

Attachment 3. Status of GWMP

The Borrego Water District adopted the groundwater management plan on October 18, 2002. This plan is on file with the Department of Water Resources.

Included in this attachment is the signed page of the GWMP by the President of the Board of Directors at that time, showing the adopted date and the accompanying Board Resolution.

Also included is the update to the GWMP submitted by a subcommittee of the Groundwater Management Committee and May 24, 2006 Board of Directors Minutes reflecting the Board approval of the update. (item II-F)

This Groundwater Management Plan was presented at a hearing on September 25, 2002 and adopted by the Board of Directors of the Borrego Water District on October 18, 2002.



President of the Board of Directors



Secretary/Treasurer

RESOLUTION NO. 2002-10-1

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BORREGO WATER DISTRICT, SAN DIEGO COUNTY,
CALIFORNIA, ADOPTING A GROUNDWATER
MANAGEMENT PLAN**

WHEREAS, on October 27, 1999, the Board of Directors of the Borrego Water District (the "District") passed a motion calling a hearing on November 22, 1999 on the question of adopting a resolution of intention to adopt a groundwater management plan pursuant to the provisions of Part 2.75 of Division 6 (commencing at Section 10750) of the Water Code of the State of California (herein referred to as AB 3030); and

WHEREAS, on November 22, 1999 a hearing was held on the question of adopting a resolution of intention to adopt a groundwater management plan and following said hearing the Board adopted Resolution No. 99-11-1 declaring its intention to adopt a groundwater management plan; and

WHEREAS, on during the years 2000 and 2001, information was gathered and public meetings were held to consider various aspects of the groundwater management plan; and

WHEREAS, a groundwater management plan was not adopted by November 22, 2001, therefore, as provided in Section 10753.4 of the Water Code, the Board adopted a second resolution, Resolution No. 01-12-1 calling a hearing on December 19, 2001 on the question of adoption of a resolution of intention to adopt a groundwater management plan; and

WHEREAS, on December 19, 2001, a hearing was held on the question of adopting a resolution of intention to adopt a groundwater management plan and following the hearing, the Board adopted Resolution No. 01-12-1 declaring its intention to adopt a groundwater management plan; and

WHEREAS, during the year 2002, the Board of Directors gathered further information and held additional public meetings to consider various aspects of the groundwater management plan; and

WHEREAS, on September 25, 2002, a public hearing was held on the adoption of the groundwater management plan at which time all persons were invited to be heard and to submit oral and written protests; and

WHEREAS, on September 25, 2002, the hearing on the groundwater management plan was adjourned to October 18, 2002;

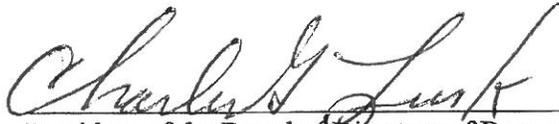
WHEREAS, on that said adjourned hearing, further testimony was received regarding the adoption of the groundwater management plan; and

WHEREAS, no written protests were filed to the adoption of the groundwater management plan prior to the conclusion of the hearing; and

WHEREAS, this Board of Directors is fully advised on all matters presented it finds it necessary and desirable to adopt the groundwater management plan;

NOW, THEREFORE, the Board of Directors of Borrego Water District **DOES HEREBY RESOLVE, DETERMINE AND ORDER** that the Borrego Water District Groundwater Management Plan, dated September 25, 2002 be adopted.

ADOPTED, SIGNED AND APPROVED this 18th day of October, 2002.



President of the Board of Directors of Borrego Water District

ATTEST:



Secretary of the Board of Directors
of Borrego Water District

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

I, ELEANOR SHIMEALL, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said District at an adjourned regular meeting held on the 18th day of October, 2002, and that it was so adopted by the following vote:

AYES: DIRECTORS: Grosekemper, Fortiner, Lusk and Shimeall

NOES: DIRECTORS: None

ABSENT: DIRECTORS: Anderson

ABSTAIN: DIRECTORS: None

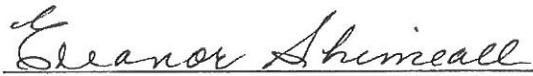


Secretary of the Board of Directors of Borrego Water District

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

I, ELEANOR SHIMEALL, Secretary of the Board of Directors of the Borrego Water District, do hereby certify that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2002-10-1, of said Board, and that the same has not been amended or repealed.

Dated: October 18, 2002



Secretary of the Board of Directors of Borrego Water District



BORREGO WATER DISTRICT

May 24, 2006

To: Board of Directors
From: Groundwater Management Standing Committee
Subject: Approval of Update to Appendix A-07 to the
Groundwater Management Plan

At its May 10th Meeting, the Groundwater Management Sub Committee recommended that the updates to Appendix A-07, along with the dissenting opinions be made a part of the Groundwater Plan of 25 September 2002.

The Standing Committee concurs with the Sub Committee's recommendation and requests that the Board approves the Updates and Dissents as presented.

Item II F-Page 24

15 May 2006
Borrego Springs, CA 92004

Mr. Robert Mendenhall, Chair
Groundwater Management Committee
Borrego Water District
P.O. B. 1870
Borrego Springs, CA 92004-1870

Re: Letter of Transmittal for Appendix A-07 to the Borrego Water District
Groundwater Management Plan of 25 September 2002

Dear Mr. Mendenhall:

The Borrego Water District Groundwater Management Plan (Part 10, page 76) requires an annual report

“on the status of implementing the Groundwater Management Plan, suggested changes to the plan, and recommended programs and funding for the next fiscal year. This will take place at the start of the annual budget process of the District so that funding for any programs can be included in the budget. . . The review of programs that use that funding will take place on a monthly basis at each Board meeting and as opportunities for funding arise.”

The attachment to this letter is tendered in partial fulfillment of the above requirement. We are submitting it herewith for consideration by the Standing Committee on Groundwater Management at its meeting on 12 April 2006. It is our hope that the committee will recommend it to the BWD Board for consideration and action at its April 2006 board meeting in order that funding for the programs may be included in the FY2007 budget.

We have divided the programs into categories:

- Sources of Funds
- Use of Funds
 - Fallow Land
 - Conjunctive Use
 - Public Awareness/Conservation
 - Technical/Scientific.

Within each category the programs are presented in priority order. Except as indicated, there is no necessary priority order for the categories themselves except that funds must obviously be available to support programs that will use funds. Moreover, we anticipate that the District will prosecute multiple programs simultaneously and will adjust priorities throughout the year as necessary.

Finally, we strongly recommend that the BWD Board begin preparing an update to the Groundwater Management Plan not later than 1 October 2006, in order that an updated Groundwater Management Plan may be completed and presented to the public at the Townhall Meeting in January or February of 2007 as required.

Respectfully submitted,

Dennis W. Dickinson

Rudy Monica

Lane Sharman

Clark Shimeall

Steven Smiley

Richard Walker

Appendix A - 07to the BWD Groundwater Management Plan of 25 September 2002
An Action Plan for 2006 – 2007
15 May 2006

Sources of Funds:

1. Finish the study and analysis of the "Special Assessment District" plan that has been initiated by the District as soon as possible; and pass the Benefit Tax Assessment District proposal.
 - With the assistance of David Taussig & Associates, Inc., promote an advertising campaign supporting a Benefit Tax Assessment District.
 - Dedicate all proceeds from the Benefit Tax to groundwater management initiatives.

2. Pursue appropriate grant opportunities.
 - These include the AB 303 and the Proposition 50 grant programs, but other potential funding sources should be researched.
 - Seek grant funding opportunities for a conjunctive use feasibility study.
 - If in-house staff is unable to give this priority then an outside specialist should be engaged to pursue grant funding.
 - Cancel subscription to the grant database purchased a few years ago and use funds to pay the outside specialist.

3. Determine the amount of cash or cash equivalents the BWD currently holds in reserves of all sorts.
 - Amounts in excess of legally required reserves or specific, foreseeable requirements, if any, should be allocated to groundwater management.

4. Complete work on in-lieu fee schedules for other than residential projects.
 - Begin work immediately on update to in-lieu fee schedule based on land sales in the past year to be implemented on 1 July 2006.
 - Incorporate the 3:1 mitigation Policy into the GW Management Plan.
 - Dedicate all income from in-lieu fees to groundwater management initiatives.

5. Sell the larger of the two properties near Clark Dry Lake and all of the properties near Hwy 79 and Borrego Springs Road and credit income to the Groundwater Management funds only, to be used primarily, but not exclusively, for fallowing agricultural land.
 - First right of refusal should be offered to the ABF.

6. Find and fix causes of the significant "lost water" quantities as soon as possible.
 - While, on its face, this appears to be a project to save water; it is actually a way of enhancing revenue by recovering payment for approximately 250 AFY now being delivered to customers but not paid for because of inaccurate meters.
 - Work to be completed not later than 1 October 2006
 - If necessary, hire an outside contractor to expedite this work.

Use of Funds:

Fallow Land

The District's first priority for the coming year must be to take farm land out of production.

- Immediately develop and implement specific mechanisms for acquiring and fallowing agricultural land from willing sellers.
 - One option for accomplishing this is to develop an in-house capability for handling such transactions.
 - Another recently suggested means for doing this is the Borrego Water Exchange model that would provide for
 - Direct purchase by the BWD and others of water credits
 - Purchase of conservation water credits
 - Purchase of conservation easements.

Conjunctive Use

Retain a neutral and unbiased expert in water banking and conjunctive use in the Southwest and Southern California to investigate and cultivate customer partnering opportunities with water agencies seeking a water banking facility. As part of the consultant's scope he/she is to respond to all Requests for Proposals for water banking in the Southwest where the IID corridor could be used as bi-directional conveyance and report periodically to the Board and the community on progress. (This item did not have unanimous support; see attached dissenting opinions.)

Public Awareness/Conservation

1. Immediately place a display in front of the Water District Office and/or other high traffic area(s) depicting the declining aquifer to draw attention to the overdraft.
2. As a public awareness campaign, the District should immediately begin showing on water bills what customers would pay if the tiered rate system recommended to the Board were implemented. The actual bill would continue to be based on the present rate structure unless and until the Board adopted tiered rates.

Technical/Scientific

1. Update and revise as necessary water use figures to reflect changes since 1999 for:
 - Agricultural/Nursery
 - Golf Course/Resort
 - Residential/Commercial
2. Continue constructing Monitoring Wells at strategic locations throughout the basin and perform aquifer tests using the monitoring wells and nearby production wells to determine how much water remains in storage and how much useful life remains in the aquifer.
 - Design and implement a water quality monitoring program through out the valley to include tests of the lower levels of the aquifer.

3. Begin an aggressive effort to install BWD flow meters on all irrigation wells in the valley as soon as possible to obtain more exact information on how much water is being pumped from the aquifer each year and for what purpose.
 - Immediately ascertain what legal authority the BWD may have for such installations
 - If insufficient, seek such authority through appropriate channels.
4. Tamarisk Tree removal.
 - Commission a literature search for information about species specific tamarisk water use in environments similar to the Anza-Borrego desert.
 - If, as seems likely, the literature search comes up dry, commission a research project to determine species specific tamarisk water use in the Anza-Borrego desert itself to be completed by 1 October 2006.
5. Hire a qualified hydrologist to evaluate the recharge basin at De Anza Country Club as a test project for recharge of the aquifer.

Dissent from Appendix A - 07 to the BWD Groundwater Management Plan of 25 September 2002: An Action Plan for 2006 – 2007, as submitted to the BWD Groundwater Management Committee.

In lieu of the statement regarding conjunctive use/water banking in the Use of Funds section of the Updates to the BWD GWMP as submitted by the working group, I ask that the following very specific statement be adopted:

Engage a qualified economist to determine:

- how the costs of expensive infrastructure necessary for conjunctive use should be equitably shared among all users and beneficiaries of groundwater in the Borrego Valley,
- how water taken as payment in kind should be equitably apportioned among all users,
- how all users will be charged for this water,
- how water will be rationed in the likely event that demand exceeds the total consumable recharge, i.e. the sum of water taken as payment in kind plus average annual natural recharge.

This subject has been assiduously and purposely avoided; but it must be settled before the BWD puts another dollar of ratepayer money into chasing such a highly speculative project. The pumpers undoubtedly have a very different idea about how this should/will work than BWD ratepayers would if they understood it. The answers to these questions will determine the success or failure of any conjunctive use project and, therefore, must be answered up front and before the BWD commits to spending money on a consultant to seek out partners in or conducts feasibility studies for a conjunctive use project in the valley.

Respectfully submitted,

D. W. Dickinson
15 May 2006

My dissenting opinion is simply that the language I suggested on March 29 (below) be inserted into the March 28 draft immediately following Item 1 (Fallow Land) in the Use of Funds section.

Use of Funds

Conjunctive Use: The District should develop a focused program to determine if Conjunctive Use is a technically feasible and economically viable possibility in the Borrego basin.

- GW Management funds should be dedicated to initiate a professionally conducted feasibility study by an independent consulting firm.
- Engage a Consultant/Lobbyist to search out potential cooperating agencies to participate in a Conjunctive Use water banking project in the Borrego Basin.

This text gives the District the latitude necessary to move forward on Conjunctive Use study in Fiscal Year 2006/07 should the opportunity arise.

Steven Smiley

Borrego Water District MINUTES

Regular Meeting of the
Board of Directors
Wednesday, May 24, 2006
9:00 AM
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order. President Shimeall 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: Shimeall, Mendenhall, Jones, Anderson (9:01 a.m.).
Staff: Russ Fogarty, General Manager
L. R. Burzell, District Engineer
Kim Post, Consulting Engineer
Jerry Rolwing, Operations Manager
Jeanne Fredericks, Administrative
Allison Burns, Stradling, Yocca, Carlson & Rauth, Attorney
- | | | |
|----------------|-------------------|-------------------------------------|
| <u>Public:</u> | Clark M. Shimeall | Brian Clark, RoadRunner Club |
| | Dennis Dickinson | Rudy Monica |
| | Nicole Monica | Steven Smiley, Seley Ranches/AAWARE |
| | Lane Sharman, BWX | David Hunter |
| | Jane Daniels | Gary Lemon, Montesoro |
| | Lucy Larson | Dick Walker |
- D. Approval of Agenda. *MSC: Jones, Shimeall.*
- E. Approval of Minutes. Regular Meeting of April 26, 2006. *MSC: Mendenhall, Jones.* The Board discussed making the future minutes much shorter.
- F. **Comments from the Public and Requests for Future Agenda Items Dennis Dickinson reported on a project at Ellis Farms where there is an application with the County to clear 39 acres to expand for agricultural purposes and requested that the board authorize preparation of a letter of opposition to the County. The board authorized staff to write a letter to the County asking that the District be notified in the future of such development plans and that it would not approve this project without further investigation.
- G. Comments from Directors and Requests for Future Agenda Items. None
- H. Correspondence. Letter from Charles Hagen (BSPCSD): thanking the district for the work done over the past year under the terms of the agreement. Mr. Fogarty introduced Attorney Allison Burns of Stradling, Yocca, Carlson & Rauth.

II. CURRENT BUSINESS MATTERS

- A. Consideration of approval by the Board for the Assignment of 3 EDU's from Palm Canyon Properties, LLC/Steve Abdal to William and Elizabeth Trumbull Family Trust (DTD 04-29-98)
MSC: Anderson/Mendenhall approving the Assignment.
- B. Consideration of approval by the Board for the Assignment of 8 EDU's from Grant R. Rogers and Allisen N. Wolever-Rogers to BVI Holdings, LLC DBA Borrego Valley Inn. *MSC: Mendenhall, Anderson approving the Assignment.*

**Item 1.F corrected in Minutes of June 28, 2006

- C. Consideration of approval by the Board for the Assignment of 17 EDU's from BWD to Desert Sands Mobile Home Park. (All fees paid) *MSC: Anderson, Mendenhall approving the Assignment.*
- D. Consideration of approval for annexation of Santiago Estates to BWD. Russ Fogarty reported that the BSPCSD board had given approval on 4/17/06 for Santiago Estates to de-annex from BSPCSD. They are now going to LAFCO to proceed with annexation to the BWD. The BWD staff would need to prepare a study to determine the terms and conditions, what the costs will be, required pipeline extensions, etc. Santiago Estates would pay for these costs. *MSC: Mendenhall, Anderson: RC: AYES: Jones, Mendenhall, Shimeall, Anderson; Absent: Fortiner, accepting Santiago Estates' request to annex to the BWD.*
- E. Letter from AMG & Associates requesting annexation to the BWD. The land in question is at the corner of Yaqui Pass and Rango Way; they may later propose a 60 lot subdivision. It is not in the BWD. MS/discussion: Anderson, Mendenhall: to approve annexation: withdrawn. *MSC: Mendenhall, Anderson, RC: Ayes: Mendenhall, Shimeall, Anderson, Jones: Absent: Fortiner, to approve the processing of the annexation subject to the terms and conditions to be set forth by an engineering study to be approved by the Board.*
- F. Consideration of Approval of the update to Appendix A-07 to the BWD Groundwater Management Plan *MSC: Mendenhall, Anderson, RC: all AYES, to approve the update of the BWD GWM Plan as recommended by the subcommittee, which includes Appendix A-07 and the dissent.*
- G. Consideration of a revised fee schedule from Stradling, Yocca, Carlson and Rauth. *MSC: Anderson, Jones: RC: all AYES, to accept the revised fee schedule with the possibility of introducing telephone conferencing rather than have the attorney attend meetings.* Ms. Burns stated they could participate in the meeting via telephone conferencing; they do this for other clients and would just need the system set up. *President Shimeall appointed an ad hoc committee of Roger Anderson and Jerry Jones to work on issues related to legal representation and possible telephone conferencing.*
- H. Proposed Capital and Operational Budget for fiscal year ending June 30, 2007. There was a lengthy discussion of the proposed budget, which went over regarding meter installations, health insurance for retired employees, improvements, equipment, insurance (general and earthquake), groundwater management, \$250,000 contingency, reserves (which are set aside for a particular purpose). The budget will be considered at next board meeting. (Pp 34-38)

III. COMMITTEE REPORTS & PROPOSALS

- A. **Ad Hoc Committees**
 - 1. Review of grant opportunities. (Fortiner/Mendenhall) The committee met with Jerry Rolwing and reviewed the program and are looking at additional grant opportunities.
 - 2. Personnel. (Mendenhall/Shimeall) No report.
 - 3. Budget/Finance. (Jones/Mendenhall) No further report (see II.H above)
- B. **Standing Committees**
 - Groundwater Management. (Shimeall/Mendenhall) Agenda and Minutes of May 10, 2006 meeting. The committee held their meeting on May 10th; there was a discussion with Bill Wright regarding tiered water rates. (Ref. pp 40-41). The board and staff reviewed the minutes item by item (Ref. pp 40-45). Director Jones said he may add a budget item to fund the school program at a cost of no more than \$10,000 (Pg. 42). Mr. Fogarty reported regarding the proposed assessment district; he has a proposed schedule from Mr. Stradling that could result in an election in March 2007; the next step would be to schedule community meetings after the summer months when more voters will be in the valley. *The next meeting for the subcommittee is scheduled for June 21, 2006.*
- C. **Comments & Suggestions – None**

IV. **CONSENT AGENDA:** This month is a Consent Agenda. *MSC: Mendenhall, Anderson, all ayes, to accept the Consent Agenda, which included the following:*

- A. **District Engineer's Report** (Burzell/Post)
 - 1. Wastewater Treatment and Reclamation Report
 - 2. Water Production and Use Tables (April, 2006)
- B. **Financial Reports** (Russ Fogarty)
 - 1. Disbursements & Claims Report
 - 2. Delinquent Accounts
 - 3. Financial Statement for Period Ending (April, 2006)
 - 4. Treasurer's Report.

End of Consent Agenda

V. **STAFF REPORTS**

- A. **District Engineers Report** (Burzell/Post) Mr. Burzell made an interim report on the two properties under consideration that had been considered for sale that the District owns which might be used for new wells: 1) 30 acres at the intersection of Borrego Springs Rd. and Hwy 78. There is probably enough available land to support 3 wells about 900 ft. apart that may produce up to 250-350/gpm that could be delivered on a private easement on Highway 78. It is possible that development of these wells would be attractive to the developer at Ram's Hill, where they would develop the wells, pay for the costs, and use the water to offset pumping requirements in the basin as a 3:1 mitigation for their expansion plans. The staff does not have cost estimates yet and will follow-up with a further report.
- B. **Operations Report** (Rolwing) Jerry Rolwing reported that there has been some progress in reducing water loss. The crew continues to replace meters and hydrants. The meter report is presented quarterly.
- C. **Managers Report** (Fogarty)
 - 1. SDCWA Groundwater Conjunctive use Program. Mr. Fogarty reported on the letter from the SDCWA that states the BWD will have the opportunity to speak at a meeting on June 7, 2006. He went over the types of questions that will be addressed. (Ref. Pg. 57) Bill Mills will make a Power Point demonstration.
 - 2. New water billing invoice as of July, 2006. Mr. Fogarty passed out an example of the 8 ½ x 11 new water billing format, which will provide additional information regarding use, etc.

VI. **GROUNDWATER MANAGEMENT** - Public comments and requests for discussion of Groundwater Management (matters not on the agenda) There was a short discussion regarding the source of water for a conjunctive use project; Steve Smiley stated that he wanted to clarify that the source of water was not limited to "wet" years and is not dependent upon weather conditions. Lane Sharman stated that he is concerned with the ownership of the valley's water when you consider how that could work with a conjunctive use project; he would like to have someone look into the conflicts that could arise with dual ownership of the water in the basin.

VII. **LEGAL AFFAIRS** (Stradling) No further report.

VIII. **CLOSED SESSION** – In reference to California Government Code 54956.8, to discuss Real Estate Matters. At 11:15 a.m. President Shimeall closed the meeting for a closed session of the board; at 11:20 a.m. she re-convened the board meeting. There was no business to report.

IX. **CLOSING PROCEDURE**

- A. **Informational Items.** None.
- B. **Adjournment.** President Shimeall adjourned the meeting at 11:40 a.m. The next Regular Meeting of the Board of Directors is scheduled for June 28, 2006.