

**Borrego Springs Watermaster
Regular Board Meeting
December 14, 2023 @ 4:30 p.m.
Meeting Available by Remote Access Only***

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Instructions for Public Comment

The public may address the Board on items within the Watermaster's Jurisdiction that are included or not included on the meeting agenda.

To address the Board on items that are not included on the meeting agenda, the public may request to speak during ***Agenda Item II – Public Correspondence***. Comments may be limited to three minutes per speaker.

To address the Board on items that are included on the meeting agenda, the Board Chairperson will call for public comments immediately following the agenda item's staff report presentation and prior to Board discussion.

AGENDA

Items with supporting documents in the Board Package are denoted with a page number.

I. OPENING PROCEDURES (Chair)

- A. Call to Order and Begin Meeting Recording
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda

II. PUBLIC CORRESPONDENCE/COMMENT (Chair)

The Board may direct staff to include topics brought forward during Public Correspondence and Comment on a future meeting agenda. No action or discussion is otherwise taken by the Board. Written correspondence received between November 1, 2023 and December 6, 2023.

- A. Correspondence Received
 - i. None
- B. Public Comment

III. CONSENT CALENDAR (Chair)

Action Item: All items may be approved with a single motion

- A. Approval of Minutes: Regular Meeting – November 9, 2023 **Page 3**
- B. Approval of November 2023 Financial Report **Page 11**
- C. Approval of Easement Agreements for Sand Fence Study **Page 29**
- D. Receive and file Transfer of Carryover – BWD to BSUSD **Page 65**

IV. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

- A. Consideration of Judgment Amendments (or other treatment) on Carryover Transfers, Involuntary Transfers and Public Representative on Watermaster Appointment of Member of TAC (ADAMS/MARLMAN) **Page 67**

Recommendation: Provide direction to Staff and Legal Counsel

- B. Consideration of Approval of Amendment to WY 2024 Budget (ADAMS) **Page 69**

Recommendation: Approve the amended WY 2024 budget

- C. Review Draft Resolution to Address Third-Party Requests for Watermaster Resources (ADAMS) **Page 1 of Agenda Package Addendum**

- D. Review change in Groundwater Storage Calculation - Spring 2022 to Spring 2023 (SALBERG)

..... **Page 87**

Recommendation: Board discussion

V. REPORTS

- A. Legal Counsel Report – *verbal*

a. Upcoming Status Conference

- B. Technical Consultant Report – *verbal*

a. Status update on the expansion of the Groundwater Monitoring Program (MALONE)

b. Land IQ Project Update (MALONE/BROOKS)

- C. Executive Director Reports – *verbal*

a. Prop 68 grant update

b. Upcoming Watermaster activities and deadlines

- D. Chairperson's Report – *verbal*

VI. APPROVAL OF AGENDA ITEMS FOR JANUARY 11, 2024 BOARD MEETING **Page 100**

Recommendation: Develop and approve agenda for January 11, 2024 Regular Board meeting.

VII. BOARD MEMBER COMMENTS

VIII. NEXT MEETINGS OF THE BORREGO SPRINGS WATERMASTER

- A. Regular Board Meeting – Thursday, January 11, 2024 at 4:30 pm (virtual)

- B. Regular Board Meeting – Thursday, February 8, 2024 at 4:30 pm (virtual)

IX. ADJOURNMENT

MINUTES
BORREGO SPRINGS WATERMASTER BOARD MEETING
Conducted In-Person at the Borrego Springs Library and Virtually via GoToMeeting
Thursday, November 9, 2023, 4:30 p.m.

The following individuals were present at the meeting:

Directors Present	Chair Dave Duncan – Borrego Water District (BWD)
	Vice Chair Tyler Bilyk – Agricultural Sector
	Secretary and Treasurer Shannon Smith – Recreational Sector
	Mark Jorgensen – Community Representative
	Jim Bennett – County of San Diego
Watermaster Staff Present	James M. Markman, Legal Counsel
	Samantha Adams, Executive Director, West Yost
	Andrew Malone, Lead Technical Consultant, West Yost
	Lauren Salberg, Staff Geologist, West Yost
Others Present	Diane Johnson, BWD Board Member
	Geoff Poole, BWD General Manager
	Gina Moran, BWD Board Member
	Jessica Clabaugh, BWD Finance Officer
	Kathy Dice, Board Alternate - BWD
	Mark Stevens, BSUSD
	Rich Pinel, Board Alternate – Recreational Sector
	Rodney Bruce, Rams Hill
	Steve Anderson, BB&K, representing BWD
	Tammy Baker, BWD Board Member
	Trey Driscoll, Intera, TAC Member representing BWD
	William Bauer

Please visit the [Watermaster's Website](#)¹ to access the Agenda Packet, recording, and presentation for the November 9, 2023 Meeting.

I. Opening Procedures

- A. Chair Duncan called the meeting to order at 4:31 PM at which time the meeting recording was started.
- B. Chair Duncan led the meeting participants in the Pledge of Allegiance.
- C. Samantha Adams, Executive Director (ED) called roll and confirmed that a quorum of all members of the Board were present.
- D. Approval of Agenda.

Motion: Motioned by Vice Chair Bilyk, seconded by Director Jorgensen to approve the Agenda.
Motion carried unanimously by voice vote (5-0-0).

II. Public Correspondence

- A. Correspondence Received. No public correspondence was received.

¹ <https://borregospringswatermaster.com/past-watermaster-meetings/>

B. Public Comments. Chair Duncan called for public comments. There were no public comments.

III. **Consent Calendar.** Chair Duncan called for any discussion on the Consent Calendar items included in the November 9, 2023 agenda package. Discussion included:

- Director Smith should be identified as "Director Smith" not "Vice Chair Smith" in the October 12, 2023 meeting minutes.
- On page 6 of 145 of the Agenda package, the consideration and conversation regarding the size of the accounting firm, C.J. Brown & Company, CPAs, should be memorialized in the October 12, 2023 meeting minutes.
- Request for staff to obtain additional detail on the work performed to support the expense of \$6,509.80 invoiced by UCI in Land IQ's July 2023 invoice (and all invoices going forward).
- Geoff Poole (Borrego Water District [BWD]) provided an update on the DWR Prop 68 grant, informing the Board that BWD had received, signed, and returned a DocuSign document to DWR that triggers release of payment. BWD is awaiting payment, which is understood to take about one month. Mr. Poole stated he would inform the Board when payment is expected.

Motion: Motioned by Director Smith, seconded by Director Bennett to approve the Consent Calendar. *Motion carried unanimously by roll-call vote (5-0-0).*

IV. **Items for Board Consideration and Possible Action**

A. *Review Water Rights Transfers Policy.* ED Adams provided a summary of the memo included in the Agenda package and described a meeting held between Watermaster staff and legal counsel, and legal counsel to Parties (including BWD, T2 Borrego, LLC, and AAWARE). The overview included the policy points discussed, policy questions left to be resolved, and potential solutions. Mr. Markman provided the Board his legal opinion on the policy issues related to the Water Rights Transfer policy and identified specific provisions in the Judgment related to the topic. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Steve Anderson, Tammy Baker, Rich Pinel, Kathy Dice, and Rodney Bruce.

The key points of discussion included:

- An overview and history of the development of Carryover. As specified in the Judgment, Carryover is limited to two times (2x) Baseline Pumping Allocation (BPA), is tethered to a parcel, does not expire, and is the first water pumped each water year (WY).
- The assumptions used for the WY 2023 Water Rights Accounting process were made with the intent of honoring the intent of the Parties and to limit the amount of Carryover held by BWD. It attempted to recognize that the Board may direct an alternative approach to finalizing the Water Rights Accounting.
- Steve Anderson, legal counsel to BWD, provided his legal opinion on the water rights transfers and reported out from the discussion that occurred during the November 9, 2023 BWD Board Meeting, which included:
 - BWD and W. Bauer reached an agreement for BWD to purchase W. Bauer's Carryover to resolve the issue of W. Bauer retaining Carryover water with no BPA or

BPA Parcel. The purchase has not been finalized, but if this is an amenable solution for the Watermaster Board, BWD will move forward.

- BWD agrees that Carryover should be limited to 2x BPA.
- BWD is in favor of keeping Carryover associated with BPA in order to avoid creating a system where a non-Party could hold Carryover.
- The Judgment contains vague language related to Carryover. For example, the Judgment states that Carryover can be Leased, but does not specify who can Lease Carryover.
- The Judgment does not require the Watermaster Board to be informed of a sale of land or property and BWD does not believe that the Board should be noticed prior to any sale because it is not practical to do so.
- BWD is in favor of resolving the water rights transfer issues with an amendment to the Judgment rather than adopting a policy. A Judgment amendment could resolve the vague language and is a more robust solution.

- Tammy Baker and Kathy Dice also reported out from the November 9, 2023 BWD Board meeting discussion related to water rights transfers, emphasizing similar points as Mr. Anderson.
- Clarification that Watermaster legal counsel is not recommending that any new policy be applied retroactively to the BWD/W. Bauer transaction; however, this was an option discussed by legal counsel representatives, but ultimately was not recommended.
- The Borrego Unified School District (BSUSD) and Anza Borrego Desert State Park are not Exhibit 4 BPA holders and cannot elect or retain Carryover. However, these Parties are allowed to purchase Carryover to remedy Overproduction. It was recommended that this mechanism of allowing non-Exhibit 4 BPA holders to purchase Carryover to remedy Overproduction be included in any policy for clarity.
- Director Smith explained that his preferred resolution to the issue of the W. Bauer Carryover water was for Watermaster to recognize the transaction that occurred between BWD and W. Bauer as BWD purchasing both the BPA rights and Carryover water from W. Bauer, as was described in the transaction deed. To the extent that BWD and W. Bauer have an agreement that W. Bauer has an economic stake in the Carryover water is between BWD and W. Bauer, and not subject to Watermaster oversight. For the purposes of Watermaster business, all transactions of Carryover water for the former W. Bauer parcel would be done by BWD and not W. Bauer. As such, BWD could simply issue a transfer form from BWD to BSUSD as the formal documentation of the Carryover transfer.
- Mr. Markman provided his advice on the issues related to water rights transfers, which are:
 - He is not in favor of an amendment to the Judgment, due to the likely higher cost relative to developing a policy.
 - The easiest solution for BWD is to purchase the W. Bauer Carryover, as approved by the BWD Board.
- General agreement that Judgment language regarding Carryover is vague, as noted by Mr. Anderson.
- Agreement that BSUSD should not be subject to Overproduction fees in this situation and that the Water Rights Accounting can be finalized presuming the issue will be sufficiently resolved based on the solutions discussed.

- Recommendation for BWD to purchase Carryover from W. Bauer and allow the Board time to decide the appropriate path forward on the subject of water rights transfers.

Following the discussion, the Board directed Watermaster Staff to i) finalize the WY 2023 Water Rights Accounting for BWD, W. Bauer, and BSUSD based on Board discussion, and ii) provide the cost of an amendment to the Judgment vs. developing a new policy.

B. *Consideration of approval to receive and file five pending transfers of Water Rights.* ED Adams described the five pending transfers of water rights. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Steve Anderson and Tammy Baker.

The key points of discussion included:

- Mr. Markman described the unique situation involving the permanent Transfer of BPA from John Doljanin to T2 Palms, LLC. T2 Palms, LLC will intervene into the Judgment to become a Party. BPA was acquired by T2 Palms, LLC through a foreclosure process of the BPA Parcels and John Doljanin was not in good standing with the Watermaster due to outstanding assessments. The Judgment does not provide guidance on how a Transferee must address the debt associated with the purchase of BPA and Mr. Markman stated he has made no official legal opinion on the subject.
- Mr. Markman provided anecdotal context for property laws related to foreclosure that could be evaluated further.
- Clarification on the definition of being in “good standing” with the Watermaster – which is all assessments and fees have been paid -- and that a Party must be in good standing to exercise water rights.
- Director Smith, who represents T2 Palms, LLC, expressed the intent of T2 Palms, LLC to pay the balance of John Doljanin’s outstanding assessments to ensure being in good standing with the Watermaster and set the appropriate precedence that the owner must be in good standing to exercise their water rights. Payment of the balance will be made once T2 Palms, LLC status as a Party to the Judgment is approved by the Court.
- Recommendation to amend the Judgment to clarify the language about being in good standing with the Watermaster and the involuntary transfer of BPA/property.

Following the discussion on the John Doljanin/T2 Palms, LLC Transfer, the Board directed Watermaster legal counsel to evaluate how to amend the Judgment to clarify the description of being “in good standing” with the Watermaster.

ED Adams then continued describing the additional Transfers of Carryover water, included in the Agenda package. Discussion included:

- The approval of the permanent Transfer of BPA between John Doljanin and T2 Palms, LLC is contingent on Court approval of T2 Palms, LLC intervening as a Party to the Judgment.
- The Transfer of Carryover between W. Bauer to BSUSD will be re-issued as a Transfer between BWD to BSUSD.

Motion: Motioned by Director Jorgensen, seconded by Vice Chair Bilyk, to approve the five pending Transfers of water rights with the following conditions: 1) Transfer of Carryover from W. Bauer to BSUSD will be reissued as a transfer from BWD to BSUSD, 2) acknowledgement of the disclaimer that the Transfer of BPA between John Doljanin and T2 Palms, LLC is subject to Court approval, and 3) the WY 2023 Water Rights Accounting be finalized to reflect that John Doljanin's outstanding WY 223 assessments will be paid by T2 Palms, LLC. *Motion carried unanimously by roll-call vote (5-0-0).*

C. *Review of Final Water Year 2023 Water Rights Accounting.* ED Adams summarized the memo included in the Agenda package and described adjustments to the final WY 2023 Water Rights Accounting based on the conversations from Agenda Items IV.A and IV.B. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Tammy Baker.

The key points of discussion included:

- ED Adams described adjustments to the final WY 2023 Water Rights Accounting based on conversations from Agenda Items IV.B and IV.C, which include:
 - T2 Palms, LLC will cover the outstanding assessment balance due by John Doljanin, which will result in slight changes to the WY 2024 Pumping Assessment, but the change will have a minor impact to the assessment amount (anticipated to change it by less than one dollar per acre-foot).
 - The water rights transaction between W. Bauer and BWD, will be shown as a transfer of BPA and all Carryover water, such that W. Bauer balance at the end of WY 2023 will be equal to zero (0) acre-feet.
 - BWD's maximum allowable Carryover will be revised to 2x BPA in the final WY 2023 Water Rights Accounting to account for accounting of W. Bauer's Carryover as part of the water rights transaction.
- The three Parties with outstanding invoices have not responded to Watermaster Staff's outreach attempts. Watermaster Staff expressed that the outreach efforts to make contact with these Parties is more expensive than the amount owed by these Parties and has not initiated other approaches to obtain payment.

Following the discussion, the Board directed staff to proceed with the proposed changes to the WY 2023 Water Rights Accounting and proceed with next steps to issue the WY 2024 Pumping Assessment to Parties. Staff committed to send out a final, amended WY 2023 Water Rights Accounting memo to the Board once the changes are completed.

D. *Consideration of Approval of the Agenda for the Next Technical Advisory Committee Meeting.* Andy Malone presented the proposed agenda for the upcoming TAC meeting being scheduled for early to mid-December 2023. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Kathy Dice and Tammy Baker.

The key points of discussion included:

- The 5-year assessment of the Groundwater Management Plan (GMP) will include the assessment of groundwater quality through the review of groundwater quality monitoring

data, the Measurable Objectives and Minimum Thresholds established, and revisiting Program and Management Actions.

- The 5-year assessment of the GMP will also address DWR's comments on the GMP, once they are available.
- Clarification that if there is not time to discuss the time permitting agenda item on the expansion of the Groundwater Monitoring Program at the next TAC meeting, it will not impede progress on this effort.
- Chair Duncan noted that DWR has frequently recommended corrective actions on groundwater quality.

Motion: Motioned by Director Bennett seconded by Vice Chair Bilyk, to approve the TAC Agenda. *Motion carried unanimously by roll-call vote (5-0-0).*

E. *Final Water Year 2023 Budget Review.* ED Adams summarized the year-end accounting of the revenues, expenditures, and cash reserves for WY 2023 presented in the Agenda package. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Diane Johnson, Rich Pinel, and Geoff Poole.

The key points of discussion included:

- The DWR finding that removal of irrigation lines is not grant reimbursable under the Prop 68 grant for the Biological Restoration of Fallow Lands project will not impact the budget because the budget did not account for the need to remove irrigation lines at any of the properties used for the fallowing experiments. See Item V.B for additional discussion.
- Staff's recommendation that the remaining unused WY 2023 budget for the Redetermination of Sustainable Yield and Biological Restoration of Fallow Lands projects be carried forward for use in WY 2024 as a budget amendment. These are grant reimbursement eligible projects and carrying forward the budget will not increase the amount of assessments needed as the work was assessed in WY 2023.
- Staff will bring a draft WY 2024 Budget amendment to account for the carry forward amounts for review and consideration at the December Board meeting.

No Board action was taken.

V. **Reports.**

A. Legal Counsel Report. NONE

B. Technical Consultant Report. Mr. Malone reported on the following items included in the Agenda package (see Board presentation slides). Discussion included:

- The DWR informed Land IQ that the expense associated with removing irrigation lines is not grant reimbursable.
- Land IQ's scope of work did not identify which parcels the study would be performed on, as the lands available for the study were not yet identified. The number of parcels planned for the study are not expected to change the cost or delay the schedule of the project.
- David Bauer has begun the process of fallowing the land purchased by BWD. Mr. Bauer presented the fallowing process at the BWD's recent Board meeting.

- A contractor that meets DWR grant requirements will need to be hired to remove materials, such as trees, from the parcels participating in the study.
- Concern regarding the timing of results and the remaining 16-months of the project schedule.
- Concern regarding the disruptiveness, long-term maintenance, and aesthetic of the sand fence designs.
- Watermaster Staff committed to providing the Board with an update on Land IQ's scope of work, schedule, and process for bidding out the work related to the Sand Fence Study at the December Board meeting.

C. Executive Director Reports. ED Adams reported on the following items:

- The first grant reimbursement check is expected from DWR in late November or December.
- DWR has received the second grant reimbursement report and the third report is in progress and will be submitted to DWR by November 30, 2023.

D. Chairperson's Report. NONE

VI. Approval of Agenda Items for December 14, 2023 Board Meeting. ED Adams reviewed the staff recommended agenda items for the next Board meetings listed in the agenda package. The Board discussed items to be included on the December 14, 2023 Board meeting agenda, in addition to items listed in the Agenda package. Discussion included:

- The redetermination of the Sustainable Yield by 2025 will be discussed during the January 2024 Regular Board meeting.
- The results from the fall 2023 Semi-Annual Monitoring report will be presented during the February 2024 Board meeting. Director Smith requested that any concerns in the data be flagged and presented at an earlier Watermaster Board meeting.
- ED Adams updated the proposed Agenda for the December 14, 2023 meeting on the meeting screen based on discussion (see slide 55 of the meeting presentation²), noting it now includes the following items:
 - A project and budget status update on the Land IQ project
 - Continuation on the discussion on the water rights transfer policy and/or Judgment amendment

Motion: Motioned by Vice Chair Bilyk seconded by Director Bennett, to approve the December 14, 2023 agenda presented. *Motion carried unanimously by roll-call vote (5-0-0).*

VII. Board Member Comments. Chair Duncan called for comments, which included:

- Vice Chair Bilyk expressed that he enjoyed the positive conversations held at the Stakeholder Open House held by Watermaster staff earlier in the day.
- Vice Chair Bilyk posed several financial questions regarding the proper distribution of cash in account and FDIC insurance limits. Director Smith noted he already presented these

² Available on the Watermaster's website at: https://borregospringswatermaster.com/wp-content/uploads/2023/11/20231109-Board-Presentation_final.pdf

questions to Watermaster Staff to inquire with the bank. Once answers from the bank are received, Watermaster Staff will present this information to Director Smith.

- Director Bennett thanked the Parties involved with resolving outstanding issues related to the WY 2023 Water Rights Accounting, such as BWD and T2 Borrego, LLC. He also expressed gratitude for all Parties for reducing pumping in the Basin, which is evident in significantly less pumping in WY 2023 compared to historical pumping.

VIII. Next Meetings of the Borrego Springs Watermaster. Chair Duncan reviewed the meetings listed in the agenda package.

- Regular Board Meeting – Thursday, December 14, 2023 at 4:30 pm
- Regular Board Meeting – Thursday, January 11, 2023 at 4:30 pm

IX. Adjournment

A. Chair Duncan adjourned the meeting at 7:37 PM.

Recorded by:

Lauren Salberg, Staff Geologist, West Yost

Attest:

Shannon Smith, Secretary and Treasurer of the Board

Borrego Springs Watermaster
Profit & Loss for Fiscal Year 2023-2024
October through November 2023

	Oct 23	Nov 23	TOTAL
Ordinary Income/Expense			
Income			
Meter Read Reimbursement	6,468.96	0.00	6,468.96
Pumping Assessment	0.00	229,005.63	229,005.63
WY 2024 - Expected Grant Reimb	69,263.28	83,812.42	153,075.70
Total Income	75,732.24	312,818.05	388,550.29
Expense			
Consult Serv Land IQ-Grant Reim **	16,663.20	14,023.42	30,686.62
Consult Serv WY-Grant Reim **	52,600.08	69,789.00	122,389.08
Consulting Services *	15,973.00	16,179.45	32,152.45
Consulting Services- Meter Read	1,304.75	(131.50)	1,173.25
Insurance	3,339.42	3,339.42	6,678.84
Interest Expense	6,909.54	7,121.26	14,030.80
Legal	4,500.00	15,442.50	19,942.50
Meter Read Expenses	1,688.68	0.00	1,688.68
Total Expense	102,978.67	125,763.55	228,742.22
Net Ordinary Income	(27,246.43)	187,054.50	159,808.07
Net Income	(27,246.43)	187,054.50	159,808.07

* Represents Consulting services by West Yost that are not grant reimbursable.

** Represents expenses that can be reimbursed with grant funding from DWR.

Borrego Springs Watermaster
Balance Sheet for Fiscal Year 2023-2024
As of November 30, 2023

	<u>Nov 30, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
US Bank	840,750.35
Total Checking/Savings	840,750.35
Accounts Receivable	
Accounts Receivable	276,697.63
Total Accounts Receivable	276,697.63
Other Current Assets	
Accrued Grant Reimburse 2022	235,348.89
Accrued Grant Reimburse 2023	650,683.96
Accrued Grant Reimburse 2024	153,075.70
Prepaid Expenses	20,036.50
Total Other Current Assets	1,059,145.05
Total Current Assets	2,176,593.03
TOTAL ASSETS	<u>2,176,593.03</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	860,241.54
Total Accounts Payable	860,241.54
Other Current Liabilities	
Accrued Payables	100,834.03
Total Other Current Liabilities	100,834.03
Total Current Liabilities	961,075.57
Total Liabilities	961,075.57
Equity	
Retained Earnings	1,055,709.39
Net Income	159,808.07
Total Equity	1,215,517.46
TOTAL LIABILITIES & EQUITY	<u>2,176,593.03</u>

7:34 AM

12/08/23

Accrual Basis

**Borrego Springs Watermaster
Expense Distribution Detail**
November 2023

Type	Date	Num	Memo	Account	Amount
Land IQ, LLC					
General Journal	11/01/2023	42R	Land IQ Estimate for October 1, 2023 to October 31, 2023	Consult Serv Land IQ-Grant Reim	(16,663.20)
Bill	11/17/2023	5689	Services from 10/01/23 - 10/31/23	Consult Serv Land IQ-Grant Reim	19,593.79
Bill	11/30/2023	Land IQ Int 11-2023	Invoice 4708, As of 11/13/23	Interest Expense	701.53
Bill	11/30/2023	Land IQ Int 11-2023	Invoice 5228, As of 11/2/23	Interest Expense	40.71
Bill	11/30/2023	Land IQ Int 11-2023	Invoice 5478, As of 11/2/23	Interest Expense	133.91
Bill	11/30/2023	Land IQ Int 11-2023	Invoice 5497, As of 11/1/23	Interest Expense	167.76
Bill	11/30/2023	Land IQ Int 11-2023	Invoice 5554, As of 11/1/23	Interest Expense	75.04
Bill	11/30/2023	Land IQ Int 11-2023	Invoice 5603, As of 11/1/23	Interest Expense	115.54
Bill	11/30/2023	Land IQ Int 11-2023	Adjustment (See November Statement for Details)	Interest Expense	(238.53)
Bill	11/30/2023	Land IQ Int 11-2023	Adjustment (See November Statement for Details)	Interest Expense	1,480.32
General Journal	11/30/2023	45	Land IQ Estimate for November 1, 2023 to November 30, 2023	Consult Serv Land IQ-Grant Reim	11,092.83
Total Land IQ, LLC					
RWG Law					
General Journal	11/01/2023	42R	RWG Law Estimate for October 1, 2023 to October 31, 2023	Legal	(4,500.00)
Bill	11/08/2023	245004	Services rendered through October 31, 2023	Legal	12,942.50
General Journal	11/30/2023	45	RWG Law Estimate for November 1, 2023 to November 30, 2...	Legal	7,000.00
Total RWG Law					
West Yost & Associates					
General Journal	11/01/2023	42R	WY Estimate for October 1, 2023 to October 31, 2023	Consulting Services	(15,973.00)
General Journal	11/01/2023	42R	WY Estimate for October 1, 2023 to October 31, 2023	Consulting Services- Meter Read	(1,304.75)
General Journal	11/01/2023	42R	WY Estimate for October 1, 2023 to October 31, 2023	Consult Serv WY-Grant Reim	(52,600.08)
Bill	11/30/2023	2056066	West Yost Consulting Services from October 1, 2023 to Octob...	Consulting Services	15,466.50
Bill	11/30/2023	2056066	West Yost Consulting Services from October 1, 2023 to Octob...	Consulting Services- Meter Read	924.25
Bill	11/30/2023	2055998	West Yost Consulting Services October 1, 2023 to October 31...	Consult Serv WY-Grant Reim	769.00
Bill	11/30/2023	2056069	West Yost Consulting Services October 1, 2023 to October 31...	Consult Serv WY-Grant Reim	45,793.25
Bill	11/30/2023	2056069	West Yost Vendor Portion - In-Situ	Consult Serv WY-Grant Reim	10,020.58
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2051477, As of 11/7/23	Interest Expense	85.05
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2051490, As of 11/7/23	Interest Expense	381.92
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2051750, As of 11/15/23	Interest Expense	158.78
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2051751, As of 11/15/23	Interest Expense	196.53
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052416, As of 11/6/23	Interest Expense	51.02
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052417, As of 11/6/23	Interest Expense	83.92
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052418, As of 11/6/23	Interest Expense	27.82
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052732, As of 11/6/23	Interest Expense	138.87
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052733, As of 11/6/23	Interest Expense	487.20
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052734, As of 11/6/23	Interest Expense	26.40
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052909, As of 11/3/23	Interest Expense	150.39
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052910, As of 11/3/23	Interest Expense	308.24
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2052911, As of 11/3/23	Interest Expense	8.73
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2053223, As of 11/3/23	Interest Expense	206.73

7:34 AM

12/08/23

Accrual Basis

Borrego Springs Watermaster
Expense Distribution Detail
November 2023

Type	Date	Num	Memo	Account	Amount
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2053224, As of 11/3/23	Interest Expense	285.65
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2053693, As of 11/2/23	Interest Expense	118.91
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2053694, As of 11/2/23	Interest Expense	384.08
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2053695, As of 11/2/23	Interest Expense	8.15
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054209, As of 11/2/23	Interest Expense	213.69
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054211, As of 11/21/23	Interest Expense	238.28
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054212, As of 11/2/23	Interest Expense	20.46
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054462, As of 11/1/23	Interest Expense	198.41
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054463, As of 11/1/23	Interest Expense	254.17
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054827, As of 11/1/23	Interest Expense	99.44
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054828, As of 11/1/23	Interest Expense	180.42
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2054829, As of 11/1/23	Interest Expense	9.59
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2055144, As of 11/1/23	Interest Expense	72.05
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2055147, As of 11/1/23	Interest Expense	233.55
Bill	11/30/2023	Interest Inv 11-2023	Invoice 2055148, As of 11/1/23	Interest Expense	16.53
General Journal	11/30/2023	45	WY Estimate for November 1, 2023 to November 30, 2023	Consulting Services	16,685.95
General Journal	11/30/2023	45	WY Estimate for November 1, 2023 to November 30, 2023	Consulting Services- Meter Read	249.00
General Journal	11/30/2023	45	WY Estimate for November 1, 2023 to November 30, 2023	Consult Serv WY-Grant Reim	65,806.25
Total West Yost & Associates					
TOTAL					
122,424.13					

Borrego Springs Watermaster

12/7/2023 10:13 AM

Register: US Bank

From 11/01/2023 through 11/30/2023

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/07/2023			-split-	Deposit		X	4,185.18	836,582.93
11/16/2023			-split-	Deposit		X	3,889.00	840,471.93
11/30/2023			Undeposited Funds	Deposit		X	278.42	840,750.35

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2051477	11/4/2022	\$ 9,979.12				\$ 9,979.12
	12/5/2022		9.00%	\$ 76.28	\$ 9,979.12	\$ 10,055.40
	1/5/2023		9.50%	\$ 81.13	\$ 10,055.40	\$ 10,136.53
	2/5/2023		9.50%	\$ 81.79	\$ 10,136.53	\$ 10,218.32
	3/8/2023		9.75%	\$ 84.62	\$ 10,218.32	\$ 10,302.93
	4/8/2023		10.00%	\$ 87.50	\$ 10,302.93	\$ 10,390.44
	5/9/2023		10.00%	\$ 88.25	\$ 10,390.44	\$ 10,478.69
	6/9/2023		10.25%	\$ 91.22	\$ 10,478.69	\$ 10,569.91
	7/10/2023		10.25%	\$ 92.02	\$ 10,569.91	\$ 10,661.92
	8/10/2023		10.50%	\$ 95.08	\$ 10,661.92	\$ 10,757.00
	9/10/2023		10.50%	\$ 95.93	\$ 10,757.00	\$ 10,852.93
	10/11/2023		10.50%	\$ 96.78	\$ 10,852.93	\$ 10,949.72
	11/7/2023	\$ (9,979.12)	10.50%	\$ 85.05	\$ 970.60	\$ 1,055.65
2051490	11/4/2022	\$ 49,960.75				\$ 49,960.75
	12/5/2022		9.00%	\$ 381.89	\$ 49,960.75	\$ 50,342.64
	1/5/2023		9.50%	\$ 406.19	\$ 50,342.64	\$ 50,748.83
	2/5/2023		9.50%	\$ 409.47	\$ 50,748.83	\$ 51,158.30
	3/8/2023		9.75%	\$ 423.63	\$ 51,158.30	\$ 51,581.93
	4/8/2023	\$ (5,360.00)	10.00%	\$ 438.09	\$ 46,221.93	\$ 46,660.02
	5/9/2023		10.00%	\$ 396.29	\$ 46,660.02	\$ 47,056.31
	6/9/2023		10.25%	\$ 409.65	\$ 47,056.31	\$ 47,465.96
	7/10/2023		10.25%	\$ 413.21	\$ 47,465.96	\$ 47,879.18
	8/10/2023		10.50%	\$ 426.98	\$ 47,879.18	\$ 48,306.15
	9/10/2023		10.50%	\$ 430.79	\$ 48,306.15	\$ 48,736.94
	10/11/2023		10.50%	\$ 434.63	\$ 48,736.94	\$ 49,171.56
	11/7/2023	\$ (8,020.88)	10.50%	\$ 381.92	\$ 41,150.68	\$ 41,532.61

2020 Research Park Drive, Suite 100
 Davis, CA 95618

To: Borrego Springs Watermaster
 c/o West Yost Associates
 23692 Birtcher Drive
 Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2051750	12/9/2022	\$ 16,350.25			\$ 16,350.25	
	1/9/2023		9.50%	\$ 131.92	\$ 16,350.25	\$ 16,482.17
	2/9/2023		9.50%	\$ 132.99	\$ 16,482.17	\$ 16,615.16
	3/12/2023		9.75%	\$ 137.59	\$ 16,615.16	\$ 16,752.75
	4/12/2023		10.00%	\$ 142.28	\$ 16,752.75	\$ 16,895.03
	5/13/2023		10.00%	\$ 143.49	\$ 16,895.03	\$ 17,038.52
	6/13/2023		10.25%	\$ 148.33	\$ 17,038.52	\$ 17,186.85
	7/14/2023		10.25%	\$ 149.62	\$ 17,186.85	\$ 17,336.47
	8/14/2023		10.50%	\$ 154.60	\$ 17,336.47	\$ 17,491.07
	9/14/2023		10.50%	\$ 155.98	\$ 17,491.07	\$ 17,647.05
	10/15/2023		10.50%	\$ 157.37	\$ 17,647.05	\$ 17,804.43
	11/15/2023		10.50%	\$ 158.78	\$ 17,804.43	\$ 17,963.20
2051751	12/9/2022	\$ 20,238.00			\$ 20,238.00	
	1/9/2023		9.50%	\$ 163.29	\$ 20,238.00	\$ 20,401.29
	2/9/2023		9.50%	\$ 164.61	\$ 20,401.29	\$ 20,565.90
	3/12/2023		9.75%	\$ 170.30	\$ 20,565.90	\$ 20,736.20
	4/12/2023		10.00%	\$ 176.12	\$ 20,736.20	\$ 20,912.32
	5/13/2023		10.00%	\$ 177.61	\$ 20,912.32	\$ 21,089.93
	6/13/2023		10.25%	\$ 183.60	\$ 21,089.93	\$ 21,273.53
	7/14/2023		10.25%	\$ 185.20	\$ 21,273.53	\$ 21,458.72
	8/14/2023		10.50%	\$ 191.36	\$ 21,458.72	\$ 21,650.09
	9/14/2023		10.50%	\$ 193.07	\$ 21,650.09	\$ 21,843.16
	10/15/2023		10.50%	\$ 194.79	\$ 21,843.16	\$ 22,037.95
	11/15/2023		10.50%	\$ 196.53	\$ 22,037.95	\$ 22,234.48

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2052416	12/31/2022	\$ 5,296.24			\$ 5,296.24	\$ 5,296.24
	1/31/2023		9.50%	\$ 42.73	\$ 5,296.24	\$ 5,338.97
	3/3/2023		9.75%	\$ 44.21	\$ 5,338.97	\$ 5,383.18
	4/3/2023		10.00%	\$ 45.72	\$ 5,383.18	\$ 5,428.90
	5/4/2023		10.00%	\$ 46.11	\$ 5,428.90	\$ 5,475.01
	6/4/2023		10.25%	\$ 47.66	\$ 5,475.01	\$ 5,522.68
	7/5/2023		10.25%	\$ 48.08	\$ 5,522.68	\$ 5,570.75
	8/5/2023		10.50%	\$ 49.68	\$ 5,570.75	\$ 5,620.43
	9/5/2023		10.50%	\$ 50.12	\$ 5,620.43	\$ 5,670.55
	10/6/2023		10.50%	\$ 50.57	\$ 5,670.55	\$ 5,721.12
	11/6/2023		10.50%	\$ 51.02	\$ 5,721.12	\$ 5,772.14
2052417	12/31/2022	\$ 12,147.63			\$ 12,147.63	\$ 12,147.63
	1/31/2023		9.50%	\$ 98.01	\$ 12,147.63	\$ 12,245.64
	3/3/2023		9.75%	\$ 101.40	\$ 12,245.64	\$ 12,347.05
	4/3/2023	\$ (3,521.88)	10.00%	\$ 104.87	\$ 8,825.17	\$ 8,930.03
	5/4/2023		10.00%	\$ 75.84	\$ 8,930.03	\$ 9,005.88
	6/4/2023		10.25%	\$ 78.40	\$ 9,005.88	\$ 9,084.28
	7/5/2023		10.25%	\$ 79.08	\$ 9,084.28	\$ 9,163.36
	8/5/2023		10.50%	\$ 81.72	\$ 9,163.36	\$ 9,245.08
	9/5/2023		10.50%	\$ 82.45	\$ 9,245.08	\$ 9,327.52
	10/6/2023		10.50%	\$ 83.18	\$ 9,327.52	\$ 9,410.70
	11/6/2023		10.50%	\$ 83.92	\$ 9,410.70	\$ 9,494.63

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2052418	12/31/2022	\$ 2,888.00			\$ 2,888.00	
	1/31/2023		9.50%	\$ 23.30	\$ 2,888.00	\$ 2,911.30
	3/3/2023		9.75%	\$ 24.11	\$ 2,911.30	\$ 2,935.41
	4/3/2023		10.00%	\$ 24.93	\$ 2,935.41	\$ 2,960.34
	5/4/2023		10.00%	\$ 25.14	\$ 2,960.34	\$ 2,985.48
	6/4/2023		10.25%	\$ 25.99	\$ 2,985.48	\$ 3,011.47
	7/5/2023		10.25%	\$ 26.22	\$ 3,011.47	\$ 3,037.69
	8/5/2023		10.50%	\$ 27.09	\$ 3,037.69	\$ 3,064.78
	9/5/2023		10.50%	\$ 27.33	\$ 3,064.78	\$ 3,092.11
	10/6/2023		10.50%	\$ 27.57	\$ 3,092.11	\$ 3,119.69
	11/6/2023		10.50%	\$ 27.82	\$ 3,119.69	\$ 3,147.51
2052732	1/31/2023	\$ 14,532.25			\$ 14,532.25	
	3/3/2023		9.75%	\$ 120.34	\$ 14,532.25	\$ 14,652.59
	4/3/2023		10.00%	\$ 124.45	\$ 14,652.59	\$ 14,777.04
	5/4/2023		10.00%	\$ 125.50	\$ 14,777.04	\$ 14,902.54
	6/4/2023		10.25%	\$ 129.73	\$ 14,902.54	\$ 15,032.27
	7/5/2023		10.25%	\$ 130.86	\$ 15,032.27	\$ 15,163.14
	8/5/2023		10.50%	\$ 135.22	\$ 15,163.14	\$ 15,298.36
	9/5/2023		10.50%	\$ 136.43	\$ 15,298.36	\$ 15,434.79
	10/6/2023		10.50%	\$ 137.64	\$ 15,434.79	\$ 15,572.43
	11/6/2023		10.50%	\$ 138.87	\$ 15,572.43	\$ 15,711.30

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2052733	1/31/2023	\$ 50,983.50				\$ 50,983.50
	3/3/2023		9.75%	\$ 422.19	\$ 50,983.50	\$ 51,405.69
	4/3/2023		10.00%	\$ 436.60	\$ 51,405.69	\$ 51,842.28
	5/4/2023		10.00%	\$ 440.30	\$ 51,842.28	\$ 52,282.59
	6/4/2023		10.25%	\$ 455.14	\$ 52,282.59	\$ 52,737.73
	7/5/2023		10.25%	\$ 459.11	\$ 52,737.73	\$ 53,196.84
	8/5/2023		10.50%	\$ 474.40	\$ 53,196.84	\$ 53,671.24
	9/5/2023		10.50%	\$ 478.63	\$ 53,671.24	\$ 54,149.87
	10/6/2023		10.50%	\$ 482.90	\$ 54,149.87	\$ 54,632.77
	11/6/2023		10.50%	\$ 487.20	\$ 54,632.77	\$ 55,119.97
2052734	1/31/2023	\$ 2,763.00				\$ 2,763.00
	3/3/2023		9.75%	\$ 22.88	\$ 2,763.00	\$ 2,785.88
	4/3/2023		10.00%	\$ 23.66	\$ 2,785.88	\$ 2,809.54
	5/4/2023		10.00%	\$ 23.86	\$ 2,809.54	\$ 2,833.40
	6/4/2023		10.25%	\$ 24.67	\$ 2,833.40	\$ 2,858.07
	7/5/2023		10.25%	\$ 24.88	\$ 2,858.07	\$ 2,882.95
	8/5/2023		10.50%	\$ 25.71	\$ 2,882.95	\$ 2,908.66
	9/5/2023		10.50%	\$ 25.94	\$ 2,908.66	\$ 2,934.60
	10/6/2023		10.50%	\$ 26.17	\$ 2,934.60	\$ 2,960.77
	11/6/2023		10.50%	\$ 26.40	\$ 2,960.77	\$ 2,987.17
2052909	2/28/2023	\$ 15,867.75				\$ 15,867.75
	3/31/2023		10.00%	\$ 134.77	\$ 15,867.75	\$ 16,002.52
	5/1/2023		10.00%	\$ 135.91	\$ 16,002.52	\$ 16,138.43
	6/1/2023		10.25%	\$ 140.49	\$ 16,138.43	\$ 16,278.92
	7/2/2023		10.25%	\$ 141.72	\$ 16,278.92	\$ 16,420.64
	8/2/2023		10.50%	\$ 146.44	\$ 16,420.64	\$ 16,567.07
	9/2/2023		10.50%	\$ 147.74	\$ 16,567.07	\$ 16,714.82
	10/3/2023		10.50%	\$ 149.06	\$ 16,714.82	\$ 16,863.88
	11/3/2023		10.50%	\$ 150.39	\$ 16,863.88	\$ 17,014.26

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2052910	2/28/2023	\$ 32,523.25			\$ 32,523.25	
	3/31/2023		10.00%	\$ 276.22	\$ 32,523.25	\$ 32,799.47
	5/1/2023		10.00%	\$ 278.57	\$ 32,799.47	\$ 33,078.05
	6/1/2023		10.25%	\$ 287.96	\$ 33,078.05	\$ 33,366.01
	7/2/2023		10.25%	\$ 290.47	\$ 33,366.01	\$ 33,656.47
	8/2/2023		10.50%	\$ 300.14	\$ 33,656.47	\$ 33,956.62
	9/2/2023		10.50%	\$ 302.82	\$ 33,956.62	\$ 34,259.43
	10/3/2023		10.50%	\$ 305.52	\$ 34,259.43	\$ 34,564.95
	11/3/2023		10.50%	\$ 308.24	\$ 34,564.95	\$ 34,873.20
2052911	2/28/2023	\$ 921.00			\$ 921.00	
	3/31/2023		10.00%	\$ 7.82	\$ 921.00	\$ 928.82
	5/1/2023		10.00%	\$ 7.89	\$ 928.82	\$ 936.71
	6/1/2023		10.25%	\$ 8.15	\$ 936.71	\$ 944.87
	7/2/2023		10.25%	\$ 8.23	\$ 944.87	\$ 953.09
	8/2/2023		10.50%	\$ 8.50	\$ 953.09	\$ 961.59
	9/2/2023		10.50%	\$ 8.58	\$ 961.59	\$ 970.17
	10/3/2023		10.50%	\$ 8.65	\$ 970.17	\$ 978.82
	11/3/2023		10.50%	\$ 8.73	\$ 978.82	\$ 987.55
2053223	3/31/2023	\$ 21,997.75			\$ 21,997.75	
	5/1/2023		10.00%	\$ 186.83	\$ 21,997.75	\$ 22,184.58
	6/1/2023		10.25%	\$ 193.13	\$ 22,184.58	\$ 22,377.71
	7/2/2023		10.25%	\$ 194.81	\$ 22,377.71	\$ 22,572.52
	8/2/2023		10.50%	\$ 201.30	\$ 22,572.52	\$ 22,773.81
	9/2/2023		10.50%	\$ 203.09	\$ 22,773.81	\$ 22,976.91
	10/3/2023		10.50%	\$ 204.90	\$ 22,976.91	\$ 23,181.81
	11/3/2023		10.50%	\$ 206.73	\$ 23,181.81	\$ 23,388.54

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2053224	3/31/2023	\$ 42,762.31			\$ 42,762.31	
	5/1/2023		10.00%	\$ 363.19	\$ 42,762.31	\$ 43,125.50
	5/25/2023	\$ (12,549.56)	10.00%	\$ 283.56	\$ 30,575.94	\$ 30,859.50
	6/1/2023		10.25%	\$ 60.66	\$ 30,859.50	\$ 30,920.16
	7/2/2023		10.25%	\$ 269.17	\$ 30,920.16	\$ 31,189.34
	8/2/2023		10.50%	\$ 278.14	\$ 31,189.34	\$ 31,467.48
	9/2/2023		10.50%	\$ 280.62	\$ 31,467.48	\$ 31,748.10
	10/3/2023		10.50%	\$ 283.12	\$ 31,748.10	\$ 32,031.22
	11/3/2023		10.50%	\$ 285.65	\$ 32,031.22	\$ 32,316.87
2053693	4/30/2023	\$ 12,763.44			\$ 12,763.44	
	5/31/2023		10.00%	\$ 108.40	\$ 12,763.44	\$ 12,871.84
	7/1/2023		10.25%	\$ 112.06	\$ 12,871.84	\$ 12,983.90
	8/1/2023		10.50%	\$ 115.79	\$ 12,983.90	\$ 13,099.69
	9/1/2023		10.50%	\$ 116.82	\$ 13,099.69	\$ 13,216.51
	10/2/2023		10.50%	\$ 117.86	\$ 13,216.51	\$ 13,334.37
	11/2/2023		10.50%	\$ 118.91	\$ 13,334.37	\$ 13,453.28
2053694	4/30/2023	\$ 51,120.65			\$ 51,120.65	
	5/31/2023		10.00%	\$ 434.18	\$ 51,120.65	\$ 51,554.83
	6/16/2023	\$ (10,025.10)	10.25%	\$ 231.64	\$ 41,529.73	\$ 41,761.37
	7/1/2023		10.25%	\$ 175.91	\$ 41,761.37	\$ 41,937.28
	8/1/2023		10.50%	\$ 373.99	\$ 41,937.28	\$ 42,311.27
	9/1/2023		10.50%	\$ 377.32	\$ 42,311.27	\$ 42,688.59
	10/2/2023		10.50%	\$ 380.69	\$ 42,688.59	\$ 43,069.28
	11/2/2023		10.50%	\$ 384.08	\$ 43,069.28	\$ 43,453.37

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2053695	4/30/2023	\$ 875.25			\$ 875.25	
	5/31/2023		10.00%	\$ 7.43	\$ 875.25	\$ 882.68
	7/1/2023		10.25%	\$ 7.68	\$ 882.68	\$ 890.37
	8/1/2023		10.50%	\$ 7.94	\$ 890.37	\$ 898.31
	9/1/2023		10.50%	\$ 8.01	\$ 898.31	\$ 906.32
	10/2/2023		10.50%	\$ 8.08	\$ 906.32	\$ 914.40
	11/2/2023		10.50%	\$ 8.15	\$ 914.40	\$ 922.56
2054209	5/31/2023	\$ 23,130.59			\$ 23,130.59	
	7/1/2023		10.25%	\$ 201.36	\$ 23,130.59	\$ 23,331.95
	8/1/2023		10.50%	\$ 208.07	\$ 23,331.95	\$ 23,540.02
	9/1/2023		10.50%	\$ 209.93	\$ 23,540.02	\$ 23,749.95
	10/2/2023		10.50%	\$ 211.80	\$ 23,749.95	\$ 23,961.75
	11/2/2023		10.50%	\$ 213.69	\$ 23,961.75	\$ 24,175.43
2054211	5/31/2023	\$ 27,923.60			\$ 27,923.60	
	7/1/2023		10.25%	\$ 243.09	\$ 27,923.60	\$ 28,166.69
	7/20/2023	\$ (2,300.00)	10.25%	\$ 150.29	\$ 25,866.69	\$ 26,016.97
	8/20/2023		10.50%	\$ 232.01	\$ 26,016.97	\$ 26,248.99
	9/20/2023		10.50%	\$ 234.08	\$ 26,248.99	\$ 26,483.07
	10/21/2023		10.50%	\$ 236.17	\$ 26,483.07	\$ 26,719.24
	11/21/2023		10.50%	\$ 238.28	\$ 26,719.24	\$ 26,957.52
2054212	5/31/2023	\$ 2,214.50			\$ 2,214.50	
	7/1/2023		10.25%	\$ 19.28	\$ 2,214.50	\$ 2,233.78
	8/1/2023		10.50%	\$ 19.92	\$ 2,233.78	\$ 2,253.70
	9/1/2023		10.50%	\$ 20.10	\$ 2,253.70	\$ 2,273.80
	10/2/2023		10.50%	\$ 20.28	\$ 2,273.80	\$ 2,294.07
	11/2/2023		10.50%	\$ 20.46	\$ 2,294.07	\$ 2,314.53

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2054462	6/30/2023	\$ 21,668.55			\$ 21,668.55	
	7/31/2023		10.25%	\$ 188.64	\$ 21,668.55	\$ 21,857.19
	8/31/2023		10.50%	\$ 194.92	\$ 21,857.19	\$ 22,052.10
	10/1/2023		10.50%	\$ 196.66	\$ 22,052.10	\$ 22,248.76
	11/1/2023		10.50%	\$ 198.41	\$ 22,248.76	\$ 22,447.17
2054463	6/30/2023	\$ 27,758.50			\$ 27,758.50	
	7/31/2023		10.25%	\$ 241.65	\$ 27,758.50	\$ 28,000.15
	8/31/2023		10.50%	\$ 249.70	\$ 28,000.15	\$ 28,249.85
	10/1/2023		10.50%	\$ 251.93	\$ 28,249.85	\$ 28,501.78
	11/1/2023		10.50%	\$ 254.17	\$ 28,501.78	\$ 28,755.95
2054827	7/31/2023	\$ 10,954.89			\$ 10,954.89	
	8/31/2023		10.50%	\$ 97.69	\$ 10,954.89	\$ 11,052.58
	10/1/2023		10.50%	\$ 98.56	\$ 11,052.58	\$ 11,151.15
	11/1/2023		10.50%	\$ 99.44	\$ 11,151.15	\$ 11,250.59
2054828	7/31/2023	\$ 19,875.25			\$ 19,875.25	
	8/31/2023		10.50%	\$ 177.24	\$ 19,875.25	\$ 20,052.49
	10/1/2023		10.50%	\$ 178.82	\$ 20,052.49	\$ 20,231.32
	11/1/2023		10.50%	\$ 180.42	\$ 20,231.32	\$ 20,411.74
2054829	7/31/2023	\$ 1,056.00			\$ 1,056.00	
	8/31/2023		10.50%	\$ 9.42	\$ 1,056.00	\$ 1,065.42
	10/1/2023		10.50%	\$ 9.50	\$ 1,065.42	\$ 1,074.92
	11/1/2023		10.50%	\$ 9.59	\$ 1,074.92	\$ 1,084.50

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2055144	8/31/2023	\$ 8,007.75			\$ 8,007.75	
	10/1/2023		10.50%	\$ 71.41	\$ 8,007.75	\$ 8,079.16
	11/1/2023		10.50%	\$ 72.05	\$ 8,079.16	\$ 8,151.21
2055147	8/31/2023	\$ 25,958.00			\$ 25,958.00	
	10/1/2023		10.50%	\$ 231.49	\$ 25,958.00	\$ 26,189.49
	11/1/2023		10.50%	\$ 233.55	\$ 26,189.49	\$ 26,423.04
2055148	8/31/2023	\$ 1,837.75			\$ 1,837.75	
	10/1/2023		10.50%	\$ 16.39	\$ 1,837.75	\$ 1,854.14
	11/1/2023		10.50%	\$ 16.53	\$ 1,854.14	\$ 1,870.67
2055426	9/30/2023	\$ 12,275.50			\$ 12,275.50	
	10/31/2023		10.50%	\$ 109.47	\$ 12,275.50	\$ 12,384.97
2055427	9/30/2023	\$ 19,085.00			\$ 19,085.00	
	10/31/2023		10.50%	\$ 170.20	\$ 19,085.00	\$ 19,255.20
2055428	9/30/2023	\$ 2,529.50			\$ 2,529.50	
	10/31/2023		10.50%	\$ 22.56	\$ 2,529.50	\$ 2,552.06
2056066	10/31/2023	\$ 16,390.75			\$ 16,390.75	
2056069	10/31/2023	\$ 55,813.83			\$ 55,813.83	

2020 Research Park Drive, Suite 100
Davis, CA 95618

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
2055998	10/31/2023	\$ 769.00			\$	769.00
Total Invoices (Less Pymts)		\$ 589,462.56				
Current Month Interest				\$ 4,644.98		
Total Interest Charges				\$ 32,973.89		
Grand Total					\$ 622,436.40 (1)	

Footnote:

(1): Watermaster has issued payment dated 12/7/23 in the amount of \$72,437 to reduce balance below the \$550,000 threshold.

2020 L St, Suite 210
Sacramento, CA 95811

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
4708	5/31/2023	\$ 161,700.54			\$ 161,700.54	
	7/1/2023		10.25%	\$ 1,407.68	\$ 161,700.54	\$ 163,108.22
	8/1/2023		10.25%	\$ 1,419.94	\$ 163,108.22	\$ 164,528.16
	9/1/2023		10.50%	\$ 1,467.23	\$ 164,528.16	\$ 165,995.39
	10/2/2023		10.50%	\$ 1,480.32	\$ 165,995.39	\$ 167,475.70
	10/27/2023	\$ (25,230.83)	10.50%	\$ 1,204.45	\$ 142,244.87	\$ 143,449.32
	11/13/2023	\$ (25,000.00)	10.50%	\$ 701.53	\$ 118,449.32	\$ 119,150.85
5228	4/30/2023	\$ 4,369.38			\$ 4,369.38	
	5/31/2023		10.25%	\$ 38.04	\$ 4,369.38	\$ 4,407.42
	7/1/2023		10.25%	\$ 38.37	\$ 4,407.42	\$ 4,445.79
	8/1/2023		10.25%	\$ 38.70	\$ 4,445.79	\$ 4,484.49
	9/1/2023		10.50%	\$ 39.99	\$ 4,484.49	\$ 4,524.48
	10/2/2023		10.50%	\$ 40.35	\$ 4,524.48	\$ 4,564.83
	11/2/2023		10.50%	\$ 40.71	\$ 4,564.83	\$ 4,605.54
5478	5/31/2023	\$ 14,498.19			\$ 14,498.19	
	7/1/2023		10.25%	\$ 126.21	\$ 14,498.19	\$ 14,624.40
	8/1/2023		10.25%	\$ 127.31	\$ 14,624.40	\$ 14,751.72
	9/1/2023		10.50%	\$ 131.55	\$ 14,751.72	\$ 14,883.27
	10/2/2023		10.50%	\$ 132.73	\$ 14,883.27	\$ 15,016.00
	11/2/2023		10.50%	\$ 133.91	\$ 15,016.00	\$ 15,149.91
5497	6/30/2023	\$18,321.62			\$ 18,321.62	
	7/31/2023		10.25%	\$ 159.50	\$ 18,321.62	\$ 18,481.12
	8/31/2023		10.50%	\$ 164.81	\$ 18,481.12	\$ 18,645.93
	10/1/2023		10.50%	\$ 166.28	\$ 18,645.93	\$ 18,812.21
	11/1/2023		10.50%	\$ 167.76	\$ 18,812.21	\$ 18,979.97

2020 L St, Suite 210
Sacramento, CA 95811

To: Borrego Springs Watermaster
c/o West Yost Associates
23692 Birtcher Drive
Lake Forest, CA 92630

Interest Schedule: 11/30/2023

Invoice No.	Invoice Date / Payment Date	Invoice Amount	Prime Rate (Plus 2%)	Interest Charge	Starting Balance	Ending Balance
5554	7/31/2023	\$ 8,266.01			\$ 8,266.01	
	8/31/2023		10.50%	\$ 73.71	\$ 8,266.01	\$ 8,339.72
	10/1/2023		10.50%	\$ 74.37	\$ 8,339.72	\$ 8,414.10
	11/1/2023		10.50%	\$ 75.04	\$ 8,414.10	\$ 8,489.13
5603	8/31/2023	\$ 12,842.04			\$ 12,842.04	
	10/1/2023		10.50%	\$ 114.52	\$ 12,842.04	\$ 12,956.56
	11/1/2023		10.50%	\$ 115.54	\$ 12,956.56	\$ 13,072.11
5644	9/30/2023	\$ 22,664.74			\$ 22,664.74	
	10/31/2023		10.50%	\$ 202.12	\$ 22,664.74	\$ 22,866.86
5689	10/31/2023	\$ 19,593.79			\$ 19,593.79	

Total Invoices (Less Pymts)	\$ 212,025.48
Current Month Interest	\$ 1,234.49
Total Interest Charges	\$ 9,882.67
Grand Subtotal	\$ 221,908.15
(1) Adjustment for September 2023 Current Month Interest	\$ (238.53)
(2) Adjustment for October 2023 Current Month Interest	\$ 1,480.32
Current Month Interest plus Adjustments	\$ 2,476.28
Total Interest Charges	\$ 9,882.67
Grand Total	\$ 221,908.15 (3)

Footnote:

(1): Adjustment for September: This value is a correction in the "Current Month Interest" total value from the September Statement
(2): Adjustment for October: This value is a correction in the "Current Month Interest" total value from the October Statement

(1)(2): The interest calculated on each invoice section was correctly stated. The error was located on the last page in the total section in the value stated as the Current Month Interest.

(3): Watermaster has issued payment dated 12/7/23 in the amount of \$25,000 to reduce balance below the \$200,000 threshold.

**Borrego Springs Watermaster
Board of Directors Meeting
December 14, 2023
AGENDA ITEM III.C**

To: Board of Directors
From: Jim Markman, Legal Counsel; Andy Malone, Technical Consultant
Date: December 11, 2023
Subject: Approval of Easement Agreements for Sand Fence Study

Recommended Action **Provide Direction to Staff** **Information and Discussion**
 Fiscal Impact **Cost Estimate: \$**

Recommended Action

At its October 12, 2023 meeting, the Watermaster Board previously approved the easement agreements with T2 and BWD to allow Watermaster staff, consultants, and subconsultants to enter onto parcels owned by T2 and BWD for the purposes of conducting Task 3 of the Biological Restoration of Fallowed Lands Project (Sand Fence Study).

The easement agreements have been modified to include language that requires T2 and BWD comply with the Minimum Fallowing Standards in the Judgment to remove all irrigation pipes and infrastructure, remove any hazardous materials, and properly abandon all unused wells on the lands used for the Sand Fence Study at their cost. The recommended action is to approve the revised easement agreements (attached).

Fiscal Impact: None. Project is funded through approved WY 2024 Watermaster budget and is reimbursable with the Prop. 68 grant funds.

Enclosures

Easement Agreement between Watermaster and T2 Borrego, LLC

Easement Agreement between Watermaster and BWD

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (the “Agreement”) is dated _____, 2023 (the “Effective Date”), and is entered into by and between the BORREGO SPRINGS WATERMASTER (“BSW”) and T2 BORREGO, LLC, a Colorado limited liability company (“Owner”).

Recitals

A. Owner owns the land described in Exhibit “A” and the access area described on Exhibit “B” (the “Property”).

B. BSW has requested to use a portion of Owner’s Property as shown on Exhibit A as the “Easement Area” and on Exhibit B as the “Access Route” (collectively, such areas are the “Easement Property”) for the Permitted Use (as defined in Section 2 below), and Owner desires to enter into this Agreement to allow BSW to use the Easement Property for the Permitted Use (as defined in Section 2 below), which will materially benefit Owner.

NOW THEREFORE, in consideration of the mutual terms hereof, and the sum of \$10.00 paid by BSW to Owner, Owner and BSW hereby agree as follows:

1. Term. The term of this Agreement shall for be an initial term that expires on March 31, 2025 (the “End Date”) BSW shall use good faith efforts to complete the Permitted Use as soon as reasonably possible, subject to delays beyond BSW’s control, but in no event later than the End Date, unless the parties agree otherwise in writing. BSW shall notify Owner in writing when the Permitted Use is completed.

2. Use. Owner shall remove all hose and other irrigation infrastructure materials from the Easement Area at its sole cost and expense prior to or concurrently with BSW or its contractors commencing the using of the Easement Area provided for herein. BSW may use the designated areas of the Easement Property solely for the purposes of performing grant-funded experiments regarding fallowing land and related activities, as described on Exhibit “C”, and may use contractors and consultants, which may include Land IQ, LLC, in connection with and to accomplish such use (the “Permitted Use”).

3. Indemnity; Insurance. BSW shall defend, indemnify and hold Owner harmless from and against any and all claims, liabilities, losses, damages and expenses (including reasonable attorneys’ fees and court costs) resulting from or arising out of BSW’s use of the Property (including acts of its contractors and consultants on the Property). BSW shall cause Land IQ, LLC to have primary coverage for its activities on the Property and shall also cause Land IQ, LLC to name Owner as additional insured on the liability insurance required of Land IQ, LLC under that certain Borrego Springs Watermaster Professional Services Agreement dated January 23, 2023 between BSW and Land IQ, LLC, and shall cause Land IQ, LLC to deliver evidence thereof, which BSW shall deliver (or Land IQ, LLC may deliver) to Owner within 10 business days of the Effective Date of this Agreement.

4. No Assignment. BSW shall not assign, encumber or otherwise transfer this Agreement without the prior written consent of Owner.

5. BSW Obligation for Property Condition; No Owner Obligation to Re-fallow Property. Just prior to expiration of this Agreement, BSW will remove any and all of its and its contractor's equipment from the Property and will leave the Property in a condition that is reasonably acceptable to Owner, which may include BSW removing experimental habitat, chipping trees, or other requirements for visual and land use purposes. Further, due to the activities that will or may take place pursuant to this Agreement, and with confirmation from Owner and BSW that there is no hazardous material or well(s) on the Easement Property, BSW expressly agrees that upon June 30, 2025, Owner has met or exceeded the "minimum fallowing standards" as set forth in Exhibit 3 of the Judgment for the Borrego Springs Subbasin entered by the Orange County Superior Court on April 8, 2021, and as such, Owner has the right to transfer corresponding water rights, including baseline pumping allocation (BPA), off the Easement Property without further fallowing or other remediation actions. If there is hazardous material or well(s) on the Easement Property, Owner will need to take such actions as are necessary to meet the "minimum fallowing standards" related to the hazardous material and well(s) in order to permanently transfer water rights, including BPA, off the Easement Property. The foregoing shall survive the expiration of this Agreement.

6. Notices. All notices under this Agreement shall be in writing and shall be delivered by certified mail, with postage prepaid or by reputable overnight messenger for next business day delivery. Until changed by a notice given in accordance with the provisions of this Section, the respective addresses of Owner and BSW for the purpose of receiving notices required or permitted by this Agreement are as follows:

Owner:

T2 Borrego, LLC
4582 S. Ulster Street, Ste. 1410
Denver CO 80237
Attn: Legal Dept.

BSW:

Borrego Springs Watermaster
c/o West Yost Associates
23692 Bircher Avenue
Lake Forest, CA 92630

Any notice sent by certified mail, return receipt requested, shall be deemed given on the date of delivery or refusal of delivery as shown on the receipt card. If sent by overnight or trackable delivery method via a recognized, national carrier (such as UPS or FedEx), the notice will be deemed given on the date of actual delivery or refusal of delivery as shown by such carrier's records. Courtesy notice may be delivered via email but will not constitute formal notice under this Agreement.

7. Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute one and the same agreement.

8. Entire Agreement. This Agreement constitutes the entire agreement between Owner and BSW regarding the specific subject matter hereof.

9. Owner Representations. Owner hereby represents and warrants to BSW that: (i) Owner has no knowledge of any deeds of trust, judgment liens, mechanics liens, tax liens (other than for property taxes and assessments not yet payable) or other liens encumbering the Property; and (ii) Owner has received no notice, and has no knowledge, of the presence of any hazardous materials on or under the Property. The foregoing representations and warranties shall be deemed to be material and shall survive the expiration of this Agreement.

10. Owner Covenant. Owner acknowledges that BSW and its contractors and consultants will expend significant funds to accomplish the Permitted Use; consequently, Owner shall not encumber the Property without obtaining BSW's consent, which BSW will not unreasonably withhold, during the term of this Agreement.

11. BSW Representations and Covenants. BSW and its contractors and consultants, including LandIQ, LLC, will not bring or use hazardous materials on the Property. BSW will immediately notify Owner if it detects or suspects any hazardous materials or environmental issues on the Property, and in such event, will stop work until Owner and BSW determine it is safe to proceed. BSW shall obtain, at its sole cost and expense, prior to entering the Property, all federal, state and local permits, licenses and approvals necessary for the Permitted Use; notice and a copy of which shall be provided to Owner. In carrying out the Permitted Use, BSW shall work only between the hours of 7:00am and 7:00pm and shall use commercially reasonable efforts to minimize noise, dust and other adverse impacts and shall release, indemnify, and defend Owner from any claim or liability arising in connection with such adverse impacts. BSW shall be solely responsible for compliance with all environmental laws and regulations regarding the Permitted Use and the proper handling and disposition of soil, trees, and other materials used or areas disturbed by BSW, and BSW shall fully indemnify and defend Owner from any claim or liability arising from any such requirement. To the extent any portion of the Property is damaged by any of the activities conducted by BSW, BSW shall repair any and all such damage at its sole cost within 30 days, and in any event, before the expiration of the term of this Agreement. For the avoidance of doubt, while BSW and its contractors perform the Permitted Use, temporary conditions on the Property that are consistent with the Permitted Use shall not be considered damage to the Property.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, Owner and BSW have executed this Agreement as of the date first written above.

OWNER: T2 Borrego LLC

By: _____

Print Name: _____

Title: Vice President

BSW:

BORREGO SPRINGS WATERMASTER

By: _____

Print Name: _____

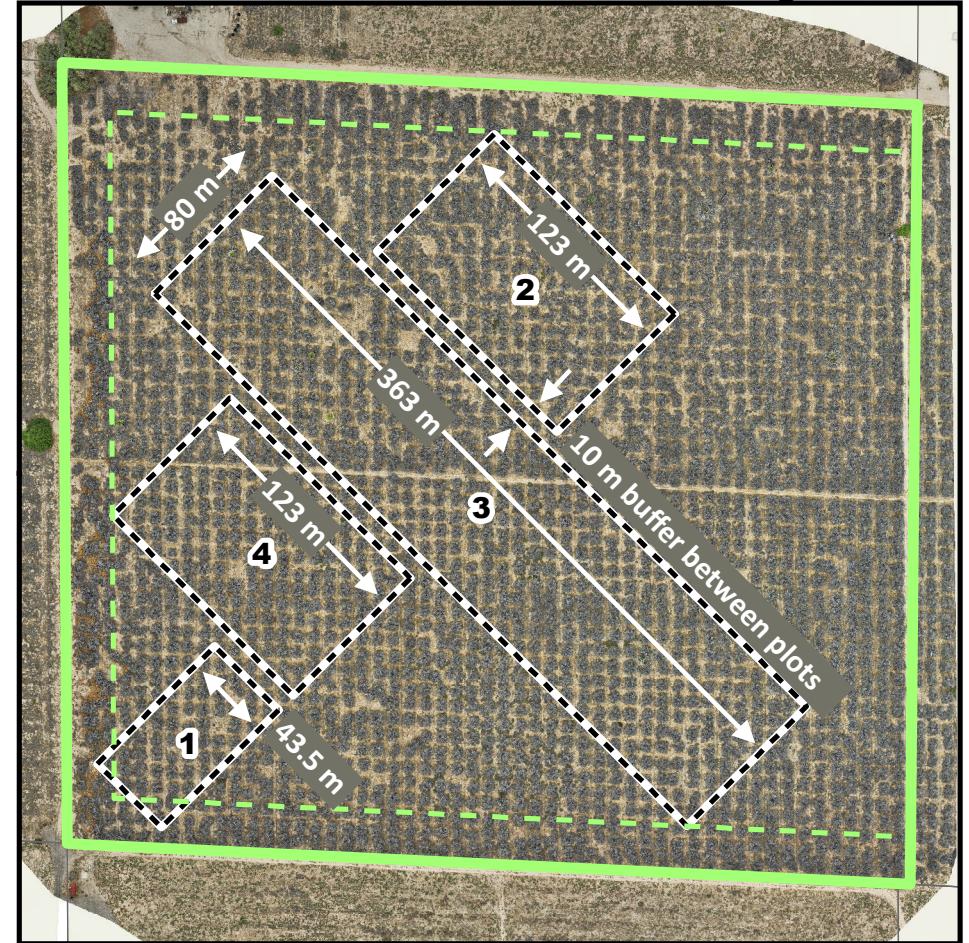
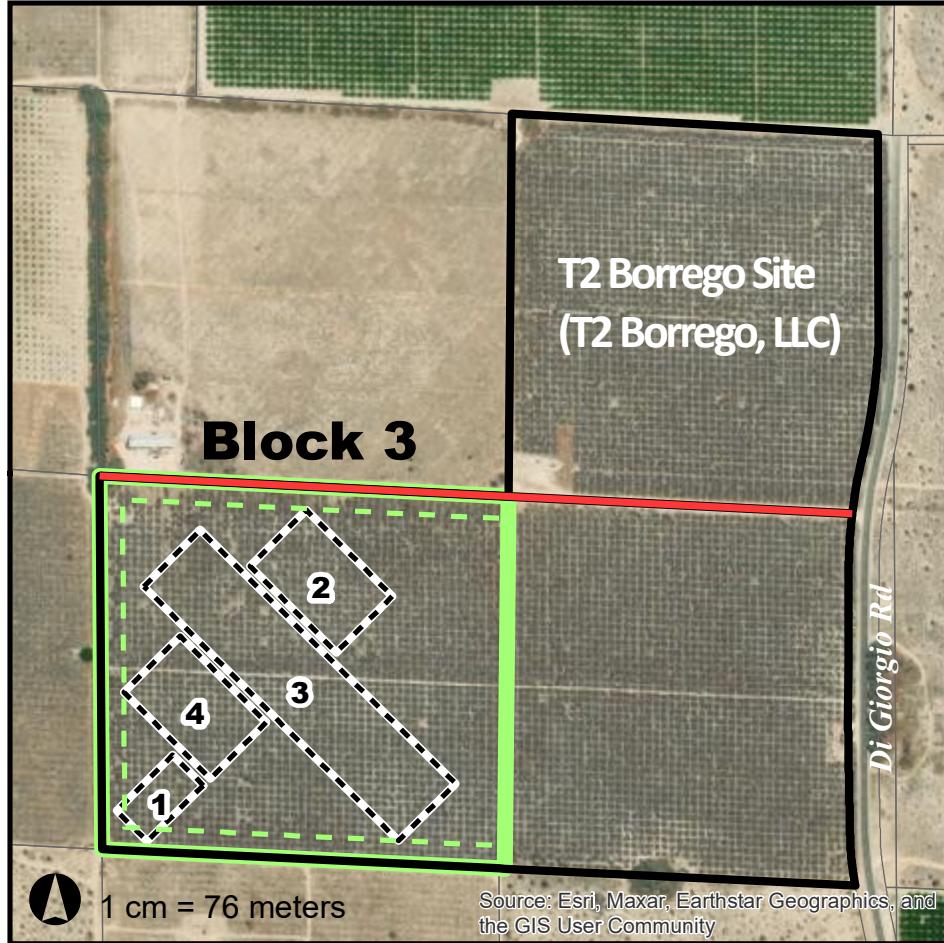
Title: _____

EXHIBIT "A"DESCRIPTION OF PROPERTY

The Property is APN 140-070-02, legally described below, in San Diego County, California:

THE EAST HALF OF THE NORTH HALF OF SECTION 8, TOWNSHIP 10 SOUTH, RANGE 6 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY APPROVED DECEMBER 20, 1856.

The Easement Area is that certain portion of the Property labeled as "Block 3" and is approximately 38 acres, as shown on the attached map. See attached.



Biological Restoration of Fallowed Lands Project: T2 Borrego Site

Block #3 in Brush Pile Sand Fence Study | 38-acre SW-portion of entire 105-acre parcel, APN 1400-700-200

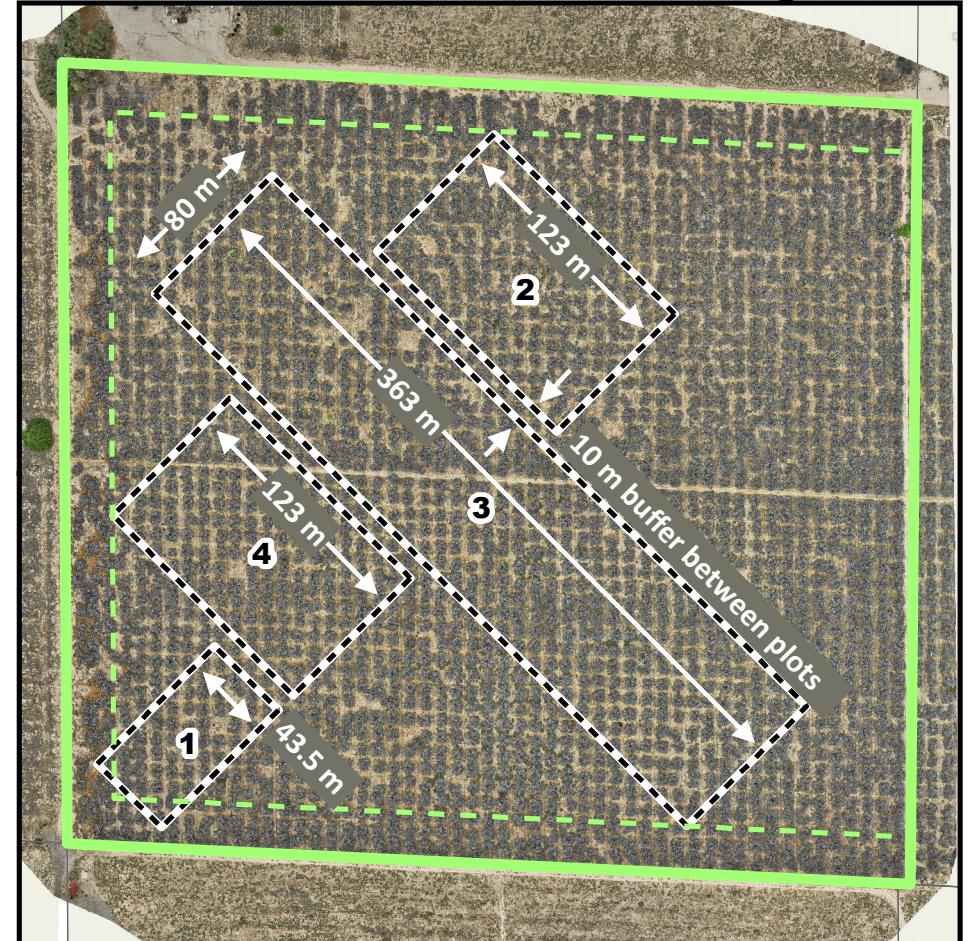
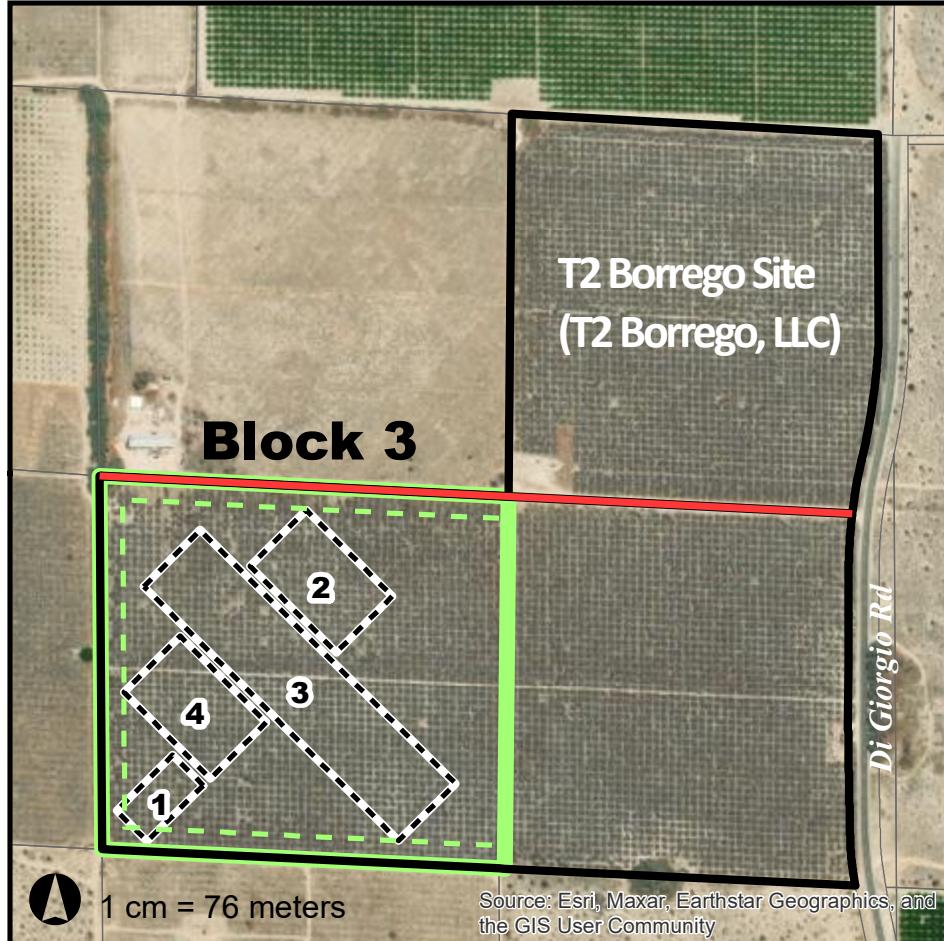
- **Study Block #3 (38 acres)**
- **Project Access Road**
- **County Requested 75-ft Buffer to Property Line for Tree Fence/Brush Pile Treatments**
- **Experimental Treatment Plots** (each treatment has 10 rows/gaps; last gap is 15 m; 10 m buffer between plots)
 1. **Mulch Row** (80 m x 43.5 m; 1.5 m mulch rows and 1.5 m bare ground gaps)
 2. **Scattered Tree** (80 m x 123 m; 6 m diameter trees with triangular spacing 13 m on-center, resulting in 7 m bare ground gaps between tree crowns)
 3. **Tree Fence** (80 m x 363 m; 6 m wide tree fence rows with 5 m wildlife movement space every 30 m, and 32 m bare ground gaps between rows)
 4. **Sand Fence** (80 m x 123 m; conventional sand fence rows with 12 m bare ground gaps between rows)

EXHIBIT "B"

DESCRIPTION OF ACCESS AREA

As shown on the attached map, the Access Route to the Easement Area is the main orchard road on APN 140-070-02 from DiGiorgio Road.

See attached.



Biological Restoration of Fallowed Lands Project: T2 Borrego Site

Block #3 in Brush Pile Sand Fence Study | 38-acre SW-portion of entire 105-acre parcel, APN 1400-700-200

- **Study Block #3 (38 acres)**
- **Project Access Road**
- **County Requested 75-ft Buffer to Property Line for Tree Fence/Brush Pile Treatments**
- **Experimental Treatment Plots** (each treatment has 10 rows/gaps; last gap is 15 m; 10 m buffer between plots)
 - 1. Mulch Row** (80 m x 43.5 m; 1.5 m mulch rows and 1.5 m bare ground gaps)
 - 2. Scattered Tree** (80 m x 123 m; 6 m diameter trees with triangular spacing 13 m on-center, resulting in 7 m bare ground gaps between tree crowns)
 - 3. Tree Fence** (80 m x 363 m; 6 m wide tree fence rows with 5 m wildlife movement space every 30 m, and 32 m bare ground gaps between rows)
 - 4. Sand Fence** (80 m x 123 m; conventional sand fence rows with 12 m bare ground gaps between rows)

EXHIBIT "C"

DESCRIPTION OF PERMITTED USE(S)

(Attached.)

TECHNICAL MEMORANDUM**DRAFT BORREGO SPRINGS FARMLAND REHABILITATION - BRUSH FENCE
FIELD STUDY DESCRIPTION**

DATE: October 6, 2023

INTRODUCTION

The Borrego Subbasin Groundwater Management Plan (GMP) lists several projects and management actions (PMAs) that are intended to support the reduction of groundwater pumping. The GMP recognizes that fallowing of agricultural lands will be a primary tool to reduce groundwater demands. However, there are several adverse impacts that could be associated with land fallowing, including airborne emissions through wind-blown dust, the introduction or spreading of invasive plant species, and changes to the landscape that could adversely affect visual quality.

The Watermaster's Environmental Working Group (EWG) contends that biological restoration of current and future fallowed lands (or abandoned, if fallowed for longer than five years) could be a solution for addressing the potential adverse impacts associated with land fallowing, and could be helpful in protecting human health, the environment, and the socioeconomic wellbeing of the Borrego Springs community during GMP implementation.

The Rehabilitation of Retired Farmland project is implemented by Land IQ and UCI under the supervision of the EWG and under contract with the Watermaster. The specific study described herein aims to explore the feasibility of various biological restoration/rehabilitation techniques.

PROJECT INFORMATION/OBJECTIVES

The goal of this task is to design economical fallowing practices that serve multiple functions including dust control by reducing wind driven erosion, microsites for seed/litter accumulation and conditions beneficial to native plant recruitment such as shading and perches for seed dispersal.

METHODOLOGY**RESEARCH APPROACH AND QUESTIONS**

An important goal of the Rehabilitation of Retired Farmland project is to develop fallowing strategies that reduce visual blight and windblown dust events, enhance vegetation establishment and diversity, and utilize dead trees left behind in fallowed areas. The current minimum fallowing standards for Borrego Springs include destroying all tree crops (by chipping or burning) and stabilizing soil by mulching with chips or ash. The goal of this task is to design economical fallowing practices that serve multiple functions including dust control by reducing wind driven erosion, microsites for seed/litter accumulation and conditions beneficial to native plant recruitment such as shading and perches for seed dispersal.

We will conduct a case study that compares potential fallowing treatments including mulching, sand fences, tree fences, and scattered trees to inform the development of fallowing best practices. We will measure the relative effectiveness of the treatments across the following categories: 1. Dust control effectiveness; 2. Vegetation establishment and recruitment potential; 3. Cost.

Through this study, we will address the following questions:

- 1) What are the most effective designs for dust control, recruitment potential, and vegetation establishment?
- 2) How does the cost effectiveness among treatments differ with respect to the cost of materials, labor, and maintenance and the habitat value promoted by the different designs?

Dust control effectiveness will be measured downwind of each treatment using erosion bridges to measure change in soil height. Vegetation establishment and recruitment potential will be measured using a combination of biotic and abiotic structural and functional characteristics. If sufficient native seed can be sourced, then half of the installations in each treatment will be randomly selected to be seeded with native seeds. Costs of construction and maintenance of each treatment will be compared.

We expect treatment plots with tree fence, sand fence, or scattered tree installation to have lower rates of soil wind erosion, and over time, higher indicators of soil stability, more microsites for recruitment, and a higher density and cover of plants in comparison to no action and mulching. We expect the tree fence and scattered tree plots to have more enhanced vegetation characteristics because the structure of the branched vegetation will intercept the wind, allowing for the accumulation of debris and the creation of safe sites for plant recruitment, leading to greater seedling success and survival.

STUDY DESIGN

STUDY LOCATION

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To prepare the site equipment will be used to clear the study site of standing dead and live plant material. This material will be used for the mulch row, tree fence and scattered tree treatments. The full experimental design will be oriented in the direction of the dominant wind (315°) (Figure 2). The County of San Diego requires a 75-ft buffer around the treatments that use trees as brush piles and fences.

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Each of the four treatments (mulch row, scattered tree, tree fence, and temporary sand fence) will be installed in plots that consist of ten rows and gaps (Figures 2A and 2B). All four treatment plots will be installed together in groupings, referred to as blocks. The plots will be oriented perpendicular to the northwest prevailing wind (at 315 degrees). There are four blocks located in different sites, which have slightly different upwind conditions, management history and soil conditions, for a total of four replications of each treatment (Figure 1). It is anticipated that David Bauer will assist with study installation, and any remaining activities will be conducted by another contractor.

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Once installed, the treatments will be measured for average height, length, and porosity. To measure the effects of the treatments on dust control and recruitment potential, we will establish two downwind gradsects for each treatment and two gradsects within each treatment. Gradsects will be 10 m in length and 10 m apart.

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Erosion bridges will be installed at distances of 1h, 2h and 3h from brush fences and mulch rows, and at set points throughout the control plots. The erosion bridges will be measured periodically to determine changes in soil height due to erosion or deposition in response to the treatment. A soil erosion bridge is a simple, robust, lightweight, and inexpensive device comprising a bar mounted on two stakes. It provides a set point, or datum, against which erosion or build-up of soil can be measured. The erosion bridges will be measured periodically to determine changes in soil height due to erosion or deposition in response to the treatment. This monitoring will take place throughout the duration of the study, from fall 2023 to until the end of the grant funded project in March 2025, although most of the data will be collected by fall 2024.

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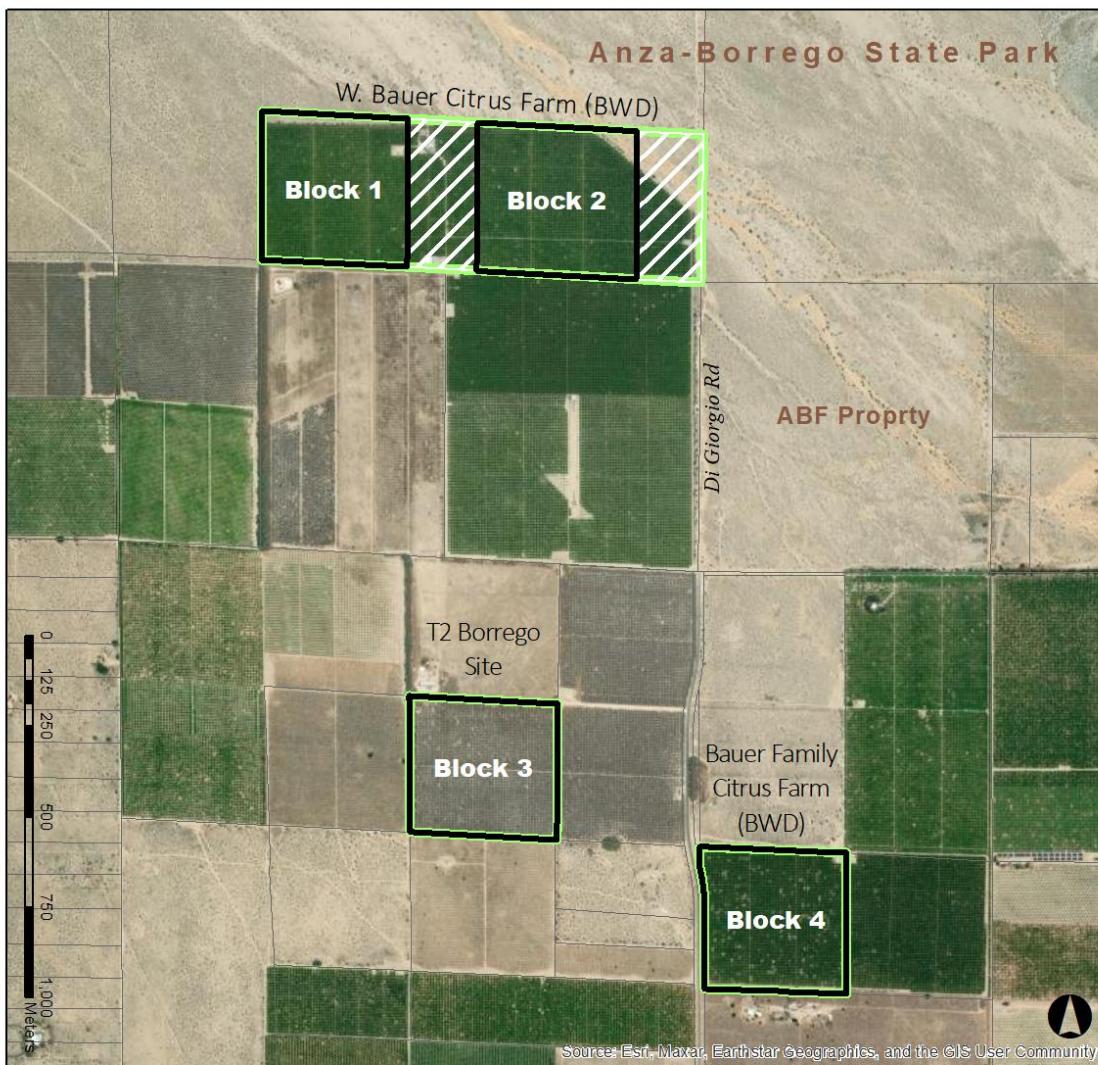
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Biological Restoration of Fallowed Lands Project - Brush Pile Sand Fence Study



Parcels with Landowner Easements to Conduct Study:

W. Bauer Citrus Farm | APN 1400-100-800 | 123.5 acres | Fallowed in 2023 | Landowner is Borrego Water District (BWD)

T2 Borrego Site | APN 1400-700-200 | 38-acre SW-portion of entire 105-acre parcel | Farming Ended in 2016 | Landowner is T2 Borrego LLC

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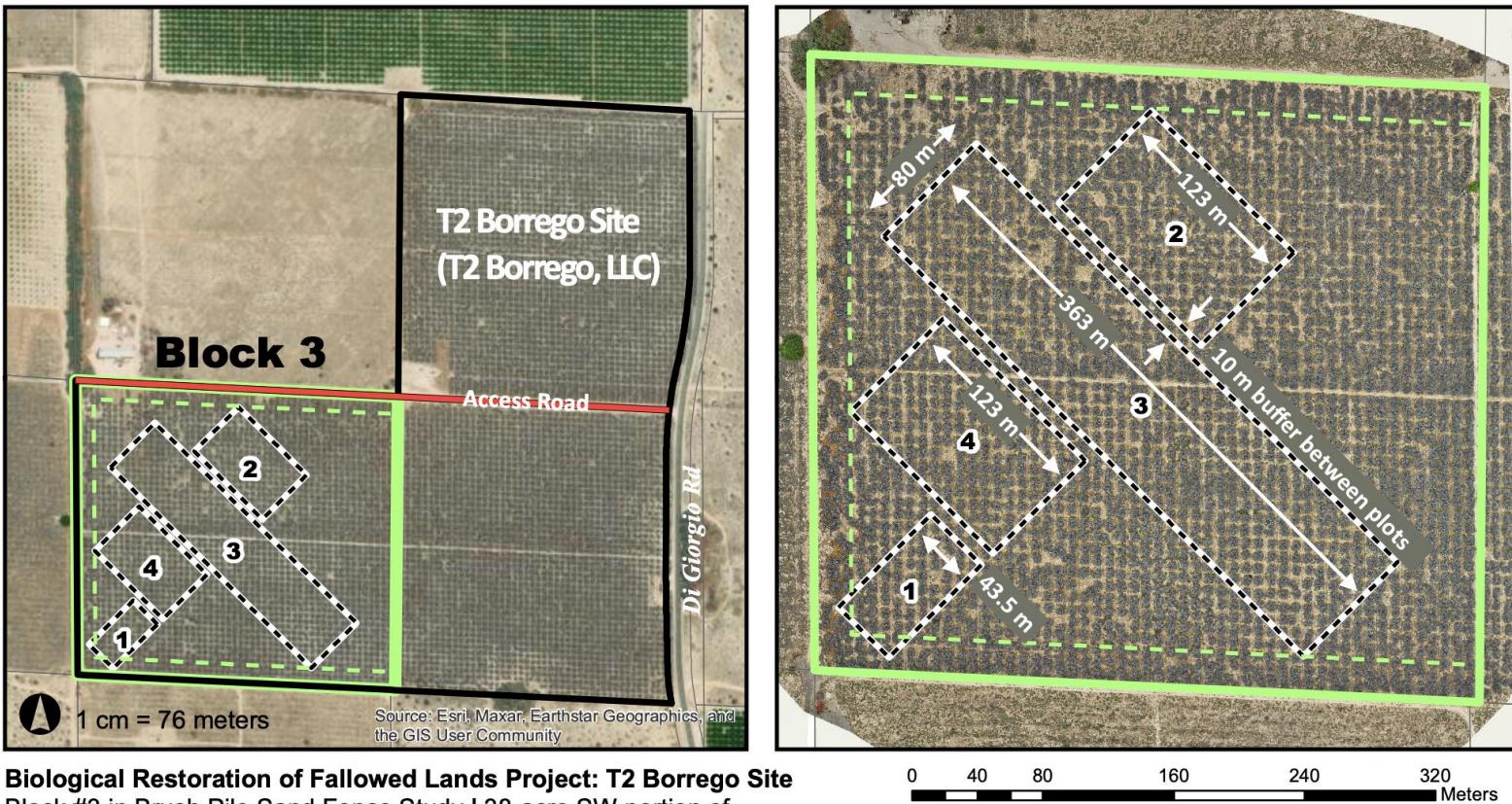


Blocks (Grouping of Treatment Plots in Different Sites)



Study Buffer Areas

Figure 1. Location of study sites.



Biological Restoration of Fallowed Lands Project: T2 Borrego Site

Block #3 in Brush Pile Sand Fence Study | 38-acre SW-portion of entire 105-acre parcel, APN 1400-700-200

The basemap for the map on the right side is a 1.5-cm resolution true color UAV orthophoto collected in August 2023.

 Study Block #3 (38 acres)

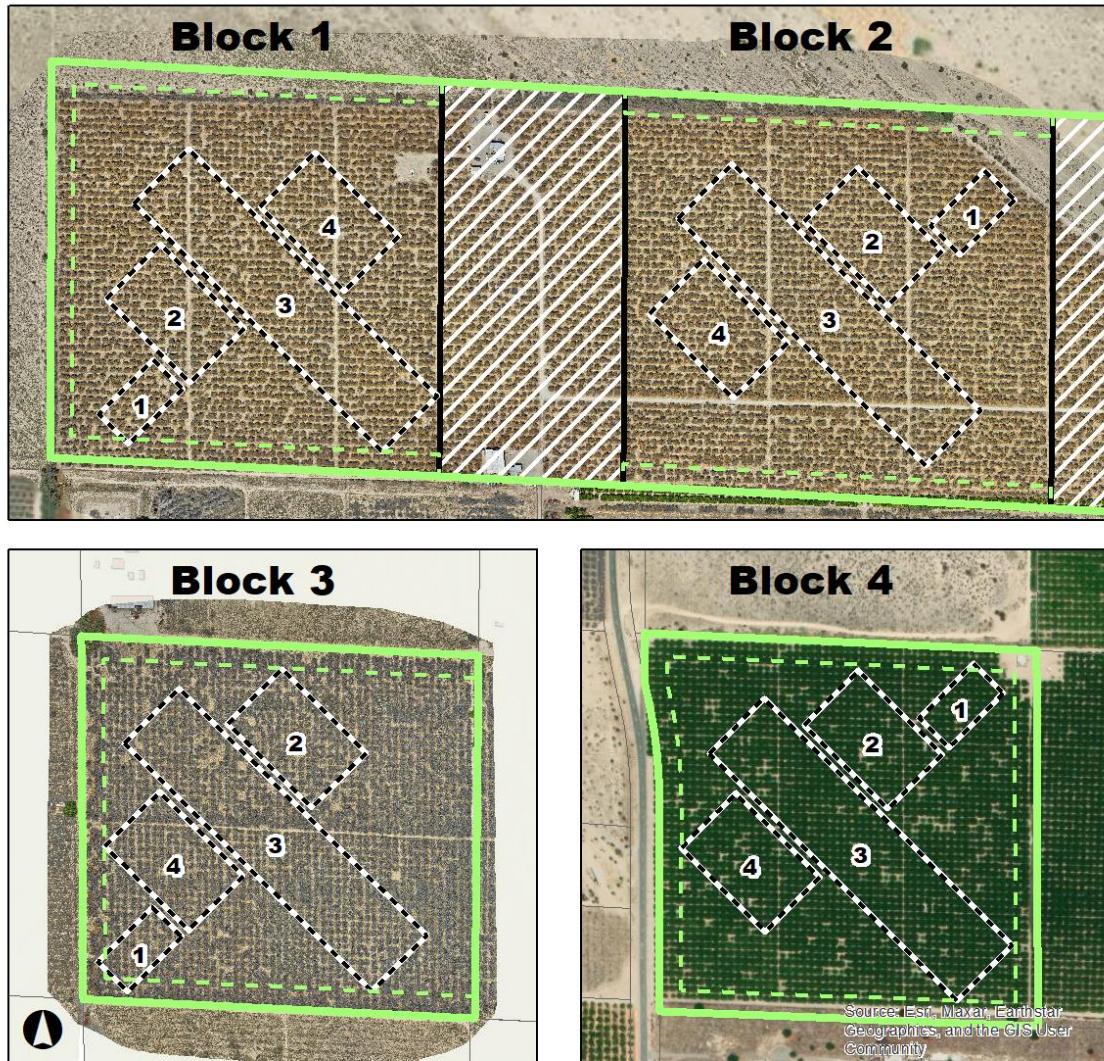
— Project Access Road

 County Requested 75-ft Buffer to Property Line for Tree Fence/Brush Pile Treatments

 Experimental Treatment Plots (each treatment has 10 rows/gaps; last gap is 15 m; 10 m buffer between plots)

1. **Mulch Row** (80 m x 43.5 m; 1.5 m mulch rows and 1.5 m bare ground gaps)
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Figure 2A. Treatment design – T2 Borrego site with plot dimensions.



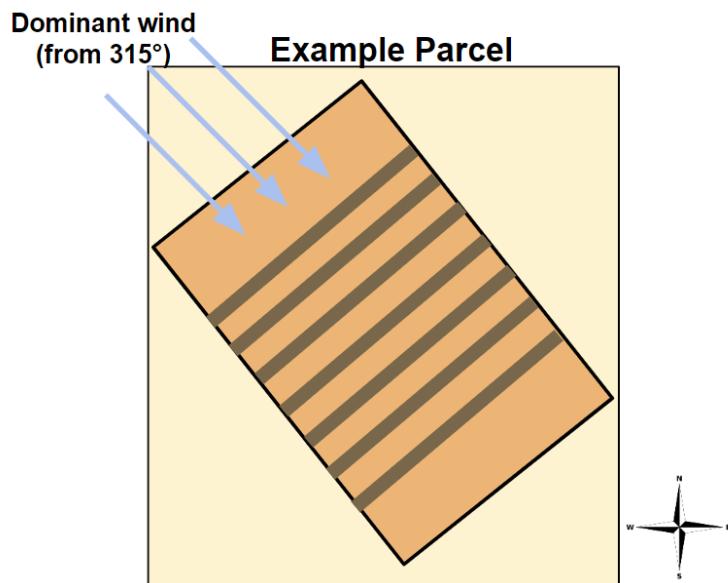
Biological Restoration of Fallowed Lands Project - Brush Pile Sand Fence Study

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- Blocks (Grouping of Treatment Plots in Different Sites)
- Study Buffer Areas

0 40 80 160 240 320 Meters

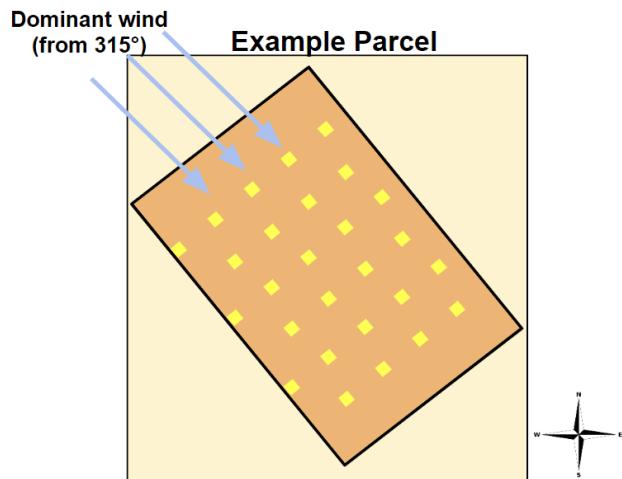
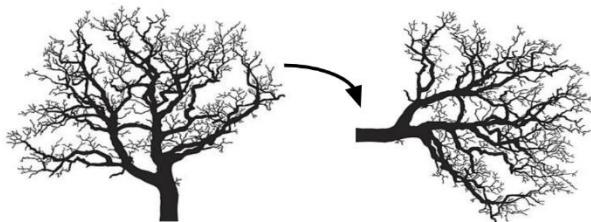
Basemap for Block 1, 2 and 3 is 1.5-cm resolution true color UAV orthophoto collected in August 2023. Basemap for Block 4 is ESRI Map Service Aerial.

Figure 2B. Treatment design.



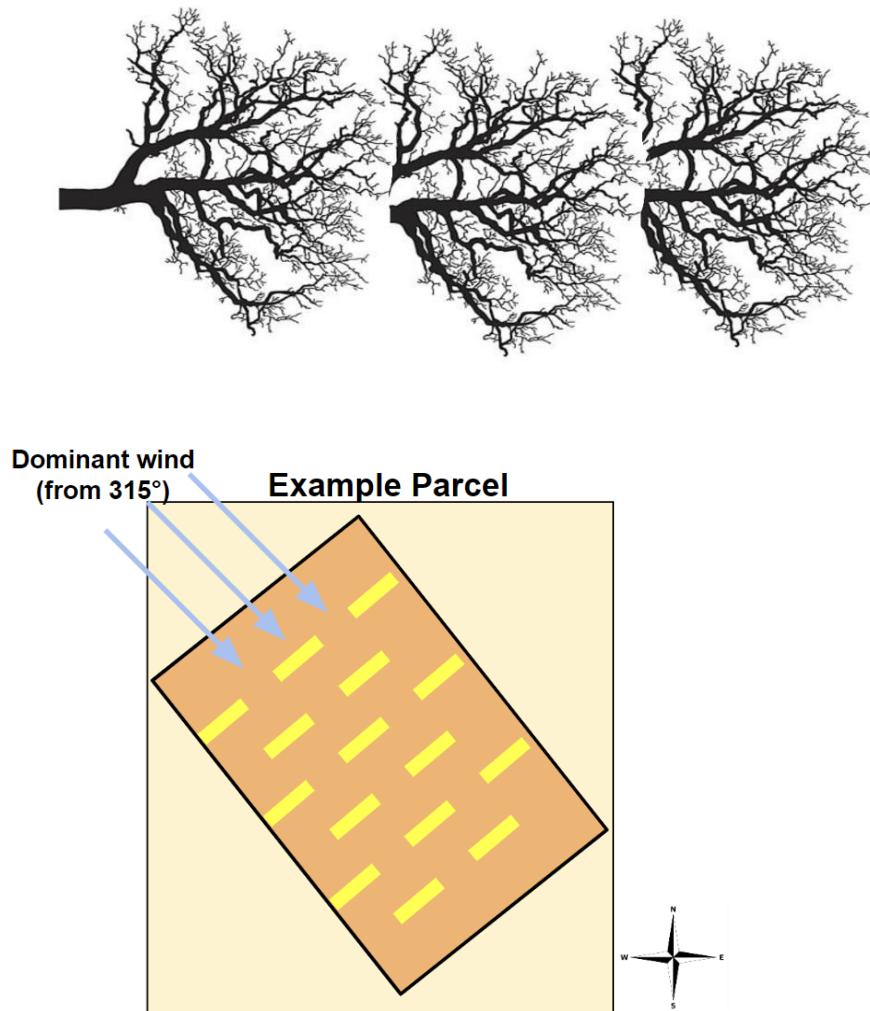
*for demonstrative purposes, not to scale

Figure 3. Conceptual representations of treatment 1 (mulch).



*for demonstrative purposes, not to scale

Figure 4. Conceptual representations of treatment 2 (scattered trees).



*for demonstrative purposes, not to scale

Figure 5. Conceptual representations of treatment 3 (tree fences).

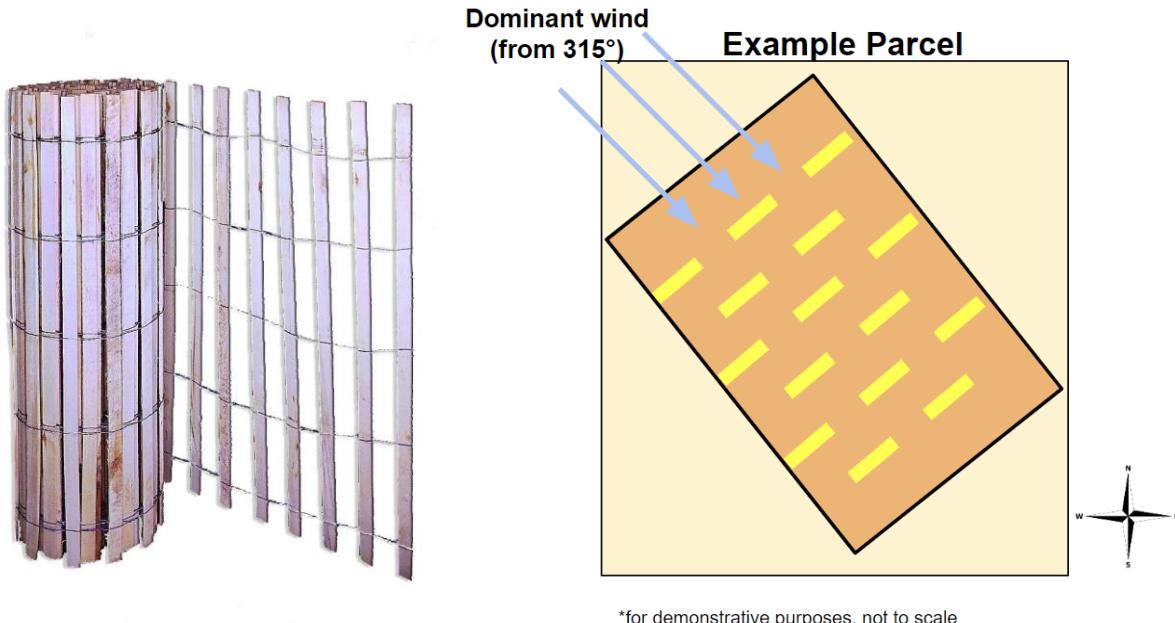


Figure 6. Conceptual representations of treatment 4 (temporary sand fence).

SCHEDULE

A schedule of study permitting and approvals, installation and monitoring is shown in Table 1.

TABLE 1. BRUSH FENCE STUDY SCHEDULE

Activity	2023			2024			2025	
	Summer	Fall	Winter	Spring	Summer	Fall	Winter	
Regulatory review and county approval	X							
Landowner lease agreement and County approval	X							
Study installation		X						
UAV flight		X				X		
Native plant seeding (if feasible)			X					
Field monitoring and reporting		X		X	X	X	X	

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (the "Agreement") is dated _____, 2023 (the "Effective Date"), and is entered into by and between the BORREGO SPRINGS WATERMASTER ("BSW") and BORREGO WATER DISTRICT, a public entity ("Owner").

Recitals

A. Owner owns the land described in Exhibit "A" (the "Property").

B. BSW has requested to use the Property as shown on Exhibit A for the Permitted Use (as defined in Section 2 below), and Owner desires to enter into this Agreement to allow BSW to use the Property for the Permitted Use (as defined in Section 2 below), which will materially benefit Owner.

NOW THEREFORE, in consideration of the mutual terms hereof, and the sum of \$10.00 paid by BSW to Owner, Owner and BSW hereby agree as follows:

1. Term. The term of this Agreement shall for be an initial term that expires on March 31, 2025 (the "End Date") BSW shall use good faith efforts to complete the Permitted Use as soon as reasonably possible, subject to delays beyond BSW's control, but in no event later than the End Date, unless the parties agree otherwise in writing. BSW shall notify Owner in writing when the Permitted Use is completed.

2. Use. Owner shall remove all hose and other irrigation infrastructure materials from the Easement Area at its sole cost and expense prior to or concurrently with BSW or its contractors commencing the using of the Easement Area provided for herein. BSW may use the designated areas of the Property solely for access and for the purposes of performing grant-funded experiments regarding fallowing land and related activities, as described on Exhibit "B", and may use contractors and consultants, which may include Land IQ, LLC, in connection with and to accomplish such use (the "Permitted Use").

3. Indemnity; Insurance. BSW shall defend, indemnify and hold Owner harmless from and against any and all claims, liabilities, losses, damages and expenses (including reasonable attorneys' fees and court costs) resulting from or arising out of BSW's use of the Property (including acts of its contractors and consultants on the Property). BSW shall cause Land IQ, LLC to have primary coverage for its activities on the Property and shall also cause Land IQ, LLC to name Owner as additional insured on the liability insurance required of Land IQ, LLC under that certain Borrego Springs Watermaster Professional Services Agreement dated January 23, 2023 between BSW and Land IQ, LLC, and shall cause Land IQ, LLC to deliver evidence thereof, which BSW shall deliver (or Land IQ, LLC may deliver) to Owner within 10 business days of the Effective Date of this Agreement.

4. No Assignment. BSW shall not assign, encumber or otherwise transfer this Agreement without the prior written consent of Owner.

5. BSW Obligation for Property Condition; No Owner Obligation to Re-fallow Property. Just prior to expiration of this Agreement, BSW will remove any and all of its and its contractor's equipment from the Property and will leave the Property in a condition that is reasonably acceptable to Owner, which may include BSW removing experimental habitat, chipping trees, or other requirements for visual and land use purposes. Further, due to the activities that will or may take place pursuant to this Agreement, and with confirmation from Owner and BSW that there is no hazardous material or well(s) on the Easement Property, BSW expressly agrees that upon June 30, 2025, Owner has met or exceeded the "minimum fallowing standards" as set forth in Exhibit 3 of the Judgment for the Borrego Springs Subbasin entered by the Orange County Superior Court on April 8, 2021, and as such, Owner has the right to transfer corresponding water rights, including baseline pumping allocation (BPA), off the Easement Property without further fallowing or other remediation actions. If there is hazardous material or well(s) on the Easement Property, Owner will need to take such actions as are necessary to meet the "minimum fallowing standards" related to the hazardous material and well(s) in order to permanently transfer water rights, including BPA, off the Easement Property. The foregoing shall survive the expiration of this Agreement.

6. Notices. All notices under this Agreement shall be in writing and shall be delivered by certified mail, with postage prepaid or by reputable overnight messenger for next business day delivery. Until changed by a notice given in accordance with the provisions of this Section, the respective addresses of Owner and BSW for the purpose of receiving notices required or permitted by this Agreement are as follows:

Owner:

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

BSW:

Borrego Springs Watermaster
c/o West Yost Associates
23692 Bircher Avenue
Lake Forest, CA 92630

Any notice sent by certified mail, return receipt requested, shall be deemed given on the date of delivery or refusal of delivery as shown on the receipt card. If sent by overnight or trackable delivery method via a recognized, national carrier (such as UPS or FedEx), the notice will be deemed given on the date of actual delivery or refusal of delivery as shown by such carrier's records. Courtesy notice may be delivered via email but will not constitute formal notice under this Agreement.

7. Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute one and the same agreement.

8. Entire Agreement. This Agreement constitutes the entire agreement between Owner and BSW regarding the specific subject matter hereof.

9. Owner Representations. Owner hereby represents and warrants to BSW that: (i) Owner has no knowledge of any deeds of trust, judgment liens, mechanics liens, tax liens (other than for property taxes and assessments not yet payable) or other liens encumbering the Property; and (ii) Owner has received no notice, and has no knowledge, of the presence of any hazardous materials on or under the Property. The foregoing representations and warranties shall be deemed to be material and shall survive the expiration of this Agreement.

10. Owner Covenant. Owner acknowledges that BSW and its contractors and consultants will expend significant funds to accomplish the Permitted Use; consequently, Owner shall not encumber the Property without obtaining BSW's consent, which BSW will not unreasonably withhold, during the term of this Agreement.

11. BSW Representations and Covenants. BSW and its contractors and consultants, including LandIQ, LLC, will not bring or use hazardous materials on the Property. BSW will immediately notify Owner if it detects or suspects any hazardous materials or environmental issues on the Property, and in such event, will stop work until Owner and BSW determine it is safe to proceed. BSW shall obtain, at its sole cost and expense, prior to entering the Property, all federal, state and local permits, licenses and approvals necessary for the Permitted Use; notice and a copy of which shall be provided to Owner. In carrying out the Permitted Use, BSW shall work only between the hours of 7:00am and 7:00pm and shall use commercially reasonable efforts to minimize noise, dust and other adverse impacts and shall release, indemnify, and defend Owner from any claim or liability arising in connection with such adverse impacts. BSW shall be solely responsible for compliance with all environmental laws and regulations regarding the Permitted Use and the proper handling and disposition of soil, trees, and other materials used or areas disturbed by BSW, and BSW shall fully indemnify and defend Owner from any claim or liability arising from any such requirement. To the extent any portion of the Property is damaged by any of the activities conducted by BSW, BSW shall repair any and all such damage at its sole cost within 30 days, and in any event, before the expiration of the term of this Agreement. For the avoidance of doubt, while BSW and its contractors perform the Permitted Use, temporary conditions on the Property that are consistent with the Permitted Use shall not be considered damage to the Property.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, Owner and BSW have executed this Agreement as of the date first written above.

OWNER:

BORREGO WATER DISTRICT

By: _____
Print Name: _____
Title: _____

BSW:

BORREGO SPRINGS WATERMASTER

By: _____
Print Name: _____
Title: _____

EXHIBIT "A"**DESCRIPTION OF PROPERTY**

The Properties are APN 1400-100-800 and APN 1400-701-800 in San Diego County, California, also shown as Blocks 1, 2, and 4 on Figure 1 in Exhibit B.

EXHIBIT "B"

DESCRIPTION OF PERMITTED USE(S)

TECHNICAL MEMORANDUM**DRAFT BORREGO SPRINGS FARMLAND REHABILITATION - BRUSH FENCE
FIELD STUDY DESCRIPTION**

DATE: October 6, 2023

INTRODUCTION

The Borrego Subbasin Groundwater Management Plan (GMP) lists several projects and management actions (PMAs) that are intended to support the reduction of groundwater pumping. The GMP recognizes that fallowing of agricultural lands will be a primary tool to reduce groundwater demands. However, there are several adverse impacts that could be associated with land fallowing, including airborne emissions through wind-blown dust, the introduction or spreading of invasive plant species, and changes to the landscape that could adversely affect visual quality.

The Watermaster's Environmental Working Group (EWG) contends that biological restoration of current and future fallowed lands (or abandoned, if fallowed for longer than five years) could be a solution for addressing the potential adverse impacts associated with land fallowing, and could be helpful in protecting human health, the environment, and the socioeconomic wellbeing of the Borrego Springs community during GMP implementation.

The Rehabilitation of Retired Farmland project is implemented by Land IQ and UCI under the supervision of the EWG and under contract with the Watermaster. The specific study described herein aims to explore the feasibility of various biological restoration/rehabilitation techniques.

PROJECT INFORMATION/OBJECTIVES

The goal of this task is to design economical fallowing practices that serve multiple functions including dust control by reducing wind driven erosion, microsites for seed/litter accumulation and conditions beneficial to native plant recruitment such as shading and perches for seed dispersal.

METHODOLOGY**RESEARCH APPROACH AND QUESTIONS**

An important goal of the Rehabilitation of Retired Farmland project is to develop fallowing strategies that reduce visual blight and windblown dust events, enhance vegetation establishment and diversity, and utilize dead trees left behind in fallowed areas. The current minimum fallowing standards for Borrego Springs include destroying all tree crops (by chipping or burning) and stabilizing soil by mulching with chips or ash. The goal of this task is to design economical fallowing practices that serve multiple functions including dust control by reducing wind driven erosion, microsites for seed/litter accumulation and conditions beneficial to native plant recruitment such as shading and perches for seed dispersal.

We will conduct a case study that compares potential fallowing treatments including mulching, sand fences, tree fences, and scattered trees to inform the development of fallowing best practices. We will measure the relative effectiveness of the treatments across the following categories: 1. Dust control effectiveness; 2. Vegetation establishment and recruitment potential; 3. Cost.

Through this study, we will address the following questions:

- 1) What are the most effective designs for dust control, recruitment potential, and vegetation establishment?
- 2) How does the cost effectiveness among treatments differ with respect to the cost of materials, labor, and maintenance and the habitat value promoted by the different designs?

Dust control effectiveness will be measured downwind of each treatment using erosion bridges to measure change in soil height. Vegetation establishment and recruitment potential will be measured using a combination of biotic and abiotic structural and functional characteristics. If sufficient native seed can be sourced, then half of the installations in each treatment will be randomly selected to be seeded with native seeds. Costs of construction and maintenance of each treatment will be compared.

We expect treatment plots with tree fence, sand fence, or scattered tree installation to have lower rates of soil wind erosion, and over time, higher indicators of soil stability, more microsites for recruitment, and a higher density and cover of plants in comparison to no action and mulching. We expect the tree fence and scattered tree plots to have more enhanced vegetation characteristics because the structure of the branched vegetation will intercept the wind, allowing for the accumulation of debris and the creation of safe sites for plant recruitment, leading to greater seedling success and survival.

STUDY DESIGN

STUDY LOCATION

This study will take place on three sites: 1) senesced citrus orchard in the northern part of the Borrego Springs Subbasin on an agreed up specific location within the boundaries of the parcel owned by T2 Borrego; and 2) Two parcels recently owned by David and William Bauer and currently owned by Borrego Water District. Study site locations are shown in Figure 1.

SITE PREPARATION

To prepare the site equipment will be used to clear the study site of standing dead and live plant material. This material will be used for the mulch row, tree fence and scattered tree treatments. The full experimental design will be oriented in the direction of the dominant wind (315°) (Figure 2). The County of San Diego requires a 75-ft buffer around the treatments that use trees as brush piles and fences.

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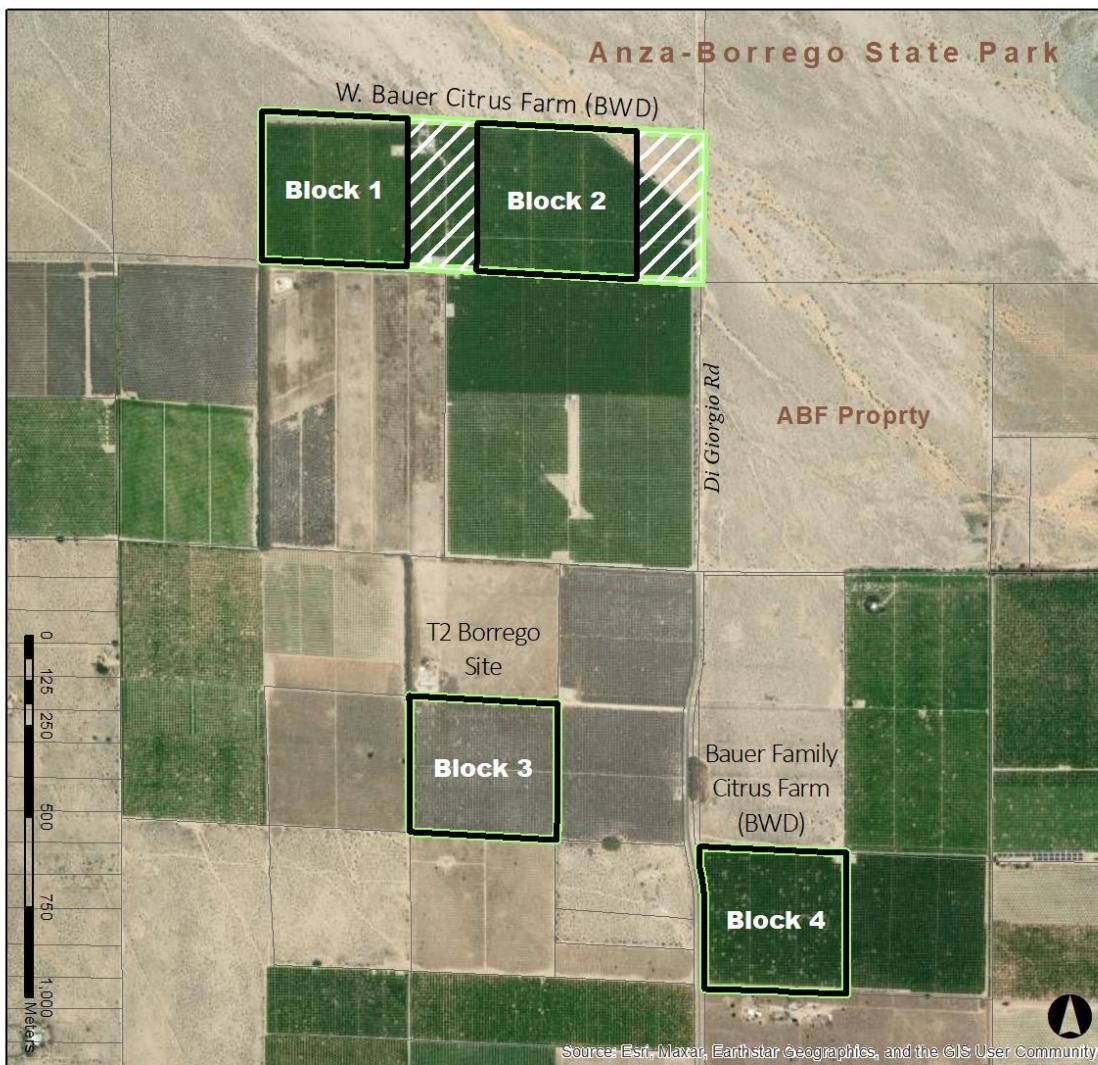
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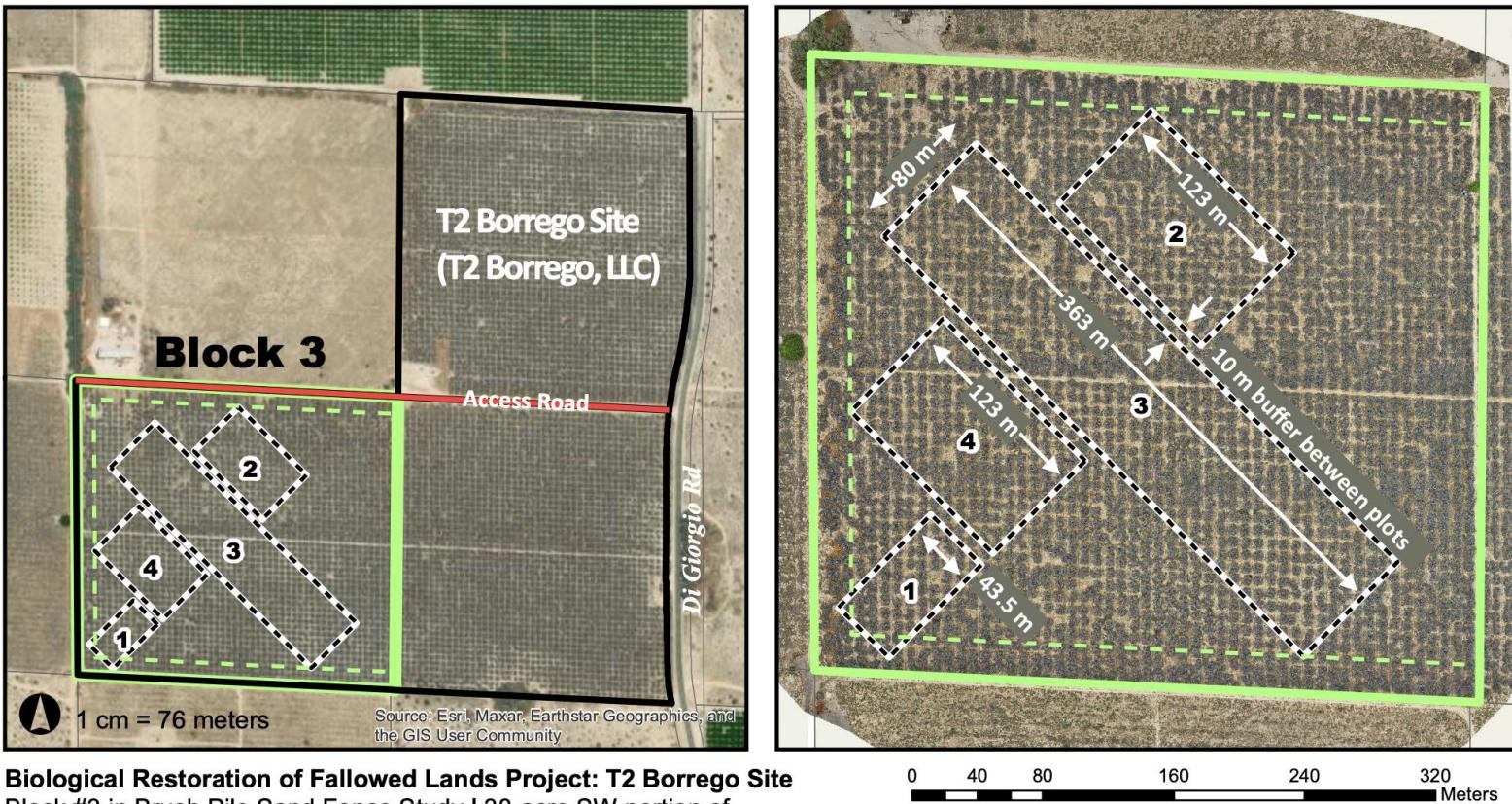


Blocks (Grouping of Treatment Plots in Different Sites)



Study Buffer Areas

Figure 1. Location of study sites.



Biological Restoration of Fallowed Lands Project: T2 Borrego Site

Block #3 in Brush Pile Sand Fence Study | 38-acre SW-portion of entire 105-acre parcel, APN 1400-700-200

The basemap for the map on the right side is a 1.5-cm resolution true color UAV orthophoto collected in August 2023.

 Study Block #3 (38 acres)

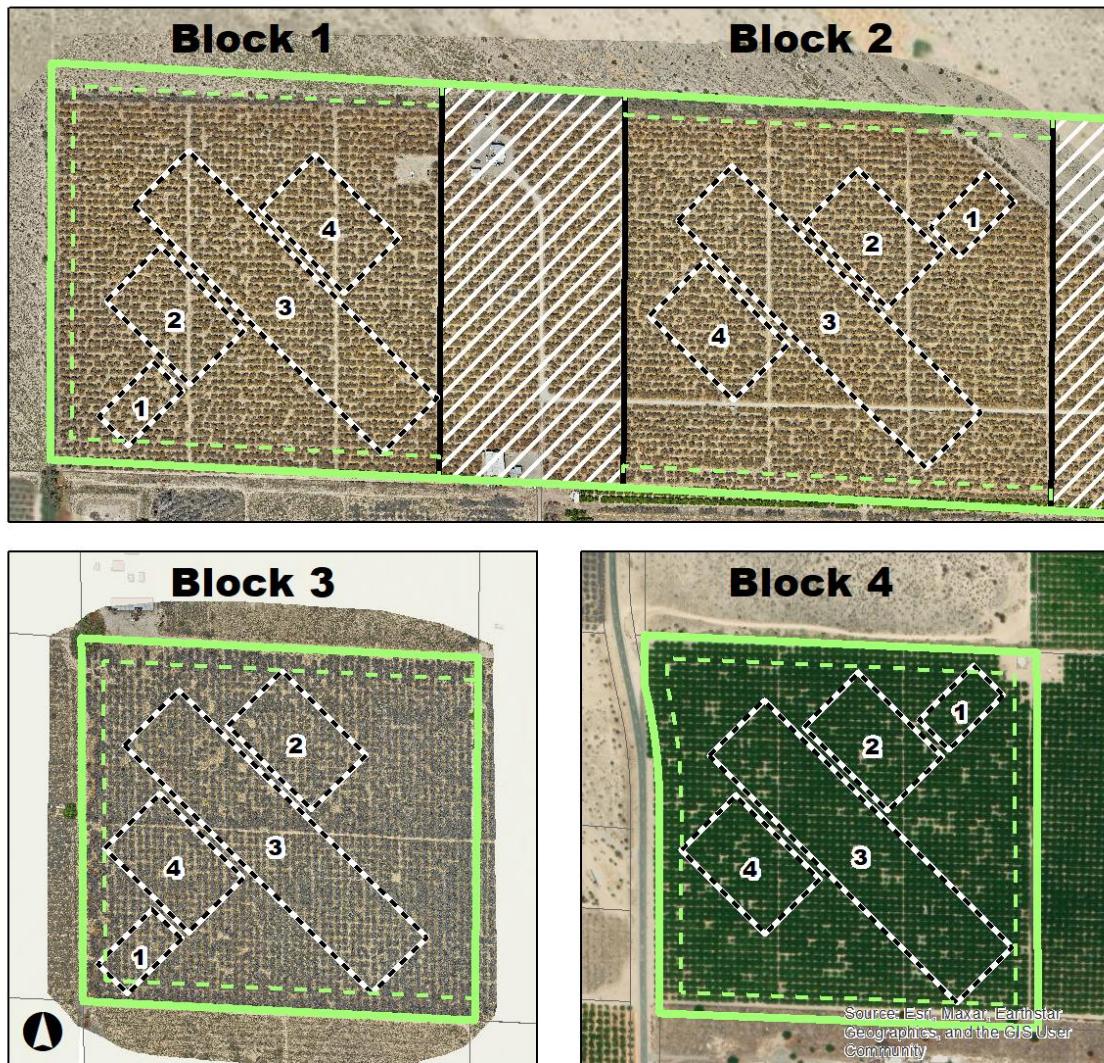
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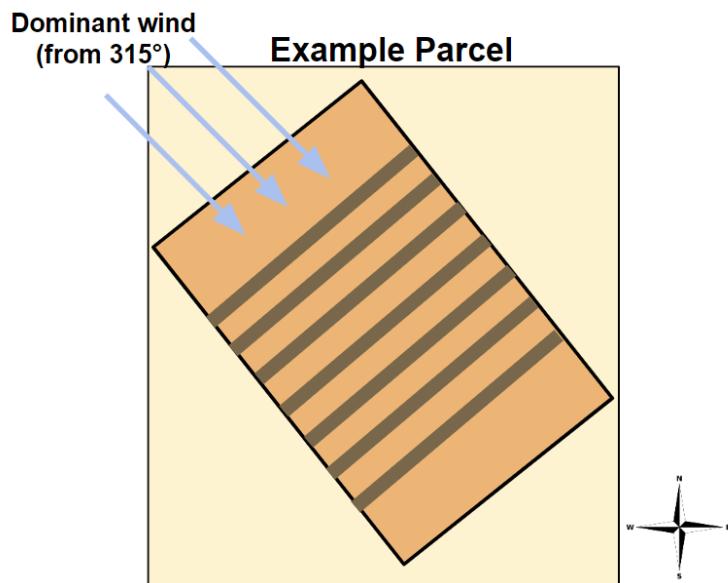


Biological Restoration of Fallowed Lands Project - Brush Pile Sand Fence Study

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- Blocks (Grouping of Treatment Plots in Different Sites)
- Study Buffer Areas

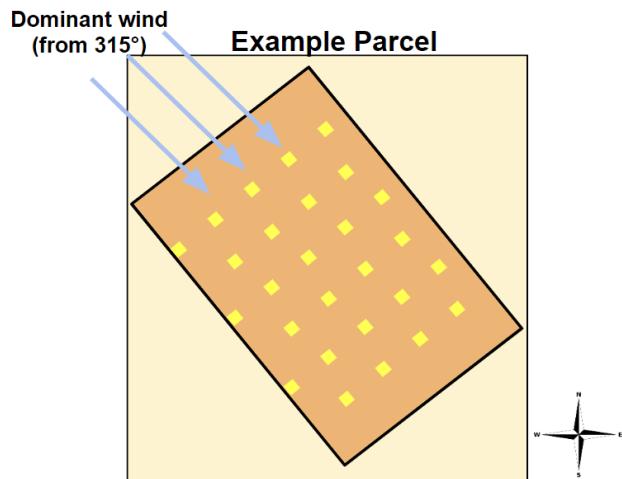
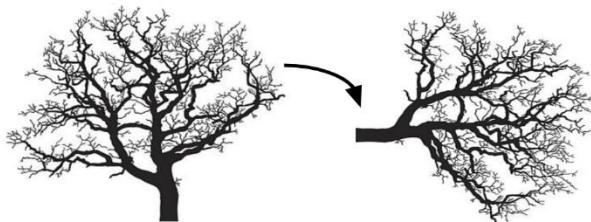
Basemap for Block 1, 2 and 3 is 1.5-cm resolution true color UAV orthophoto collected in August 2023. Basemap for Block 4 is ESRI Map Service Aerial.

Figure 2B. Treatment design.



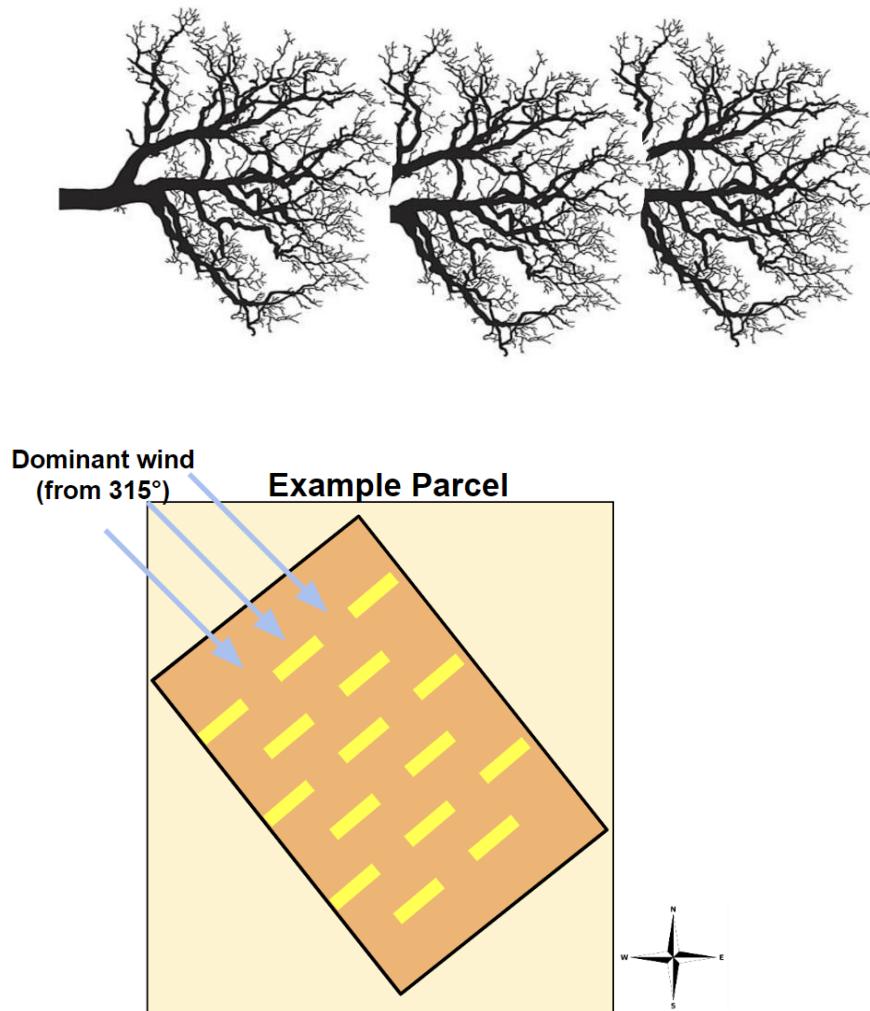
*for demonstrative purposes, not to scale

Figure 3. Conceptual representations of treatment 1 (mulch).



*for demonstrative purposes, not to scale

Figure 4. Conceptual representations of treatment 2 (scattered trees).



*for demonstrative purposes, not to scale

Figure 5. Conceptual representations of treatment 3 (tree fences).

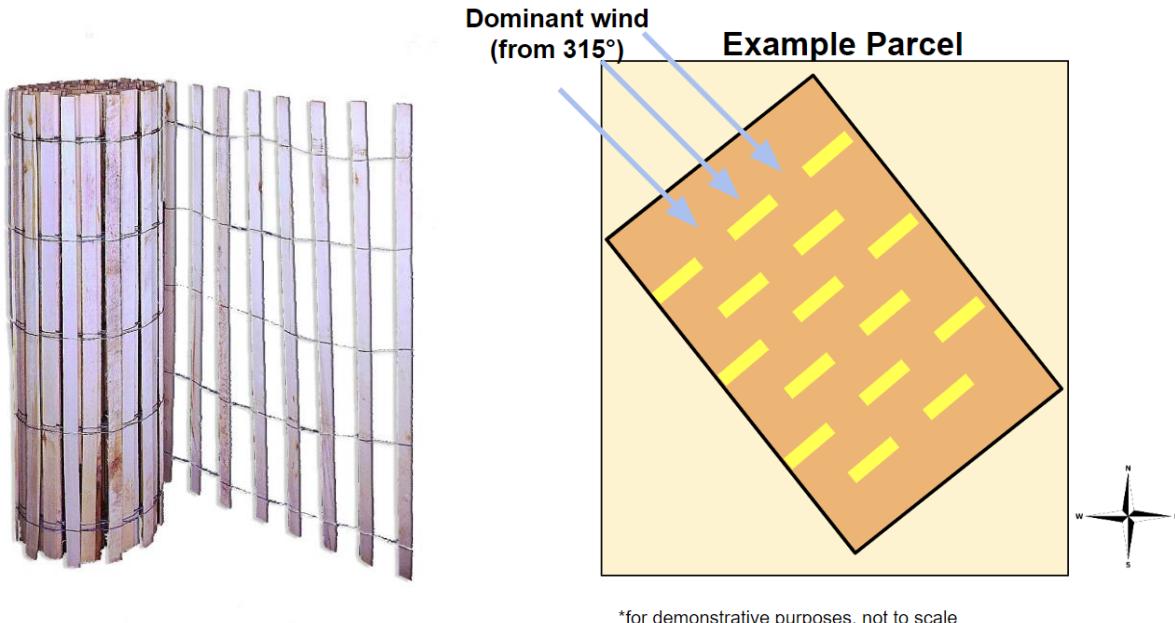


Figure 6. Conceptual representations of treatment 4 (temporary sand fence).

SCHEDULE

A schedule of study permitting and approvals, installation and monitoring is shown in Table 1.

TABLE 1. BRUSH FENCE STUDY SCHEDULE

Activity	2023			2024			2025	
	Summer	Fall	Winter	Spring	Summer	Fall	Winter	
Regulatory review and county approval	X							
Landowner lease agreement and County approval	X							
Study installation		X						
UAV flight		X				X		
Native plant seeding (if feasible)			X					
Field monitoring and reporting		X		X	X	X	X	

TRANSFER OF WATER RIGHTS:**TRANSFER OF ANNUAL ALLOCATION OR CARRYOVER****BORREGO SPRINGS WATERMASTER**

23692 Birtcher Drive, Lake Forest, CA 92630,

Tel. 949-420-3030, borregoSpringsWM@westyost.com

Pursuant to Section III.I of the Stipulated Judgment—filed in the Superior Court of the State of California, County of Orange on April 8, 2021 (Case No. 37-2020-00005776)—all Baseline Pumping Allocations (BPA) may be transferred or leased by and among Parties to the Judgment who are in good standing with the Watermaster. Carefully review Section III.I prior to completing this form.

Section 1. Transfer Overview and Signature. To be filled out by Parties* to the Transfer.

*a Transferee who is not a Party to the Judgment must Intervene as a Party as a condition of completing any Lease or Transfer

Borrego Water District _____ ("Transferor") has transferred rights to

Borrego Springs Unified School District _____ ("Transferee"). The Transfer is effective in

Water Year 2022 and the transferred amount includes:

0 acre-feet of Transferor's Annual Allocation of BPA

19.55 acre-feet of Transferor's Carryover Rights**

** Transferred Carryover rights are subject to all relevant terms and conditions of the Judgment applicable to Carryover

Carryover Rights for Transfer of Annual Allocation: *not applicable to this transfer because its Carryover only*

Transfer of Annual Allocation includes Carryover rights. Transferee may make an election of Carryover for any unpumped Annual Allocation transferred, up to a maximum of (choose one) _____ percent or _____ acre-feet of the eligible Carryover rights. Transferor may make an election for purchase of any eligible Carryover not elected for purchase by Transferee.

Transfer excludes Carryover rights. Only Transferor may make an election to purchase Carryover for any unpumped Annual Allocation afforded by the Lease.

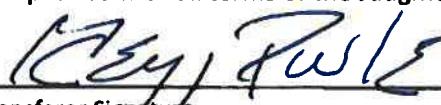
The transferred rights are assigned for use at:

Those parcel(s) and well(s) listed in Exhibit 4 for Transferee

The parcel(s) and well(s) listed in the attached map or exhibit (prepared by applicant)

Transferor Transferee is responsible for payment of applicable pumping assessments

I hereby certify that I have read and reviewed Section III.I of the Stipulated Judgment and am in compliance with all terms of the Judgment pertaining to metering and reporting of pumping.



Transferor Signature

Its: General Manager

Date: 11-27-23



Transferee Signature

Its: Superintendent

Date: 11/28/23

TRANSFER OF WATER RIGHTS:

TRANSFER OF ANNUAL ALLOCATION OR CARRYOVER

BORREGO SPRINGS WATERMASTER

23692 Birtcher Drive, Lake Forest, CA 92630,

Tel. 949-420-3030, BorregoSpringsWM@westyost.com**Section 2. General Information on Transferor and Transferee. To be filled out by Parties* to the Transfer.**

Yes No Transferee is a Party to the Judgment

Yes No Transferor is in good standing with the Watermaster
If not, explain: _____

Yes No Transferee is in good standing with the Watermaster
If not, explain: _____

Yes No The transferred amounts are viable based on the available pumping rights of the transferor

Section 3. Watermaster Review and Signature. To be completed by Watermaster Staff.

I hereby certify that I have reviewed the documents and confirmed the information provided by the Transferor and Transferee. By signature below, it is deemed that the Transfer of Annual Allocation or Carryover is:

approved without requirement of further action

approved subject to curing the criteria listed in the attached finding. Failure to address these criteria within the stated Cure Period, will result in reversal or potential forfeiture of the Transfer.

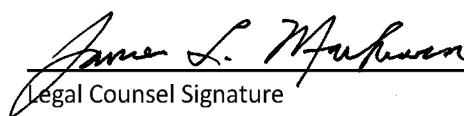
I hereby certify that I have reviewed the documents and information provided and verified that the terms of the lease comply with the terms laid out in Stipulated Judgment Section III.I.



Executive Director Signature

Name: Samantha Adams _____

Date: December 7, 2023 _____



Legal Counsel Signature

Name: James L. Markman _____

Date: December 8, 2023 _____



James L. Markman

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F 714.990.6230
E jmarkman@rwglaw.com

1 Civic Center Circle, PO Box 1059
Brea, California 92822-1059
rwglaw.com

MEMORANDUM

TO: Watermaster Board and Samantha Adams, Executive Director

FROM: James L. Markman

DATE: December 11, 2023

SUBJECT: Consideration of Judgment Amendments (or other treatment) on Carryover Transfers, Involuntary Transfers and Public Representative on Watermaster Appointment of Member of TAC

Below is an update on the each of the issues discussed with the Watermaster Board which could require a Judgment Amendment.

1. As to the Carryover transfers, I have provided suggested language to lock in the constraints which will preclude the proliferation of carryover rights. And, stated below is an amended version which is recommended to be implemented, either with a policy resolution or a Judgment amendment. The new draft of the language would be the first three sentences of a modified section III B of the Judgment to read as follows:

“B. Unused Annual Allocation may be carried over for use in subsequent Water Years as Carryover if the Pumping Assessment is paid in the current year, subject to the restrictions on the amount and duration of Carryover specified below. The maximum quantity of Carryover which a Pumper may accrue is equal to two times the amount of BPA held at any time by that Pumper. Further, excepting only Carryover held by BWD or a mutual water company, any portion of Carryover held by a Pumper must be allocated to a parcel as to which BPA is allocated in an amount equal to or more than two times the total amount of Carryover allocated to that parcel....”

We could produce a policy resolution to interpret the Judgment constraint, utilizing almost identical language which, of course, would save a substantial amount of work when compared to a Judgment amendment which must be presented the Court and agreed to and approved by the Court.

Watermaster Board and Samantha Adams,
Executive Director
December 11, 2023

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2. Our review of the Judgment and the water adjudication act indicates we do not need to modify the Judgment in order to restrict the transfer of water rights to parties to the Judgment in good standing on fees owed and other obligations discharged. This is due to the fact that the Judgment is recorded and has sufficient language in it to provide notice of these provisions to any person intending to buy property at a foreclosure sale that the use of water on the property is constrained per the provisions of the Judgment. An "in rem" Judgment applies to the use of described property and we believe its provisions are not overridden by a foreclosure proceeding. Section III.1(9)(b) of the Judgment directly holds the transferor and transferee to be jointly and severally liable for the payment of all assessments. This provision seems definitive.
3. Following is a proposed amendment to Section IV G. 1. of the Judgment dealing with TAC membership.

"...Membership of the Technical Advisory Committee will be open to an expert hired by any Party holding BPA or the County or designated by the public/community representative to the Watermaster board. No costs of including the TAC member designated by the public/community representative shall be borne directly or indirectly by the Watermaster."

We look forward to a Board discussion and direction on how to proceed with each of the issues presented in this memo.

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**Borrego Springs Watermaster
Board of Directors Meeting
December 14, 2023
AGENDA ITEM IV.B**

To: Board of Directors
From: Samantha Adams, Executive Director
Date: December 11, 2023
Subject: Consideration of Approval of Amendment to Water Year 2024 Budget

Recommended Action **Provide Direction to Staff** **Information and Discussion**
 Fiscal Impact **Cost Estimate: \$**

Recommended Action

Approve the Amended Water Year (WY) 2024 Budget, which includes approval of the following:

- Increase the amount of WY 2024 operating expenditures by carrying forward \$152,086 of unspent budget from WY 2023. The carry forward budget includes:
 - \$71,088 for technical services provided by West Yost for the Redetermination of the Sustainable Yield by 2025 (grant-reimbursable)
 - \$80,998 for professional biologist services provided by Land IQ for the biological restoration study (grant-reimbursable)
- Amended WY 2024 Budget Table 1 reflecting the increased expenditures
- Amended Statement of Work No. 6 for West Yost Administrative and Technical Services for WY 2024
- Amendment No. 9 to the Borrego Springs Watermaster and West Yost Professional Services Agreement to incorporate Amended Statement of Work No. 6 into the agreement

Fiscal Impact: Relative to the original WY 2024 Budget, the increased expenditures related to the carry forward budget will **not** require an increase in the Pumping Assessments because the work was already assessed and paid for in WY 2023.

Background

At its June 14, 2023 meeting the Watermaster approved the WY 2024 Budget. The WY 2024 line-item budget for certain multi-year grant-reimbursable projects that began in WY 2022 or WY 2023 was based on the anticipated progress of the work through the end of WY 2023. At the November 9, 2023

meeting, staff reported on the final WY 2023 Budget status, noting that two grant-reimbursable project efforts were significantly underbudget in WY 2023 due to being behind schedule¹:

- Technical Work to Support the 5-Year Update of the Sustainable Yield (West Yost task)
 - WY 2023 Budget = \$146,322
 - Actual Spent = \$75,233.50
 - Remaining Budget = \$71,088.50
- The EWG Biological Restoration of Fallow Lands project (Land IQ and West Yost task)
 - WY 2023 Budget = \$ 378,301
 - Actual Spent = \$257,747.52
 - Remaining Budget = \$120,553.48

For both projects, Staff reported that the work anticipated to be completed in WY 2023 now needs to be performed in WY 2024 and so it is expected that both projects will show as over-budget in WY 2024. As such, Staff recommended the Board consider amending the WY 2024 budget to “carry forward” unspent budget from WY 2023 for these two tasks, noting that all of the work is grant-reimbursable and is expected to be completed within the grant reimbursable period (through March 2025). The Board directed staff to bring a draft budget amendment for consideration at the December Board meeting.

The purpose of this memo is to present the draft amended WY 2024 Budget for consideration of approval.

Amended WY 2024 Budget

Table 1 summarizes the proposed amended line-item operating budget, including revenues, expenditures, deferred payment liabilities to West Yost and Land IQ, and cash reserves for WY 2024 and the projected budgets in these categories for WYs 2025 through 2028. Table 2 shows the comparison of the original WY 2024 Budget to the proposed amended WY 2024 Budget. The changes include:

- Increase to the Technical/Engineering Services line item for *Technical Work to Support Sustainable Yield Updates* in the amount of \$71,088.
 - Original WY 2024 Budget was \$200,240
 - Amended WY 2024 Budget is \$271,328
- Increase to the Environmental Work Group line item for *Biological Restoration of Fallow Lands* in the amount of \$80,998

¹ In the November 9, 2023 staff memorandum *Review of Final Budget Status for Water Year 2023*, Staff incorrectly reported that the Sustainable Yield project was under budget due in part to performing individual tasks under the budgeted amount for WY 2023. The actual driver of the under-budget status was being behind schedule relative to what had been planned for WY 2023. The under-budget work for tasks completed in WY 2023 was only on the order of about \$1,500.

- Original WY 2024 Budget was \$265,394
- Amended WY 2024 Budget is \$346,393
- Corrections for two-line items that reflected incorrect values in the original WY 2024 Budget (*Groundwater Monitoring Program* and *Address Inactive Wells via Abandonment or Conversion*). The corrections have a net \$0 impact to budget amounts.

The Watermaster's financial model was updated with a revised monthly spending and reimbursement projection that reflects the increased budget amounts for WY 2024. The financial model retained the same assumptions applied for the original WY 2024 Budget approval, with the exception of a correction made to the upper limit of the Land IQ payment terms². As shown in the Table 2 comparison of the original and proposed amended budget, the revised budget, spending, and reimbursement projection resulted in changes to the WY 2024 Budget related to the Liabilities on Payment Terms, interest on deferred payments, and Cash Reserve balances.

Relative to the original WY 2024 Budget, the increased expenditures related to the carry forward budgets will not necessitate an increase in the Pumping Assessment because the work was already assessed and paid for in WY 2023.

Recommendation

Staff recommends the Board approve the Amended Water Year 2023 Budget as presented in Table 1. The alternative is for the Board to take no action to amend the WY 2024 budget but acknowledge that the two noted tasks will show as overbudget in WY 2024. The over budget amounts are expected to be equal to the carry forward amounts referenced above (combined \$152,086).

If the proposed Amended WY 2024 Budget is approved, the associated West Yost Statement of Work Number 6 (SOW No. 6) would need to be updated with the revised budget amounts and incorporated into the West Yost Professional Services agreement. Staff recommends approving these items as part of the approval of the Amended WY 2024 Budget. The draft Amended SOW No. 6 and Amendment No. 9 to the Borrego Springs Watermaster and West Yost Professional Services Agreement are enclosed for consideration.

In summary, the approval of the Amended Water Year 2024 Budget, includes approval of the following:

- Increase the amount of WY 2024 operating expenditures by carrying forward 152,086 of unspent budget from WY 2023. The carry forward budget includes:
 - \$71,088 for technical services provided by West Yost for the Redetermination of the Sustainable Yield by 2025
 - \$80,998 for professional biologist services provided by Land IQ for the biological restoration study

² The corrected payment terms reflect a maximum allowable deferred payment of \$200,000.

- Amended WY 2024 Budget Table 1 reflecting the increased expenditures, corrections, and associated changes to liabilities and cash reserves
- Amended SOW No. 6 for West Yost Administrative and Technical Services for WY 2024
- Amendment No. 9 to the Borrego Springs Watermaster and West Yost Professional Services Agreement to incorporate Amended Statement of Work No. 6 into the agreement.

No amendments to the contract with Land IQ are needed as part of the WY 2024 Budget amendment because the contract does not specify annual budgets or statements of work as is done for West Yost; it only references the total budget of the grant for the entirety of the grant period (through March 2025).

Enclosures

Table 1 - *Amended WY 2024 Budget: Five-Year Projection of Borrego Springs Watermaster Operating Budget (WY 2024 through 2028)*

Table 2 – *Comparison of the Proposed Amended WY 2024 Budget to the Original WY 2024 Budget, as Approved June 14, 2023*

Amended Statement of Work No. 6: West Yost Administrative and Technical Services for the Borrego Springs Watermaster – Water Year 2024

Amendment No. 9 to that Agreement Entitled “Borrego Springs Watermaster Professional Services Agreement”

Table 1

Amended WY 2024 Budget: Five-Year Projection of Borrego Springs Watermaster Operating Budget (WY 2024 through 2028)
Assuming Vendor Extended Payment Terms, 8-Month Delay in DWR Grant Request Reimbursements, and 7-month Operating Reserve Target

Revenues, Expenditures, and Reserves	WY 2023 Budget	Actual WY 2023	Amended WY 2024	Projected Budget ¹			
				WY 2025	WY 2026	WY 2027	WY 2028
Revenues²	\$ 649,281	\$ 1,544,962	\$ 1,713,460	\$ 853,217	\$ 256,863	\$ 517,069	\$ 517,281
Pumping Assessments Collected	\$ 658,000	\$ 649,021	\$ 458,000	\$ 250,000	\$ 250,000	\$ 510,000	\$ 510,000
Bad Debt (non-payment on Assessments)	\$ (15,000)		\$ (4,000)	\$ -	\$ -	\$ -	\$ -
Overproduction Penalty Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues Collected for Pass thru Expenses	\$ 6,281	\$ 6,895	\$ 6,469	\$ 6,664	\$ 6,863	\$ 7,069	\$ 7,281
DWR Prop 68 Grant Reimbursements ³	\$ -	\$ 889,046	\$ 1,252,991	\$ 596,553	\$ -	\$ -	\$ -
Total Expenditures⁴	\$ 1,241,730	\$ 981,677	\$ 1,677,205	\$ 1,097,870	\$ 556,837	\$ 548,640	\$ 563,825
Administrative Services	\$ 333,973	\$ 306,503	\$ 402,861	\$ 376,848	\$ 244,290	\$ 227,317	\$ 233,461
Watermaster Staff Admin Services	\$ 237,772	\$ 220,480	\$ 280,284	\$ 263,872	\$ 188,242	\$ 193,890	\$ 199,706
Board Meetings	\$ 92,508	\$ 88,542	\$ 101,120	\$ 104,153	\$ 80,000	\$ 82,400	\$ 84,872
Technical Advisory Committee Meetings	\$ 29,590	\$ 27,511	\$ 45,326	\$ 30,000	\$ 23,175	\$ 23,870	\$ 24,586
Court Hearings	\$ 5,668	\$ 1,198	\$ 4,016	\$ 4,136	\$ 4,261	\$ 4,388	\$ 4,520
Stakeholder Outreach/Workshops	\$ 12,206	\$ 12,169	\$ 12,590	\$ 12,954	\$ 6,000	\$ 6,180	\$ 6,365
Administration and Management	\$ 67,800	\$ 58,473	\$ 72,628	\$ 72,628	\$ 74,807	\$ 77,051	\$ 79,363
Prop 68 Project Admin and Grant Reporting	\$ 30,000	\$ 32,587	\$ 44,604	\$ 40,000	\$ -	\$ -	\$ -
Other Administrative or Vendor Services	\$ 93,226	\$ 83,048	\$ 122,577	\$ 112,976	\$ 56,048	\$ 33,427	\$ 33,755
Financial Audit	\$ 8,555	\$ 8,425	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255
Insurance	\$ 35,651	\$ 33,197	\$ 40,474	\$ 41,688	\$ 42,939	\$ 20,000	\$ 20,000
Misc. Expenses	\$ 5,000	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Meter Accuracy Testing Vendors	\$ 13,000	\$ 12,600	\$ 13,500	\$ 14,000	\$ -	\$ -	\$ -
Interest on Vendor Terms During Prop 68 Grant Period ⁵	\$ 31,020	\$ 28,826	\$ 56,103	\$ 44,488	\$ -	\$ -	\$ -
Pass Through Expenses	\$ 2,975	\$ 2,975	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursement to Settling Parties	\$ 716	\$ 716	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursement to BWD for GSP	\$ 2,259	\$ 2,259	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services	\$ 100,000	\$ 78,829.12	\$ 100,000	\$ 103,000	\$ 106,090	\$ 109,273	\$ 112,551

Table 1
Amended WY 2024 Budget: Five-Year Projection of Borrego Springs Watermaster Operating Budget (WY 2024 through 2028)
Assuming Vendor Extended Payment Terms, 8-Month Delay in DWR Grant Request Reimbursements, and 7-month Operating Reserve Target

Revenues, Expenditures, and Reserves	WY 2023 Budget	Actual WY 2023	Amended WY 2024	Projected Budget ¹			
				WY 2025	WY 2026	WY 2027	WY 2028
Technical/Engineering Services	\$ 417,406	\$ 331,047	\$ 815,386	\$ 453,880	\$ 179,594	\$ 184,981	\$ 190,531
General Technical Consultant Services	\$ 203,762	\$ 196,029	\$ 403,556	\$ 366,736	\$ 169,146	\$ 174,220	\$ 179,447
Coordinate/Implement meter reading program	\$ 30,893	\$ 28,753	\$ 30,388	\$ 31,634	\$ 26,889	\$ 27,696	\$ 28,526
Groundwater Monitoring Program	\$ 87,180	\$ 90,524	\$ 111,151	\$ 101,940	\$ 60,000	\$ 61,800	\$ 63,654
Data Management and Data Reporting	\$ 18,083	\$ 11,933	\$ 19,890	\$ 16,567	\$ 14,910	\$ 15,357	\$ 15,818
Annual Report to the Court and DWR	\$ 52,442	\$ 53,028	\$ 50,936	\$ 49,276	\$ 50,755	\$ 52,277	\$ 53,846
Address Inactive Wells via Abandonment/Conversion	\$ -	\$ 2,885	\$ 175,551	\$ 151,210	\$ -	\$ -	\$ -
As-needed technical support	\$ 15,164	\$ 8,907	\$ 15,640	\$ 16,109	\$ 16,592	\$ 17,090	\$ 17,603
Grant services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consulting Services with TAC Support/Input	\$ 213,644	\$ 135,018	\$ 411,830	\$ 87,144	\$ 10,448	\$ 10,761	\$ 11,084
Technical Work to Support Sustainable Yield Updates	\$ 146,322	\$ 75,234	\$ 271,328	\$ 17,655	\$ -	\$ -	\$ -
Development of Work Plan for an Expanded	\$ 46,392	\$ 49,013	\$ -	\$ -	\$ -	\$ -	\$ -
Groundwater Quality & Level Monitoring Workplan							
TSS Grant Implementation (new monitoring well)	\$ 11,000	\$ 10,771	\$ -	\$ -	\$ -	\$ -	\$ -
5-Year Update of the GMP (required by DWR)	\$ -	\$ -	\$ 130,654	\$ 59,346	\$ -	\$ -	\$ -
Address Ad Hoc Requests from the Board	\$ 9,930	\$ -	\$ 9,848	\$ 10,143	\$ 10,448	\$ 10,761	\$ 11,084
Environmental Working Group	\$ 384,070	\$ 257,748	\$ 352,489	\$ 157,479	\$ 20,000	\$ 20,000	\$ 20,000
Biological Restoration of Fallow Lands	\$ 378,301	\$ 257,748	\$ 346,393	\$ 151,200	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
Ad Hoc Requests and EWG Meetings	\$ 5,769	\$ -	\$ 6,096	\$ 6,279	\$ 20,000	\$ 20,000	\$ 20,000
Services to Parties with Manual Read Meters	\$ 6,281	\$ 7,551	\$ 6,469	\$ 6,664	\$ 6,863	\$ 7,069	\$ 7,281

Table 1
Amended WY 2024 Budget: Five-Year Projection of Borrego Springs Watermaster Operating Budget (WY 2024 through 2028)
Assuming Vendor Extended Payment Terms, 8-Month Delay in DWR Grant Request Reimbursements, and 7-month Operating Reserve Target

Revenues, Expenditures, and Reserves	WY 2023 Budget	Actual WY 2023	Amended WY 2024	Projected Budget ¹			
				WY 2025	WY 2026	WY 2027	WY 2028
Liabilities on Payment Terms⁶							
Beginning Balance	\$ -	\$ -	\$ 749,184	\$ 355,088	\$ -	\$ -	\$ -
Minimum Monthly Balance	\$ -	\$ -	\$ 280,718	\$ -	\$ -	\$ -	\$ -
Maximum Monthly Balance	\$ 877,108	\$ 749,184	\$ 750,000	\$ 631,781	\$ -	\$ -	\$ -
Year-End Balance	\$ 877,108	\$ 749,184	\$ 355,088	\$ 91,970	\$ -	\$ -	\$ -
Cash Reserves⁷							
Beginning Cash Reserves	\$ 523,518	\$ 523,518	\$ 889,614	\$ 612,825	\$ 612,825	\$ 489,325	\$ 459,686
Year-End Cash Reserve Balance	\$ 810,229	\$ 889,614	\$ 612,825	\$ 612,825	\$ 489,325	\$ 459,686	\$ 424,230
<u>Average Reserve Needed During the Year to Maintain Target Operating Expenses (7-9 months)</u>	<u>\$ 723,330</u>		<u>\$ 786,468</u>	<u>\$ 612,825</u>	<u>\$ 416,091</u>	<u>\$ 414,327</u>	<u>\$ 422,869</u>
Minimum Month-End Reserve Balance	\$ 581,550		\$ 603,744	\$ 583,276	\$ 425,475	\$ 387,563	\$ 387,563
Average Month-End Reserve Balance	\$ 691,162		\$ 773,773	\$ 603,777	\$ 521,248	\$ 477,626	\$ 479,527
Variance from Desired Reserve	\$ (32,168)		\$ (12,695)	\$ (9,048)	\$ 105,157	\$ 63,298	\$ 56,658

Notes

- 1-- The projected budget is estimated based on Staff's best professional judgement as to how the cost of each line item will change over time. Some tasks increase at an assumed inflation rate of 3%; some tasks decrease in cost with efficiencies, followed by annual inflation increases; and some tasks fluctuate year to year based on the level of effort for non-routine work such as Sustainable Yield updates. For grant funded work, the projection matches the total allowable grant reimbursement.
- 2-- Revenues shown are the amounts invoiced by Watermaster to pumpers, or in the case of the DWR grant, they are the amounts that are eligible for reimbursement, during the Water Year. In the case of the DWR Reimbursements, payment on the reimbursement requests are actually delayed by 8 months from request date. This delay in payment is taken into consideration in the financial model to determine when to defer or pay on vendor invoices to maintain the target cash reserves.
- 3-- A total of \$2,738,590 was awarded for Watermaster projects. See also Note 2.
- 4-- Expenditures in green are **partially reimbursed** by the Prop 68 grant. Expenditures in blue are **fully reimbursed** by the Prop 68 grant. Expenditures in bold purple text are **costs that would not have been incurred** absent the Prop 68 grant. Expenditures in bold red text are amended compared to the original WY 2024 Budget.
- 5-- Combined interest to West Yost and Land IQ under proposed Payment Terms allowing an outstanding balance of up to \$550,000 per vendor in any 30-day period.
- 6-- Reflects balances owed to West Yost and Land IQ under Payment Terms allowing outstanding balances of \$550,000 and \$200,000, respectively, in any 30-day period.
- 7-- The cash reserve projections are based on the monthly financial model prepared by Watermaster Staff to support extended payment terms with West Yost and Land IQ, based on expected timing of receipt of payment on Watermaster assessments and reimbursement requests and deferred payments to West Yost and Land IQ.

Table 2
Comparison of the Proposed Amended WY 2024 Budget to the Original WY 2024 Budget, as Approved June 14, 2023

Revenues, Expenditures, and Reserves	WY 2024 Original Approved Budget	Proposed Amended WY 2023 Budget	Variance (Amended minus Original)	Notes on Changes in Amended WY 2023 Budget
Revenues	\$ 1,561,374	\$ 1,713,460	\$ 152,086	
Pumping Assessments Collected	\$ 458,000	\$ 458,000	\$ -	
Bad Debt (non-payment on Assessments)	\$ (4,000)	\$ (4,000)	\$ -	
Overproduction Penalty Assessments	\$ -	\$ -	\$ -	
Revenues Collected for Pass thru Expenses	\$ 6,469	\$ 6,469	\$ -	
DWR Prop 68 Grant Reimbursements	\$ 1,100,904	\$ 1,252,991	\$ 152,086	Increase due to increased spending on grant tasks with carry forward budget
Total Expenditures	\$ 1,527,952	\$ 1,677,205	\$ 149,252	
Administrative Services	\$ 405,695	\$ 402,861	\$ (2,834)	
<i>Watermaster Staff Admin Services</i>	\$ 280,284	\$ 280,284	\$ -	
<i>Board Meetings</i>	\$ 101,120	\$ 101,120	\$ -	
<i>Technical Advisory Committee Meetings</i>	\$ 45,326	\$ 45,326	\$ -	
<i>Court Hearings</i>	\$ 4,016	\$ 4,016	\$ -	
<i>Stakeholder Outreach/Workshops</i>	\$ 12,590	\$ 12,590	\$ -	
<i>Administration and Management</i>	\$ 72,628	\$ 72,628	\$ -	
<i>Prop 68 Project Admin and Grant Reporting</i>	\$ 44,604	\$ 44,604	\$ -	
<i>Other Administrative or Vendor Services</i>	\$ 125,411	\$ 122,577	\$ (2,834)	
<i>Financial Audit</i>	\$ 10,000	\$ 10,000	\$ -	
<i>Insurance</i>	\$ 40,474	\$ 40,474	\$ -	
<i>Misc. Expenses</i>	\$ 2,500	\$ 2,500	\$ -	
<i>Meter Accuracy Testing Vendors</i>	\$ 13,500	\$ 13,500	\$ -	
<i>Interest on Vendor Terms During Prop 68 Grant Period</i>	\$ 58,937	\$ 56,103	\$ (2,834)	Decreased as a result of change in financial model projection of spending/payments
<i>Pass Through Expenses</i>	\$ -	\$ -	\$ -	
<i>Reimbursement to Settling Parties</i>	\$ -	\$ -	\$ -	
<i>Reimbursement to BWD for GSP</i>	\$ -	\$ -	\$ -	
Legal Services	\$ 100,000	\$ 100,000	\$ -	

Table 2
Comparison of the Proposed Amended WY 2024 Budget to the Original WY 2024 Budget, as Approved June 14, 2023

Revenues, Expenditures, and Reserves	WY 2024 Original Approved Budget	Proposed Amended WY 2023 Budget	Variance (Amended minus Original)	Notes on Changes in Amended WY 2023 Budget
Technical/Engineering Services	\$ 744,298	\$ 815,386	\$ 71,088	
General Technical Consultant Services	\$ 403,556	\$ 403,556	\$ -	
Coordinate/Implement meter reading program	\$ 30,388	\$ 30,388	\$ -	
Groundwater Monitoring Program	\$ 99,151	\$ 111,151	\$ 12,000	Corrected to reflect error in WY 2024 Budget (transferred from Abandoned Wells)
Data Management and Data Reporting	\$ 19,890	\$ 19,890	\$ -	
Annual Report to the Court and DWR	\$ 50,936	\$ 50,936	\$ -	
Address Inactive Wells via Abandonment/Conversion	\$ 187,551	\$ 175,551	\$ (12,000)	Corrected to reflect error in WY 2024 Budget (transferred to monitoring program)
As-needed technical support	\$ 15,640	\$ 15,640	\$ -	
Grant services	\$ -	\$ -	\$ -	
Consulting Services with TAC Support/Input	\$ 340,742	\$ 411,830	\$ 71,088	
Technical Work to Support Sustainable Yield Updates	\$ 200,240	\$ 271,328	\$ 71,088	Increased to reflect carry forward budget from WY 2023
Development of Work Plan for an Expanded Groundwater Quality & Level Monitoring Workplan	\$ -	\$ -	\$ -	
TSS Grant Implementation (new monitoring well)	\$ -	\$ -	\$ -	
5-Year Update of the GMP (required by DWR)	\$ 130,654	\$ 130,654	\$ -	
Address Ad Hoc Requests from the Board	\$ 9,848	\$ 9,848	\$ -	
Environmental Working Group	\$ 271,490	\$ 352,489	\$ 80,998	
Biological Restoration of Fallowed Lands	\$ 265,394	\$ 346,393	\$ 80,998	Increased to reflect carry forward budget from WY 2023
Ad Hoc Requests and EWG Meetings	\$ 6,096	\$ 6,096	\$ -	
Services to Parties with Manual Read Meters	\$ 6,469	\$ 6,469	\$ -	
Liabilities on Payment Terms	\$ -	\$ -		
Beginning Balance	\$ 877,108	\$ 749,184	\$ (127,924)	Adjusted to show beginning balance as actual as of 10/1/23
Minimum Monthly Balance	\$ 305,790	\$ 280,718	\$ (25,072)	Changes resulted from change to spending projection with carry forward budget
Maximum Monthly Balance	\$ 871,840	\$ 750,000	\$ (121,840)	Changes resulted from change to spending projection with carry forward budget
Year-End Balance	\$ 305,790	\$ 355,088	\$ 49,298	Changes resulted from change to spending projection with carry forward budget
Cash Reserves	\$ -	\$ -		
Beginning Cash Reserves	\$ 842,513	\$ 889,614	\$ 47,101	Adjusted to show beginning balance as actual as of 10/1/23
Year-End Cash Reserve Balance	\$ 619,387	\$ 612,825	\$ (6,562)	Changes resulted from change to spending projection with carry forward budget
Average Reserve Needed During the Year to Maintain Target Operating Expenses (7-9 months)	\$ 758,197	\$ 786,468	\$ 28,271	Changes resulted from change to spending projection with carry forward budget
Minimum Month-End Reserve Balance	\$ 609,228	\$ 603,744	\$ (5,484)	Changes resulted from change to spending projection with carry forward budget
Average Month-End Reserve Balance	\$ 732,374	\$ 773,773	\$ 41,399	Changes resulted from change to spending projection with carry forward budget
Variance from Desired Reserve	\$ (25,822)	\$ (12,695)	\$ 13,128	Changes resulted from change to spending projection with carry forward budget

**Amended Statement of Work No. 6 (SOW No. 6):
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster – Water Year 2024**

Approved: September 14, 2023; Revised: December 14, 2023

The following describes the statement of work (SOW) No. 6 for West Yost administrative and technical services for Water Year (WY) 2024: October 1, 2023 through September 30, 2024. The attached Exhibit 1 provides the line-item cost estimate detail for each task and sub-task in SOW No. 6, including labor, subconsultants, and other direct charges. Exhibit 1 was included in the Amended WY 2024 Budget approved by the Board of Directors at its December 14, 2023 Board meeting. The total budget for SOW No. 6 is \$1,122,788 and is broken into the following major Tasks:

- Task 1 – Meetings and Court Hearings.
- Task 2 – Watermaster Administration and Management
- Task 3 – Engineering and Technical Services
- Task 4 – Environmental Working Group
- Task 5 – Services Reimbursed by Parties with Manual-read Meters

The tasks and subtasks are described in this SOW No. 6.

Of importance to funding SOW No. 6 is a recent award of grant funding by the CA Department of Water Resources (DWR) as part of its Sustainable Groundwater Management (SGMA) Implementation Grant Program funded by Proposition 68. With this grant funding, the Borrego Springs Watermaster can offset the cost of certain work it will perform in WY 2024 (such as preparation of the annual report) and perform work that it would not otherwise have funding to complete (such as a project to study the potential for biologic restoration of fallowed farmlands in the Borrego Valley).

For reimbursement purposes, it will be necessary to carefully track grant-eligible work separately from any work that cannot be reimbursed by the grant. To help staff plan and track spending in an efficient way for DWR grant reporting, the budget for each task in SOW No. 6 has been broken down into three invoice categories. Each month an invoice will be generated for West Yost's work in each of the following categories:

- Invoice 940-80-23-06: Non-reimbursable Administrative and Technical Services work (work that is not eligible for grant funding).
- Invoice 940-80-23-07: SGM Implementation Grant reimbursable work under Grant Component 7: Monitoring and Reporting
- Invoice 940-80-23-08: SGM Implementation Grant reimbursable work under Grant Component 6: Biological Restoration of Fallowed Lands

The breakdown of the total costs of SOW No. 6 across the three categories is as follows:

**Amended Statement of Work No. 6 (SOW No. 6):
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster – Water Year 2024**

Approved: September 14, 2023; Revised: December 14, 2023

Task	Task Name	Total Task Budget	Invoice 940-80-23-06 Budget (Admin and Technical)	Invoice 940-80-23-07 Budget (Monitoring & Reporting)	Invoice 940-80-23-08 Budget (Biological Restoration)
1	Meetings and Court Hearings	\$163,052	\$105,136	\$57,916	\$0
2	Watermaster Administration and Management	\$117,232	\$65,548	\$51,684	\$0
3	Engineering and Technical Services	\$815,386	\$31,888	\$783,498	\$0
4	Environmental Working Group	\$24,202	\$6,096	\$0	\$18,106
5	Services Reimbursed by Parties with Manual-read Meters	\$2,916	\$2,916	\$0	\$0
	Total	\$1,051,700	\$211,584	\$893,098	\$18,106

Task Descriptions

Task 1 – Meetings and Court Hearings. This task is to conduct or participate in Watermaster process meetings. This work includes coordinating with the Board, legal counsel, Technical Advisory Committee (TAC) members, preparing the agenda and meeting packages, preparing presentation materials, leading the meetings, and preparing minutes. There are four sub-tasks by meeting type. **Budget: \$163,052**

1.1 Board Meetings. **Budget: \$101,120** It is assumed that about 12 meetings will be held. Two meetings are planned to occur in-person in Borrego Springs, and ten meetings will be held virtually. [Invoice 940-80-23-06 – not reimbursable]

1.2 Technical Advisory Committee Meetings. **Budget: \$45,326** It is assumed that up to five virtual TAC meetings will be conducted. [Invoice 940-80-23-07 – reimbursable]

1.3 Court Hearings. **Budget: \$4,016** Preparation for and/or attendance at Court hearings, as needed. [Invoice 940-80-23-06 – not reimbursable]

1.4 Stakeholder Outreach. **Budget: \$12,590** Two in-person Stakeholder Outreach meetings will be held in Borrego Springs, timed to occur on the date of the in-person Watermaster Board meetings. [Invoice 940-80-23-07 – reimbursable]

Task 2 – Watermaster Administration and Management. The Executive Director will organize, oversee, and/or perform the administrative and management aspects of running the Watermaster and administering the Judgment, Rules and Regulations, and the Groundwater Management Plan (GMP). This includes nine subtasks. **Budget: \$117,232.**

**Amended Statement of Work No. 6 (SOW No. 6):
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster – Water Year 2024**

Approved: September 14, 2023; Revised: December 14, 2023

2.1 Prepare the Watermaster annual budget. *Budget: \$11,716* In collaboration with the TAC, prepare a draft administrative and technical budget for WY 2025 by May 2024, and finalize the budget for approval by June 2024. [Invoice 940-80-23-06 – not reimbursable]

2.2 Insurance, accounting, and financial services. *Budget: \$19,244* Obtain and maintain insurance policies (e.g., liability insurance); maintain a bank account; prepare and issue assessment invoices; prepare monthly financials; oversee the annual audit, and perform other as-requested accounting and financial services. [Invoice 940-80-23-06 – not reimbursable]

2.3 Management of Watermaster records, documents, and website. *Budget: \$7,080* Maintain a catalog of the reference documents, official correspondence, and Watermaster files and records, and store a copy of all records available for public access pursuant to the Rules and Regulations. Staff will also host and maintain the Watermaster website, including: posting notices, determinations, requests, objections, reports, and other papers pursuant to the Judgment. Staff will ensure confidential data is maintained accordingly. [Invoice 940-80-23-07 –reimbursable]

2.4 Respond to and track public information requests. *Budget: \$2,112* This includes timely response to requests for data and information from the public. All requests will be responded to and tracked in a manner consistent with any policies adopted by the Watermaster. This also includes maintaining an active list of stakeholders interested in receiving notifications regarding Watermaster activities and maintaining a current list of names and addresses of all Parties to Stipulated Agreement or their successors. [Invoice 940-80-23-06 – not reimbursable]

2.5 As-needed support to the BPA Parties. *Budget: \$10,584* This task is to provide routine support to BPA parties in compliance with the Judgment and Rules & Regulations. Watermaster staff will be available to support the Parties, as needed and within reason, to ensure they understand the Judgment requirements, such as the metering program, payment of assessments, water rights accounting, and fallowing standards. Any significant requests for support will be taken to the Board in a manner consistent with any policies adopted by the Watermaster. [Invoice 940-80-23-06 – not reimbursable]

2.6 As-needed administration of the terms of the Judgment, Rules & Regulations, and Groundwater Management Plan. *Budget: \$10,732* This includes any other as-needed performance of non-routine services to implement the Watermaster guidance documents. [Invoice 940-80-23-06 – not reimbursable]

2.7 Other general administration and project managements tasks. *Budget: \$11,160* This includes, but is not limited to, managing staff and consultants, tracking task schedules and progress, and tracking budget progress. [Invoice 940-80-23-06 – not reimbursable]

2.8 Prop 68 Grant project management and reporting. *Budget: \$44,604* This includes administration of grant-related tasks and preparing all quarterly reports and grant reimbursement requests to DWR. [Invoice 940-80-23-07 – reimbursable]

**Amended Statement of Work No. 6 (SOW No. 6):
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster – Water Year 2024**

Approved: September 14, 2023; Revised: December 14, 2023

Task 3 – Engineering and Technical Services. The objective of this task is for the Technical Consulting team to perform the technical services required by the Judgment, Rules and Regulations, and GMP for WY 2024. This includes 9 subtasks. **Budget: \$744,298.**

3.1 Coordinate and implement the meter reading program. *Budget: \$30,388* This includes:

- 3.1a – Performance and review of the required meter calibration and accuracy tests. The data will be reviewed for accuracy and QA/QC, recorded, and any delinquencies reported back to the BPA Party. [Invoice 940-80-23-07 –reimbursable]
- 3.1b – Monthly collection and processing of meter read data. The data will be reviewed for accuracy and QA/QC, recorded, and used to compute monthly pumping volumes. This task **does not** include work to coordinate and perform meter reading services at manual-read meters. That work is directly paid for by the BPA Parties with manual-read meters. [Invoice 940-80-23-07 –reimbursable]

3.2 Implement Groundwater Monitoring Program. *Budget: \$111,151* This task includes implementing the groundwater monitoring program in accordance with the 2023 Groundwater Monitoring Program. The monitoring program includes semi-annual field collection of groundwater-level measurements (manual and pressure transducer downloads), groundwater-quality samples, and field observations of surface water flow in Coyote Creek. The analytes for water-quality sampling include arsenic, fluoride, nitrate, sulfate, total dissolved solids, and all other major anions and cations. Following the field events, the field and laboratory data will be cataloged, processed into standardized formats, reviewed for QA/QC, and uploaded to the data management system (DMS), HydroDaVE. This task includes funds to purchase new water-level pressure transducers to replace older units installed in 2014. Most of this work is reimbursable, except certain travel expenses associated with overnight stays in Borrego Springs [Invoice 940-80-23-07 –reimbursable; travel expenses to Invoice 940-80-23-06 – not reimbursable]

3.3 Maintain Database Management System (HydroDaVE) for all groundwater, surface water, and climate data. *Budget: \$19,890* [Invoice 940-80-23-07 –reimbursable] This covers the work to maintain and keep the Watermaster's DMS, HydroDaVE, up-to-date including:

- Annual collection and processing of other environmental datasets relied on to manage the Basin, including precipitation, climate, surface-water quality, municipal well water quality, and others
- As-needed services to continue to build out the DMS (design custom reports, load new shapefiles, upload newly identified legacy data, build out library, etc.)
- Loading of data to the DWR's Monitoring Network (MNW) data portal twice per year following the fall and spring monitoring events described in Task 3.2

3.4 Prepare Combined Annual Report to Court and DWR. *Budget: \$50,936* Prepare the draft and final annual report pursuant to the requirements of Section IV.E(5)(b) of the Judgment and Section 4.2.8 of the Rules and Regulations. This includes performance of annual accounting of water rights

**Amended Statement of Work No. 6 (SOW No. 6):
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster – Water Year 2024**

Approved: September 14, 2023; Revised: December 14, 2023

to compute the annual pumping assessment for each Party for WY 2024. [Invoice 940-80-23-07 – reimbursable]

3.5 Address inactive wells via proper abandonment or conversion to monitoring well (outreach and cost estimating). *Budget: \$175,551* The objective of this task to identify improperly abandoned wells, and if accessible through an easement or other access agreement, determine the costs to either properly abandon the wells or convert them to Watermaster monitoring wells. [Invoice 940-80-23-07 –reimbursable]

3.6 As-needed technical support for implementation of the Judgment, Rules and Regulations, and Groundwater Management Plan. *Budget: \$15,640* This includes any other as-needed performance of non-routine technical services to implement the Watermaster guidance documents, such as updating forms and protocols, educating the Board and TAC on Best Management Practices, analysis of data, processing well applications, or use of the Borrego Valley Hydrologic Model (BVHM). [Invoice 940-80-23-06 – not reimbursable]

3.7 Technical Work to Support Update of Sustainable Yield. *Budget: \$200,240* [Invoice 940-80-23-07 –reimbursable] This work involves building on the work performed by the TAC in WY 2023 to update the model, improve the ability of the model to estimate groundwater pumping, and redetermine the Sustainable Yield by 2025. The final scope of work for WYs 2023 and 2024 was approved by the Board at its February 9, 2023 meeting and includes the following activities in WY 2024:

- Perform Model Recalibration. During model calibration, the values of aquifer parameters and, if needed, the water-use factors in the Farm Process (FMP) will be adjusted to minimize the differences between the model estimated and measured pumping and head values using the parameter estimation code PEST. The calibration results will include time series of simulated vs. measured values, along with calibration statistics and calculated residuals.
- Determine the Sustainable Yield by 2025. This task will be initiated, but not completed during WY 2024. In coordination with the TAC, projection scenarios and methods to interpret model results will be proposed. Once the projection scenarios and methods for redetermining the Sustainable Yield are finalized, the projection scenarios will be constructed and run with the BVHM. A report describing the methods, results, and the TAC recommendation for the redetermined Sustainable Yield will be presented to the Watermaster Board for their consideration.

3.8 Begin Five-Year Update of the Groundwater Management Plan. *Budget: \$130,654* This task will be initiated, but not completed during WY 2024. This objective of this task to support the five-year update of the Groundwater Management Plan (GMP), as mandated by SGMA. This task will include coordination with the DWR, the Watermaster Board, and the TAC. [Invoice 940-80-23-07 –reimbursable]

**Amended Statement of Work No. 6 (SOW No. 6):
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster – Water Year 2024**

Approved: September 14, 2023; Revised: December 14, 2023

3.9 Address Ad Hoc Requests of TAC from the Board. *Budget: \$9,848* From time to time, the Board may request activities or special studies for the TAC to complete. These ad hoc activities are undefined and will only be performed as requested. [Invoice 940-80-23-06 – not reimbursable]

Task 4 – Environmental Working Group. The objective of this task is to support the activities of the Environmental Working Group (EWG). This includes eight subtasks. *Budget: \$24,202*.

4.1 Biological Restoration of Fallowed Lands. *Budget: \$18,106* The objective of this project, which is being performed by Land IQ under direct contract to the Watermaster, is to develop guidance on techniques to mitigate the potential adverse impacts associated with the fallowing of lands that is expected to occur within the Basin. The project includes analyzing existing data and information, conducting field reconnaissance, and assessing test cases of biological restoration techniques at existing fallowed lands within the Basin. A final technical report will describe and document the results, conclusions, and recommendations; the biological restoration strategies that are expected to be most effective within the Basin; and a prioritization of land parcels for biological restoration. This is a multi-year project that began WY 2023, will continue throughout WY 2024, and be completed by the end of the grant reimbursement period in WY 2025. This budget is for West Yost to perform technical review and contract management of Land IQs work; and to support hosting of EWG meetings to review project deliverables and progress. [Invoice 940-80-23-08 – reimbursable]

4.2 Prepare for and attend EWG Meetings and Address Ad Hoc Requests. *Budget: \$6,096* This includes up to one virtual meeting to conduct EWG business not related to the Biological Restoration study. Additionally, the Board may request activities or special studies for the EWG to complete on occasion. These ad hoc activities are undefined and will only be performed as requested. [Invoice 940-80-23-06 – not reimbursable]

Task 5 – Services Reimbursed by Parties with Manual-read Meters. The objective of this task is to support the implementation of the meter reading program for Parties with manual-read meters, including coordination with Borrego Water District (BWD) (Watermaster's contractor to perform the meter reads) and coordination with well owners during self-reporting months. Pursuant to the Judgment, this work must be funded by the Parties with manual read meters. *Budget: \$2,916.* [Invoice 940-80-23-06 – not reimbursable]

Table 1: West Yost Labor Hours and Fee Estimate to Provide Professional Services to the Borrego Springs Watermaster: Executive Director and Technical Consultant Services for Water Year 2024

Task and Subtask Descriptions	Labor Hours and Cost													Other Direct Costs					Total Project Costs		Reimbursable Costs Included in Prop 68 Grant Award				
	Executive Director	Lead Technical Consultant	Principal Sci/Eng II	Principal Sci/Eng I	Senior Sci/Geo/Eng II	Associate Sci/Geo/Eng I	Staff Sci/Geo/Eng II	Staff Sci/Geo/Eng I	Field Technician	Administrative III/IV	Task Repetition Multiplier	Total Person Hours	West Yost Labor Cost		Travel	Field Equipment Rental or Purchase	Laboratory	Sub-contractor	Total Direct Costs		Sub-Task	Task			
													Sub-Task	Task											
Task 1 - Meetings and Court Hearings													\$161,174						\$1,878		\$163,052		\$57,916		
1.1 Watermaster Board meetings													\$99,322						\$1,798		\$1,798		\$101,120	\$0	
Prepare for and attend 10 Regular Board meetings (Virtual)	12	5					10		1	10	280	\$77,610							\$0		\$77,610		\$23,510		
Prepare for and attend 2 Regular Board meetings (In Person)	16	8					14		1	2	78	\$21,712							\$1,798		\$1,798		\$0		
1.2 Technical Advisory Committee meetings													\$45,326										\$45,326	\$45,326	
Prepare for and attend 5 TAC meetings (Virtual)	2.5	10	3				8		1	5	122.5	\$34,235							\$0		\$34,235		\$0		
Prepare TAC Recommendation Reports and Memos	2	8					8	1.5	2	2	43	\$11,091							\$0		\$0		\$11,091		
1.3 Court Hearings													\$3,936										\$80	\$4,016	\$0
As-needed attendance at Court hearings	3												4	12	\$3,936							\$80	\$4,016		
1.4 Stakeholder Outreach (Prop 68 Grant)													\$12,590										\$0	\$12,590	\$12,590
Task 2 - Watermaster Administration and Management													\$117,232										\$0	\$117,232	\$51,684
2.1 Prepare the draft and final Watermaster budget for WY 2023 (including collaboration with the TAC)	20	8					8	4		1	40	\$11,716							\$0		\$0		\$11,716	\$0	
2.2 Insurance, accounting, and financial services	12						8		90	1	110	\$19,244							\$0		\$0		\$19,244	\$0	
2.3 Management of Records, Documents, and Website	0.3						1.8		0.8	12	33	\$7,080							\$0		\$0		\$7,080	\$7,080	
2.4 Track/respond to public communications and requests	0.3						0.3		0.3	12	9	\$2,112							\$0		\$0		\$2,112	\$0	
2.5 As-needed support to the BPA Parties	2						1			12	36	\$10,584							\$0		\$0		\$10,584	\$0	
2.6 As-requested admin. of the Judgment, Rules & Regs, and GMP	24						10		4	1	38	\$10,732							\$0		\$0		\$10,732	\$0	
2.7 General administration and project managements tasks	1						2		1	12	48	\$11,160							\$0		\$0		\$11,160	\$0	
2.8 Prop 68 Grant project management and reporting	4						5		8.5	12	210	\$44,604							\$0		\$0		\$44,604	\$44,604	

Table 1: West Yost Labor Hours and Fee Estimate to Provide Professional Services to the Borrego Springs Watermaster: Executive Director and Technical Consultant Services for Water Year 2024

Task and Subtask Descriptions	Labor Hours and Cost													Other Direct Costs					Total Project Costs		Reimbursable Costs Included in Prop 68 Grant Award				
	Executive Director	Lead Technical Consultant	Principal Sci/Eng II	Principal Sci/Eng I	Senior Sci/Geo/Eng II	Associate Sci/Geo/Eng I	Staff Sci/Geo/Eng II	Staff Sci/Geo/Eng I	Field Technician	Administrative III/IV	Task Repetition Multiplier	Total Person Hours	West Yost Labor Cost		Travel	Field Equipment Rental or Purchase	Laboratory	Sub-contractor	Total Direct Costs		Sub-Task	Task			
													Sub-Task	Task											
Task 3 - Engineering and Technical Services																									
3.1 Coordinate and implement meter program																									
a Collect and review annual meter calibration/accuracy reports	2	2					24			1	28	\$6,346													
b Collect, catalog monthly meter reads and calculate pumping	0.5						2	7.5		12	120	\$24,042													
3.2 Implement Groundwater Monitoring Program																									
a Semi-annual field collection of groundwater level and quality, including inspections of new sites	4	8					5	14	130	2	322	\$48,300													
b Review, QA/QC, and upload of field/lab data to HydroDaVE	1	3.5					8	4	40		2	113	\$22,951												
3.3 Data Management and Data Reporting																									
a Annual collection, process, and upload of other hydrologic and water quality data	1	2					4		40		1	47	\$9,462												
b Improve DMS (develop custom reports, upload newly identified legacy data from parties, build out library)	2	4	8				10				1	24	\$6,762												
c MNW Compliance (fall and spring reporting) and other reporting to							6		12		1	18	\$3,666												
3.4 Combined Annual Report to the Court and DWR (including water rights accounting)	48	28	6				70	30		16	1	198	\$50,936												
3.5 Address inactive wells via proper abandonment or conversion to monitoring well (outreach and cost estimating)	12	30					12	32	24	1	110		\$25,790		\$1,000										
3.6 As-needed support for implementation of the Judgment, Rules & Regs, and GMP	10	24					4	10	8		1	56		\$15,640											
TAC Recommended Scope of Work WY 2022																									
3.7 Technical Work to Support Update of Sustainable Yield	60	110	200	90			350	100	124	33	1	1067		\$271,328											
3.80 5-Year Update of the GMP	90	120	38		20		140	80		12	1	500		\$130,654											
3.90 Address Ad Hoc Requests from the Board	2	16					8	6	6		1	38		\$9,848											
Task 4 - Environmental Working Group																									
4.1 Biological Restoration of Fallowed Lands	6	30					18		6	12	1	72		\$17,921		\$185									
4.2 Ad Hoc Requests or EWG Meetings	3	12					6			1	21		\$6,096												
Task 5 - Services Reimbursed by Parties with Manual-read Meters																									
5.1 Consulting services to Parties with manual-read meters							0.5	0.5	0.3	12	15		\$2,916												
Task Totals	593	555	267	90	28	764	500	449	290	317	3,258		\$931,064		\$8,463	\$13,000	\$7,500	\$162,761		\$191,724		\$1,122,788		\$911,204	

AMENDMENT NO. 9 TO THAT AGREEMENT ENTITLED "BORREGO SPRINGS
WATERMASTER PROFESSIONAL SERVICES AGREEMENT"

1. The attached *Amended Statement of Work No. 6* and the associated \$1,122,788 budget for all tasks hereby replace the existing *Statement of Work No. 6* that was added to Exhibit A of the above-referenced agreement ("Agreement") on September 14, 2023.

2. *Amended Statement of Work No. 6* was approved by the Watermaster Board at its December 14, 2023 regular meeting.

3. Other than as so expressly amended, the Agreement and each and every term and provision therein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 9 as of the date stated below.

BORREGO SPRINGS WATERMASTER

WEST YOST

By: _____

David Duncan,
Chairperson of the Board

By: _____

Charles Duncan,
President

Dated: _____

APPROVED AS TO FORM:

By: _____

James L. Markman,
Watermaster General Counsel

Borrego Springs Watermaster
Board of Directors Meeting
December 14, 2023
AGENDA ITEM IV.D

To: Board of Directors
From: Andy Malone, PG and Lauren Salberg, Technical Consultant
Date: December 11, 2023
Subject: Change in Groundwater Storage Calculation – Spring 2022 to Spring 2023

Recommended Action **Provide Direction to Staff** **Information and Discussion**
 Fiscal Impact **Cost Estimate: \$**

Background

The Borrego Springs Watermaster is required to submit an annual report for the Borrego Springs Subbasin (Annual Report) to the California State Department of Water Resources (DWR) pursuant to the requirements of the Sustainable Groundwater Management Act (SGMA), specifically Article 7, Section 356.2—Annual Reports, of the California Code of Regulations (CCR).¹ A portion of the annual reporting requirements include the annual changes in groundwater levels and groundwater in storage:²

- Groundwater elevation data from monitoring wells identified in the monitoring network shall be analyzed and displayed as follows:
 - Groundwater elevation contour maps for each principal aquifer in the basin illustrating, at a minimum, the seasonal high and seasonal low groundwater conditions.
 - Hydrographs of groundwater elevations and water year type using historical data to the greatest extent available, including from January 1, 2015, to current reporting year.
- Change in groundwater in storage shall include the following:
 - Change in groundwater in storage maps for each principal aquifer in the basin.
 - A graph depicting water year type, groundwater use, the annual change in groundwater in storage, and the cumulative change in groundwater in storage for the

¹ Title 23, Division 2, Chapter 1.5, Subchapter 2 of the California Code of Regulations, which is commonly referred to as the Groundwater Sustainability Plan Regulations (GSP Regulations). Available at: <https://groundwaterexchange.org/wp-content/uploads/2018/07/GSP-Regulations-Full.pdf>

² California Code of Regulations, Title 23 § 356.2. Available at: <https://groundwaterexchange.org/wp-content/uploads/2018/07/GSP-Regulations-Full.pdf>

basin based on historical data to the greatest extent available, including from January 1, 2015, to the current reporting year.

In 2021, the Watermaster convened the Technical Advisory Committee (TAC) to evaluate and select an appropriate methodology to be used for consistently estimating annual storage changes. The Watermaster recognized the importance of employing a methodology that would produce future results that are consistent with past results, that would minimize the influence of the method itself on the storage change results, and that would include QA/QC steps to check on the reasonableness of the results. Through this process it was identified that it is imperative that the same monitoring well network be used from year to year. The agreed upon methodology was documented in a Technical Memorandum (TM): *Methods to Estimate Annual Storage Change in the Borrego Springs Subbasin* (Storage Change Method TM), which is available on the Watermaster's website³ (see Exhibit 1).

The Watermaster has since used this standard method for calculating and reporting the annual estimate of storage change to the DWR in the Annual Reports for the periods of i) spring 2019 to spring 2020, ii) spring 2020 to spring 2021, and iii) spring 2021 to spring 2022. The 2023 Annual Report is due to the DWR on April 1, 2024 and will include the estimate of storage change described herein for the period spring 2022 to spring 2023.

Discussion

The change in storage calculation for spring 2022 and spring 2023 was performed using the method described in the Storage Change Method TM. The volume of groundwater in storage decreased by approximately 1,705 acre-feet (af) from spring 2022 to spring 2023 (see Table 1). The rate of storage change decreased in spring 2022 to spring 2023 compared to the previous seven-year period (see Figure 4). The reduced rate of change in groundwater storage is likely due to greater than normal precipitation during WY 2023 and reduced groundwater pumping.

The process and results of calculating the change in storage are documented in the following figures and tables:

- Figure 1 is a map of groundwater-elevation contours based on static groundwater elevations measured at wells in spring 2022.
- Figure 2 is a map of groundwater-elevation contours based on static groundwater elevations measured at wells in spring 2023.
- Figure 3 shows the spatial distribution of change in storage across the Basin for the period spring 2022 to spring 2023.
- Figure 4 is a time-series chart that displays the annual change in storage, the cumulative change in storage, and annual groundwater pumping from spring 2016 through spring 2023.
- Table 1 summarizes the annual change in storage, the cumulative change in storage, and annual groundwater pumping from spring 2015 through spring 2023.

³ <https://borregospringswatermaster.com/wp-content/uploads/2023/02/VB-Annual-Change-in-Basin-Storage-Memo-with-Attachments.pdf>

Table 1. Annual and Cumulative Change in Groundwater Storage and Annual Groundwater Extractions, af

Period	Annual Change in Storage	Cumulative Change in Storage	Annual Groundwater Extractions
Spring 2015 to Spring 2016	-11,517	-11,517	19,739
Spring 2016 to Spring 2017	-5,544	-17,061	18,369
Spring 2017 to Spring 2018	-8,876	-25,937	17,653
Spring 2018 to Spring 2019	-4,545	-30,482	17,379
Spring 2019 to Spring 2020	-2,293	-32,775	16,637
Spring 2020 to Spring 2021	-5,040	-37,815	15,248
Spring 2021 to Spring 2022	-5,965	-43,377	13,064
Spring 2022 to Spring 2023	-1,705	-45,082	10,430

At the November 1, 2023 TAC meeting, West Yost presented the draft change in storage calculation for spring 2022 to spring 2023 and solicited TAC feedback and recommendations. TAC members were also requested to submit written comments following the TAC meeting. TAC member recommendations are summarized in Exhibit 2, along with the Technical Consultant's response to each recommendation.

Next Steps

At the December 14, 2023 Regular Board meeting, West Yost will describe the methods and results of the storage change calculation for spring 2022 to spring 2023 and the TAC comments on the calculation. Board members will have the opportunity to ask questions, provide feedback, and make recommendations, if any.

The storage-change calculation will be included in the 2023 Annual Report and submitted to the DWR by April 1, 2024.

Enclosures

Exhibit 1. *Methods to Estimate Annual Storage Change in the Borrego Springs Subbasin*

Exhibit 2. TAC Comments on the Change in Storage Calculation – Spring 2022 to Spring 2023

Figure 1. Map of Spring 2022 Groundwater Elevations

Figure 2. Map of Spring 2023 Groundwater Elevations

Figure 3. Map of Change in Groundwater Storage: *Spring 2022 to Spring 2023*

Figure 4. Annual Groundwater Pumping and Change in Groundwater Storage – 2016 to 2023



TECHNICAL MEMORANDUM

DATE: February 11, 2022 Project No.: 940-80-21-02 (120)

TO: Technical Advisory Committee of the Borrego Springs Watermaster

FROM: Andy Malone, Technical Consultant

SUBJECT: Methods to Estimate Annual Storage Change in the Borrego Springs Subbasin

Background and Objectives

The Borrego Springs Watermaster is required to submit an annual report for the Borrego Springs Groundwater Subbasin (Annual Report) to the California State Department of Water Resources (DWR) pursuant to the requirements of the Sustainable Groundwater Management Act (SGMA), specifically Article 7, Section 356.2—Annual Reports, of the California Code of Regulations (CCR).¹

A portion of the annual reporting requirements include the annual changes in groundwater levels and groundwater in storage:²

- Groundwater elevation data from monitoring wells identified in the monitoring network shall be analyzed and displayed as follows:
 - Groundwater elevation contour maps for each principal aquifer in the basin illustrating, at a minimum, the seasonal high and seasonal low groundwater conditions.
 - Hydrographs of groundwater elevations and water year type using historical data to the greatest extent available, including from January 1, 2015, to current reporting year.
- Change in groundwater in storage shall include the following:
 - Change in groundwater in storage maps for each principal aquifer in the basin.
 - A graph depicting water year type, groundwater use, the annual change in groundwater in storage, and the cumulative change in groundwater in storage for the basin based on historical data to the greatest extent available, including from January 1, 2015, to the current reporting year.

So far, the Watermaster has submitted two Annual Reports to the DWR: the first one prepared by DUDEK in 2020 covering Water Year (WY) 2016 through 2019; the second one prepared by West Yost for WY 2020. The Watermaster Board showed considerable interest and concern with the change in groundwater storage estimates that were prepared for the 2020 Annual Report. Topics of concern included the data and methods used to estimate storage change, the storage-change results, and the messaging that the storage-change results send to the BPA Parties and the public.

¹ Title 23, Division 2, Chapter 1.5, Subchapter 2 of the California Code of Regulations, which is commonly referred to as the Groundwater Sustainability Plan Regulations (GSP Regulations).

² California Code of Regulations, Title 23 § 356.2.

In WY 2022, the Board has asked the TAC to provide advice and guidance to the Technical Consultant on the methods to estimate annual storage change for the WY 2021 Annual Report to the DWR. The TAC met on November 9, 2021. At the meeting, the TAC reviewed the current methodology used in prior Annual Reports and recommended certain changes to the current methodology.

TAC Recommendations

The consensus of the TAC is the following:

1. The main objective is to establish a standard method that ensures technically-defensible estimates of annual storage changes and timely annual reporting to the DWR by April 1 of each year. The storage change estimates derived by this method are not intended to be used to change management actions under the Physical Solution. Detailed evaluations of changes in groundwater conditions will be performed every five years consistent with the SGMA and the Physical Solution.
2. The Watermaster should continue using the methods employed for past annual reports³ (attached) with some revisions. The recommended revisions include the following:
 - If groundwater-elevation data are not available for a well in the monitoring network during the period of interest, a groundwater elevation should be estimated for that well, based on the best available information, so that the spatial distribution of groundwater-elevation data remains relatively consistent year-to-year.
 - Estimates of change in storage should be computed for two spatial domains: (i) across the entire domain of the Subbasin, as was done for past annual reports and (ii) only the area of the Subbasin where groundwater-elevation data are present.
3. The reasoning for this recommended approach is:
 - Using methods that are similar to the methods used in past efforts will produce results that are consistent with past estimates of storage change.
 - The methods should include steps to minimize the influence of the methods themselves on the storage-change results.
 - The methods should include QA/QC steps to check on the reasonableness of the results.

The specific methods recommended by the TAC to estimate annual storage change for the WY 2021 Annual Report to the DWR are described below.

General Approach to Estimate Annual Storage Change in the Subbasin. The change in groundwater elevations across the Subbasin between water years 2020 and 2021 will be calculated by subtracting groundwater elevation in Spring 2021 from groundwater elevation in Spring 2020. This will produce a map of change in groundwater elevations across the Subbasin. The change in storage will be computed by mapping the change in groundwater elevation and the depth-averaged Specific Yield of the aquifer sediments (effective porosity), as defined in the Borrego Valley Hydrologic Model (BVHM), onto a regularly spaced “Storage Change Grid” GIS shapefile. The grid was originally prepared by Dudek for past estimates of storage change and has a spatial discretization of 1,000 feet by 1,000 feet, oriented in the

³ Dudek. 2021. *Borrego Springs Subbasin Annual Report Change in Storage Calculation Methodology*. Prepared for Samantha Adams, West Yost. March 26, 2021.

north-south direction, with a spatial extent across the entire Subbasin. Change in storage will be calculated at the grid-cell level using the following equation:

$$\text{Change in Storage}_i = (GWE_i^{t1} - GWE_i^{t0}) \times S_{y_i} \times A$$

where,

i represents a unique cell within the storage change calculation grid

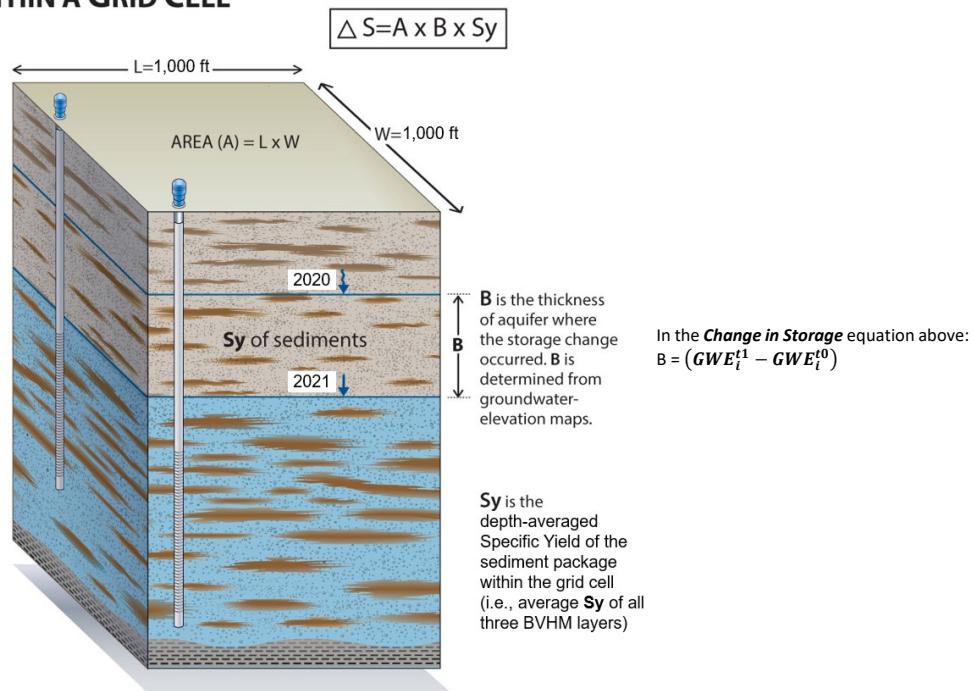
GWE is the interpolated groundwater elevation at cell *i*

Sy is the specific yield defined at cell *i*

A is the area of each cell

t1 and *t0* are the two years between which storage change is calculated

ESTIMATION of STORAGE CHANGE WITHIN A GRID CELL



The conceptual grid cell above is a graphical representation of the proposed method to estimate annual storage change within a grid cell.

Specific Steps to Estimate Annual Storage Change in the Subbasin

1. Check and upload all groundwater elevation data measured at wells during WY 2021 to the HydroDaVE database management system.
2. For each well screened across the shallower, unconfined portions of the aquifer system, inspect the time-series chart of groundwater elevation in the HydroDaVE Explorer interface and select a “true static” groundwater elevation for Spring 2021 (i.e., April 1, 2021 plus or minus 30 days). Avoid using wells that are only screened across deeper confined aquifers. If a “true static” groundwater elevation measurement is not available for the well, an “estimated static” groundwater elevation can be selected based on the professional judgment of the Technical Consultant. The choice of an “estimated static” groundwater elevation could be based on, but not limited to: recent trends in groundwater elevation at the well; recent trends in groundwater elevation at nearby wells; and knowledge of the influence of nearby pumping.
3. Perform Step 2 (above) for Spring 2020. It is imperative that the same monitoring well network be used for both Spring 2020 and Spring 2021 in Step 5 (below).
4. Prepare time-series charts of groundwater elevations for each well including the “true static” or “estimated static” groundwater elevations for Spring 2021.
5. Prepare a rasterized surface of interpolated “true static” groundwater elevations across the Subbasin for Spring 2020 and 2021 using an inverse distance weighting scheme with a power of 1. The interpolation can be performed with Golden Software Surfer, ArcGIS Spatial Analyst, or similar interpolation tool. The spatial resolution and dimensions of the raster shall be consistent with rasterized surface produced by Dudek for the WY 2020 Annual Report.
6. Import the rasterized surfaces of interpolated groundwater elevations across the Subbasin for Spring 2021 and Spring 2020⁴ to GIS. Using raster algebra in GIS, subtract the raster of groundwater elevations in Spring 2020 from the raster groundwater elevation in Spring 2021 to generate a raster of change in groundwater elevation, apply a color ramp, and inspect the raster as a check on reasonableness of the estimated change in groundwater elevation across the Subbasin. Negative values will indicate a decline in groundwater levels; positive values will indicate an increase in groundwater levels; zero values will indicate no change in groundwater levels or areas on the extreme edges of the basin where no information was available to estimate the specific yield of the aquifer sediments.
7. Create a polygon shapefile in GIS to define the area where groundwater-elevation data exists for Spring 2021 (“Polygon Mask”).
8. Import the Storage Change Grid shapefile to GIS. The shapefile attribute table contains the depth-averaged Specific Yield values from the BVHM for each grid cell, the surface area of each grid cell, and the X-Y coordinates of the centroid of each grid cell.
9. Using the geometric centroid of each grid cell, assign the raster values to the shapefile attribute table for: (i) groundwater elevation for Spring 2020; (ii) groundwater elevation for Spring 2021; (iii) change in groundwater elevation between Spring 2020 and Spring 2021; and (iv) whether the grid cell resides within or outside the Polygon Mask.
10. Import the Storage Change Grid attribute table into Microsoft Excel to calculate the change in storage by grid cell using the *Change in Storage*, equation referenced above. The sum of the

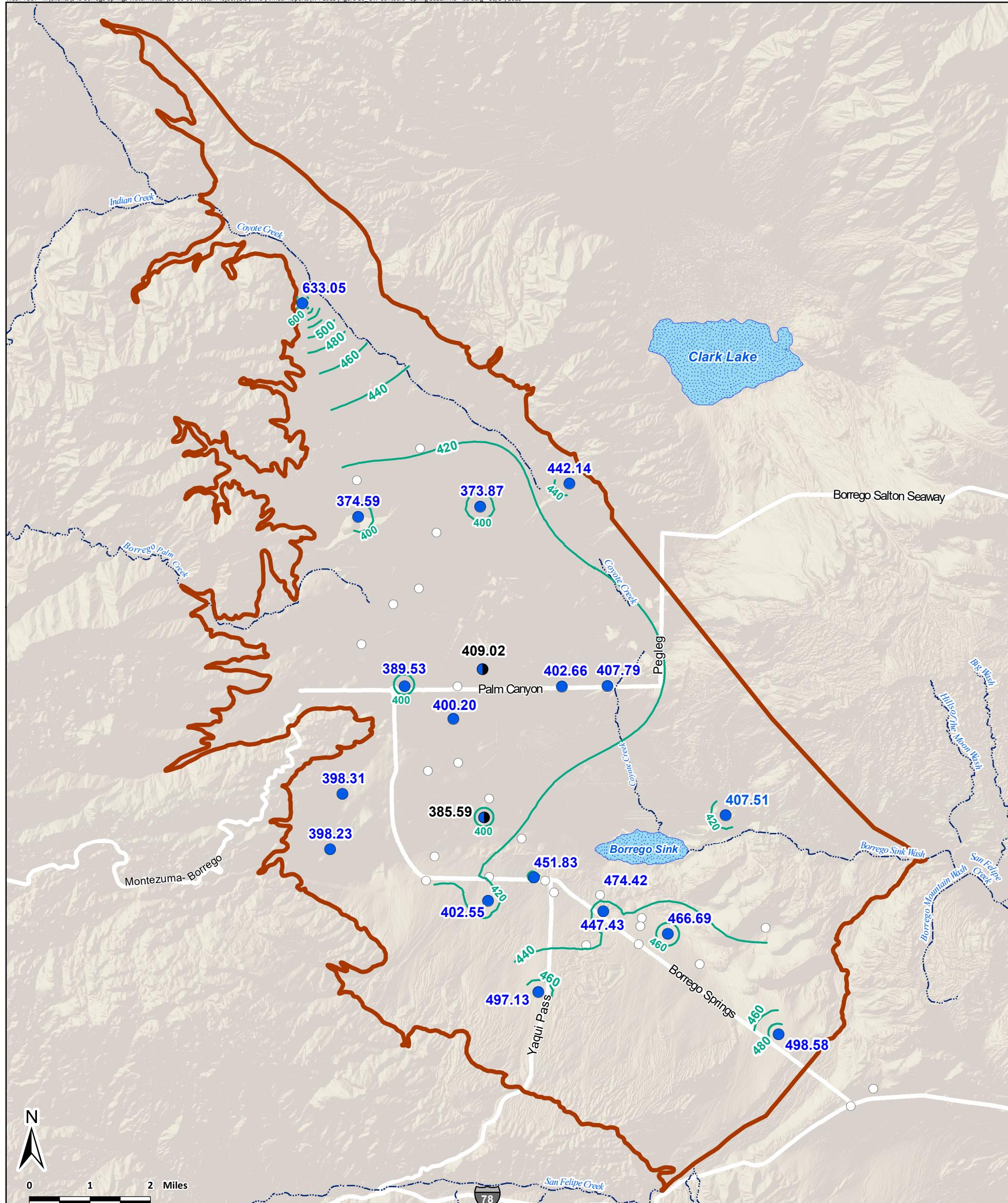
⁴The rasterized surface of interpolated groundwater elevations for Spring 2020 was prepared by Dudek, using similar methods, for the Annual Report to the DWR for WY 2020.

change in storage values by grid cell will provide an estimate of the total annual change in storage in the Subbasin. Perform the same calculation for only those grid cells within the Polygon Mask. Compare the two results as a check on reasonableness of the results, which may reveal errors in execution of the methods or errors introduced by the methods themselves.

11. Display the storage-change results graphically in GIS by applying a color ramp to the Storage Change Grid shapefile for storage-change volume by grid cell. Inspect the results as a check on reasonableness, which may reveal errors in execution of the methods or errors introduced by the methods themselves.

Responses to TAC Comments/Recommendations on the Change in Storage Calculation - Spring 2022 to Spring 2023

Comments/Recommendations	TAC Members					Technical Consultant Responses
	AAWARE Bob Wagner	BWD Trey Driscoll	County of San Diego Jim Bennett	T2 Borrego Tom Watson	Roadrunner Club John Peterson	
Add disclaimers to groundwater elevation contour maps						
Add notes to the groundwater elevation contour maps presented in the Annual Report that specify that the groundwater contours are for annual reporting purposes only and should not be used for site-specific interpretations of groundwater levels in the Basin			X			The following disclaimer has been added to the maps: "The groundwater-elevation contours shown on this map were prepared for the specific purpose of estimating groundwater storage changes for the Annual Report, and should not be used for other purposes."
Reassess the method used to calculate storage change after 2025						
The inverse distance weighted method is reasonable to use for annual reporting purposes, but should be replaced with a new method after the 5-year update of the GMP is completed.		X ¹	X			The TAC should discuss an updated method to interpolate groundwater-elevation data and generate groundwater-elevation contours after the Sustainable Yield is redetermined in 2025. West Yost recommends using the 2025 BVHM recalibration results to update past estimates of change in storage.
Substantially less change in storage calculated for spring 2022 to spring 2023						
When comparing the graphical presentation of the change in storage from spring 2021 to spring 2022 to the change in storage from spring 2022 to spring 2023, it is difficult to resolve the substantial differences in the change in storage estimates. Areas shown with substantial loss of storage in spring 2021 to 2022 are showing little to no loss in spring 2022 to 2023.	X					Overall, there was significantly less decline in groundwater elevations from spring 2022 to 2023 compared to spring 2021 to spring 2022. Groundwater elevation measurements taken at the wells in the storage change network showed little to no decline from spring 2022 to 2023, and showed an increase in groundwater elevation at two wells. We believe the relatively small decline in storage during spring 2022 to spring 2023 was due to i) reduced groundwater pumping and ii) increased recharge due to WY 2023 being wetter than average.
Observed pattern of reduced change in storage						
While the accuracy of the storage calculation outside of the mask area continues to be in question, the overall trend in storage change since about 2021 appears to be decreasing. Based on the most recent storage loss calculation, the basin appears to be approaching sustainability. This may be an indication that the pumping ramp-down has been successful.	X					Yes, the rate of decline in storage appears to be slowing, most likely because of the rampdown in pumping and because WY 2023 was wetter than average.
No Comments						
Notes:						
1. Recommendation to first compare the storage change results using the TAC-approved methodology to the BVHM results to determine how the methods compare. Alternative methods should be assessed if the two methods are not consistent. If an alternative method is evaluated, the Watermaster Board should consider the application of the estimate (used to inform management actions vs. consistency with the Judgment/SGMA).						
2. No specific comments on current methodology. Recommendation that as the model is improved (with actual measured data), Watermaster should consider using it to supplement the data-based calculations.						



Groundwater Monitoring Wells Used to Develop Groundwater Elevation Contours for Spring 2022

- 350 ● True static groundwater elevation (ft-amsl)
- 350 ● Estimated static groundwater elevation (ft-amsl)
- Other Groundwater Monitoring Wells

Groundwater Elevation Contours
Spring 2022 (ft-amsl)

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)

Surface Water Features

- Stream Channel

- Dry Lake



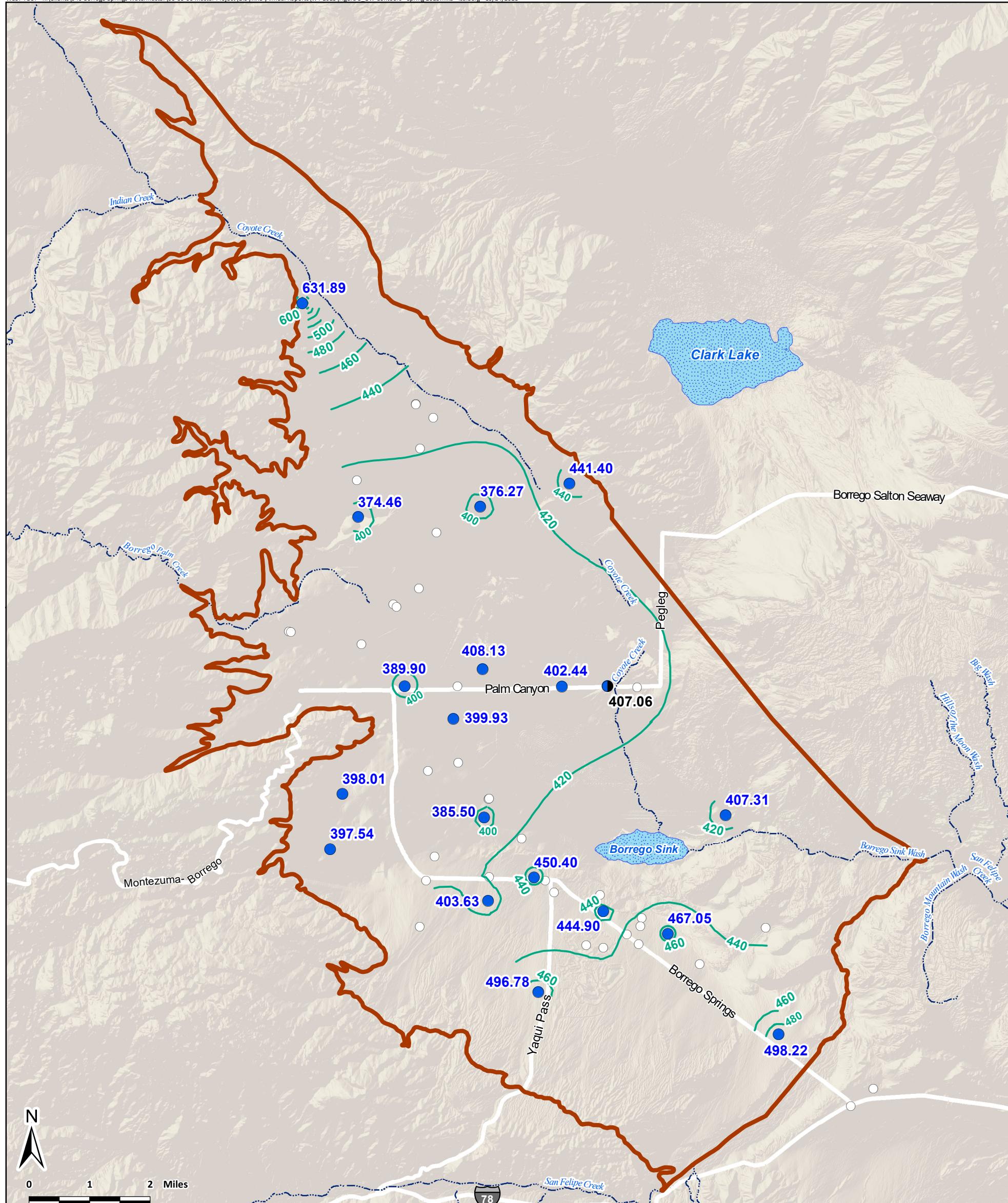
The groundwater-elevation contours shown on this map were prepared for the specific purpose of estimating groundwater storage changes for the Annual Report, and should not be used for other purposes.

Figure 1

**Spring 2022
Groundwater Elevation**
Borrego Springs Watermaster
Borrego Springs Subbasin
2023 Annual Report

Prepared by:





Groundwater Monitoring Wells Used to Develop Groundwater Elevation Contours for Spring 2023

- 350 ● True static groundwater elevation (ft-amsl)
- 350 ● Estimated static groundwater elevation (ft-amsl)
- Other Groundwater Monitoring Wells

Groundwater Elevation Contours
Spring 2023 (ft-amsl)

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)

Surface Water Features

- Stream Channel
- Dry Lake



The groundwater-elevation contours shown on this map were prepared for the specific purpose of estimating groundwater storage changes for the Annual Report, and should not be used for other purposes.

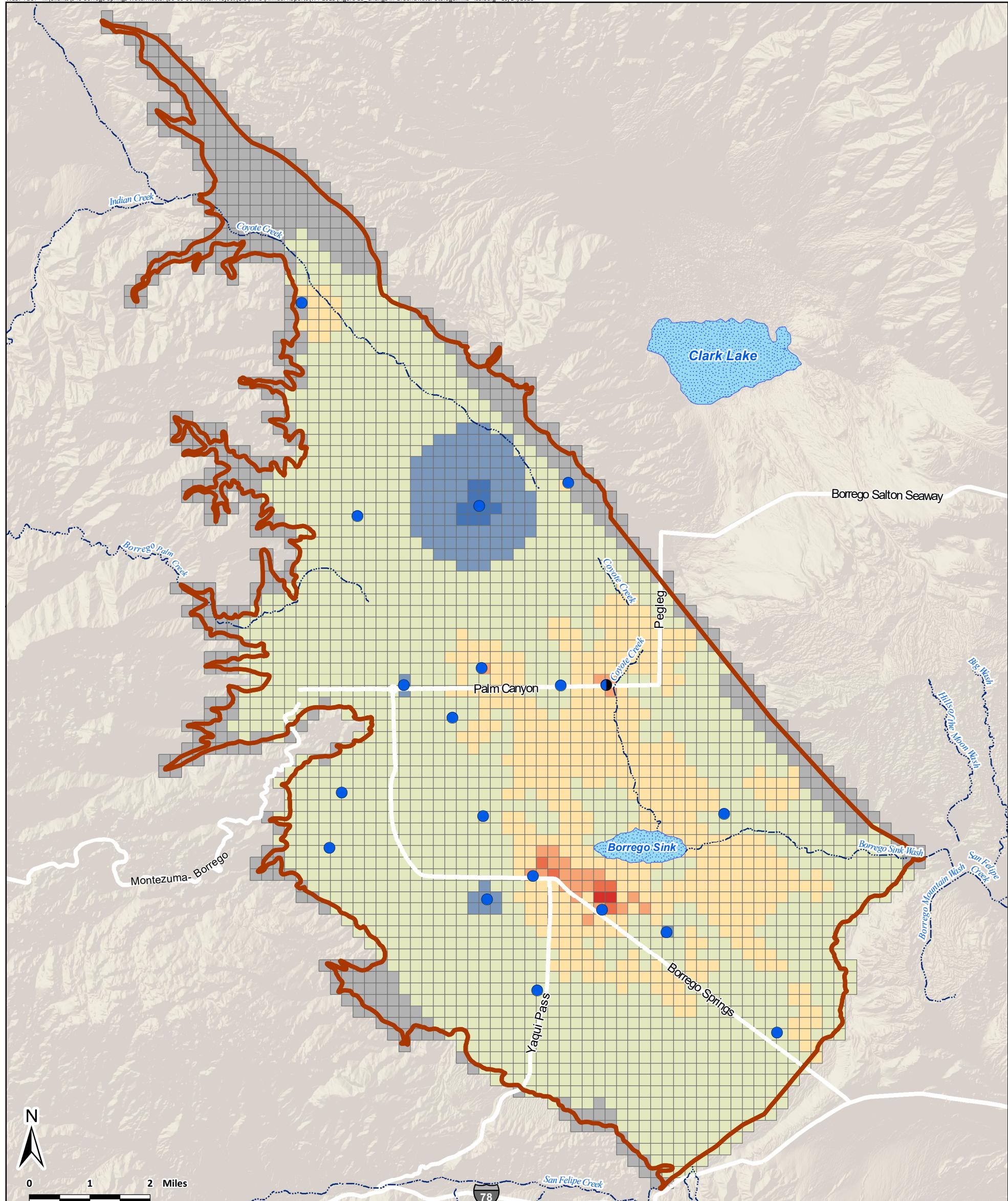
Figure 2

**Spring 2023
Groundwater Elevation**

Borrego Springs Watermaster
Borrego Springs Subbasin
2023 Annual Report

Prepared by:





Groundwater Monitoring Wells with Measured Groundwater Elevation in Spring 2022 and Spring 2023

- True static groundwater elevation (ft-amsl)
- Estimated static groundwater elevation (ft-amsl)

Groundwater Storage Change

Spring 2022 to Spring 2023 (af)

> -4	0
-4 to -3	0 to 1
-3 to -2	1 to 2
-2 to -1	
-1 to 0	

Borrego Valley Groundwater Basin Subbasins

 Borrego Springs Groundwater Subbasin (7-024.01)

Surface Water Features

— Stream Channel

■ Dry Lake



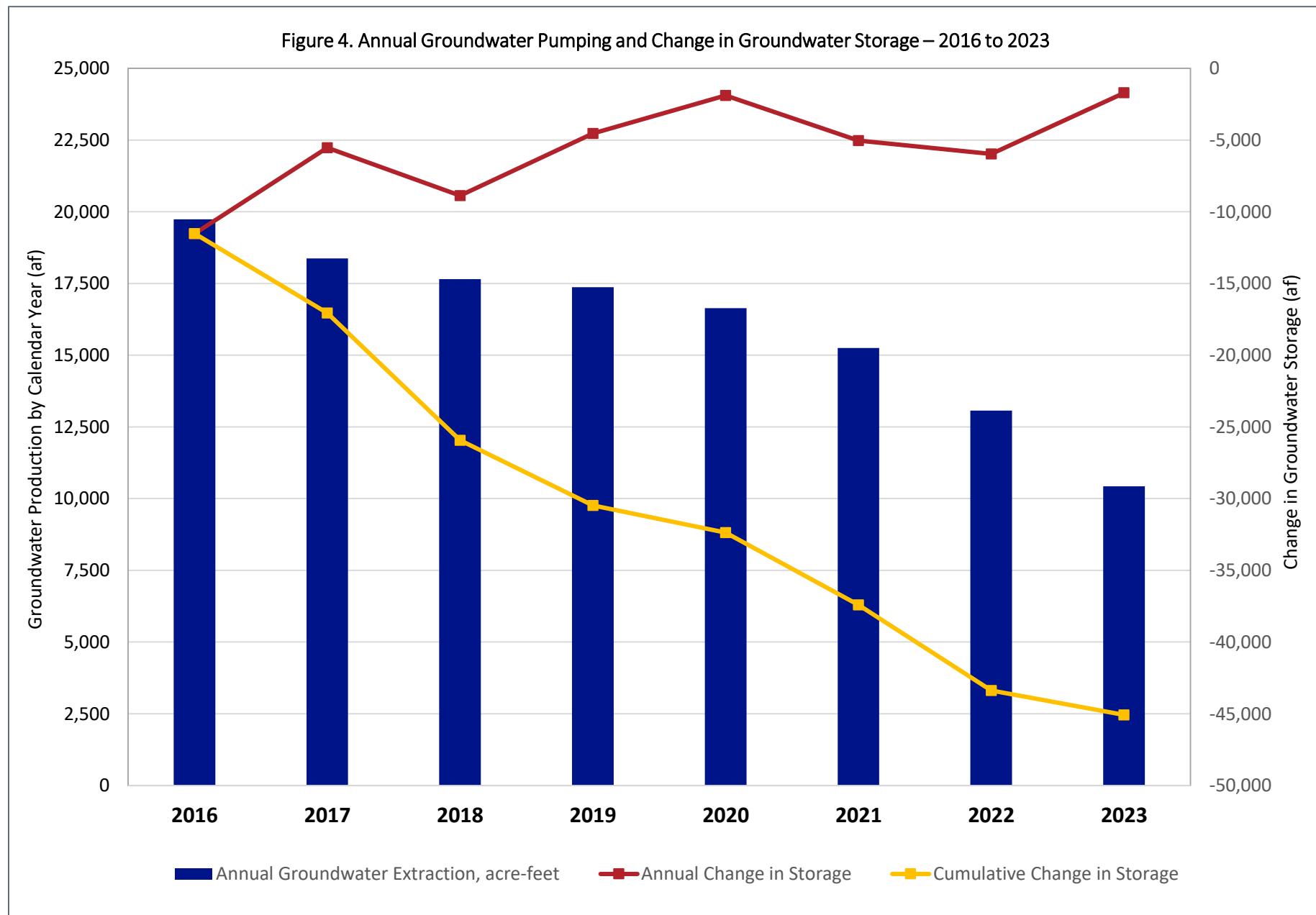
Figure 3

Change in Groundwater Storage
Spring 2022 to Spring 2023

Borrego Springs Watermaster
Borrego Springs Subbasin
2023 Annual Report

Prepared by:





**Borrego Springs Watermaster
Board of Directors Meeting
December 14, 2023
AGENDA ITEM VI**

To: Board of Directors
From: Samantha Adams, Executive Director
Date: December 11, 2023
Subject: Establishing Agenda for January 11, 2024 Regular Board Meeting

Process

To set the January agenda, the Board will:

1. Review the initial January agenda topics planned by Staff, as listed below
2. Review the February and March tentative topics planned by Staff and previously requested items by Board members, as listed below
3. List out additional items that have arisen during the December 14, 2023 Board meeting (such as during public comment)
4. Call on Directors to request additional items for consideration of inclusion on the January 2024 or other future agenda
5. Consider motion(s) to approve the agenda (the agenda can be approved in a single motion or multiple motions to cover each item). The Agenda/items are approved by majority vote (3 of 5 directors)

Staff's Initial Agenda for January Regular Meeting

The January 11, 2024 Regular meeting (held virtually) will include all standard items of: public correspondence, consent calendar (meeting minutes, financial reports, staff invoices, etc.), verbal Staff and Chair reports, establishing the agenda for the subsequent meeting, Board member comments, listing of future meeting dates, and adjournment.

In addition to the standard items, the initial agenda planned by Staff for January 2024 includes the following business items for consideration and possible action:

1. Review WY 2023 Annual Report status
2. Q1 WY 2024 Budget Status Review
3. Status update on the redetermination of the Sustainable Yield
4. Status update on the 5-year assessment of the GMP

Staff's Tentative Topics for February and March 2024***February Agenda Topics***

1. Hearing to review and receive comments on the draft WY 2023 Annual Report
2. Fall 2023 Semi-Annual Monitoring Report

March Agenda Topics

1. Approve Water Year 2023 Annual Report

Other items Requested by Board Members for Inclusion in January or Other Future Agendas

1. Discussion on the use of best available science¹
2. Performing a Water Quality Optimization study, as described in the GMP²

¹ In May 2023, Chair Duncan requested for discussion at a future meeting. This item is best discussed during the performance of the 5-year GMP assessment and update, which will begin in October 2023. It is expected that this item will be addressed through the discussion of the 5-year GMP assessment.

² At the June 2023 Board meeting, Director Bennett and Chair Duncan requested that this topic be discussed at a future meeting and questioned the appropriate time to hold this discussion. ED Adams recommended that this is best discussed during the performance of the 5-year GMP assessment and update, which will begin in October 2023. It is expected that this item will be addressed through the discussion of the 5-year GMP assessment.