A few banks will not charge for bank counsel, while most others will. The optional redemption provisions will differ, and documentation may be different amongst the bidders. HilltopSecurities will summarize all bids (Terra Bella ID shown below) received and provide a chart reflecting debt service costs including the “all in true interest cost.”

Bank	Bid	Rate Lock	Call Feature	Bank Counsel	Legal Fees	Bank Loan Fees (other than legal)	DSRF	Reporting Requirements	Other
BBVA	2.190%	60 day rate lock upon Credit Approval add 3bps	Noncallable first 4 years; the callable at par	Kutak	\$ 10,000	The borrower will be responsible for any fees or expenses	None	CAFR to be provided within 210 days of the close of each fiscal year. Operating budget due within 30 days of fiscal year end. Additional info as needed	Parity Debt test of 1.25x; Rate and Coverage Covenant of 1.25x
Pinnacle	2.220%	Rate lock through 2/27/2020	No prepayment prior to 8/2/2024. Callable any date after that at 100	Chapman and Cutler LLP	\$ 10,000	The borrower will be responsible for any fees or expenses	None	CAFR to be provided within 210 days of the close of each fiscal year. Additional info as needed (subject to negotiation)	Rate covenant 1.20x and Additional Bonds Test of 1.20x
Opus	2.220%	Rate lock through 2/27/2020- via 2nd email	105%, 105,104,104,103,103,102,102,101 or 105 after 5 years- under either 10% can be called any year without premium	Nixon Peabody LLP	\$ 10,000	\$1,000 fee to send COI wires	None		Rate covenant and Additional Bonds in IPA are good
Truist	2.030%	03/03/20	8/1/24 100	Squire Sanders	\$ 7,500			CAFR to be provided within 270 days of the close of each fiscal year	Parity Debt test of 1.25x; Rate and Coverage Covenant of 1.25x
Umpqua	2.790%	rates includes a despost relationship of \$450,000	103 103 102 102 101 101 101	Nixon Peabody LLP	\$ 10,000				Parity Debt test of 1.25x; Rate and Coverage Covenant of 1.25x

In addition to pricing, the District should be aware of other provisions banks are trying to insert into their bids, which can be very detrimental to issuers. Working with Fieldman Rolapp, HilltopSecurities would make sure bidders address the following concerns:



-
- ✓ Pass along costs of doing business. This covers a broad range of issues, but if banks can pass along costs of doing business to issuer, the bank will pass along these costs to the issuer in terms of adjusting interest rates higher later.
 - ✓ Material Adverse Change. This is another potential liability for the District to avoid. Banks are trying to add this non-defined term into their documents, which will allow the bank to declare an event of default or pass along costs of doing business if such an event occurs. A “Material Adverse Change” is generally subject to the Bank’s interpretation, so that the Bank can unilaterally declare this event with significant ramifications to the District.
 - ✓ Taxability. If tax exemption is abolished, banks want to be able to pass along those costs to the borrower. This again is an example of a potential future problem, which needs to be avoided or mitigated.

Having HilltopSecurities evaluating bids and providing insight are just a few of the reasons why choosing HilltopSecurities as your placement agent can save money and protect the District’s interests. Other placement agents may charge less but with the experience we bring to the table, the District cannot afford to take the chance with a novice placement agent.

III. Fees

Please provide a detailed summary of your proposed fees and a detailed breakdown of expenses for placement agent services, including all assumptions used in deriving this fee structure

HilltopSecurities proposes a Placement Agent fee of \$18,000. This fee is inclusive of expenses, but the District will be responsible for CDIAC and other third-party expenses, if any. HilltopSecurities’ fee is entirely contingent on the successful completion of a financing. If the issue fails to close, we will not be reimbursed for any expenses. As stated above, **we understand the refunding needs to close prior to the October 1, 2021 call date and we can meet that deadline.**

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
JUNE 22, 2021
AGENDA ITEM II. B

June 16, 2021

TO: Board of Directors

FROM: Geoffrey Poole, General Manager

SUBJECT: Overview of SDGE Hydrogen Generating Project in Borrego Springs

RECOMMENDED ACTION: Receive Overview and ask any questions of SDGE

ITEM EXPLANATION: SDGE has requested BWD extend its pipeline in Borrego Springs Road approximately 1 mile to the existing solar farm. The water is planned to be used for a hydrogen generating project using surplus power from the solar farm. SDGE is also interested in purchasing water from BWD in a quantity of up to 1 acre foot of annual usage, and would likely be a participant in the Pilot Project to provide water for new development later on this Agenda.

NEXT STEPS:

1. Continue with Pipeline Construction
2. Consider Application from SDGE for Pilot Program if approved by the Board.

FISCAL IMPACT

1. None. SDGE to cover all costs for pipeline construction as well as meter installation and water supply if acquired from BWD

ATTACHMENTS:

1. None

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
JUNE 22, 2021
AGENDA ITEM II. C

June 16, 2021

TO: Board of Directors

FROM: Geoffrey Poole, General Manager

SUBJECT: Best, Best and Krieger Rate Increase Request – G Poole

RECOMMENDED ACTION: Approve Rate Increase

ITEM EXPLANATION: BWD has received a request for rate increase from BBK to reflect Consumer Price Index increases on 3% during the past 12 months. The request is attached. Staff is very satisfied with BBK services and recommends approval.

NEXT STEPS:

1. Sign attached acknowledgement

FISCAL IMPACT

+ 3% rate increase = \$2,000/yr estimated annual cost, based on Legal General Legal Budget of \$60,000 and up to \$7,500 on the GroundWater Legal budget of \$250,000 assuming the full amount is spent on both, which is unlikely.

ATTACHMENTS:

1. BBK Correspondence



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Indian Wells
(760) 568-2611

Irvine
(949) 263-2600

Los Angeles
(213) 617-8100

Ontario
(909) 989-8584

3750 University Avenue, Suite 125, P.O. Box 1028, Riverside, CA 92502
Phone: (951) 686-1450 | Fax: (951) 686-3083 | www.bbklaw.com

Sacramento
(916) 325-4000

San Diego
(619) 525-1300

Walnut Creek
(925) 977-3300

Washington, DC
(202) 785-0600

Alex Aldaco
(619) 525-1359
alex.aldaco@bbklaw.com

July 21, 2021

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

Re: Annual Notice of Automatic Increase in Legal Services Rates

Dear Valued Best Best & Krieger LLP Client,

In accordance with our current agreement, the hourly rates are to adjust on July 1st of each year. Per your email on July 21, 2021 the hourly rates will be:

<u>Basic Services</u>	<u>Current Rate:</u>	<u>New Rate</u>
Partner / Of Counsel	\$ 260.00	\$ 276.00
Associate/ Associate 2	\$ 230.00	\$ 244.00
Paralegal / Research Analyst / Clerk / Admin. Assistant	\$ 150.00	\$ 159.00
<u>Special Services</u>	<u>Current Rate:</u>	<u>New Rate</u>
Partner / Of Counsel	\$ 295.00	\$ 313.00
Associate / Associate 2	\$ 255.00	\$ 270.00
Paralegal / Research Analyst / Clerk / Admin. Assistant	\$ 160.00	\$ 170.00

If this is acceptable to you, please sign and date as indicated below and return to us. Best Best & Krieger sincerely appreciates your continuing loyalty and the choice of our firm for your legal services. If you have any questions about this or any of our billing policies, please contact your BB&K attorney, Steve Anderson.



BEST BEST & KRIEGER
ATTORNEYS AT LAW

July 21, 2021
Page 2

Sincerely,

A handwritten signature in blue ink, appearing to be 'A' followed by a stylized flourish.

Alex Aldaco
Client Services Coordinator
for BEST BEST & KRIEGER LLP

AGREED AND ACCEPTED:

Dated: _____

By: _____
Geoff Poole, General Manager

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
JULY 27, 2021
AGENDA ITEM II. D

July 22, 2021

TO: Board of Directors

FROM: Geoffrey Poole, General Manager

SUBJECT: Proposition 218 Public Hearing Update and Agenda – G Poole

RECOMMENDED ACTION:

Receive Update on Public Hearing

ITEM EXPLANATION

Attached is the agenda for the upcoming Public Hearing on the proposed water and wastewater service charge adjustments to be held on July 27th at 5:30 PM.

NEXT STEPS

Conduct Public Hearing at 5:30 PM and consider Rate Resolution

FISCAL IMPACT

1. Proposed rates are needed to fund BWD water and sewer operations/financial obligations.

ATTACHMENTS

1. Agenda for Public Hearing
2. Rate Resolution

**Borrego Water District Board of Directors
Special Board Meeting and Public Hearing
Proposition 218: Water and Wastewater System Charges
July 27, 2021 @ 5:30 p.m.
806 Palm Canyon Drive
Borrego Springs, CA 92004**

COVID-19 UPDATE: The Borrego Water District Board of Directors meeting as scheduled in an electronic 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:

Borrego Water District Prop 218 Public Meeting
Tue, Jul 27, 2021 5:30 PM - 8:30 PM (PDT)

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/822430685>

You can also dial in using your phone.
United States: +1 (646) 749-3122
Access Code: 822-430-685

New to GoToMeeting? Get the app now and be ready when your first meeting starts:
<https://global.gotomeeting.com/install/822430685>.

- I. **OPENING PROCEDURES -**
 - B. Call to Order
 - C. Pledge of Allegiance
 - D. Directors' Roll Call: Directors Baker, Brecht, Duncan, Johnson and President Dice
 - E. Approval of Agenda
 - F. Approval of Minutes - None
 - G. Comments from the Public & Requests for Future Agenda Items (may be limited to 3 min)
 - H. Comments from Directors
 - I. Correspondence Received from the Public- None

- II. **ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION –**
 - A. Welcome and Explanation of Proceedings – Kathy Dice, BWD Board President
 - B. 218 Overview: Lutfi Kharuf, Best/Best and Krieger
 - C. Rate Study Methodology and Recommended Rates/Charges - Kevin Kostiuik, Raftelis Financial Consultants
 - D. Open Public Comment Section -Kathy Dice, BWD
 - i. Receive Public Comment and Responses - Dice/Poole, BWD
 - E. Close Public Hearing – Dice, BWD
 - F. Board Discussion and Possible Action
 - i. Approval of Resolution 2021-07-03 Adopting Water and Wastewater System Charges

- III. **CLOSING PROCEDURE:** The next Board Meeting is scheduled for 9:00 AM August 24, 2021, to be available online. See Board Agenda at BorregoWD.org for details, Agenda information available at least 72 hours before the meeting.

**RESOLUTION NO. 2021-07-03
OF THE BOARD OF DIRECTORS OF BORREGO WATER
ADOPTING WATER AND WASTEWATER SERVICE
CHARGES**

WHEREAS, the Borrego Water District (the “District”) is organized and operates pursuant to the California Water District Law, Division 13 commencing with Section 34000 of the California Water Code; and

WHEREAS, the District is authorized to fix and collect charges for the provision of water service pursuant to Water Code Section 35470, and for wastewater service pursuant to Water Code Section 35501; and

WHEREAS, in order to determine whether the District’s current rate structure for water and wastewater charges requires an update, the District retained an independent rate consultant to provide a cost of service analysis and rate study (“Study”), the results of which have been presented to the District Board of Directors; and

WHEREAS, according to the Study, proposed rate increases to the water and sewer service charges are required in order to provide sufficient revenue to the District, while continuing to proportionately allocate the cost of providing water and sewer service among the District’s customer classes; and

WHEREAS, the rate structure for the District’s water service charges is comprised of two components: (1) a Monthly Fixed Charge, based on the size of the meter serving a parcel of property; and (2) a Water Commodity Charge, which is determined on the basis of the amount of water served to a parcel of property in hundreds of cubic feet (“HCF”), and which includes tiers that pass on the increased cost of delivering water at higher volumes to higher water users; and

WHEREAS, the District’s wastewater charges are imposed on customers within the District’s service areas that receive sewer collection and treatment service from the District, and is composed of three separate service areas (“SAs”) – SA1, SA2, and A 5; and

WHEREAS, all wastewater customers pay a monthly fixed charge per equivalent dwelling unit (“EDU”) that varies depending on the SA, based on the unique costs of service therein; and

WHEREAS, the District charges separate wastewater charges on wastewater customers within SA2, depending on whether such customers are SA2 EDU “Holders” and SA2 EDU “Users,” with Holders comprising customers that have previously bought into the wastewater system but have not yet connected to the system; and

WHEREAS, the obligation to pay the SA2 EDU Holder charges stems from their agreement with the District to pay certain operating and maintenance costs of the wastewater system; and

WHEREAS, SA2 EDU Users pay the sum of both the Holder and User charges, as described in more detail in Exhibit “A” hereto, and Borrego Springs Resort (“BSR”) in SA5 also pays a portion of its charges as a usage charge per unit of water delivered; and

WHEREAS, the District’s rates for water and wastewater service charges are calculated to recover the costs of the District in providing water and wastewater services and to proportionately allocate those costs among the customers; and

WHEREAS, the revenues derived from the water and wastewater service charges will not exceed the funds required to provide water and wastewater services, respectively, and shall be used exclusively for providing water and wastewater service, respectively; and

WHEREAS, the water and wastewater service charges will not exceed the proportional cost of the services attributable to each parcel upon which they are imposed; and

WHEREAS, the water and wastewater service charges will not be imposed on a parcel unless the water and wastewater services are actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, pursuant to California Constitution Article XIII D, Section 6 (“Article XIII D”), the District provided written notice (the “Notice”) by mail of: (1) the proposed increases to the water and wastewater service charges to the record owner of each parcel upon which the water and wastewater service charges are proposed for imposition and any tenant directly liable for payment of the water and wastewater service charges; (2) the amount of the water and wastewater service charges proposed to be imposed on each parcel; (3) the basis upon which the water and wastewater service charges were calculated; (4) the reason for the water and wastewater service charges; and (5) the date, time, and location of a virtual public hearing (the “Hearing”), held in accordance with the Governor’s Executive Order No. N-29-20, on the proposed water and wastewater service charges; and

WHEREAS, the District provided such Notice not less than forty-five days prior to the Hearing on the proposed rates and charges; and

WHEREAS, the Hearing was held on this day, July 27, 2021, and

WHEREAS, at the Hearing, the Board of Directors heard all oral testimony, and considered all written materials, and written protests concerning the establishment and imposition of the proposed rate increases for the water and wastewater service charges, and at the close of the Hearing, the District did not receive written protests against the establishment and imposition of the proposed rate increases for the water or wastewater service charges from a majority of the affected property owners and tenants directly liable for the payment of the water or wastewater service charges; and

WHEREAS, the Board of Directors has determined to adopt the proposed rates for

the water and wastewater service charges at the maximum rates and on the effective dates set forth in Exhibit "A" hereto; and

WHEREAS, the rates for the water service charges established by this Resolution and set forth in Exhibit "A" are for the purpose of: (A) meeting operational expenses, including employee wage rates and fringe benefits; (B) purchasing or leasing supplies, equipment, or materials; (C) meeting financial reserve needs and requirements; and (D) obtaining funds for capital projects necessary to maintain service within existing service areas, as set forth in this Resolution, and, therefore, the establishment of such charges is not subject to the California Environmental Quality Act.

NOW, THEREFORE, be it resolved by the Board of Directors of the Borrego Water District as follows:

Section 1. The matters set forth in the recitals to this Resolution are true and correct statements and by this reference are incorporated herein and made findings and determinations of the Board of Directors.

Section 2. The Board of Directors hereby adopts the water and wastewater service charges in the amounts and at the rates set forth in Exhibit "A" hereto. The rates and charges in Exhibit "A" shall be effective for all services provided on and after October 1, 2021. The General Manager, or his designee, is hereby authorized and directed to take all actions necessary to effectuate the rates for water and wastewater service, to collect the charges for such service, and other authorizations set forth herein.

Section 3. All resolutions or administrative actions by the Board of Directors, or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only by this Resolution to the extent of such inconsistency.

Section 4. If any section, subsection, clause, sentence, or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declares it would have passed this Resolution and each section, sentence, clause, or phrase thereof, irrespective of the fact that all or more sections, subsections, clauses, sentences, or phrases are held invalid.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Borrego Water District held on the 27th day of July 2021, by the following vote:

Ayes:

Noes:

Absent:

President, Board of Directors of
Borrego Water District

ATTEST:

Secretary of the Board of Directors of
Borrego Water District

Exhibit "A"
Water and Wastewater Service Charges

[ATTACHED]

Water Service Charges

The District provides potable (i.e., treated) water service. The proposed rate structure for the District’s water service charges has four customer classes: (1) single-family residential; (2) multiple units; (3) commercial/public agency; and (4) irrigation. The rate structure for all customers is composed of two components: (1) a Monthly Fixed Charge, and (2) a Commodity Charge, also known as a volumetric charge. All customers are billed monthly. If adopted, the proposed rate structure will take effect on October 1, 2021, and will increase each July 1 thereafter through and including July 1, 2025.

Monthly Fixed Charge. The Monthly Fixed Charge is established on the basis of the size of the water meter (in inches) serving a property. The Monthly Fixed Charge is calculated to recover a portion of the District’s fixed costs in providing potable water service, including billing and collections, customer service, meter reading, meter maintenance, and a portion of costs associated with providing and meeting system capacity (including treatment, distribution, and storage).

Water Commodity Charge. The potable water Commodity Charge is calculated on the basis of the cost of providing potable water. The water Commodity Charge includes supply costs, which are costs related to the pumping and production of water to meet customer demand; delivery, which are costs associated with obtaining and treating water to ready it for transmission and distribution, as well as the operating and capital costs associated with delivering water to all customers at a constant average rate of use; and peaking, which are costs associated with providing water during peak demand. The proposed single-family residential Commodity Charge consists of three inclining tiers, with tier widths established based on the size of the meter serving the property. Tier 1 includes up to 7 units of water and is intended to cover essential indoor water use needs. Tier 2 rates apply to water use over 7 units per month, and up to 22 units per month, and is intended to cover reasonable outdoor use. Tier 3 covers any water use over tier 2 in any month. The rates within each tier are set to reflect the actual cost of service. The remaining customer classes are proposed to pay a uniform rate per unit of water. One unit equals one hundred cubic feet (“HCF”) or 748 gallons.

The tier breakpoints for single-family residential are set forth below.

PROPOSED RATES

The District is proposing to adjust and increase the rates for its water and wastewater service charges for a five-year period. If approved, the rates will be effective for services provided on and after October 1, 2021 and will be increased each July 1 thereafter through and including July 1, 2025, as set forth in the tables below. If approved, the proposed rates are the maximum rates that may be imposed by the District. The proposed maximum rates and effective dates for water and wastewater customers are set forth in the tables below:

Table 1 - Tier Revisions

Customer Class & Tiers	Current Definition (hcf)	Proposed Definition (hcf)
Single Family Residential		
Tier 1	0-7	0-7
Tier 2	>7	>7-22
Tier 3	N/A	>22

WASTEWATER SERVICE CHARGES

The District provides sewer collection and treatment within its service areas to both residential and non-residential customers. The District provides wastewater service to three separate SAs - SA1, SA2, and SA5. All wastewater users pay a monthly fixed charge per Equivalent Dwelling Unit (EDU) that varies depending on the SA. The District assesses separate charges on wastewater customers in SA2. SA2 customers consist of SA2 EDU “Holders” and SA2 EDU “Users”. SA2 EDU Holders are customers that have bought into the wastewater system but are not yet connected and contributing flows to the wastewater system. These SA2 EDU Holders have agreed to pay certain operating and maintenance costs of the sewer system. SA2 EDU Users, those connected to and using the sewer system, pay the sum of both the Holder and User charge. Borrego Springs Resort (BSR) in SA5 also pays a portion of its charges as a usage charge per unit of water delivered, in addition to a monthly fixed charge.

Table 2 - Current and Proposed Water Monthly Fixed Charges (\$/Month)

Meter Size	Current	Proposed October 2021	Proposed July 2022	Proposed July 2023	Proposed July 2024	Proposed July 2025
5/8"	\$44.07	\$42.65	\$44.79	\$47.03	\$49.39	\$51.86
3/4"	\$44.07	\$42.65	\$44.79	\$47.03	\$49.39	\$51.86
1"	\$57.17	\$57.35	\$60.22	\$63.24	\$66.41	\$69.74
1.5"	\$89.91	\$94.09	\$98.80	\$103.74	\$108.93	\$114.38
2"	\$129.19	\$138.19	\$145.10	\$152.36	\$159.98	\$167.98
3"	\$233.97	\$277.82	\$291.72	\$306.31	\$321.63	\$337.72
4"	\$351.85	\$483.60	\$507.78	\$533.17	\$559.83	\$587.83
6"	\$679.27	\$976.00	\$1,024.80	\$1,076.04	\$1,129.85	\$1,186.35

Table 3 - Current and Proposed Water Commodity Rates (\$/hcf)

Customer Class & Tiers	Current	Proposed October 2021	Proposed July 2022	Proposed July 2023	Proposed July 2024	Proposed July 2025
Single Family Residential						
Tier 1	\$4.01	\$3.59	\$3.77	\$3.96	\$4.16	\$4.37
Tier 2	\$4.41	\$4.51	\$4.74	\$4.98	\$5.23	\$5.50
Tier 3	N/A	\$5.20	\$5.46	\$5.74	\$6.03	\$6.34
Multiple Units	\$4.24	\$4.49	\$4.72	\$4.96	\$5.21	\$5.48
Commercial / Public Agency	\$4.24	\$4.49	\$4.72	\$4.96	\$5.21	\$5.48
Irrigation	\$4.24	\$4.70	\$4.94	\$5.19	\$5.45	\$5.73

Table 4 - Current and Proposed Wastewater Charges (\$/Month/EDU)

Service Area	Current	Proposed October 2021	Proposed July 2022	Proposed July 2023	Proposed July 2024	Proposed July 2025
SA1	\$45.37	\$47.91	\$49.83	\$51.83	\$53.91	\$56.07
SA2 EDU Holder	\$28.97	\$22.97	\$23.89	\$24.85	\$25.85	\$26.89
SA2 EDU User	\$23.79	\$28.55	\$29.69	\$30.88	\$32.12	\$33.41
SA5	\$52.76	\$51.51	\$53.58	\$55.73	\$57.96	\$60.28
BSR ¹ Fixed Charge	\$28.97	\$51.51	\$53.58	\$55.73	\$57.96	\$60.28
BSR Variable Charge (\$/hcf)	\$2.13	NA	NA	NA	NA	NA

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
JUNE 22, 2021
AGENDA ITEM II. E

June 16, 2021

TO: Board of Directors
FROM: Geoffrey Poole, General Manager
SUBJECT: Pilot Program Regarding Provision of Water Supply for Small Development Projects
– G Poole

RECOMMENDED ACTION: Approve Pilot Program

ITEM EXPLANATION: BWD has been contacted by a handful of potential developers who have expressed interest in obtaining water to serve their planned projects. BWD has been informed by the developers that the water supply needed for the panned projects is not available on the Borrego Springs Water Transfer market at this time. Staff and Legal Counsel have developed the attached documents:

1. POLICY FOR PILOT PROGRAM REGARDING PROVISION OF WATER SUPPLY FOR SMALL DEVELOPMENT PROJECTS: This document provides all of the Program specifics.
2. BWD Commitment to Secure Water Rights for Small Developments - Acknowledgement Form: Is submitted with the Application for Service and includes important acknowledgement of the Program.
3. Will Serve Letter: From BWD and provides a cost estimate and conditions required to receive water service
4. Water Service Application: Submitted by Applicant

NEXT STEPS:

1. Implement Program

FISCAL IMPACT

TBD

ATTACHMENTS:

1. Pilot Program Documents

BORREGO WATER DISTRICT PILOT PROGRAM

REGARDING PROVISION OF WATER SUPPLY FOR SMALL DEVELOPMENT
PROJECTS

WHEREAS, Borrego Water District (BWD) adopted its revised Policy For Water and Sewer Service for New Development (“Policy”) on April 27, 2021.

WHEREAS, Section 3(b) of the Policy states that a “Developer shall be responsible for acquiring and conveying to BWD the required BPA [Baseline Production Allocation] needed to serve the development with water, in amounts determined by BWD.”

WHEREAS, since entry of Judgment in the Borrego Springs Subbasin Groundwater Adjudication lawsuit (*Borrego Water District v. All Persons Who Claim a Right to Extract Groundwater, et al*, Orange County case no. 37-2020-00005776), concern has been expressed by landowners and other persons seeking to build or install new single family homes, other small residences, or small commercial and industrial projects, or to expand existing residences or projects (“Projects”) that BPA is not readily available for purchase for such Projects from private BPA holders within the Borrego Springs Subbasin.

WHEREAS, while water credits (as referenced in the Judgment) were formerly made available by BWD to assist in making water supplies available to such small Projects, under Section III(A) of the Judgment, “[a]ll water credits issued by BWD and/or the County pursuant to the BWD’s Demand Offset Mitigation Water Credits Policy (revised May 19, 2015) have been converted to BPA” and the BWD’s Demand Offset Mitigation Water Credits Policy has been terminated.

WHEREAS, BWD has determined, subject to the conditions described below, that it is willing on a pilot basis to make a limited amount of its current water supply available to provide water service to Projects

WHEREAS, BWD has also determined, subject to the conditions described below, that it is willing to make available water supply for new, small projects advanced for the public benefit and constructed by public agencies or public utilities (“Small Public Construction”) in need of up to one (1) acre-foot of water service (i.e., those Projects that require up to the equivalent of five (5) BPA), provided that the proponents of such public projects will become regular BWD customers and are located within BWD’s service area.

WHEREAS, the pilot program will operate for a limited period of time, as described below, with the goal and expectation that a private or other non-BWD sponsored market for the acquisition and sale of BPA may develop in the interim.

PILOT PROGRAM CONDITIONS

1. Subject to the conditions outlined below, beginning on August __, 2021, BWD intends to make water supply available to: (a) proponents of Projects within the BWD service area with a water supply demand of up to 1.0 acre foot per year or less of water service and (b) proponents of Small Public Construction within the BWD service area with a water supply demand of up to one (1) acre feet or less per year of water service.
2. Applications for such water supply from proponents of eligible Projects or eligible Small Public Construction will be accepted by BWD from August __, 2021 forward, on a first-come, first serve basis with the application date given by BWD upon submitting an application in person at BWD office. No more than one application will be accepted for any landowner, Project, Small Public Construction or parcel. Applications and any commitment for water service made available under the pilot program are not assignable to any other land, parcel, Project or Small Public Construction. Applications and any commitment for water service may be assigned to a new owner of a Project or Small Public Construction for which an application has been submitted or a BWD commitment made only with the advance, express written permission of BWD.
3. For the totality of all Projects and Small Public Construction, collectively, BWD will make water supply available in a total amount of 6 acre feet of water service under this pilot program. Once that total amount is exhausted, no further BWD-owned water supply will be made available to existing or future applicants, except as may be determined by the BWD Board of Directors.
4. The pilot program described herein will terminate on the earlier of: (1) Will Serve Letters being issued by BWD in favor of Projects or Small Public Construction in an amount of 6 acre feet of water service, or (2) December 31, 2023, whichever occurs first.
5. Applicants will be required to submit a BWD Commitment to Secure Water Rights for Small Developments Acknowledgement Form (Acknowledgement) and New Meter Application (Application) to BWD substantially in the form of the attached Exhibit B. Applications must be completed in full and be submitted along with all required documentation to BWD at the BWD Office. The application form may be modified by BWD staff, as reasonably determined by the BWD General Manager.
6. The Application review fee will be \$150, non-refundable.
7. The cost to the Applicant (i.e., the “Water Supply Charges”) of acquiring the BWD water supply made available under this pilot project will be calculated by multiplying the estimated water demand of the Project or Small Public Construction shall be \$8,725 per acre foot, but will be subject to change at the discretion of the BWD Board of Directors.
8. Applications will be reviewed in the order received, provided such applications are complete and the application fee is paid in full.
9. Incomplete applications will be returned to the applicant. For prioritization purposes, applications will retain their original filing dates, so long as complete applications are

resubmitted to BWD within thirty (30) days after BWD's mailing out of incomplete applications back to the Applicant.

10. To qualify for BWD water service, Projects and Small Public Construction must include native plant materials in landscaped areas, and water efficient appliances/equipment.
11. Applicants shall meet all of the following conditions:
 - a. Applicants shall attest on the Acknowledgement form that they have searched for and been unable to locate BPA for sale for a reasonable price by any holders of BPA.
 - b. The applicant must provide BWD with evidence of County of San Diego approval at various stages of the Project or Small Public Construction approval process, including Permit Number, Building Permit and Certificate of Occupancy, see Procedures for details—whether by written approval or waiver of County requirements by virtue of the Project's type or size—or a pending land use application for the Project, if any, or for the Small Public Construction, if approval is required. If County of San Diego approval is not required, the Applicant shall provide evidence to BWD of the status or formal approval by the regulatory agency, if any, required to approve such Project or Small Public Construction. See Procedures for details (Exhibit A).
12. If all of the above requirements and conditions are met after BWD's ministerial review of an application, and BWD water supply under this pilot program is still available at the time BWD's review of an application is complete, BWD will so notify the applicant of all conditions needed to be met to receive water service. The following additional steps will then be required:
 - a. The applicant will pay a BWD "Will Serve Letter" processing fee of \$50 within fifteen (15) calendar days of BWD providing an invoice for such fee to the applicant. Failure to timely pay the fee will result in the application being denied and the applicant losing any prior approval and any priority it may have established with respect to acquiring BWD water service.
 - b. BWD will produce a "Will Serve" Letter indicating the conditions under which BWD will provide water service to a qualifying Project, which will include a cost estimate for the Project or Small Public Construction to obtain water service.
 - c. Will serve letters will be valid for no more than twenty-four (24) months. All Projects and Small Public Construction must be completed on the ground, a certificate of occupancy or equivalent approval issued for the Project or Small Public Construction, and BWD water service commenced within such timeframe.
13. Before BWD will commence water service to a Project:

- a. All applicable BWD fees and charges must be paid, including but not limited to the BWD Water Supply, meter/service Charge and other costs identified by BWD or cost set by BWD.
- b. For construction purposes only, water service may be temporarily provided by BWD thru the newly installed meter
- c. The applicant will provide BWD with a valid Certificate of Occupancy or equivalent approval for the Project or Small Public Construction to establish water service.
- d. All other BWD policies, standards and requirements must have been satisfied in full.

DRAFT

EXHIBIT A

PROCEDURES FOR NEW WATER SERVICE

STEP ONE – SUBMIT APPLICATION: Property Owner shall complete and submit to BWD for review and comment the New Meter Application and BWD Commitment to Secure Water Rights for Small Developments Acknowledgement Form. In addition, a non-refundable Processing Fee of \$150 is due when completed documents are submitted to BWD. A two to four week turn for review and comment by BWD is projected and the actual amount of time spent is dependent upon the complexity of the proposed Project or Small Public Construction.

STEP TWO – BWD REVIEW OF APPLICATION: BWD will review Application and respond to Applicant with a Will-Serve Letter (WSL) specifying the conditions that must be met and all projected costs to receive water service.

STEP THREE – WILL SERVE LETTER EXECUTION & PAYMENT OF FEES: Applicant accepts BWD WSL conditions, signs letter and pays all fees including \$50 WSL fee. If after 30 days, the Applicant does not accept Conditions, the Application is withdrawn from consideration. Once fees are paid, BWDs commit to provide water service/meter, including water supply, is valid for 24 months or extended, for cause, by BWD. Customer will receive refund of any charges paid upon termination, provided that BWD construction, design, processing and related fees accrued to date will be non-refundable.

STEP FOUR – WATER SERVICE/METER INSTALLATION: At BWDs discretion, a water service (if needed) and meter will be installed.

STEP FIVE – TEMPORARY WATER SERVICE FOR CONSTRUCTION: Applicant shall provide copy of Building Permit and submit a request for Temporary Water Service and pay fees, if any. BWD will temporarily turn on water meter during construction for up to 12 months total or extended for cause by BWD. The Property Owner shall be billed at the BWD approved rates for the proposed project customer class and meter size.

STEP SIX – WATER SERVICE INITIALIZED: Property Owner completes construction and submits Occupancy Permit to BWD when issued by County of San Diego. BWD initiates water service and Customer is entered into Billing System on a basis

EXHIBIT B

**BWD Commitment to Secure Water Rights for Small Developments
Acknowledgement Form**

BWD has a limited pool of water rights, known as BPA. BWD has decided to make available a limited amount of its water supply to small developments within the BWD service area. As part of this agreement BWD will apply its water rights such that it can supply water for the development described below.

Property Owner _____ APN _____

County Permit Application No. _____

The undersigned acknowledges

	Initial
I have tried to secure BPA for my development and have been unsuccessful	
I have read the Policy and understand BWD will allocate from its available water supply pool the estimated quantity of water needed to serve the proposed Project, as determined by BWD following review of the Application.	
Once an Application is accepted and deemed complete, BWD will provide a Will Serve Letter outlining the costs and conditions to receive water service as described in the Policy. If conditions accepted by Property Owner and all fees paid, BWD commitment will remain for up to 24 months	
The available water supply will be allocated on a first come first serve basis, with the application date given by BWD upon submitting the Application and Acknowledgement forms at the BWD office.	
The cost for BWD to make its water supply available for the proposed development and other Conditions will be shown on the Will Serve Letter.	

Signed _____ Date _____

BWD USE ONLY:

DATE RECEIVED BY BWD: _____ By _____

EXHIBIT C

Will Serve Letter

Following review of the Application for the Project or Small Public Construction located at _____ and/or APN number _____, the following findings have been made and conditions developed for your development to receive water service from BWD.

1. Meter Size: To serve your proposed development a XX sized potable water meter is needed. This meter size is determined based on estimated flow (including fire sprinklers, if required) and compared to rated maximum flow rates for BWD meters. The cost of the Water Meter is \$_____.
2. New Water Service Cost: A new water service IS / IS NOT needed to connect your proposed meter to the BWD water system. Based on the location of the closest BWD waterline, the cost for the water service is \$_____.
3. Water Supply Cost: XX acre feet per year of water supply is needed to for the proposed development at a cost of \$_____ (\$8,725/afy), subject to change.
4. Backflow Prevention Requirement: Based on the proposed use and/or operations of your Development, a backflow prevention device IS / IS NOT needed.
5. The total cost estimate for your Project is \$_____.

I, _____, accept the projected costs and conditions outlined above and commit to comply with all of the terms and conditions specified in BWDs PILOT PROGRAM REGARDING PROVISION OF WATER SUPPLY FOR SMALL DEVELOPMENT PROJECTS.

Date: _____

On behalf of BWD

Date: _____

EXHIBIT D

New Water Meter Application

DRAFT



NEW METER APPLICATION

PART 1 – GENERAL INFORMATION

APPLICANT CONTACT

NAME			
ADDRESS		PHONE <input type="checkbox"/> H <input type="checkbox"/> W <input type="checkbox"/> C	
CITY	STATE	ZIP	PHONE <input type="checkbox"/> H <input type="checkbox"/> W <input type="checkbox"/> C
EMAIL			

OWNER/BILLING CONTACT

same as Applicant

NAME			
ADDRESS		PHONE <input type="checkbox"/> H <input type="checkbox"/> W <input type="checkbox"/> C	
CITY	STATE	ZIP	PHONE <input type="checkbox"/> H <input type="checkbox"/> W <input type="checkbox"/> C
EMAIL			

PROPERTY INFORMATION

SERVICE ADDRESS		LOT №	
CITY		ZIP	TRACT/SUBDIVISION
ASSESSOR'S PARCEL №	BUILDING/GRADING PERMIT №	PERMIT DATE	
LOT SQ FT	№ OF BLDGS	№ OF STORIES	№ OF DWELLING UNITS
SITE CONDITIONS			
<input type="checkbox"/> Private well is planned for the property <input type="checkbox"/> Meter locations are paved or will be paved prior to service installation.			

CONTRACTOR CONTACTS

DOMESTIC PLUMBER / CONTRACTOR NAME		
ADDRESS		OFFICE PHONE
CITY	ZIP	CELL PHONE
FIRE SERVICE PLUMBER/CONTRACTOR NAME <input type="checkbox"/> same as domestic plumber / contractor		
ADDRESS		OFFICE PHONE
CITY	ZIP	CELL PHONE

METERS TO BE INSTALLED / SERVICE USE

DESCRIPTION OF PROJECT	
MAX GALLONS PER MINUTE (IF KNOWN)	NUMBER OF METERS REQUESTED
SERVICE TYPE	
<input type="checkbox"/> Single family: ___ Baths <input type="checkbox"/> Multi Family: ___ Baths <input type="checkbox"/> Pool/Spa: ___ Gallons <input type="checkbox"/> Outside Irrigation: ___ gal/yr. Max Flow: ___ (gpm) <input type="checkbox"/> Comm (Specify Type): _____	<input type="checkbox"/> Other (Specify Type): _____ <input type="checkbox"/> Temporary Water Service For Construction is Requested. <input type="checkbox"/> Meter Upsize or Downsize from _____ to _____
FIRE SERVICE ___ REQUIRED ___ REQUESTED	
<input type="checkbox"/> Fire service / hydrant <input type="checkbox"/> Domestic dual service (water and fire service on the same meter)	Water service applications which include fire service or domestic dual service must have local Fire Marshal complete the respective section(s) on PART 2.

WASTEWATER SERVICE REQUEST

BWD Wastewater customers are required to obtain a private sewer lateral compliance certificate showing that their sewer lateral is free of leaks.

Please check applicable box below.

- I am requesting to be a BWD wastewater customer.
- Commercial Food Preparation is planned.



NEW METER APPLICATION

PART 2 – HYDRANT / FIRE SERVICE / DUAL SERVICE REQUIREMENTS

FIRE MARSHAL:

Please complete and sign below. If dual service is indicated and approved, please complete the Domestic Dual Services section below. If any change to an existing hydrant and/or fire service is required, please indicate required changes (i.e. upgrade hydrant body, relocate, or remove) in Remarks Section. For questions about this form, contact BWD Business Office at 760-767-5806.

PROPERTY	PROJECT ADDRESS	CITY	ZIP
	ASSESSOR'S PARCEL №	TRACT/SUBDIVISION	LOT №

TO BE COMPLETED BY FIRE MARSHAL

FIRE HYDRANTS	<input type="checkbox"/> NEW HYDRANTS NOT REQUIRED <input type="checkbox"/> REQUIRED: Number of NEW PUBLIC hydrants ____ AND/OR Number of NEW PRIVATE hydrants ____ <input type="checkbox"/> RELOCATE: Number of EXISTING PUBLIC hydrants to be relocated ____	For HYDRANTS, please complete the following OR check the box below: A total of _____ gallons per minute supplied by _____ hydrant(s) flowing simultaneously for a duration of _____ minutes. Each individual hydrant shall provide a minimum flow of _____ gallons per minute. Unless otherwise indicated, fire flow is calculated down to a minimum residual pressure of 20psi in the water main under normal operating design flow conditions. Fire flow is a design factor and is not guaranteed. <input type="checkbox"/> EXISTING FLOW IS ADEQUATE Remarks _____															
	Commercial, multi-family premises (as approved by local fire agency). <input type="checkbox"/> NOT REQUIRED <input type="checkbox"/> REQUIRED: Number of NEW PRIVATE fire services ____ <input type="checkbox"/> EXISTING PRIVATE FIRE SERVICE adequate	Remarks _____ _____															
DOMESTIC DUAL SERVICES	Single family premises, multi-family premises, condos, and townhomes (as approved by local fire agency) <input type="checkbox"/> NOT REQUIRED <input type="checkbox"/> REQUIRED: Number of NEW DUAL SERVICES ____	For DOMESTIC DUAL SERVICES please complete the following: <table style="width: 100%; border: none;"> <tr> <td style="text-align: center;">_____</td> <td style="font-size: 2em; vertical-align: middle;">X</td> <td style="text-align: center;">_____</td> <td style="font-size: 2em; vertical-align: middle;">=</td> <td style="text-align: center;">_____</td> </tr> <tr> <td style="text-align: center;">Sprinkler heads</td> <td></td> <td style="text-align: center;">Demand per head, GPM</td> <td></td> <td style="text-align: center;">Sprinkler Demand, GPM</td> </tr> <tr> <td style="text-align: center;"><small>Maximum number of sprinkler heads required to operate simultaneously in the largest area to be sprinklered.</small></td> <td></td> <td style="text-align: center;"><small>Flow required for each sprinkler head to operate (in gallons per minute).</small></td> <td></td> <td></td> </tr> </table> Remarks _____	_____	X	_____	=	_____	Sprinkler heads		Demand per head, GPM		Sprinkler Demand, GPM	<small>Maximum number of sprinkler heads required to operate simultaneously in the largest area to be sprinklered.</small>		<small>Flow required for each sprinkler head to operate (in gallons per minute).</small>		
	_____	X	_____	=	_____												
Sprinkler heads		Demand per head, GPM		Sprinkler Demand, GPM													
<small>Maximum number of sprinkler heads required to operate simultaneously in the largest area to be sprinklered.</small>		<small>Flow required for each sprinkler head to operate (in gallons per minute).</small>															
FIRE MARSHAL APPROVAL	FIRE AGENCY NAME		PHONE														
	PREPARED BY		TITLE														
	EMAIL																
	SIGNATURE (By signing below, I agree I have reviewed and approved the fire service plan for above address location.)		DATE														

VALID FOR ONE YEAR



NEW METER APPLICATION

PART 3 – BACKFLOW SURVEY

BACKFLOW SURVEY

YES <input type="checkbox"/>	NO <input type="checkbox"/>	1. Do you have a well, either working or abandoned?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	2. Will there be a single meter servicing multiple users?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	3. Will this service also serve irrigation?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	4. Will the HVAC be operated with water?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	5. Will you use non-potable liquids or chemicals on the property
YES <input type="checkbox"/>	NO <input type="checkbox"/>	6. Will you have any equipment, other than residential, connected to the potable water system? Examples include but are not limited to: recirculating pumps, booster pumps, boilers, hydronic systems, solar systems, steam generators, or cooling towers?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	7. Will you inject chemicals into the fire line?

YES <input type="checkbox"/>	NO <input type="checkbox"/>	12. Will there be more than one fire service at this property?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	13. Will you need internal protection that requires a backflow device?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	14. Are you going to install a proper backflow assembly? Have you verified the appropriate device and location through BWD
		15. Will there be any non-potable use, such as the use of recycled water, graywater, or rainwater catchment systems? Explain: _____ _____ _____
YES <input type="checkbox"/>	NO <input type="checkbox"/>	16. Are you an Industrial, Commercial, or Institutional customer; or a residential developer applying for standard service?
YES <input type="checkbox"/>	NO <input type="checkbox"/>	17. Will there be a swimming pool, pond, fountain, or a decorative water feature on site?

PART 4 – COMMERCIAL WASTEWATER CAPACITY FEE

COMMERCIAL WASTEWATER CAPACITY FEE

DESCRIBE ANY NON-DOMESTIC WASTEWATER GENERATING ACTIVITIES. EXAMPLES: CAR WASHING, REVERSE OSMOSIS SYSTEMS, TANK WASHING, Commercial Food Prep, ETC.	MAX MONTHLY VOLUME ESTIMATE PER ACTIVITY	TOTAL SQ FT FOR EACH BUILDING OR COMMERCIAL TENANT (LIST EACH TYPE)	NUMBER OF PEOPLE USING THE FACILITY (NOT NEEDED FOR RETAIL OR MEDICAL)
1.		1.	
2.		2.	
3.		3.	
4.		FOR EATING/DRINKING ESTABLISHMENTS SQ FT OF KITCHEN AND DINING NUMBER OF DINING SEATS NUMBER OF BAR SEATS	
5.			

Initials: _____ I will comply with BWD FOG policies



NEW METER APPLICATION

PART 5 – ACKNOWLEDGEMENTS

ADDITIONAL INFORMATION COMMENTS: _____

APPLICANT SIGNATURE

PROPERTY OWNER / APPLICANT/AUTHORIZED AGENT	ASSESSOR'S PARCEL №
SIGNATURE (By signing below I acknowledge that I have read and agree to each applicable section above.) _____	DATE

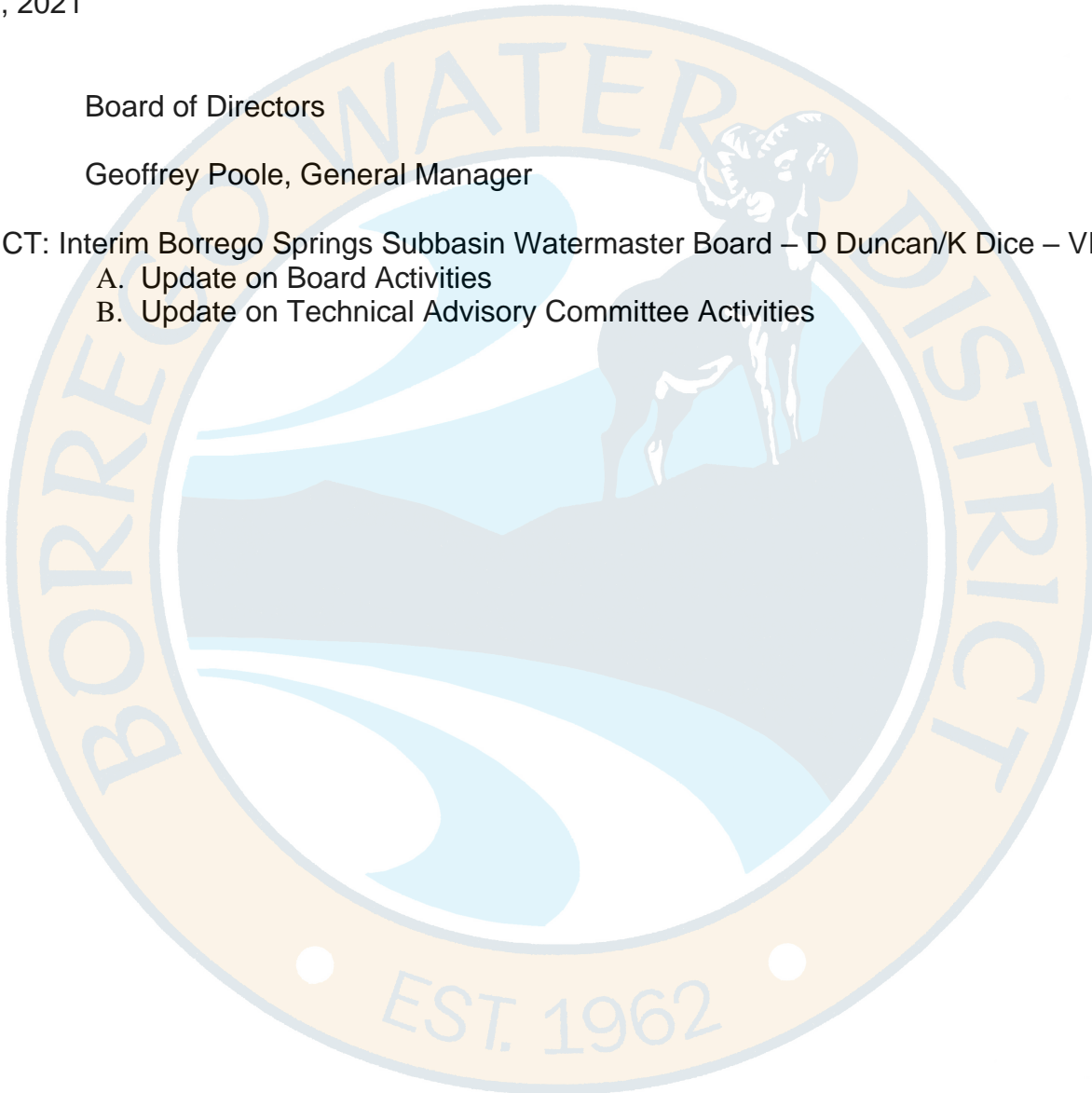
BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
JULY 27, 2021
AGENDA ITEM II. F

July 22, 2021

TO: Board of Directors

FROM: Geoffrey Poole, General Manager

SUBJECT: Interim Borrego Springs Subbasin Watermaster Board – D Duncan/K Dice – VERBAL
A. Update on Board Activities
B. Update on Technical Advisory Committee Activities



Item III.A
June
Financial Reports





TREASURER'S REPORT June 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	\$ 4,181,150	\$ 4,175,379	\$ 4,175,379	65.90%	0.00%	N/A	CVB
Payroll Account	\$ 41,337	\$ 33,824	\$ 33,824	0.53%	0.00%	N/A	CVB
MMA (Bond Funds)	\$ -	\$ -	\$ -	0.00%	0.30%	N/A	CVB
CIP Bond Funds Checking	\$ 63,620	\$ 63,620	\$ 63,620	1.00%	0.00%	N/A	CVB
LAIF	\$ 2,063,292	\$ 2,063,292	\$ 2,063,292	32.56%	0.46%	N/A	LAIF
Total Cash and Cash Equivalents	<u>\$ 6,349,400</u>	<u>\$ 6,336,116</u>	<u>\$ 6,336,116</u>	<u>100.00%</u>			
Facilities District No. 2017-1A-B							
Special Tax Bond- Rams Hill -US BANK	\$ 678,426	\$ 678,426	\$ 678,426				
Total Cash,Cash Equivalents & Investments	<u>\$ 7,027,825</u>	<u>\$ 7,014,541</u>	<u>\$ 7,014,541</u>				

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
Cash Flow
June 2021**

	6/23/2020 ADOPTED BUDGET <u>2020-2021</u>	Actual June <u>2021</u>	Projected June <u>2021</u>	Difference <u>Explanations</u>	Actual YTD <u>2020-2021</u>	YTD % of Budget <u>2020-2021</u> 83.3%
<u>WATER REVENUE</u>						
Residential Water Sales	884,704	98,443	81,393		963,288	108.9%
Commercial Water Sales	455,153	44,913	41,874		457,854	100.6%
Irrigation Water Sales	207,629	18,555	19,102		207,142	99.8%
GWM Surcharge	177,564	18,321	16,336		184,929	104.1%
Water Sales Power Portion	475,237	49,790	43,722		507,976	106.9%
TOTAL WATER COMMODITY REVENUE:	2,200,286	230,023	202,426		2,321,189	105.5%
Readiness Water Charge	1,240,486	119,415	100,853		1,248,396	100.6%
Meter Install/Connect/Reconnect Fees	1,768	-	144		3,495	197.7%
Backflow Testing/Installation	5,228	5,300	4,550		5,594	107.0%
Bulk Water Sales	2,501	509	203		6,454	258.1%
Penalty & Interest Water Collection	34,850	30	2,833	No Penalty(CV)	2,020	5.8%
TOTAL WATER REVENUE:	3,485,119	355,277	311,009		3,587,148	102.9%
<u>PROPERTY ASSESSMENTS/AVAILABILITY CHARGES</u>						
641500 1% Property Assessments	55,000	945	4,583		70,997	129.1%
641502 Property Assess wtr/swr/fld	75,000	307	6,250		106,025	141.4%
641504 Water avail Standby	91,000	1,896	7,583		117,590	129.2%
641503 Pest standby	14,000	202	1,167		16,236	116.0%
TOTAL PROPERTY ASSES/AVAIL CHARGES:	235,000	3,350	19,583		310,847	132.3%
<u>SEWER SERVICE CHARGES</u>						
Town Center Sewer Holder fees	199,983	21,090	16,387		246,151	123.1%
Town Center Sewer User Fees	98,847	8,636	8,100		100,827	102.0%
Sewer user Fees (RH/SA5)	293,189	26,030	24,024		298,016	101.6%
TOTAL SEWER SERVICE CHARGES:	592,018	61,749	48,510		650,988	110.0%
<u>OTHER INCOME</u>						
Watermaster Meter Read Income		-	-		2,385	
JPIA Insurance Rebate		-	-		2,062	
Interest Income	76,000	-	4,000		11,235	14.8%
TOTAL OTHER INCOME:	76,000	-	4,000		15,682	20.6%
TOTAL INCOME:	4,388,137	420,376	383,102		4,564,665	104.0%
<u>CASH BASIS ADJUSTMENTS</u>						
Decrease (Increase) in Accounts Receivable		(405,450)				
TOTAL CASH BASIS ADJUSTMENTS:		(405,450)				
TOTAL OPERATING INCOME RECEIVED:	4,388,137	14,926				

<u>EXPENSES</u>	<u>ADOPTED BUDGET 2020-2021</u>			<u>Actual YTD 2020-2021</u>	<u>YTD % of Budget 2020-2021</u>
<u>MAINTENANCE EXPENSE</u>					
R & M Buildings & Equipment	250,000	9,172	20,833	120,857	48.3%
R & M - WTF	120,000	3,064	10,000	34,702	28.9%
Telemetry	10,000	-	833	3,914	39.1%
Trash Removal	5,500	438	458	9,678	176.0%
Vehicle Expense	18,000	5,647	1,500	29,620	164.6%
Fuel & Oil	<u>35,000</u>	<u>3,999</u>	<u>2,917</u>	<u>33,496</u>	95.7%
TOTAL MAINTENANCE EXPENSE:	438,500	22,320	36,542	232,266	53.0%
<u>PROFESSIONAL SERVICES EXPENSE</u>					
Tax Accounting (Taussig)	3,000	713	250	1,595	53.2%
Administrative Services (ADP)	3,000	349	250	3,864	128.8%
Audit Fees (Leaf & Cole)	17,000	1,185	-	21,645	127.3%
Computer billing (Accela/Parker)/Cyber Security	31,000	149	2,583	39,494	127.4%
Financial/Technical Consulting (Raffelis/Fieldman)	80,000	891	6,667	89,119	111.4%
Engineering (Dudek)	35,000	-	2,917	16,015	45.8%
District Legal Services (BBK)	45,000	10,813	3,750	83,001	184.4%
Air Quality Study	<u>43,551</u>	-	-	43,551	-
Advocacy & Grant Acquisitions	30,000	5,000	2,500	19,523	65.1%
Testing/lab work (Babcock Lab/Water Quality Monitoring)	24,000	3,291	2,000	28,063	116.9%
Regulatory Permit Fees (SWRB/DEH/Dig alerts/APCD)	<u>36,500</u>	-	<u>3,042</u>	<u>29,997</u>	82.2%
TOTAL PROFESSIONAL SERVICES EXPENSE:	348,051	22,390	23,958	375,866	108.0%
<u>INSURANCE EXPENSE</u>					
ACWA/JPIA Program Insurance	60,000	-	-	78,833	131.4%
ACWA/JPIA Workers Comp	<u>18,000</u>	<u>3,890</u>	-	<u>19,706</u>	109.5%
TOTAL INSURANCE EXPENSE:	78,000	3,890	-	98,540	126.3%
<u>DEBT EXPENSE</u>					
Compass Bank Note 2018A/B	388,939	-	-	393,662	101.2%
Pacific Western Bank 2018 IPA	<u>499,406</u>	-	-	<u>504,539</u>	101.0%
TOTAL DEBT EXPENSE:	888,345	-	-	924,995	104.1%
<u>PERSONNEL EXPENSE</u>					
Board Meeting Expense (board stipend/board secretary)	23,000	2,049	1,917	22,995	100.0%
Salaries & Wages (gross)	930,000	86,485	77,500	1,009,293	108.5%
Salaries & Wages offset account (board stipends/staff projects)	<u>(80,000)</u>	<u>(14,650)</u>	<u>(6,667)</u>	<u>(111,674)</u>	139.6%
Consulting services/Contract Labor	10,000	-	833	1,625	16.3%
Taxes on Payroll	23,700	2,190	1,975	25,607	108.0%
Medical Insurance Benefits	212,700	20,492	17,725	235,889	110.9%
Calpers Retirement Benefits	210,000	12,984	17,500	150,891	71.9%
Conference/Conventions/Training/Seminars	<u>18,000</u>	<u>100</u>	<u>1,500</u>	<u>7,703</u>	42.8%
TOTAL PERSONNEL EXPENSE:	1,347,399	109,649	112,283	1,342,330	99.6%

<u>EXPENSES(Con't)</u>	ADOPTED BUDGET			Actual YTD	YTD % of Budget
	2020-2021			2020-2021	2020-2021
<u>OFFICE EXPENSE</u>					
Office Supplies	24,000	250	2,000	14,506	60.4%
Office Equipment/ Rental/Maintenance Agreements	50,000	729	4,167	21,184	42.4%
Postage & Freight	15,000	2,000	1,250	14,182	94.5%
Taxes on Property	3,300	-	-	2,611	79.1%
Telephone/Answering Service/Cell	20,000	2,782	1,667	20,234	101.2%
Dues & Subscriptions (ACWA/CSDA)	23,000	217	1,917	15,079	65.6%
Printing, Publications & Notices	2,500	210	208	3,260	130.4%
Uniforms	7,000	501	583	6,605	94.4%
OSHA Requirements/Emergency preparedness	5,500	-	458	1,919	34.9%
TOTAL OFFICE EXPENSE:	150,300	6,690	12,250	99,580	66.3%
<u>UTILITIES EXPENSE</u>					
Pumping-Electricity	325,000	32,672	27,083	330,936	101.8%
Office/Shop Utilities	6,000	372	500	5,046	84.1%
TOTAL UTILITIES EXPENSE:	331,000	33,045	27,583	335,982	101.5%
<u>GROUNDWATER MANAGEMENT EXPENSE</u>					
Pumping Fees	123,888	-	-	123,888	
Physical Solution Development	-	-	-	-	
Physical Solution Reimbursement (42,800 rcvd in FY2020)	(57,200)	-	(4,766)	(86,917)	152.0%
Stipulation Legal	185,000	530	7,083	355,389	192.1%
Stipulation Legal Reimbursements (24,400 rcvd in FY2020)	(40,600)	-	(3,383)	(12,321)	30.3%
Interim Judgement Legal Support	-	-	3,750	-	
Interim Judgement Technical Support	45,000	561	3,750	111,044	246.8%
Misc. & Contingency	20,000	-	1,667	-	0.0%
BPA Transactions that meet CEQA requirements	5,000	-	417	-	0.0%
TOTAL GWM EXPENSE:	281,088	1,091	8,518	367,195	130.6%
TOTAL EXPENSES:	3,862,682	199,075	221,134	3,776,753	97.8%
<u>CASH BASIS ADJUSTMENTS</u>					
Decrease (Increase) in Accounts Payable		282,222			
Increase (Decrease) in Inventory		2,690			
TOTAL CASH BASIS ADJUSTMENTS:		284,912			
TOTAL OPERATING EXPENSES PAID:	3,862,682	483,987			
NET OPERATING INCOME RECEIVED:	613,846	(469,061)	161,968		

<u>CIP PROJECTS</u>	<u>ADOPTED BUDGET 2020-2021</u>		<u>Actual YTD 2020-2021</u>	<u>YTD % of Budget 2020-2021</u>
CASH FUNDED - WATER			-	
Bending Elbow Pipeline Project	380,000	186,398	254,980	67.1%
SCADA Replacement	100,000	-	126,735	126.7%
Facilities Maintenance - Office Interior	15,000	-	-	0.0%
Emergency System Repairs	60,000	638	12,251	20.4%
Replace Twin Tanks (Moved from GRANT)	630,000	15,734	18,569	2.9%
Well 11 Upgrades		140,937	214,795	
Well 18 Upgrades		-		
Engineering/Construction Management Consulting	25,000	-	-	0.0%
TOTAL CASH CIP EXPENSES WATER:	1,210,000	343,707	641,995	53.1%
CASH FUNDED - SEWER			-	
Oxygen Injection at Borrego Valley Rd Pump	20,000	-	13,131	65.7%
Difusers at Sludge Holding Tank (Completed from R&M)		-	-	
Manhole Replacement/Refurbishments	43,000	-	-	0.0%
Engineering/Construction Management Consulting	18,000	-	-	0.0%
TOTAL CASH CIP EXPENSES SEWER:	81,000	-	13,131	16.2%
CASH FUNDED - Short Lived Asset Replacement Progra	405,000	-	80,356	19.8%
TOTAL CASH FUNDED CIP EXPENSES:	1,696,000	343,707	655,126	38.6%
<u>DEBT & GRANT ACCOUNTING</u>				
<u>GRANT (PROP 1) FUNDED CIP - WATER</u>				
Replace Twin Tanks (Changed to CASH)		-		
Replace Wilcox Diesel Motor (Push to FY22)		-		
Replace Indianhead Reservoir (Push to FY22)		-		
Rams Hill #2, recoating (Push to FY22)		-		
TOTAL GRANT CIP EXPENSES WATER:	0	-		
Grant Proceeds Received	454,000	-		
<u>GRANT (PROP 1) FUNDED CIP - SEWER</u>				
Plant-Grit removal at the headworks	214,000	-	-	0.0%
Clarifier Upgrade/Rehabilitation	240,000	80	3,394	1.4%
TOTAL GRANT CIP EXPENSES SEWER:	454,000	80	3,394	0.7%
TOTAL GRANT CIP EXPENSES:	454,000	80	3,394	0.7%
<u>BOND FUNDED CIP - WATER</u>				
De Anza Pipeline Replacement Project	430,000	-	466,349	108.5%
Production Well 2 Investigation and Construction	1,250,000	89,292	866,266	69.3%
Replace 30 fire hydrants 17160	540,000	-	150,412	27.9%
Phase 1 Pipeline Project - 17120	0	226	32,346	
Production Well #1 ID4-Well #9-17110	-	-	6,746	
BVR Pipeline for SDGE	-	141	1,018	
Replace 5 well discharge manifolds and electric panel upgra	0	-	5,282	
Management Consulting Water (Bond CIP)	0	-	-	
TOTAL BOND FUNDED WATER CIP:	2,220,000	89,659	1,510,408	68.0%
<u>BOND FUNDED CIP - SEWER</u>				
Miscellaneous Sewer System Improvements	410,000	-	58,304	14.2%
Gravity Main Replacement - BSR		112,492	369,062	
TOTAL SEWER BOND FUNDED CIP:	410,000	112,492	427,208	104.2%
TOTAL BOND FUNDED CIP EXPENSES:	2,630,000	202,150	1,937,616	73.7%

Ocotillo Circle
06.30.21



ASSETS

	BALANCE SHEET June 30, 2021 (unaudited)	BALANCE SHEET May 31, 2021 (unaudited)	MONTHLY CHANGE (unaudited)
CURRENT ASSETS			
Cash and cash equivalents	\$ 6,272,495.43	\$ 6,200,111.20	\$ 72,384.23
Accounts receivable from water sales and sewer charges	\$ 799,885.74	\$ 748,336.51	\$ 51,549.23
Inventory	\$ 129,396.40	\$ 126,250.63	\$ 3,145.77
TOTAL CURRENT ASSETS	\$ 7,201,777.57	\$ 7,074,698.34	\$ 127,079.23
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	\$ 298,965.00	\$ 298,965.00	\$ -
Total Debt service	\$ 384,467.15	\$ 384,467.15	\$ -
Trust/Bond funds:			
Investments with fiscal agent -CFD 2017-1	\$ 678,425.53	\$ 680,346.87	\$ (1,921.34)
2018 Certificates of Participation to fund CIP Projects	\$ 63,620.08	\$ 765,509.97	\$ (701,889.89)
Total Trust/Bond funds	\$ 742,045.61	\$ 1,445,856.84	\$ (703,811.23)
TOTAL RESTRICTED ASSETS	\$ 1,126,512.76	\$ 1,830,323.99	
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	\$ 2,171,113.94	\$ 1,715,332.65	\$ 455,781.29
Bond funded CIP Expenses	\$ 2,232,141.26	\$ 2,142,623.72	\$ 89,517.54
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	\$ (13,123,256.52)	\$ (13,123,256.52)	\$ -
NET UTILITY PLANT IN SERVICE	\$ 20,449,820.21	\$ 19,904,521.38	\$ 545,298.83
OTHER ASSETS			
Water rights -ID4	\$ 185,000.00	\$ 185,000.00	\$ -
TOTAL OTHER ASSETS	\$ 185,000.00	\$ 185,000.00	
TOTAL ASSETS	\$ 28,963,110.54	\$ 28,994,543.71	\$ (31,433.17)



Balance sheet continued

	BALANCE SHEET June 30, 2021 (unaudited)	BALANCE SHEET May 31, 2021 (unaudited)	MONTHLY CHANGE (unaudited)
LIABILITIES			
CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS			
Accounts Payable	\$ 536,271.67	\$ 785,945.33	\$ (249,673.66)
Accrued expenses	\$ 188,643.94	\$ 188,643.94	\$ -
Deposits	\$ 43,618.19	\$ 43,618.19	\$ -
TOTAL CURRENT LIABILITIES PAYABLE FROM CURRENT ASSETS	\$ 768,533.80	\$ 1,018,207.46	\$ (249,673.66)
CURRENT LIABILITIES PAYABLE FOM RESTRICTED ASSETS			
Debt Service:			
Accounts Payable to CFD 2017-1	\$ 678,425.53	\$ 680,346.87	\$ (1,921.34)
TOTAL CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS	\$ 678,425.53	\$ 680,346.87	\$ (1,921.34)
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	\$ 4,613,000.00	\$ 4,613,000.00	\$ -
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	\$ 7,770,057.48	\$ 7,770,057.48	\$ -
TOTAL LIABILITIES	\$ 9,217,016.81	\$ 9,468,611.81	\$ (251,595.00)
FUND EQUITY			
Contributed equity	\$ 9,611,814.35	\$ 9,611,814.35	\$ -
Retained Earnings:			
Unrestricted Reserves/Retained Earnings	\$ 9,737,417.12	\$ 9,737,417.12	\$ -
Total retained earnings	\$ 9,737,417.12	\$ 9,737,417.12	\$ -
TOTAL FUND EQUITY	\$ 19,349,231.47	\$ 19,349,231.47	\$ -
TOTAL LIABILITIES AND FUND EQUITY	\$ 28,566,248.28	\$ 28,817,843.28	\$ (251,595.00)

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



Vendor disbursements paid during this period: \$ 1,005,809.21

Significant items:

Automated Water Treatment	Calcium Hypochlorite Tablets	\$ 11,546.52
Babcock	Lab Services	\$ 1,044.00
CalPERS	Includes Unfunded Liability	\$ 12,983.57
Employee Health Benefits	Medical JPIA & AFLAC	\$ 20,491.88
Ramona Disposal	Garbage Collection	\$ 3,970.02
SC Fuels	Fuel For District Vehicles	\$ 3,685.11
SDGE	May Bill Payment	\$ 27,308.30

Capital Projects/Fixed Asset Outlays:

Brax Company	Valve @ Well 5-5, Motor for Oxydation Ditch	\$ 3,207.20
C Wells Pipeline Supply	Solenoid Replacement @ well 5-5	\$ 1,502.90
Dudek	BOND - Extraction Well 2 Management MAY	\$ 51,201.71
Dudek	BOND - Extraction Well 2 Management APRIL	\$ 10,176.80
Empire Southwest	Generator Service	\$ 2,011.02
Pacific Pipeline Supply, Inc.	Inventory	\$ 10,751.71
Pacific Pipeline Supply, Inc.	Inventory	\$ 2,262.32
Pacific Pipeline Supply, Inc.	Bending Elbow Pipeline - Parts	\$ 4,984.32
Rove Engineering	Bending Elbow Pipeline	\$ 54,870.10
Southwest Pump & Drilling	BOND Drilling Well ID5-15	\$ 635,265.00

Total Professional Services for this Period:

BBK	General	\$ 14,026.50
BBK	Watermaster	\$ 12,058.94
BBK	Advocacy	\$ 5,000.00
Quadient	Postage Meter Contract	\$ 2,000.00
Travis Parker	Computer Support	\$ 1,131.20

Payroll for this Period:

Gross Payroll	\$ 86,485.07
Employer Payroll Taxes and ADP Fee	\$ 2,538.85
Total	<u>\$ 89,023.92</u>



AP BOARD REPORT

June 2021

34606	1109	ABILITY ANSWERING/PAGING SER	06/22/2021	230.00
34647	3035	ACWA / JPIA Finance Dept.	07/20/2021	3,890.11
34620	1266	AFLAC	07/09/2021	1,468.86
34621	1001	AMERICAN LINEN INC.	07/09/2021	501.12
34622	9222	ASBURY ENVIRONMENTAL SERVICES	07/09/2021	765.54
34623	61	AT&T MOBILITY	07/09/2021	569.65
34624	9529	AT&T-CALNET 3	07/09/2021	506.99
34610	9450	AWWA CALIF-NEVADA SECTION	06/22/2021	100.00
34648	9255	BABCOCK LABORATORIES	07/20/2021	3,291.00
34625	10884	BEST BEST & KRIEGER ATTORNEYS A	07/09/2021	16,903.00
34626	9679	BIG J FENCING, INC.	07/09/2021	1,041.37
34627	10900	BORREGO AUTO PARTS & SUPPLY CO	07/09/2021	350.25
34628	11085	BORREGO SPRINGS WATER LLC	07/09/2021	145.41
34607	1037	BORREGO SUN	06/22/2021	70.00
34629	1037	BORREGO SUN	07/09/2021	70.00
34649	1037	BORREGO SUN	07/20/2021	70.00
34608	11066	BRAX COMPANY, INC.	06/22/2021	3,207.20
34630	11066	BRAX COMPANY, INC.	07/09/2021	140,936.88
34609	11062	C. WELLS PIPELINE MATERIALS INC.	06/22/2021	1,502.90
34619	1196	CASH	06/30/2021	300.00
34631	1135	CENTER MARKET	07/09/2021	6.98
34650	39	DAVID TAUSSIG & ASSOCIATES,INC	07/20/2021	712.56
34612	1222	DEBBIE MORETTI	06/22/2021	122.00
34651	96	DISH	07/20/2021	66.75
1208	9640	DUDEK	06/22/2021	51,201.71
34675	9640	DUDEK	07/22/2021	31,657.82
34611	1094	EMPIRE SOUTHWEST	06/22/2021	634.13
34676	10883	FELDMAN, ROLAPP & ASSOCIATES	07/22/2021	891.00
1209	9299	FREDERICKS SERVICES INC	07/09/2021	111,497.05
34652	10876	GEOFFREY POOLE	07/20/2021	1,200.00
34633	1136	HOME DEPOT CREDIT SERVICES	07/09/2021	1,133.95
34632	1022	JAMES HORMUTH DE ANZA TRUE VALI	07/09/2021	329.46
34653	11063	LEAF & COLE LLP	07/20/2021	1,185.00
34654	11090	LUPE'S GARDENING MAINTENANCE IN	07/20/2021	585.00
34655	1216	McCALLS METERS,INC	07/20/2021	3,241.12
34564	1000	MEDICAL ACWA-JPIA	05/18/2021	22,897.12
34634	1489	NORTH COUNTY LAWNMOWER	07/09/2021	194.12
34613	1208	PACIFIC PIPELINE SUPPLY INC	06/22/2021	10,751.71
1210	1208	PACIFIC PIPELINE SUPPLY INC	07/09/2021	385.04
34635	11083	QUADIENT FINANCE USA, INC.	07/09/2021	2,000.00
34636	9633	RAMONA DISPOSAL SERVICE	07/09/2021	3,970.02
34657	9633	RAMONA DISPOSAL SERVICE	07/20/2021	2,606.19
34637	11101	ROVE ENGINEERING, INC	07/09/2021	182,653.65
34638	1065	SAN DIEGO GAS & ELECTRIC	07/09/2021	33,044.56
34658	1065	SAN DIEGO GAS & ELECTRIC	07/20/2021	3,807.00
34614	11067	SC FUELS	06/22/2021	2,626.53
34639	1059	STAPLES CREDIT PLAN	07/09/2021	180.20
34618	9046	STATE WATER RESOURCE CONTROL I	06/22/2021	100.00
34640	9106	T.S. INDUSTRIAL SUPPLY	07/09/2021	382.08
34641	9581	TRAVIS PARKER	07/09/2021	37.50
34642	3000	U.S.BANK CORPORATE PAYMENT SYS	07/09/2021	6,804.28
34643	1023	UNDERGROUND SERVICE ALERT	07/09/2021	9.90
34644	9439	USABUEBOOK	07/09/2021	119.52
34659	1100	VERIZON WIRELESS	07/20/2021	275.53
34656	1623	WENDY QUINN	07/20/2021	150.00
34615	92	XEROX FINANCIAL SERVICES	06/22/2021	415.97
34645	9713	XL COMPANY	07/09/2021	156.59
34646	11050	ZITO MEDIA	07/09/2021	275.74
Report Total (59 checks):				654,228.06

	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1			BOND CIP FUNDS											
2			RECONCILIATION-FY 2019/2021											
3								Well 12-17100/ 4-5 Well upgrades 10117140	Prod Well #1 ID4-9 10117110	Pipeline Project Phase 1/2 10117120/17200	Prod Well #2 10117130	Sewer Inspect Club Cir 17150 La Casa 10117210	Firehydrants 10117160	
4				Bond Proceeds	Interest paid	Cost of Issuance	Misc.							
5														Totals
6														
7														
8		07/10/18	Pacific Western Bank-Loan Proceeds	\$ 5,586,000.00										\$ 5,586,000.00
9		07/10/18	Cost of Issuance	\$ (68,707.13)										\$ (68,707.13)
10		07/17/18	US Bank Interest Fee			\$ 1,700.00								\$ (1,700.00)
11		07/17/18	Nixon Peabody-Cost of issuance			\$ 10,000.00								\$ (10,000.00)
12		07/17/18	Kutok Rock-Cost of Issuance			\$ 10,000.00								\$ (10,000.00)
13		07/20/18	MMA Interest paid		\$ 2,282.99									\$ 2,282.99
14		07/31/18	MMA Interest paid		\$ 693.25									\$ 693.25
15		08/01/18	Grant Thornton-Cost of Issuance			\$ 1,500.00								\$ (1,500.00)
16		08/01/18	Brandis Tallman-Cost of Issuance			\$ 17,500.00								\$ (17,500.00)
17		08/01/18	Fieldman, Rolapp & Assoc.-Cost of Issuance			\$ 50,231.67								\$ (50,231.67)
18		08/01/18	Best Best & Krieger-Cost of Issuance			\$ 55,000.00								\$ (55,000.00)
19		08/31/18	MMA Interest paid		\$ 4,683.02									\$ 4,683.02
20		09/31/18	MMA Interest paid		\$ 4,535.86									\$ 4,535.86
21		10/31/18	MMA Interest paid		\$ 4,690.98									\$ 4,690.98
22		11/30/18	MMA Interest paid		\$ 6,498.24									\$ 6,498.24
23		12/31/18	MMA Interest paid		\$ 8,125.10									\$ 8,125.10
24		12/31/18	Fed-x Bond issuance costs			\$ 62.02								\$ (62.02)
25		01/31/19	Dudek-Construction Mgmt Prod well #2					\$ 8,295.00						\$ (8,295.00)
26		01/31/19	BBK-Review Bid documents					\$ 855.50	\$ 3,635.00					\$ (4,490.50)
27		01/31/19	Harland Check order-partial charge					\$ 70.12	\$ 70.13	\$ 70.13				\$ (210.38)
28		01/31/18	MMA Interest paid		\$ 9,878.83									\$ 9,878.83
29		02/28/19	BBK-Review final specs Pipeline #1						\$ 306.00					\$ (306.00)
30		02/28/19	BBK-Finalize Bid documents					\$ 2,657.00	\$ 1,799.50	\$ 1,453.50				\$ (5,910.00)
31		02/28/19	Dudek-Construction Mgmt Prod well #1					\$ 11,535.00		\$ 8,422.50				\$ (19,957.50)
32		02/28/19	MMA Interest paid		\$ 8,529.85									\$ 8,529.85
33		03/31/19	Dudek-Construction Mgmt					\$ 5,467.50		\$ 7,232.50				\$ (12,700.00)
34	1007	03/31/19	Dudek-Construction Mgmt					\$ 5,264.68		\$ 5,006.25				\$ (10,270.93)
35	1006	03/31/19	BBK-Review Bid documents					\$ 740.00	\$ 879.00	\$ 867.50				\$ (2,486.50)
36		03/31/19	MMA Interest paid		\$ 9,460.57									\$ 9,460.57
37			Reallocate interest to Admin 7122		\$ (59,378.69)									\$ (59,378.69)
38			Well 12 repairs from O&M to Bond funds-check #32867					\$ 13,537.82						\$ (13,537.82)
39			Well 12 repairs from O&M to Bond funds-check #32970					\$ 82,640.56						\$ (82,640.56)
40		04/04/19	Big J Fencing-Fencing for Well ID4 Well 9					\$ 16,975.00						\$ (16,975.00)
41		04/08/19	BBK					\$ 561.00	\$ 1,377.00	\$ 535.50				\$ (2,473.50)
42		04/08/19	Hidden Valley Pump-Well 12/Well 5/Well 16 Transfer switch					\$ 36,033.00						\$ (36,033.00)
43		04/08/19	Hidden Valley Pump-Well 12/Well 5/Well 16/11 Transfer switch					\$ 253,731.68						\$ (253,731.68)
44		04/23/19	Dudek-Construction Management					\$ 3,690.00		\$ 1,927.50				\$ (5,617.50)
45		04/23/19	Fed-x -Mailing of NOE to County New Well #1					\$ 30.53						\$ (30.53)
46		04/23/19	Pacific Pipe-well 12					\$ 1,337.83						\$ (1,337.83)
47		05/29/20	Pacific Pipeline					\$ 38.45						\$ (38.45)
48		05/20/19	Well 12 repairs transferred from Admin					\$ 83,223.56						\$ (83,223.56)
49		05/29/19	Hidden Valley Pump-Electric panel well 12					\$ 2,503.88						\$ (2,503.88)
50		05/29/19	DeAnza Ready Mix-Road base well 12					\$ 1,547.09						\$ (1,547.09)
51		05/29/19	Dynamic Consulting-Phase 1 & 2 Pipeline						\$ 71,010.00					\$ (71,010.00)
52		05/29/19	Bobs Trailer-Office trailer Well 1 ID4-9 and well 2					\$ 4,500.00		\$ 4,500.00				\$ (9,000.00)
53		05/29/19	Pacific Pipe-well 12					\$ 12,635.88						\$ (12,635.88)
54	1022	05/29/19	BBK-bid review					\$ 612.00	\$ 153.00					\$ (765.00)
55		05/29/19	Big J Fencing-Fencing for Well ID4 Well 9					\$ 16,975.00						\$ (16,975.00)
56		05/29/19	De Anza Ready Mix					\$ 700.38	\$ 40,057.36					\$ (40,757.74)
57		05/29/19	Dudek-investigation of second production well							\$ 2,672.50				\$ (2,672.50)
58		05/29/19	Hidden Valley Pump-ID1 well 8 repairs					\$ 3,086.18						\$ (3,086.18)
59		05/29/19	Pacific Pipe-construction supply line					\$ 498.23						\$ (498.23)
60		05/29/19	Southwest Pump-construction of well 4-9					\$ 104,500.00						\$ (104,500.00)
61		05/29/19	State of California-Fee for Bond cost			\$ 1,396.50								\$ (1,396.50)
62		06/10/19	Deanza Ready Mix-Road base well 4-9					\$ 2,116.53						\$ (2,116.53)
63		06/10/19	Hidden Valley Pump-Step down transformer well 4-9					\$ 8,292.37						\$ (8,292.37)
64	1033	06/10/19	US Bank-Remote office supplies well 4-9					\$ 891.56			\$ 809.51			\$ (1,701.07)
65		06/18/19	BBK-Correspondence to A&R							\$ 127.50				\$ (127.50)
66		06/18/19	Dudek-Costruction management well 4-9					\$ 20,697.01						\$ (20,697.01)
67		06/18/19	One Eleven Services-Construction Mgmt well 4-9					\$ 4,500.00						\$ (4,500.00)
68		07/01/19	Southwest Pump-construction of well 4-9					\$ 543,866.73						\$ (543,866.73)
69		07/03/19	Hidden Valley Pump-Well 5 Manual Transfer Switch					\$ 399.00						\$ (399.00)
70		07/03/19	Pacific Pipe-Fire hydrant extensions										\$ 1,378	\$ (1,377.80)
71		07/08/19	De Anza Ready Mix-Concrete well 12					\$ 658.01						\$ (658.01)
72		07/08/19	De Anza Ready Mix-Concrete well 5					\$ 344.21						\$ (344.21)
73		07/08/19	Hidden Valley Pump-Well 5 pull pump replace bowls/video					\$ 141,472.45						\$ (141,472.45)

	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1			BOND CIP FUNDS											
2			RECONCILIATION-FY 2019/2021											
3														
4														
5				Bond Proceeds	Interest paid	Cost of Issuance	Misc.	Well 12-17100/ 4-5 Well upgrades 10117140	Prod Well #1 ID4-9 10117110	Pipeline Project Phase 1/2 10117120/17200	Prod Well #2 10117130	Sewer Inspect Club Cir 17150 La Casa 10117210	Firehydrants 10117160	
74	1042	07/25/19	BBK-Review A&R contract							\$ 765.00				\$ (765.00)
75		07/25/19	Dudek-Construction Management Well 4-9						\$ 45,827.52					\$ (45,827.52)
76		07/25/19	Pacific Pipe-Fire hydrants										\$ 21,826	\$ (21,825.77)
77	1045	07/25/19	One Eleven Services-Construction Mgmt well 4-9						\$ 1,690.00		\$ 475.00			\$ (2,165.00)
78		07/25/19	Southwest Pump-construction of well 4-9						\$ 67,022.50					\$ (67,022.50)
79		08/12/19	Hack-Chlorine well 4-9						\$ 849.62					\$ (849.62)
80		08/19/19	Dudek-Construction Management Well 4-9						\$ 22,521.09					\$ (22,521.09)
81		08/20/19	Insitu-Transducer rental well 4-9						\$ 454.72					\$ (454.72)
82		08/27/19	BBK-Review A&R Bond							\$ 535.50				\$ (535.50)
83		08/31/20	Returned Parts					\$ (1,947.86)						\$ 1,947.86
84		09/04/19	Insitu-Transducer rental well 4-9						\$ 429.93					\$ (429.93)
85		09/04/19	SDGE-Electrict well 4-9						\$ 1,060.00					\$ (1,060.00)
86		09/04/19	Southwest Pump-construction of well 4-9						\$ 55,029.85					\$ (55,029.85)
87		09/04/19	US Bank Charge card-chlorine well 4-9						\$ 125.93					\$ (125.93)
88		09/09/19	Pacific Pipe-Supplies Double O Pipeline project							\$ 26,476.36				\$ (26,476.36)
89		09/16/19	Terry Robertson-Double O Pipeline replacement							\$ 491,504.35				\$ (491,504.35)
90		09/23/19	Dudek-Construction Management well 4-9						\$ 31,886.86					\$ (31,886.86)
91		09/23/19	Insitu-Transducer rental well 4-9						\$ 74.35					\$ (74.35)
92		09/23/19	Pacific Pipe-Meter boxes lids-Double O project							\$ 4,582.64				\$ (4,582.64)
93		09/30/19	BBK-Review change order A&R							\$ 204.00				\$ (204.00)
94	1061	09/30/19	Dudek-Construction Management Well 4-9								\$ 1,260.00			\$ (1,260.00)
95	1062	10/08/19	Dudek-Construction Management Well 4-9						\$ 4,305.00					\$ (4,305.00)
96	1063	10/08/19	Southwest Pump-construction of well 4-9						\$ 44,548.38					\$ (44,548.38)
97	1064	10/16/19	Dudek-Construction Management Well 4-9						\$ 17,778.75					\$ (17,778.75)
98	1064	10/16/19	Dudek-investigation of second production well								\$ 600.00			\$ (600.00)
99	1065	10/16/19	Pacific Pipe-Well 5 upgrade					\$ 5,553.49						\$ (5,553.49)
100	1066	10/21/19	McCalls Meters-Meters for Pipeline phase 1							\$ 11,636.47				\$ (11,636.47)
101	1067	10/21/19	Pacific Pipeline Supply-Tools/supplies well 5 upgrade					\$ 577.94						\$ (577.94)
102	1068	10/21/19	Jeffrey Smith-Appraisal well #2 site investigation								\$ 1,000.00			\$ (1,000.00)
103	1069	10/29/19	Jerry Rolwing-Well #2 site investigation								\$ 3,750.00			\$ (3,750.00)
104	1070	11/05/19	Brax company-materials well 5					\$ 166.04						\$ (166.04)
105	1071	11/05/19	Manuel Rodriguez-DeAnza concrete-Well 5					\$ 740.72	\$ 710.18					\$ (1,450.90)
106	1072	11/12/19	Downstream-video/clean Club Circle									\$ 92,804.00		\$ (92,804.00)
107	1073	11/18/19	Dudek-Construction Management well 4-9						\$ 360.00					\$ (360.00)
108	1074	11/18/19	Pacific Pipe-Materials for Well 11/Well 16					\$ 12,532.02						\$ (12,532.02)
109	1075	11/18/19	Jerry Rolwing-Well #2 site investigation								\$ 250.00			\$ (250.00)
110	1076	11/16/19	Brax company-ID4-9 electric hook-up						\$ 146,691.66					\$ (146,691.66)
111	1077	11/26/19	Pacific Pipe-Well 11 upgrades					\$ 2,810.62						\$ (2,810.62)
112	1078	12/11/19	Freight Charge					\$ 623.29						\$ (623.29)
113	1079	12/23/19	BBK-real property acquisition-Well #2								\$ 265.50			\$ (265.50)
114	1080	12/20/19	DeAnza Ready mix-Road base Well 4-9						\$ 1,377.22					\$ (1,377.22)
115	1081	12/20/19	Pacific Pipe-Well 16 upgrades					\$ 5,904.65						\$ (5,904.65)
116	1082	12/23/19	Brax-Well repairs					\$ 1,539.07	\$ 270,188.02					\$ (271,727.09)
117	1083	12/27/19	Brax-Work in Well 4-9						\$ 62,963.13					\$ (62,963.13)
118	1084	12/27/19	DeAnzaReady mix-concrete for kicker					\$ 688.42	\$ 553.41					\$ (1,241.83)
119	1085	01/03/20	Best Best & Krieger-Bond work review							\$ 586.50	\$ 62.04		\$ 640	\$ (1,288.54)
120	1086	01/28/20	Automated Water Treatment-chlorinator well4-9						\$ 1,044.75					\$ (1,044.75)
121	1087	01/28/20	David Taussig-Debt reporting costs				\$ 905.00							\$ (905.00)
122	1088	01/28/20	McCalls Meters-Meter for well ID4-9						\$ 3,694.50					\$ (3,694.50)
123	1089	01/28/20	Pacific Pipe-Parts for well 4-9						\$ 11,981.64					\$ (11,981.64)
124	1090	02/10/20	DeAnzaReady mix-concrete for kicker well9						\$ 651.20					\$ (651.20)
125	1091	02/10/20	Grainger-Exhaust Fan Well 9						\$ 359.99					\$ (359.99)
126	1092	02/10/20	Pacific Pipe-Hydrants, Well 9						\$ 1,160.74				\$ 17,742	\$ (18,902.83)
127	1093	02/12/20	Best Best & Krieger								\$ 206.50			\$ (206.50)
128	1094	02/12/20	Jerome C Rowling								\$ 250.00			\$ (250.00)
129	1095	02/25/20	Dynamic Consulting-Phase I & 2 Pipeline							\$ 38,140.00				\$ (38,140.00)
130	1096	02/25/20	Pacific Pipe-Hydrants							\$ 3,112.63			\$ 950	\$ (4,062.61)
131	1097	03/09/20	Fredericks Services Inc										\$ 18,965	\$ (18,965.00)
132	1099	03/23/20	Home Depot										\$ 510	\$ (510.17)
133	1098	03/23/20	Best Best & Krieger							\$ 1,206.00	\$ 1,386.50			\$ (2,592.50)
134	1100	03/16/20	Pacific Pipeline - Hydrants										\$ 9,711	\$ (9,711.27)
135	1101	03/23/20	Fredericks Services Inc										\$ 20,324	\$ (20,324.00)
136	1102	03/23/20	Pacific Pipeline Supply - Hydrants										\$ 23,810	\$ (23,809.97)
137	1103	03/23/20	Jerry Rolwing-Well #9 Water Sample						\$ 500.00					\$ (500.00)
138		06/27/10	Pacific Pipeline - Extra parts to Inventory										\$ (379)	\$ 379.47
139	1104	04/07/20	Pacific Pipeline Supply - Hydrants										\$ 12,816	\$ (12,816.43)
140	1105	04/07/20	Terry Robertson-Double O Pipeline replacement + RET							\$ 150,136.65				\$ (150,136.65)
141	1106	04/07/20	US Bank - AC & Awning for Portable Office						\$ 4,377.05					\$ (4,377.05)

	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1														
2			BOND CIP FUNDS									Sewer Inspect		
3			RECONCILIATION-FY 2019/2021					Well 12-17100/ 4-5 Well upgrades 10117140	Prod Well #1 ID4-9 10117110	Pipeline Project Phase 1/2 10117120/17200	Prod Well #2 10117130	Club Cir 17150 La Casa 10117210	Firehydrants 10117160	
4				Bond Proceeds	Interest paid	Cost of Issuance	Misc.							
5														
142	1107	04/13/20	DeAnza Ready Mix - Concrete for Hydrants										\$ 597	\$ (596.74)
143	1108	04/13/20	Home Depot										\$ 2,124	\$ (2,124.37)
144	1109	04/13/20	Fredericks Services Inc										\$ 25,395	\$ (25,395.00)
145	1110	04/21/20	Pacific Pipeline Supply										\$ 27,709	\$ (27,708.72)
146	1111	04/28/20	Dudek								\$ 2,385.00			\$ (2,385.00)
147	1112	04/28/20	Fredericks Services Inc										\$ 24,399	\$ (24,399.00)
148	1113	05/05/20	Borrego Landfill										\$ 177	\$ (176.65)
149	1114	05/05/20	Pacific Pipeline Supply										\$ 28,324	\$ (28,324.07)
150	1115	05/12/20	DeAnza Ready Mix										\$ 1,302	\$ (1,302.36)
151	1116	05/12/20	Home Depot										\$ 877	\$ (877.33)
152	1117	05/19/20	Fredericks Services Inc										\$ 25,379	\$ (25,379.00)
153	1118	05/19/20	Pacific Pipeline Supply										\$ 1,164	\$ (1,163.76)
154	1119	05/26/20	BBK								\$ 4,484.50			\$ (4,484.50)
155	1120	05/26/20	Dudek								\$ 2,690.00			\$ (2,690.00)
156	1121	06/04/20	Aggregate Products Inc. - Asphalt										\$ 996	\$ (995.62)
157	1122	06/04/20	Borrego Landfill										\$ 206	\$ (205.61)
158	1123	06/04/20	Brax Company - Underground electric & Panels					\$ 60,000.00						\$ (60,000.00)
159	1124	06/04/20	Fredericks Services Inc										\$ 25,457	\$ (25,457.00)
160	1125	06/04/20	Pacific Pipeline										\$ 31,956	\$ (31,955.72)
161	1126	06/09/20	DeAnza Ready Mix										\$ 597	\$ (596.74)
162	1127	06/09/20	Home Depot										\$ 879	\$ (878.96)
163	1128	06/09/20	Pacific Trans Environmental										\$ 605	\$ (604.95)
164	1129	06/18/20	Fredericks Services Inc										\$ 10,244	\$ (10,244.00)
165	1130	06/22/20	Downstream-Video manhole #8 to #4 by La Casa									\$ 2,680		\$ (2,680.00)
166	1131	06/22/20	Fredericks Services Inc										\$ 26,697	\$ (26,697.00)
167	1132	07/07/20	Home Depot						\$ 1,944					\$ (1,944.11)
168	1133	07/14/20	Brax Company, Inc.					\$ 110,809						\$ (110,808.81)
169	1134	07/14/20	De Anza Ready Mix										\$ 353	\$ (352.83)
170	1135	07/14/20	Dudek								\$ 2,100			\$ (2,100.00)
171	1136	07/14/20	Pacific Pipeline										\$ 25,139	\$ (25,138.57)
172	1137	07/16/20	Brax Company, Inc.					\$ 1,000						\$ (1,000.00)
173	1138	07/16/20	Fredericks Services Inc										\$ 27,464	\$ (27,464.00)
174	1139	07/28/20	Dudek						\$ 1,648		\$ 2,833			\$ (4,480.00)
175	1140	08/10/20	De Anza Ready Mix										\$ 353	\$ (352.83)
176	1141	08/10/20	Downstream Services									\$ 20,569		\$ (20,569.44)
177	1142	08/10/20	Home Depot						\$ 1,152				\$ 693	\$ (1,844.91)
178	1143	08/10/20	Pacific Pipeline					\$ 113					\$ 30,019	\$ (30,131.34)
179	1144	08/17/20	Downstream Services									\$ 4,008		\$ (4,008.00)
180	1145	08/17/20	Fredericks Services Inc										\$ 36,917	\$ (36,917.00)
181	1146	08/25/20	Dudek								\$ 6,547			\$ (6,547.35)
182	1147	08/25/20	Pacific Pipeline										\$ 3,271	\$ (3,270.58)
183	1148	08/25/20	Fredericks Services Inc										\$ 6,152	\$ (6,152.00)
184	1149	09/08/20	Pacific Pipeline Supply, Inc.										\$ 600	\$ (599.95)
185	1150	09/14/20	Fredericks Services Inc										\$ 29,559	\$ (29,559.00)
186	1151	09/14/20	Landmark Consultants, Inc							\$ 7,916				\$ (7,916.40)
187	1152	09/14/20	Pacific Pipeline Supply, Inc.							\$ 31			\$ 219	\$ (249.36)
188	1153	09/21/20	Dudek								\$ 6,816			\$ (6,816.18)
189	1154	09/21/20	McCalls Meters, Inc							\$ 2,687				\$ (2,687.29)
190	1155	09/21/20	Pacific Pipeline Supply, Inc.							\$ 6,896				\$ (6,895.73)
191	1156	09/21/20	Rove Engineering							\$ 142,653				\$ (142,653.00)
192	1157	09/29/20	Downstream Services									\$ 11,539		\$ (11,539.26)
193	1158	09/29/20	Joe's Paving										\$ 7,555	\$ (7,555.18)
194	1159	09/29/20	Landmark Consultants, Inc							\$ 7,517				\$ (7,516.80)
195	1160	10/13/20	Downstream Services									\$ 2,980		\$ (2,980.00)
196	1161	10/13/20	Landmark Consultants, Inc							\$ 4,180				\$ (4,180.00)
197	1162	10/13/20	Pacific Pipeline							\$ 2,613				\$ (2,612.77)
198	1163	10/20/20	County of SD Public Works							\$ 4,887				\$ (4,887.00)
199	1164	10/20/20	DeAnza Ready Mix										\$ 298	\$ (298.00)
200	1165	10/20/20	Dudek								\$ 7,184			\$ (7,184.00)
201	1166	10/22/20	Downstream Services									\$ 4,008		\$ (4,008.00)
202	1167	10/27/20	A-1 Irrigation							\$ 165				\$ (164.61)
203	1168	10/27/20	DeAnza Ready Mix					\$ 2,793						\$ (2,793.09)
204	1169	10/27/20	Landmark Consultants, Inc							\$ 4,439				\$ (4,438.80)
205	1170	11/05/20	Brax Company					\$ 11,769						\$ (11,768.95)
206	1171	11/05/20	Pacific Pipeline					\$ 1,793		\$ 2,956			\$ (697)	\$ (4,052.28)
207	1172	11/05/20	Pacific Trans Environmental										\$ 3,308	\$ (3,307.80)
208	1173	11/09/20	Brax Company					\$ 682						\$ (681.84)
209	1174	11/09/20	Downstream Services									\$ 2,783		\$ (2,782.50)

	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1														
2			BOND CIP FUNDS									Sewer Inspect		
3			RECONCILIATION-FY 2019/2021									Club Cir 17150	Firehydrants	
4								Well 12-17100/ 4-5 Well upgrades 10117140	Prod Well #1 ID4-9 10117110	Pipeline Project Phase 1/2 10117120/17200	Prod Well #2 10117130	10117210 La Casa	10117160	
5				Bond Proceeds	Interest paid	Cost of Issuance	Misc.							
210	1175	11/13/20	SD County							\$ 3,258				\$ (3,258.00)
211	1176	11/13/20	Downstream Services									\$ 12,258		\$ (12,258.00)
212	1177	11/30/20	Dudek								\$ 10,698			\$ (10,697.50)
213	1178	11/30/20	Landmark Consultants, Inc							\$ 3,072				\$ (3,072.00)
214	1179	11/30/20	McCalls Meters							\$ 1,510				\$ (1,509.58)
215	1180	11/30/20	Pacific Pipeline							\$ 620				\$ (619.58)
216	1181	11/30/20	Rove Engineering							\$ 262,712				\$ (262,712.00)
217	1182	12/07/21	Pacific Pipeline Supply							\$ 357				\$ (356.87)
218	1183	12/15/21	SD County							\$ 398				\$ (398.20)
219	1184	01/11/21	Home Depot							\$ 469				\$ (469.46)
220	1185	01/11/21	Pacific Pipeline							\$ 307				\$ (307.09)
221	1186	01/12/21	SD County							\$ 453				\$ (452.50)
222	1187	01/12/21	Dynamic Consulting - Pipeline I							\$ 23,110				\$ (23,110.00)
223	1188	02/02/21	Fredericks Services Inc									\$ 19,490		\$ (19,490.00)
224	1189	02/09/21	Best Best & Kreiger - Legal								\$ 472			\$ (472.00)
225	4490	02/10/21	VOID											\$ -
226	1192	02/17/21	Dudek								\$ 4,320			\$ (4,320.00)
227	1192	02/24/21	Chicago Title - Escrow								\$ 75,000			\$ (75,000.00)
228	1193	03/09/21	Ramona Disposal									\$ 832		\$ (832.00)
229	1194	03/24/21	Dudek								\$ 1,005			\$ (1,005.00)
230	1195	03/24/21	Dynamic Consulting Engineers									\$ 1,100		\$ (1,100.00)
231	1196	03/24/21	Fredericks Services Inc									\$ 143,722		\$ (143,721.94)
232	1197	04/04/21	Pacific Pipeline							\$ 347				\$ (347.38)
233	1198	04/14/21	Best Best Kreiger								\$ 758			\$ (757.50)
234	1199	04/20/21	Dudek								\$ 3,548			\$ (3,548.40)
235	1200	04/20/21	Pacific Pipeline							\$ 649				\$ (649.41)
236	1201	04/27/21	Fredericks Services Inc									\$ 81,323		\$ (81,322.85)
237	1202	05/10/21	Home Depot								\$ 200			\$ (200.15)
238	1203	05/18/21	Dudek								\$ 12,957			\$ (12,957.21)
239	1204	06/08/21	Dudek								\$ 10,177			\$ (10,176.80)
240	1205	06/08/21	Pacific Pipeline Supply							\$ 3,345		\$ 1,640		\$ (4,984.32)
241	1206	06/08/21	Southwest Pump								\$ 635,265			\$ (635,265.00)
242	1207	06/14/21	US Bank - Sign for Well Site ID5-15								\$ 262			\$ (262.06)
243	1208	06/22/21	Dudek								\$ 51,202			\$ (51,201.71)
244	1209	07/09/21	Fredericks Services Inc									\$ 111,497		\$ (111,497.05)
245	1210	07/09/21	Pacific Pipeline							\$ 385				\$ (385.04)
248			BOND FUND BALANCE	\$ 5,517,293	\$ -	\$ 147,390	\$ 905	\$ 853,096	\$ 1,608,927	\$ 1,295,333	\$ 883,370	\$ 513,233	\$ 534,577	\$ (319,538)
251														
252										6/30/2021	MMA			\$ -
253										6/30/2021	Checking			\$ (48,262)
254										6/30/2021	Total Bond funds Balance			\$ (48,262)
256										6/30/2021	Transfer from Cash Reserves to cover checks			\$ 48,262

Borrego Water District
Groundwater Management Expenses
FYE 2021

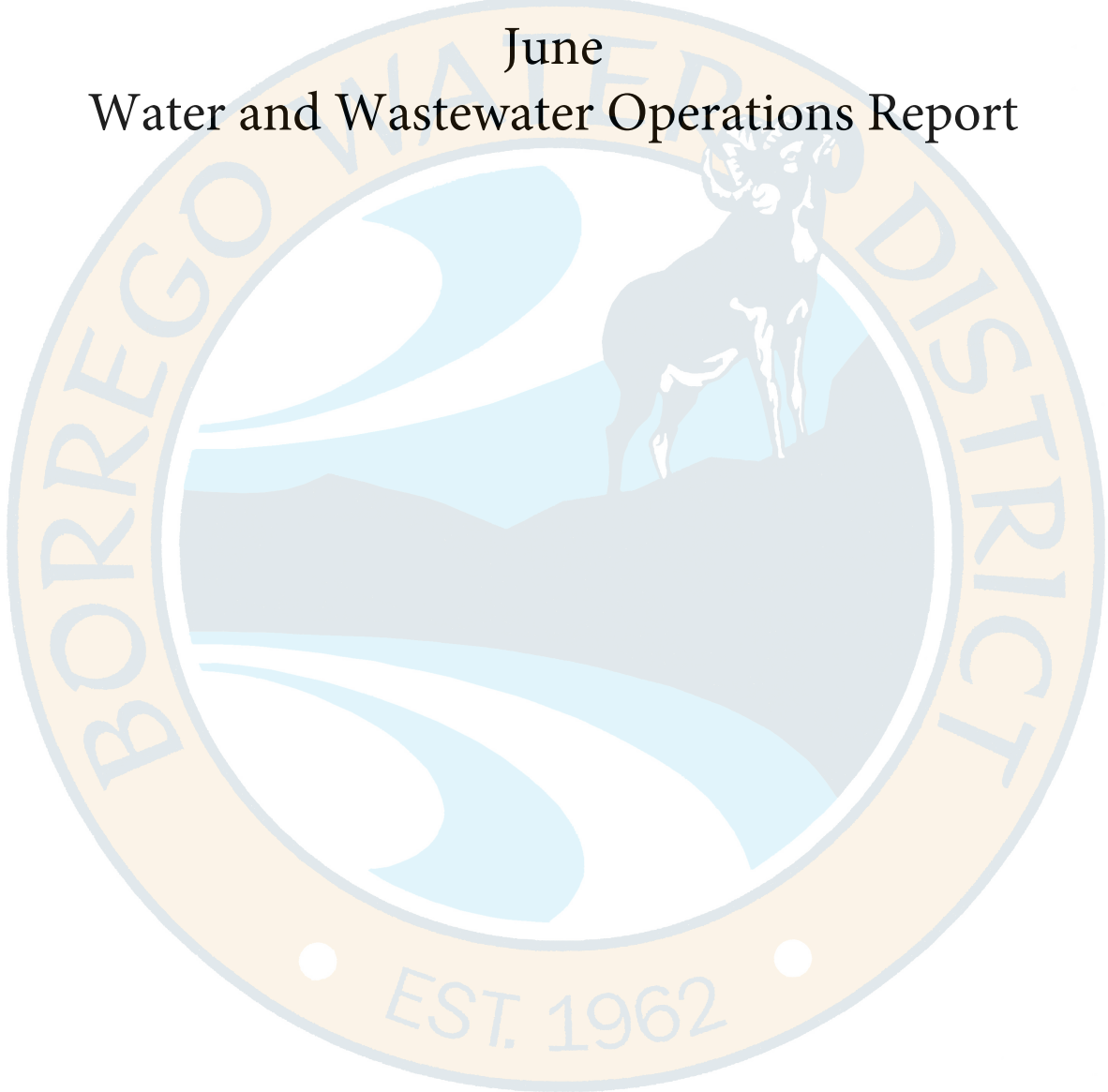


Month	(54810) BBK <u>Stipulated</u>	Legal BBK/JT <u>GWM</u>	Watermaster <u>BWD Staff</u>	DUDEK	Wendy Quinn Minutes	Meter Testing	Staff Allocation	Misc.	Jerry Consulting	G/LTotal
July 2020	16,175.77	7,611.00	3,900.54				7,801.08	9.99	125.00	35,623.38
Aug 2020	31,872.40	1,684.95		18,001.25	62.50		3,852.30	9.99		55,483.39
Sept 2020	23,410.10		1,198.00			2,025.00	600.00	9.99		27,243.09
Oct 2020	39,471.76		153.33	43,754.76				9.99		83,389.84
Nov 2020	79,653.35			2,476.25				9.99	1,125.00	83,264.59
Dec 2020	19,962.74	914.50	880.32	1,171.25			560.00	9.99		23,498.80
Jan 2021	16,592.51		1,121.00					9.99		17,723.50
Feb 2021	43,040.55	29.50						9.99		43,080.04
Mar 2021	46,788.82	147.50	480.00	8,276.09				3,970.92		59,663.33
April 2021	21,082.92									21,082.92
May 2021	11,763.94	295.00								12,058.94
June 2021	530.00	560.00								1,090.00
Total	350,344.86	11,242.45	7,733.19	73,679.60	62.50	2,025.00	12,813.38	4,050.84	1,250.00	463,201.82

Item III.B

June

Water and Wastewater Operations Report





BORREGO WATER DISTRICT

JUNE 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: 42667 (gallons per day)

Peak flow: 55000 gpd TUESDAY, JUNE 3- 2021



BORREGO WATER DISTRICT

RAMS HILL WASTEWATER TREATMENT FACILITY

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

07/08/2021

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

Attn: Adriana Godinez/WRCE

RE: JUNE 2021 Borrego Springs WWTP

Dear Adriana,

Please find attached the JUNE 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: JUNE

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 JUNE 2021; THE FLOW REPORT IS ATTACHED.

Submitted by: ROGELIO MARTINEZ/BWD TO: GEOFF POOLE/BWD;
Date:07/08/2021

JUN 2021 INFLUENT DAILY FLOW GAL. TOTAL FLOW GAL.

1	52000 GAL	54946000 GAL
2	45000 GAL	54991000 GAL
3	55000 GAL	55046000 GAL
4	45000 GAL	55091000 GAL
5	54000 GAL	55145000 GAL
6	53000 GAL	55198000 GAL
7	49000 GAL	55247000 GAL
8	48000 GAL	55295000 GAL
9	50000 GAL	55345000 GAL
10	45000 GAL	55384000 GAL
11	48000 GAL	55432000 GAL
12	52000 GAL	55484000 GAL
13	51000 GAL	55535000 GAL
14	50000 GAL	55585000 GAL
15	42000 GAL	55627000 GAL
16	42000 GAL	55669000 GAL
17	37000 GAL	55706000 GAL
18	41000 GAL	55747000 GAL
19	40000 GAL	55788000 GAL
20	43000 GAL	55831000 GAL
21	32000 GAL	55863000 GAL
22	18000 GAL	55881000 GAL
23	21000 GAL	55902000 GAL
24	32000 GAL	55947000 GAL
25	43000 GAL	55990000 GAL
26	45000 GAL	56035000 GAL
27	38000 GAL	56070000 GAL
28	40000 GAL	56113000 GAL
29	33000 GAL	56146000 GAL
30	36000 GAL	56182000 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: JUNE
YEAR: 2021**

REPORTING FREQUENCIES: MONTHLY

JUNE

TYPE OF SAMPLE:	INFLUENT			PONDS		
	Flow	BOD	TSS	DO	pH	Freeboard
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	JUNE					
1	52000	84	110	4.03	8.42	3.5
2	45000					
3	55000					
4	45000					
5	54000					
6	53000					
7	49000					
8	48000					
9	50000					
10	45000					
11	48000					
12	52000					
13	51000					
14	50000					
15	42000					
16	42000			3.67	8.23	3.5
17	37000					
18	41000					
19	40000					
20	43000					
21	32000					
22	18000					
23	21000					
24	32000					
25	43000					
26	45000					
27	38000					
28	40000					
29	33000					
30	36000					
31						
30-DAY MEAN	42667	84	110	3.85	8.33	3.5
MAXIMUM	55000	84	110	4.03	8.42	3.5
MINIMUM	18000	84	110	3.67	8.23	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: *Regina White*
Date: 07-13-2021

**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**

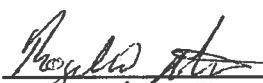
MONTH: JUNE
YEAR: 2021

REPORTING FREQUENCY: MONTHLY

JUNE

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	0.0	6.0	0.0	14	510	8.61
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16	0.0	0.0	0.0	3.8	520	8.23
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
30-DAY MEAN	0.0	3.0	0.0	8.9	515	8.42
MAXIMUM	0.0	6.0	0.0	14.0	520	8.61
MINIMUM	0.0	0.0	0.0	3.8	510	8.23

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: 07/13-2021

Item III.C

June

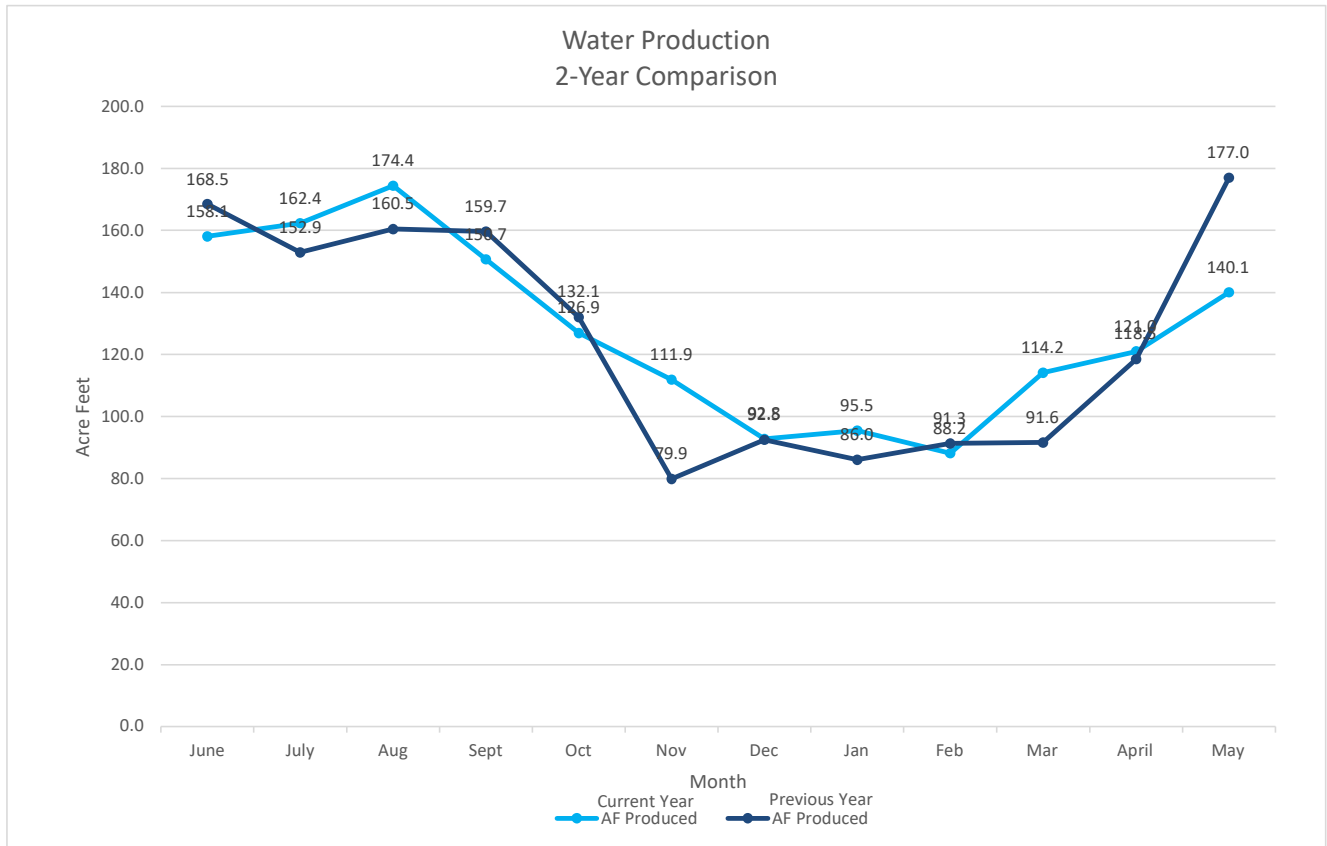
Water Production/Use Records:





BORREGO WATER DISTRICT

WATER PRODUCTION SUMMARY JUNE 2021



Past 12 months Production vs. Sales

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
AF Used	139.2	145.6	160.4	136.0	119.3	103.2	85.5	83.3	78.1	99.9	111.4	127.4
AF Produced	158.1	162.4	174.4	150.7	126.9	111.9	92.8	95.5	88.2	114.2	121.0	140.1
% Non Rev.	12.0%	10.3%	8.1%	9.8%	6.0%	7.8%	7.9%	12.8%	11.5%	12.5%	8.0%	9.1%

Previous 12 Months Production vs. Sales

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
AF Used	159.7	148.7	150.0	153.2	121.7	72.6	86.5	82.0	85.3	83.4	110.4	162.5
AF Produced	168.5	152.9	160.5	159.7	132.1	79.9	92.5	86.0	91.3	91.6	118.5	177.0
% Non Rev.	5.3%	2.8%	6.5%	4.0%	7.8%	9.2%	6.5%	4.7%	6.6%	9.0%	6.8%	8.2%

Non Revenue Water Summary

Jun-21	9.1%
Avg. Past 12 Mos.	9.6%
Avg. Past 24 Mos.	8.0%

7/21/21

Memorandum

To: Geoff Poole, General Manager

Re: Oxygen Injection System at MH#46

From: David Dale, PE – District Engineer

General Description

The district owns and operates the Borrego Valley Road Pump Station, 2.8 miles of force main, and 3,500 feet of gravity sewer pipelines with 11 manholes along the La Casa del Zorro Resort and Spa (Resort) and Borrego Springs Road.

The Borrego Valley Road Pump Station is located along Borrego Valley Road approximately 0.6 miles north of Tilting T Drive. During the summer months, flows average 25,000 gpd.

During the winter months, flows reach 130,000 gpd. Wastewater is pumped a distance of 2.8 miles through a 10-inch PVC force main before discharging to gravity at Manhole #46.

Along the force main, there is one air-vacuum valve located at the intersection of Borrego Valley Road and Rango Way. The air-vacuum valve is contained inside a manhole structure. Air-vacuum valves are typically installed at high points on pressure pipe and are designed to allow air to enter or escape the system during filling and draining operations. No other manholes exist along the force main.

Hydrogen sulfide gas is produced inside the long force main because of the extended detention time inside the pipe and the lack of available oxygen. When the oxygen is used up, the biological processes continue inside the pipe and create byproducts of hydrogen sulfide and other toxic gasses.

The Borrego Water District is undertaking a capital improvement program to address deficiencies in the district's sewer collection system related to the toxic and corrosive gasses.

On July 13, 2021, the Board of Directors approved expenses in the amount of \$423,150.00 to install a new gravity sewer main and manholes inside the County right-of-way along Borrego Springs Road from Yaqui Pass Road southeasterly, approximately 1,700 linear feet.

The primary purpose of the project is for a more reliable sewer collection system and reduction of sewer odors inside the La Casa Del Zorro Development. The manhole rings and covers will be upgraded to a polymer material because hydrogen sulfide gas corrodes normal steel. The manhole covers are sealed to prevent odor migration.

BORREGO WATER DISTRICT
BOARD OF DIRECTORS MEETING
JUNE 22, 2021
AGENDA ITEM IV

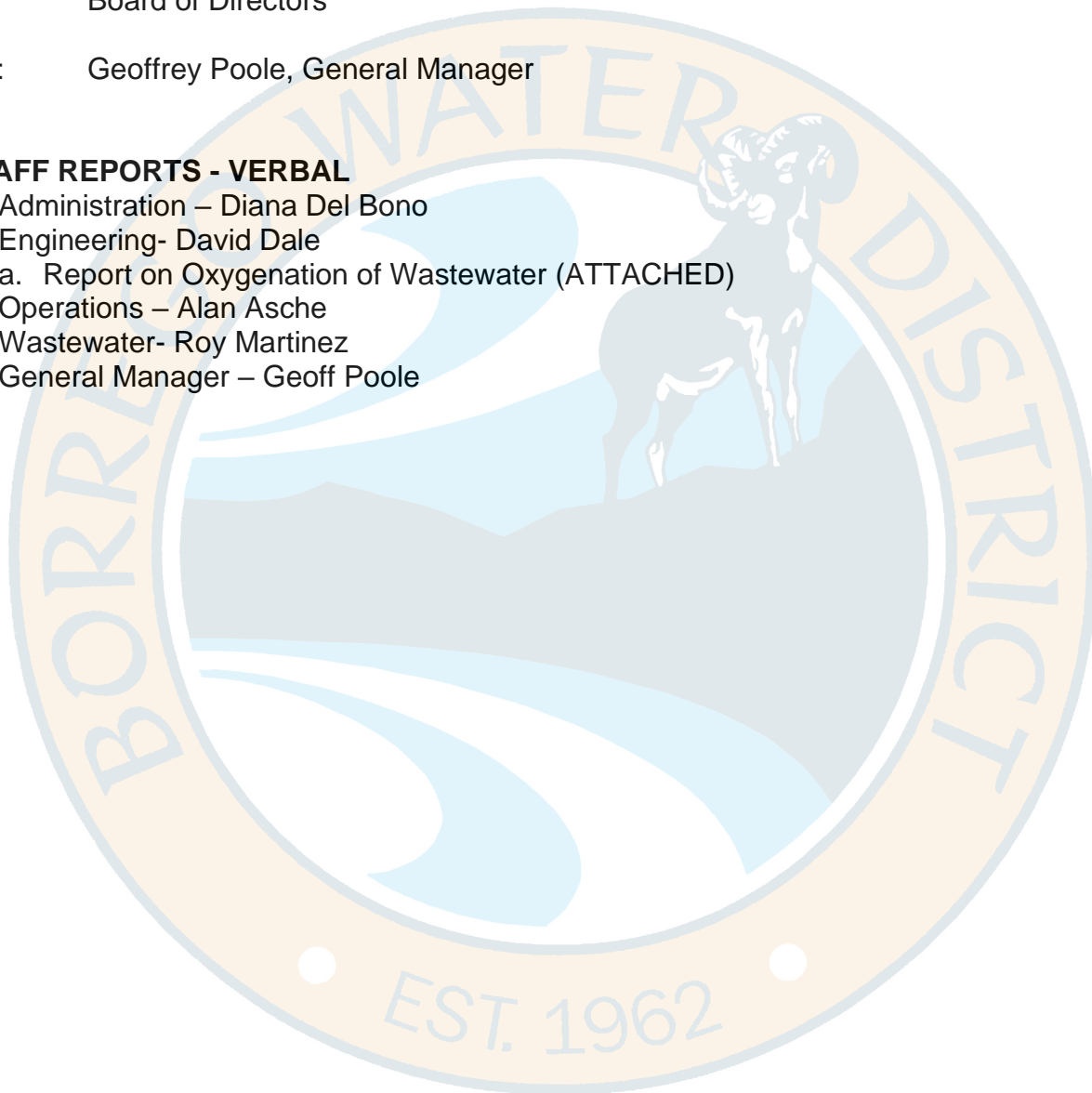
June 16, 2021

TO: Board of Directors

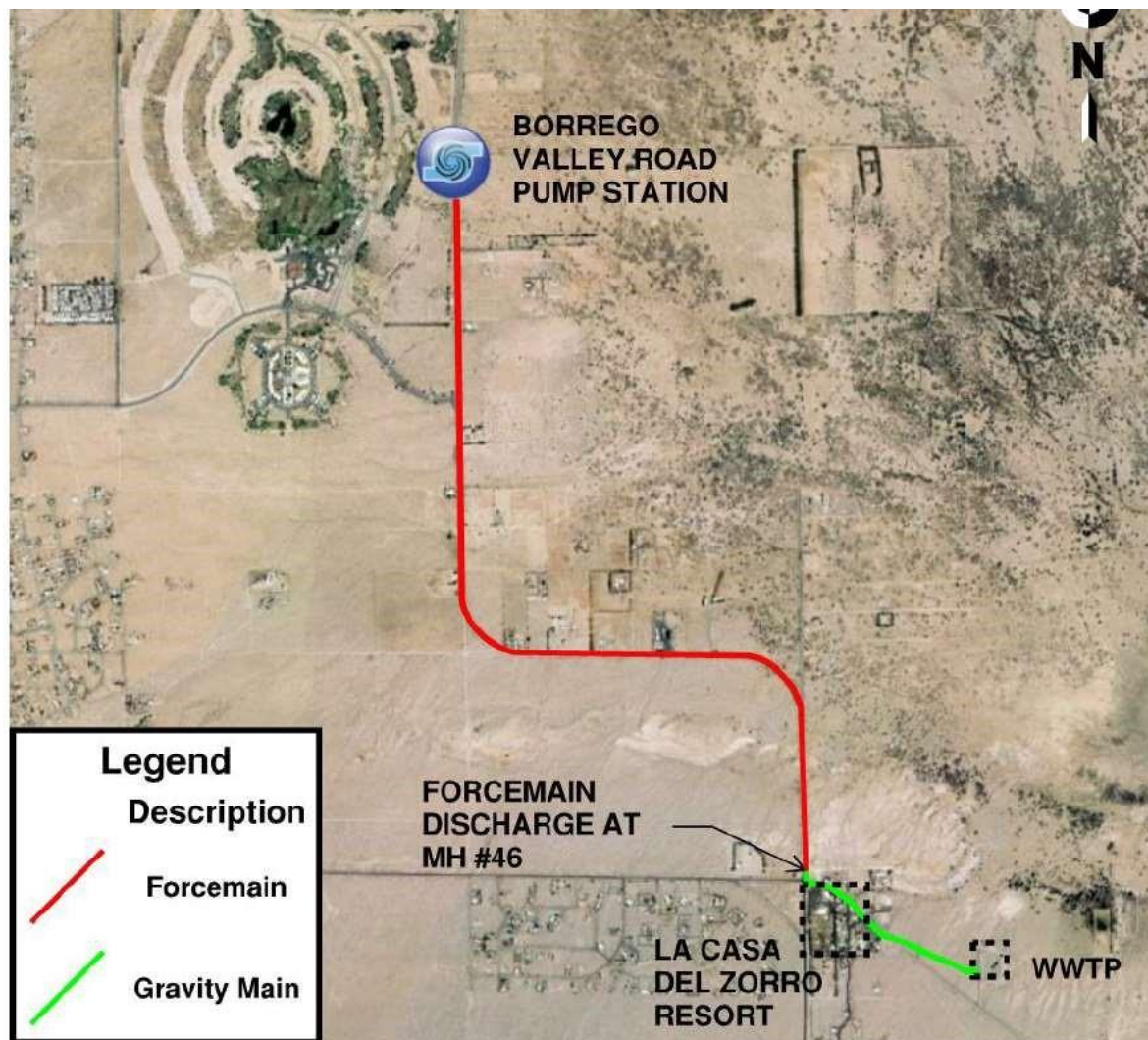
FROM: Geoffrey Poole, General Manager

IV. STAFF REPORTS - VERBAL

- A. Administration – Diana Del Bono
- B. Engineering- David Dale
 - a. Report on Oxygenation of Wastewater (ATTACHED)
- C. Operations – Alan Asche
- D. Wastewater- Roy Martinez
- E. General Manager – Geoff Poole



The project is now in operation and has substantially reduced the detectible hydrogen sulfide gas in the area of the La Casa Del Zorro development (LCDZ) by bypassing and separating the district sewer flow from the LCDZ development sewer and keeping the gas trapped inside the sewer system.



Justification for the Oxygen Injection System

Although the detectable hydrogen sulfide gas at LCDZ has been substantially reduced by the installation of a new 12-inch diameter sewer main and new manholes, the toxic gas still exists in high concentrations inside the collection system.

Operation staff has recently completed a 1.5-hour pilot study showing substantially reduced hydrogen sulfide gas at the end of the force main at MH#46. At the beginning of the study, hydrogen sulfide was sampled to be 77 parts per million (ppm). At the conclusion of the study, the gas was reduced to 8 ppm. Also, carbon monoxide (CO) was reduced from 311 ppm to 8 ppm.

As District Engineer, I am no expert on the biological and chemical processes that produce and/or reduce the hydrogen sulfide gas. However, the pilot study was successful in reducing the toxic gasses.

I recommend moving forward with the project for the following reasons:

1. Adding an oxygen injection system at manhole #46 has been positively shown to eliminate a big percentage of the toxic gases at the end of the force main. This will substantially increase safety for the area and the district operators.
2. It will create a solid pretreatment process for the wastewater treatment plant by adding oxygen to the anaerobic bacteria to convert it to aerobic bacteria.
3. District has already expended staff time and approximately \$11,000 to procure the system and other project costs.

Estimated timeline

To complete the project, staff has been in contact with SDG&E to bring in power to the site. The power is estimated to be available September 2021. After the power is ready, the system will be installed, ready and in service in approximately 30 days. A fence will be installed around the system to prevent the public from coming into contact with the system.

Budget

\$25,000 (Cash Reserve Funded – approximately \$11,000 already expended)