

Item III.B

**Borrego Springs Watermaster  
Board of Directors Meeting  
June 3, 2026  
AGENDA ITEM III.B**

**To:** Board of Directors  
**From:** Samantha Adams, Executive Director  
**Date:** May 29, 2026  
**Subject:** Consideration of Approval of the WY 2027 Budget

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**Recommended Action**       **Provide Direction to Staff**       **Information and Discussion**  
 **Fiscal Impact**                       **Cost Estimate: \$557,110**

**Recommended Action**

Approve the recommended Water Year (WY) 2027 Budget (with modifications, as needed) **OR** recommend changes to be brought back for consideration of approval at the June 24, 2026 Special Board meeting. ***The Judgment requires a supermajority vote (4 of 5 Board members) to establish the budget.***

Approval of the WY 2027 Budget as recommended herein includes approval of the following:

- An Overproduction Penalty Assessment Rate of \$500 per acre-foot
- WY 2027 Pumping Assessment of \$625,000
- Total operating expenditure in the amount of \$557,110
- West Yost Contract Amendment No. 16 to replace Exhibit A with the Statement of Work No. 9 for WY 2027, replace Exhibit B with West Yost’s revised billing rate schedule, and extend the contract expiration to December 31, 2027 (one year extension)

**Fiscal Impact:**

- The enclosed WY 2027 budget presents the revenues, expenditures, and cash reserves for WY 2027, and a projection period of WY 2028 through 2031. The budget is shown in its entirety in the enclosed Table 1. **The Projection for WY 2028 through WY 2031 is for informational and planning purposes only** and should not be interpreted as a commitment to perform work at the level of the projected expenditures, or to require the projected pumping assessments, beyond that set for WY 2027.
- The WY 2027 budget includes **expenditures of \$557,110**. The WY 2027 **revenues of \$636,442** will be funded by pumping assessments and payment on pass-through expenses.
- The expenditures for West Yost services include an average 4 percent increase to staff billing rates. West Yost’s Director of Operations – Planning, Chuck Greely, has confirmed that the Rate Schedule for WY 2027 incorporated into this amendment reflects West Yost’s standard

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billing rates, and that the rates set forth therein are what other clients pay for comparable professional services.

### **Judgment Context**

- Judgment Section IV.E.3 provides for a process and schedule for developing the Watermaster’s annual budget and establishing assessments to fund it by July 1<sup>st</sup> of each year. The Judgment requires a supermajority vote (4 of 5 Board members) to establish (or change) a budget.
- Judgment Section III.F requires the Watermaster to obtain TAC input and recommendations on the technical scope of work and budget for Sustainable Yield work. Section III.F.9 requires that “By January 1, 2025, the Watermaster will also determine a scope of work and budget for further technical work through September 30, 2029.”
  - At its December 2024 Board meeting, the Board approved the initial scope of work and budget to redetermine the Sustainable Yield by January 1, 2030 based on recommendations from the TAC, and reaffirmed the path forward at its May 20, 2026 meeting.
- Judgment Section III.G.4 requires the Watermaster to establish an Overproduction Penalty Assessment, which will be no less than \$500 per acre-foot. Establishment of the Overproduction Penalty Assessment rate is also a supermajority subject matter.

### **Agenda Item Purpose**

The purpose of this memo is to present the final WY 2027 scope of work and budget based on input from the May 20, 2026 Board meeting and ask the Board for consideration of approval of the budget as presented herein. An additional Special Board meeting is scheduled for June 24, 2026 if more time is needed to reach Board approval of a budget for WY 2027.

### **Related Actions and Direction**

- At its April 2026 meeting, the Board provided Staff with input on the scope of work for WY 2027. The feedback was particularly focused on reducing the scope of work to achieve cost savings and limit increases to the Pumping Assessment.
- At its May 2026 meeting, the Board provided feedback on the detailed draft agenda presented in the agenda package. The main points of feedback for finalization of the budget included:
  - The Pumping Assessment may not be sufficient to provide for an unencumbered cash reserve that is equal to nine months of operating expenses. Based on Staff’s explanation of the current method applied in the financial model, the projected cash balance includes encumbered funds (e.g. funds not actually available for unplanned expenses). It would be appropriate to update the model and determine the assessment level needed provided that the cash reserve projections are calculated on an accrual basis and are truly reflective of unencumbered reserves.

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- The Board selected a scope of services for the 2030 Redetermination of Sustainable Yield that deferred the task of evaluating the hydrogeologic conceptual model of the Borrego Valley Hydrologic Model (BVHM) for consideration in a future year.
- The Board selected to defer budgeting a specific scope of work for the next steps related to monitoring and analysis of the Mesquite Bosque. The Board first wants to complete the legal counsel review of the sufficiency of the current management plan and proposed monitoring efforts, and if sufficient, directly implement monitoring without the need for a work plan. The budget should remain at the committed level of \$20,000 and can be amended at a later time, if needed.

### **Scope of Work and Budget for WY 2027**

Table 1 summarizes the draft line-item operating budget, including revenues, expenditures, and reserves for WY 2027 and the projected budgets in these categories for WYs 2028 through 2031. The table also shows the approved, amended WY 2026 Budget and the projected actual WY 2026 year-end balances for each category. The budget will be adjusted based on Board feedback and presented again at the June 24, 2026 Special Board Meeting, if needed. The tables include:

- **Revenues.** This section shows all sources of revenue collected by the Watermaster.
- **Expenditures.** This section shows the expenditures by category and line-item. The categories are Administrative Services, Legal Services, Technical/Engineering Services, Environmental Working Group, and Services to Parties with Manual-Read Meters
- **Cash Reserves.** This section summarizes the projected cash reserve balances and targets based on the monthly financial model, which has been updated to reflect accounting for expenditures on an accrual basis and provide an unencumbered reserve projection. The reserve targets represent the average unencumbered reserve needed during the year to maintain a balance equal to nine months of operating expenses, per the Watermaster's reserve policy. For each WY, the table shows the beginning cash reserves, the average reserve target for the year, the minimum month-end reserve balance projected during the year, the average month-end reserve balance over the year, and the variance of the average month-end reserve balance from the desired average reserve balance. It also shows the average number of months of operating costs maintained during the year.

The following changes were applied to the Draft budget presented in May:

- The Pumping Assessment was increased from \$600,000 to \$625,000 (for WY 2027 and the projection period) to maintain an unencumbered cash reserve equal to nine months operating expenses. The following table compares the average number of months of operating reserves from WY 2027 through 2031 for the prior and revised Pumping Assessment level:

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Assessment (\$)	Average Number of Months of Operating Reserve Maintained During the WY when Cash Reserves are Projected on an Accrual Basis				
	<u>WY 2027</u>	<u>WY 2028</u>	<u>WY 2029</u>	<u>WY 2030</u>	<u>WY 2031</u>
\$625,000 (recommended)	10.9	10.1	9.1	9.1	8.4
\$600,000 (May Estimate)	10.7	9.4	8.0	7.4	6.36

As shown in the table, an annual Pumping Assessment of \$600,000 would not be enough to maintain the desired level of unencumbered reserves after WY 2028, thus an annual Pumping Assessment of \$625,000 is recommended.

- Applied the “Option B” scope of work for tasks to advance the 2030 Redetermination of Sustainable Yield in WY 2027 through 2029. This scope excludes the task to evaluate the HCM, per Board direction.
- Reduced the EWG budget to \$20,000 total.

All other elements of the line-item scope of work and budget presented in May, including scope of work assumptions, remain the same.

**Recommendation**

Staff recommends Board approval of the WY 2027 Budget as presented herein. As a reminder, approval requires supermajority vote of the Board and includes establishing:

- An Overproduction Penalty Assessment Rate of \$500 per acre-foot
- A WY 2027 Pumping Assessment of \$625,000
- Total operating expenditure in the amount of \$557,110

The Board can also approve the WY 2027 Budget with any recommended changes to Table 1. If additional edits are needed, the Board could defer approval to the June 24<sup>th</sup> Special Meeting.

Upon approval of the Budget, the Board can also update its professional services agreement with West Yost so they can perform the services included in the approved WY 2027 Budget. To reduce future meeting agenda items, the draft *AMENDMENT NO. 16 TO THAT AGREEMENT ENTITLED “BORREGO SPRINGS WATERMASTER PROFESSIONAL SERVICES AGREEMENT”* is included for consideration of approval with the WY 2027 Budget. Amendment No. 16 includes:

- Revised *Exhibit A - Statement of Work No. 9*, set to be effective October 1, 2026. The Statement of Work defines the exact line-item scope of work and budget included in the recommended WY 2027 budget, including all assumptions applied in developing the budget.

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- Revised *Exhibit B – Billing Rate Schedule*, set to be effective October 1, 2026. The schedule for WY 2027 reflects an average four percent increase to staff billing rates. West Yost’s Director of Operations – Planning, Chuck Greely, has confirmed that the WY 2027 Rate Schedule reflects West Yost’s standard billing rates, and that the rates set forth therein are what other clients pay for comparable professional services.
- A one-year extension to the term of the Agreement to December 31, 2027.

### **Next Steps**

Once the WY 2027 Budget is approved, Staff will:

- Publish the WY 2026 budget no later than July 1, 2026 and send notice to the Parties of its adoption
- Report to the Board if any challenges to the Budget are noticed to Watermaster by July 31, 2026

### **Enclosures**

Table 1 - Borrego Springs Watermaster Budget for Water Year 2027 and Four-Year Budget Projection through Water Year 2031

Amendment No. 16 to the West Yost Agreement for Professional Services, including:

Exhibit A – Statement of Work No. 9

Exhibit B – WY 2027 Billing Rate Schedule

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Table 1. Borrego Springs Watermaster Budget for Water Year 2027 and Four-Year Budget Projection through Water Year 2031

Revenues, Expenditures, and Reserves	Actual WY 2025	Amended Budget WY 2026	Projected WY 2026	WY 2027 Budget	Projected Budget <sup>1</sup>				Notes
					WY 2028	WY 2029	WY 2030	WY 2031	
<b>Revenues</b>	<b>\$ 1,256,474</b>	<b>\$ 361,020</b>	<b>\$ 360,544</b>	<b>\$ 636,442</b>	<b>\$ 636,989</b>	<b>\$ 637,506</b>	<b>\$ 638,046</b>	<b>\$ 638,610</b>	
Pumping Assessments <sup>2</sup>	\$ 338,532	\$ 350,000	\$ 350,049	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	\$ 625,000	
Bad Debt (assumed non-payment on Assessments)	\$ -	\$ (1,000)	\$ -	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	
Overproduction Penalty Assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Revenues Collected for Pass-Through Expenses	\$ 16,713	\$ 12,020	\$ 10,495	\$ 12,442	\$ 12,989	\$ 13,506	\$ 14,046	\$ 14,610	
DWR Prop 68 Grant Reimbursements	\$ 901,228	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Expenditures</b>	<b>\$ 1,449,651</b>	<b>\$ 773,259</b>	<b>\$ 736,688</b>	<b>\$ 557,110</b>	<b>\$ 631,018</b>	<b>\$ 714,853</b>	<b>\$ 639,172</b>	<b>\$ 650,241</b>	
<b>Administrative Services</b>	<b>\$ 422,961</b>	<b>\$ 301,671</b>	<b>\$ 291,201</b>	<b>\$ 226,142</b>	<b>\$ 237,172</b>	<b>\$ 245,879</b>	<b>\$ 254,923</b>	<b>\$ 264,316</b>	
<b>Watermaster Staff Admin Services</b>	<b>\$ 291,199</b>	<b>\$ 237,254</b>	<b>\$ 239,994</b>	<b>\$ 186,434</b>	<b>\$ 195,756</b>	<b>\$ 203,094</b>	<b>\$ 210,717</b>	<b>\$ 218,639</b>	
Board Meetings	\$ 108,657	\$ 104,752	\$ 107,253	\$ 73,560	\$ 77,238	\$ 80,714	\$ 84,346	\$ 88,141	2027 30% savings = 6 meetings (5 virtual; 1 in-person)
Technical Advisory Committee Meetings	\$ 53,445	\$ 32,950	\$ 30,774	\$ 18,315	\$ 19,231	\$ 20,096	\$ 21,000	\$ 21,945	2027 48% savings = 2 meetings (both virtual)
Court Hearings	\$ 679	\$ 1,512	\$ 1,512	\$ 1,152	\$ 1,210	\$ 1,264	\$ 1,321	\$ 1,380	
Stakeholder Outreach/Workshops	\$ 11,976	\$ 12,846	\$ 12,846	\$ 8,581	\$ 9,010	\$ 9,280	\$ 9,559	\$ 9,846	2027 33% savings = public outreach via media (no meetings)
Administration and Management	\$ 79,855	\$ 85,194	\$ 87,609	\$ 84,826	\$ 89,067	\$ 91,739	\$ 94,491	\$ 97,326	
Prop 68 Project Admin and Grant Reporting	\$ 36,587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Other Administrative or Vendor Services</b>	<b>\$ 124,760</b>	<b>\$ 64,417</b>	<b>\$ 50,881</b>	<b>\$ 38,208</b>	<b>\$ 39,916</b>	<b>\$ 41,285</b>	<b>\$ 42,705</b>	<b>\$ 44,177</b>	
Financial Audit	\$ 8,098	\$ 8,812	\$ 8,537	\$ 9,064	\$ 9,340	\$ 9,807	\$ 10,297	\$ 10,812	
Insurance	\$ 44,420	\$ 48,142	\$ 41,149	\$ 28,644	\$ 30,076	\$ 30,978	\$ 31,908	\$ 32,865	2027 41% savings = approved reduced premium
Misc. Expenses	\$ 131	\$ 2,000	\$ 150	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	2027 75% savings = reflection of actual potential costs
Meter Accuracy Testing Vendors	\$ 14,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest on Vendor Terms During Prop 68 Grant Period	\$ 57,681	\$ 5,463	\$ 1,045	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Pass-Through Expenses</b>	<b>\$ 7,002</b>	<b>\$ -</b>	<b>\$ 326</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>	
Reimbursement to BWD for GSP	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Requestor Funded Request for Information	\$ 6,996	\$ -	\$ 326	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	Pass through: Collect retainer up-front
Well Permit Application Processing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Pass through: Approach and pass through cost TBD
<b>Legal Services</b>	<b>\$ 98,000</b>	<b>\$ 110,000</b>	<b>\$ 100,000</b>	<b>\$ 63,500</b>	<b>\$ 65,405</b>	<b>\$ 67,367</b>	<b>\$ 69,388</b>	<b>\$ 71,470</b>	2027 42% savings = Reduced number of meetings

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Table 1. Borrego Springs Watermaster Budget for Water Year 2027 and Four-Year Budget Projection through Water Year 2031

Revenues, Expenditures, and Reserves	Actual WY 2025	Amended Budget WY 2026	Projected WY 2026	WY 2027 Budget	Projected Budget <sup>1</sup>				Notes
					WY 2028	WY 2029	WY 2030	WY 2031	
<b>Technical/Engineering Services</b>	\$ 683,746	\$ 311,928	\$ 297,678	\$ 236,526	\$ 296,952	\$ 369,601	\$ 282,316	\$ 281,344	
<b>Routine Annual Technical Consultant Services</b>	\$ 204,220	\$ 224,870	\$ 210,620	\$ 209,764	\$ 220,252	\$ 230,163	\$ 240,521	\$ 251,344	
Coordinate/Implement meter reading program	\$ 27,179	\$ 33,584	\$ 27,363	\$ 30,084	\$ 31,588	\$ 33,010	\$ 34,495	\$ 36,047	
Groundwater Monitoring Program	\$ 97,468	\$ 116,969	\$ 113,950	\$ 119,742	\$ 125,729	\$ 131,387	\$ 137,299	\$ 143,478	
Data Management and Data Reporting	\$ 14,628	\$ 12,276	\$ 12,276	\$ 12,850	\$ 13,493	\$ 14,100	\$ 14,734	\$ 15,397	
Annual Report to the Court and DWR	\$ 51,553	\$ 51,221	\$ 46,370	\$ 35,727	\$ 37,513	\$ 39,201	\$ 40,966	\$ 42,809	30% savings = Eliminate non-required information
As-needed technical services	\$ 13,392	\$ 10,820	\$ 10,662	\$ 11,361	\$ 11,929	\$ 12,466	\$ 13,027	\$ 13,613	
<b>Technical Consultant Services - Non-Routine</b>	\$ 479,526	\$ 87,058	\$ 87,058	\$ 26,762	\$ 76,700	\$ 139,438	\$ 41,795	\$ 30,000	
Address Inactive Wells via Abandonment/Conversion	\$ 222,406	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5-Year Assessment and Update of the GMP (includes addressing DWR RCAs)	\$ 156,826	\$ 71,316	\$ 71,316	\$ -	\$ -	\$ 5,000	\$ 25,000	\$ 30,000	Next assessment and GMP Update due June 2031
Develop Scope and Budget for future SY Updates	\$ 15,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,795	\$ -	
Technical Work to Support SY Updates	\$ 84,851	\$ 15,742	\$ 15,742	\$ 26,762	\$ 76,700	\$ 134,438	\$ -	\$ -	Scope excludes analysis of HCM per Board direction
<b>Environmental Working Group</b>	\$ 236,063	\$ 37,640	\$ 37,640	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Biological Restoration of Fallowed Lands	\$ 225,118	\$ -	\$ -	\$ 6,552	\$ -	\$ -	\$ -	\$ -	For EWG to complete recommendation based on study
Ad Hoc Requests and EWG Meetings	\$ 10,946	\$ 37,640	\$ 37,640	\$ 13,448	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	TC recommended scope for workplan
<b>Services to Parties with Manual Read Meters</b>	\$ 8,880	\$ 12,020	\$ 10,169	\$ 10,942	\$ 11,489	\$ 12,006	\$ 12,546	\$ 13,110	2027 9% savings = BWD reading meters & 2x per year
<b>Cash Reserves<sup>3</sup></b>									
Beginning Cash Reserves	\$ 839,254	\$ 560,559		\$ 492,066	\$ 568,567	\$ 609,238	\$ 555,992	\$ 480,035	
Year-End Cash Reserve Balance	\$ 560,559	\$ 620,506	\$ 492,066	\$ 568,567	\$ 609,238	\$ 555,992	\$ 480,035	\$ 429,029	
<u>Average Reserve to Maintain Target Balance Equal to 9 Months of Operating Expenses</u>		\$ 586,804		\$ 437,094	\$ 498,301	\$ 516,652	\$ 479,077	\$ 498,653	
Minimum Month-End Reserve Balance		\$ 620,506		\$ 427,816	\$ 489,782	\$ 443,251	\$ 384,433	\$ 370,432	
Average Month-End Reserve Balance		\$ 778,375		\$ 527,857	\$ 555,877	\$ 519,169	\$ 480,069	\$ 465,677	
Average No. Months of Operating Costs				10.9	10.1	9.1	9.1	8.40	
Average Variance from Desired Reserve		\$ 191,571		\$ 90,762	\$ 57,576	\$ 2,517	\$ 992	\$ (32,977)	

Notes

1 -- Line-items in blue highlight show tasks where changes in scope have been implemented to reduce costs.

2 -- Assessment set at constant value needed from WY 2027 through WY 2031 to maintain target reserve balance through WY 2031.

3 -- Cash Reserve projections are developed with the financial model prepared by Watermaster Staff. In WY 2025 and prior, the projection was based on expected timing of receipt of payment of Watermaster assessments and timing of payments to vendors. Based on feedback from the Board Treasurer, going forward it is more appropriate to reflect the cash balance based on the timing expenses are accrued and not the timing of payment. This will ensure that the effective cash reserve represents unencumbered dollars.

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### AMENDMENT NO. 16 TO THAT AGREEMENT ENTITLED "BORREGO SPRINGS WATERMASTER PROFESSIONAL SERVICES AGREEMENT"

#### A. RECITALS.

1. The Agreement was made and entered into as of August 13, 2020 by and between the Borrego Springs Watermaster, a Court Agent established by the entry of Judgment in Borrego Springs Water District v. All Persons, San Diego County Superior Court Case No. 37-2020-00006 776-CU-TT-CTL ("Watermaster" hereinafter) and Wildermuth Environmental, Inc. The Agreement concerns the provision of professional services to Watermaster by an Executive Director, a Technical Consultant, and all support staff necessary to discharge the functions and responsibilities of the Watermaster delineated in the above-referenced Judgment.

2. The rights and obligations to Wildermuth Environmental, Inc. specified in the Agreement have been assigned to West Yost & Associates, Inc. with the consent of the Watermaster, effective on February 5, 2021.

3. The Agreement heretofore has been amended fifteen (15) times.

4. As amended, the Agreement expires on December 31, 2026, Exhibit A defines the current approved scope of work -- *Amended Statement of Work No. 8* (as amended April 15, 2026), and Exhibit B defines the schedule of West Yost billing rates.

#### B. AMENDMENT NO. 16.

1. At its June 3, 2026 Special Board meeting, the Watermaster approved a budget for Water Year (WY) 2027. The WY 2027 Budget includes \$447,385 of expenditures for the administrative and technical tasks that are to be performed by West Yost in accordance with its role to provide Executive Director and Technical Consultant services from October 1, 2026 through September 30, 2027.

2. Effective October 1, 2026, the enclosed *Statement of Work No. 9* and the associated \$447,385 budget for Water Year 2027 shall replace the existing *Exhibit A - Amended Statement of Work No. 8* of the above-referenced Agreement. *Statement of Work No. 9* defines the scope of services and line-item budget for work to be performed by West Yost between October 1, 2026 and September 30, 2027 and is defined in accordance with the Board-Approved budget for WY 2027.

3. Effective October 1, 2026, Paragraph 2(a) and the associated Exhibit B of the Agreement is amended to provide that the Watermaster shall pay for the Services in Exhibit A in accordance with the attached West Yost WY 2027 billing rate schedule. This billing rate schedule reflects West Yost's annual rate increase, which was assumed in the development of the WY 2027 Budget.

4. West Yost's Director of Operations – Planning, Chuck Greely, has confirmed that the Rate Schedule for WY 2027 incorporated into this amendment reflects West Yost's standard

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billing rates, and that the rates set forth therein are what other clients pay for comparable professional services.

5. The expiration date of the term of the Agreement stated in Paragraph 4 of the Agreement is extended from December 31, 2026 to and including December 31, 2027 – a one-year extension.

6. Except as specifically amended hereby, the Agreement, as previously amended by Amendments 1 through 15, and each and every term thereof shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 16 as of the date stated below.

BORREGO SPRINGS WATERMASTER

WEST YOST

By: \_\_\_\_\_  
Tyler Bilyk,  
Chairperson of the Board

By: \_\_\_\_\_  
Charles Duncan,  
President

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James L. Markman,  
Watermaster General Counsel

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# Statement of Work No. 9 (SOW No. 9): West Yost Administrative and Technical Services for the Borrego Springs Watermaster – Water Year 2027 *Approved: June 3, 2026*

The following describes the statement of work (SOW) No. 9 for West Yost administrative and technical services for Water Year (WY) 2027: October 1, 2026 through September 30, 2027. On June 3, 2026, the Watermaster Board approved the WY 2027 Budget, which included expenditures for West Yost to perform its Executive Director and Technical Consultant services. The attached Exhibit 1 provides the line-item cost detail for each task and sub-task in SOW No. 9, including labor hours, subconsultant costs, and other direct charges associated with the performance of work. The total budget for SOW No. 9 is \$447,385 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

Task 6 – Respond to Requests for Information (Requestor-Funded)

Task 7 – Process Applications for New Well Construction (Requestor-Funded)

The tasks and subtasks are described below in accordance with the scope and assumptions presented in the WY 2027 budget. Watermaster Staff will not perform any work outside the scope and assumptions described in SOW No. 9 without prior written authorization from the Board Chair, following direction from the Board in a meeting direction such additional work be performed. All additional work requiring a budget amendment will not proceed without a Board-approved budget amendment.

## 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 Chair, subcommittees, legal counsel, Technical Advisory Committee (TAC) members; preparing the agenda and meeting packages; preparing presentation materials; conducting the meetings; preparing minutes; and performing certain Board-approved follow-on actions. There are four sub-tasks, by meeting type. ***Budget: \$101,608***

**1.1 Board Meetings. *Budget: \$73,560*** It is assumed that six meetings will be held, each being approximately 3-hours long to discuss up to four business items, in addition to standard meeting items. One meeting is planned to occur in-person in Borrego Springs, and five meetings will be held virtually. It is assumed that the Executive Director will meet with legal counsel and the Chairperson (or other Sub Committees) ahead of and between meetings to maintain momentum and align expectations.

**1.2 Technical Advisory Committee Meetings. *Budget: \$18,315*** It is assumed that two virtual TAC meetings will be conducted, each meeting being 2-hours long to discuss up to three topics. No

**Statement of Work No. 9 (SOW No. 9):  
West Yost Administrative and Technical Services  
for the Borrego Springs Watermaster – Water Year 2027  
*Approved: June 3, 2026***

additional items will be handled via email other than brief follow-up requests for input following meetings.

**1.3 Court Hearings. Budget: \$1,152** As needed support to Legal Counsel for Court hearings on status updates will be provided upon request.

**1.4 Stakeholder Outreach. Budget: \$8,581** Stakeholder Outreach activities will be focused on providing communication efforts related to Watermaster activities, such as the preparation and publication of newspaper articles, press releases, and radio advertisements. All content will be reviewed by a subcommittee of the Board prior to publication.

**Task 2 – Watermaster Administration and Management.** The Executive Director will organize, oversee, and/or perform the administrative and management aspects of operating the Watermaster and administering the Judgment, Rules and Regulations, and Groundwater Management Plan (GMP). This includes eight subtasks. **Budget: \$84,826.**

**2.1 Prepare the Watermaster annual budget. Budget: \$13,006** Prepare a draft administrative and technical budget for WY 2028 by May 2027 and finalize the budget for approval by June 30, 2027.

**2.2 Insurance, accounting, and financial services. Budget: \$22,194** Obtain and maintain insurance policies (e.g., liability insurance); maintain a bank account; prepare and issue assessment and other invoices for services rendered; prepare bi-monthly financials timed to Board meetings; oversee the annual audit, manage vendor accounts, and perform other as-requested accounting and financial services.

**2.3 Management of Watermaster records, documents, and website. Budget: \$5,634** 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 meeting materials pursuant to the Judgment. Staff will ensure confidential data is maintained accordingly.

**2.4 Respond to and track public information requests. Budget: \$2,802** This includes timely response to requests for data and information from the general 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. Requests for data or detailed information will be charged to the Requestor and tracked under Task 6.

**2.5 As-needed support to the BPA Parties. Budget: \$12,516** 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 following standards. This also includes maintaining an active list of names and

**Statement of Work No. 9 (SOW No. 9):  
West Yost Administrative and Technical Services  
for the Borrego Springs Watermaster – Water Year 2027  
*Approved: June 3, 2026***

addresses of all Parties. Any significant requests for support will be taken to the Board in a manner consistent with any policies adopted by the Watermaster. Any detailed data requests will be performed in accordance with Resolution 20-04 (or any superseding Resolution), including requiring Requestor to fund data requests in excess of limits imposed in the Resolution. Requests for data or detailed information in excess of the limit will be charged to the Requestor and tracked under Task 6.

**2.6 As-needed administration of the terms of the Judgment, Rules & Regulations, and Groundwater Management Plan. Budget: \$12,516** This includes any other as-needed performance of non-routine services to implement the Watermaster guidance documents.

**2.7 Other general administration and project managements tasks. Budget: \$16,158** This includes, but is not limited to, managing staff and consultants, tracking task schedules and progress, and tracking/reporting budget progress.

**Task 3 – Engineering and Technical Services.** The objective of this task is for the Technical Consulting team to perform the routine and non-routine technical services required by the Judgment, Rules and Regulations, and GMP for WY 2027. This includes ten subtasks. **Budget: \$236,526.**

**3.1 Coordinate and implement the meter reading program. Budget: \$30,084** 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 to be cured.
- 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 and tracked under Task 5.

**3.2 Implement Groundwater Monitoring Program. Budget: \$119,742** This task includes:

- 3.2a – Developing a Groundwater Monitoring Optimization Plan. The objective is to find cost savings through elimination of sites with similar data and reduce frequency of monitoring, while retaining the ability to characterize trends and conditions in the Basin over time. The budget for this task will not exceed \$20,000.
- 3.2b - Implementing the groundwater monitoring program generally in accordance with the 2023 Groundwater Monitoring Program, but with modifications that enable the development of recommendations for optimizing the program as noted in 3.2a. The monitoring program generally includes semi-annual field collection of groundwater-level measurements (manual and pressure transducer downloads) and groundwater-quality samples. Some monitoring will be reduced, to fit the budget, but only where it will not impact ability to characterize trends and conditions. Following each field event, the field

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and laboratory data will be cataloged, processed into standardized formats, reviewed for QA/QC, and uploaded to the Watermaster’s data management system (DMS). The budget for this task is \$99,742.

**3.3 Maintain Database Management System for all groundwater, surface water, and climate data. Budget: \$12,850** This covers the work to report data to DWR and maintain and keep the Watermaster’s DMS 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-requested summary reports of data, such as the mid-year pumping report
- 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 Module (MNM) data portal twice per year following the fall and spring monitoring events

**3.4 Prepare Combined Annual Report to Court and DWR. Budget: \$35,727** Prepare the draft and final WY 2026 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 two main tasks:

- Preparation of the WY 2026 accounting of water rights, including elections of Carryover and calculation of the annual pumping assessment for each Party for WY 2027. This will be completed by the Judgment compliance date of October 31, 2026.
- The WY 2026 Annual Report will be prepared to satisfy only SGMA and Judgment requirements (i.e. any non-required information will be eliminated relative to prior reports).

**3.5 As-needed technical support for implementation of the Judgment, Rules and Regulations, and Groundwater Management Plan. Budget: \$11,361** This includes performance of any other as-needed non-routine technical services to implement Judgment and GMP including, as-requested analysis of data or use of the Borrego Valley Hydrologic Model (BVHM).

**3.6 WY 2027 Technical Work to Support the 2030 Sustainable Yield. Budget: \$26,762** This work involves implementing Board-approved tasks for advancing work towards completion of the 2030 Sustainable Yield update. In WY 2027, the scope of work is focused specifically on evaluating estimates of groundwater evapotranspiration ( $ET_{gw}$ ) associated with the Mesquite Bosque as estimated by the BVHM and comparing model-estimates to values reported in the University of California, Irvine (UCI) Groundwater Dependent Ecosystem (GDE) Study Report to determine whether updates to the BVHM are needed to improve simulation of  $ET_{gw}$ . (The goal is NOT to match the UCI study  $ET_{gw}$ , but rather to initially understand how they compare).

The work will include: (i) researching and documenting how the BVHM currently simulates  $ET_{gw}$ , (ii) delineating the Mesquite Bosque within the model domain, (iii) comparing model-estimated

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ET<sub>gw</sub> to the results in the UCI GDE Study Report, and (iv) developing recommendations regarding potential updates to the BVHM.

**Task 4 – Environmental Working Group.** The objective of this task is to support Board-approved activities of the Environmental Working Group (EWG). This includes ad-hoc requests and EWG meetings, as needed to implement the work. *Budget: \$20,000.*

**4.1 Biological Restoration of Fallowed Farmlands.** *Budget: \$6,552* For WY 2027, Watermaster Staff recommended utilizing funding to complete the process of evaluating and developing recommendations to the Watermaster Board regarding next steps associated with the Biological Restoration of Fallowed Lands Study prepared by UCI and LandIQ in WY 2025. The scope of work will include reviewing findings and recommendations of the Biological Restoration of Fallowed Lands Study and coordinating with the EWG regarding potential future management actions and implementation strategies.

**4.2 Follow-on Work Related to the UCI GDE Study Report.** *Budget: \$13,448* Work in this task will be defined by the Board and will not proceed until directed.

**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, 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: \$4,425.*

**Task 6 – Respond to Requests for Information (Requestor-Funded).** The objective of this task is to respond to requests for data and information by Parties or others as approved by the Board. All work performed under this task will be fully reimbursed by the requestor of the data. As such no budget is defined for this task. *Budget: \$0.*

**Task 7 – Process Applications for New Well Construction (Requestor-Funded).** The objective of this task is to process applications for new well construction. The Watermaster intends to update its reimbursement policy with respect to processing applications such that it is fully funded by applicants. As such no budget is defined for this task. *Budget: \$0.*

Item III.B

Exhibit 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 2027

Task and Subtask Descriptions	Labor Hours and Cost											Other Direct Costs					Total Project Costs									
	Executive Director	Lead Technical Consultant	Principal Sci/Eng II	Associate Sci/Geo/Eng II	Staff Sci/Geo/Eng III	Staff Sci/Geo/Eng I/II	Field Technician	Comms/Technical Analyst	Administrative III/IV	Task Repetition Multiplier	Total Person Hours	West Yost Labor Cost		Travel	Media for Public Outreach	Field Equipment Rental or Purchase	Laboratory and Sub-contractors	Total Direct Costs		Sub-Task	Task					
												Sub-Task	Task					Sub-Task	Task							
<b>Task 1 - Meetings and Court Hearings</b>																								<b>\$99,488</b>	<b>\$2,120</b>	<b>\$101,608</b>
1.1 Watermaster Board meetings																								\$73,360	\$200	\$73,560
a Prepare for and attend 5 Regular Board meetings (Virtual)	13	6		16					5	175	\$58,000														\$0	\$58,000
b Prepare for and attend 1 Regular Board meeting (In Person)	18	11		16					1	45	\$15,360	\$200													\$200	\$15,560
1.2 Technical Advisory Committee meetings																								\$18,315	\$0	\$18,315
Prepare for and attend 2 TAC meetings (Virtual)	6	9		13	2				2	57	\$18,315														\$0	\$18,315
1.3 Court Hearings																								\$1,152	\$0	\$1,152
As-needed support for Court status conferences and hearings	3								1	2	\$1,152														\$0	\$1,152
1.4 Stakeholder Outreach																								\$6,661	\$1,920	\$8,581
Outreach via local news and radio	3			3				9	2	28	\$6,661		\$1,920												\$1,920	\$8,581
<b>Task 2 - Watermaster Administration and Management</b>																								<b>\$84,826</b>	<b>\$0</b>	<b>\$84,826</b>
2.1 Prepare the draft and final Watermaster budget for WY 2028	24	4		4	3				3	1	38	\$13,006													\$0	\$13,006
2.2 Accounting and financial services	1			1					8	12	114	\$22,194													\$0	\$22,194
2.3 Management of Records, Documents, and Website				1					2	12	30	\$5,634													\$0	\$5,634
2.4 Track/respond to public communications and requests	0			1						12	9	\$2,802													\$0	\$2,802
2.5 As-needed support to the BPA Parties	2			1						12	36	\$12,516													\$0	\$12,516
2.6 As-requested admin. of the Judgment, Rules & Regs, and GMP	2			1						12	36	\$12,516													\$0	\$12,516
2.7 General administration and project managements tasks	1			4						12	54	\$16,158													\$0	\$16,158

Item III.B

Exhibit 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 2027

Task and Subtask Descriptions	Labor Hours and Cost											Other Direct Costs					Total Project Costs							
	Executive Director	Lead Technical Consultant	Principal Sci/Eng II	Associate Sci/Geo/Eng II	Staff Sci/Geo/Eng III	Staff Sci/Geo/Eng I/II	Field Technician	Comms/Technical Analyst	Administrative III/IV	Task Repetition Multiplier	Total Person Hours	West Yost Labor Cost		Travel	Media for Public Outreach	Field Equipment Rental or Purchase	Laboratory and Sub-contractors	Total Direct Costs		Sub-Task	Task			
												Sub-Task	Task					Sub-Task	Task					
<b>Task 3 - Engineering and Technical Services</b>																						<b>\$209,638</b>	<b>\$26,887</b>	<b>\$236,526</b>
3.1 Coordinate and implement meter program																						\$30,084	\$0	\$30,084
a Collect and review annual meter calibration/accuracy reports				2	6	8				1	16											\$3,822	\$0	\$3,822
b Collect, catalog monthly meter reads and calculate pumping	0			2	7					12	105											\$26,262	\$0	\$26,262
3.2 Implement Groundwater Monitoring Program																						\$92,855	\$26,887	\$119,742
a Develop Groundwater Monitoring Optimization Plan	6	26		12	12	8				1	64											\$20,000	\$0	\$20,000
b Implement Groundwater Monitoring Program	10	10		27	85	20	216			3	1	371	\$72,855	\$8,424	\$2,160	\$16,303		\$26,887		\$99,742				
3.3 Data Management and Data Reporting																						\$12,850	\$0	\$12,850
a Collection, process, and upload of other hydrologic and water quality data		1			7	20				1	28		\$6,628						\$0		\$6,628			
b Periodic reporting of results	1			1	9					1	10		\$2,603						\$0		\$2,603			
c MNW Compliance (load data to DWR portal)				2		6				2	15		\$3,619						\$0		\$3,619			
3.4 Prepare WY 2026 combined Annual Report to the Court & DWR																						\$35,727	\$0	\$35,727
a Water Rights Accounting	12			26	3					1	40		\$12,221						\$0		\$12,221			
b Draft and Final Annual Report	11	7		29	23	5		14		1	88		\$23,507						\$0		\$23,507			
3.5 As-needed technical services	6	14		8		8				1	36		\$11,361						\$0		\$11,361			
<b>TAC Supported Technical Work</b>																								
3.7 WY 2027 Scope of Work to Advance 2030 SY Recalculation	2	18	6	50		12		4		1	92		\$26,762						\$0		\$26,762			
<b>Task 4 - Environmental Working Group</b>																						<b>\$20,000</b>	<b>\$0</b>	<b>\$20,000</b>
4.1 Bio. Restoration Recommendations (includes 1 meeting)	2	11			8					1	21		\$6,552								\$6,552			
4.2 Follow-on Work Related to UCI GDE Study Report	2	16		2	8	17		2		1	47		\$13,448								\$13,448			
<b>Task 5 - Services Reimbursed by Parties with Manual-read Meters</b>																						<b>\$4,425</b>	<b>\$0</b>	<b>\$4,425</b>
5.1 Consulting services to Parties with manual-read meters				0.25	1					12	18		\$4,425						\$0		\$4,425			
<b>Task 6 - Respond to Requests for Information</b>																						<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
6.1 Respond to Requests for Information (Requestor-Funded)													\$0						\$0		\$0			
<b>Task 7 - Process Applications for New Well Construction</b>																						<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
7.1 Process Applications for New Well Construction (Requestor-Funded)													\$0						\$0		\$0			
<b>Task Totals</b>	<b>266</b>	<b>175</b>	<b>6</b>	<b>423</b>	<b>350</b>	<b>129</b>	<b>432</b>	<b>18</b>	<b>149</b>	<b>1,639</b>		<b>\$418,378</b>	<b>\$17,048</b>	<b>\$1,920</b>	<b>\$4,320</b>	<b>\$32,607</b>		<b>\$29,007</b>		<b>\$447,385</b>				

## 2026 - 2027 Billing Rate Schedule

(Effective October 1, 2026, through September 30, 2027)

POSITIONS	LABOR CHARGES (DOLLARS PER HOUR)
<b>ENGINEERING</b>	
Principal/Vice President	\$407
Engineer/Scientist/Geologist Manager I / II	\$384 / \$402
Principal Engineer/Scientist/Geologist I / II	\$345 / \$368
Senior Engineer/Scientist/Geologist I / II	\$308 / \$324
Associate Engineer/Scientist/Geologist I / II	\$255 / \$275
Engineer/Scientist/Geologist I / II / III	\$198 / \$229 / \$240
Engineering Aide	\$121
Field Monitoring Services	\$150
Administrative I / II / III / IV	\$111 / \$138 / \$166 / \$183
<b>ENGINEERING TECHNOLOGY</b>	
Engineering Tech Manager I / II	\$398 / \$402
Principal Tech Specialist I / II	\$366 / \$379
Senior Tech Specialist I / II	\$332 / \$347
Senior GIS Analyst	\$303
GIS Analyst	\$287
Technical Specialist I / II / III / IV	\$214 / \$240 / \$271 / \$302
Technical Analyst I / II	\$154 / \$183
Technical Analyst Intern	\$123
Cross-Connection Control Specialist I / II / III / IV	\$160 / \$173 / \$195 / \$216
CAD Manager	\$242
CAD Designer I / II	\$188 / \$212
<b>CONSTRUCTION MANAGEMENT</b>	
Senior Construction Manager	\$387
Construction Manager I / II / III / IV	\$230 / \$246 / \$260 / \$330
Resident Inspector (Prevailing Wage Groups 4 / 3 / 2 / 1)	\$208 / \$230 / \$256 / \$266
Apprentice Inspector	\$188
CM Administrative I / II	\$100 / \$135
Field Services	\$266

- Hourly rates include charges for technology and communication, such as general and CAD computer software, telephone calls, routine in-house copies/prints, postage, miscellaneous supplies, and other incidental project expenses.
- Outside services, such as vendor reproductions, prints, and shipping; major West Yost reproduction efforts; as well as engineering supplies, etc., will be billed at the actual cost.
- The Federal Mileage Rate will be used for mileage charges and will be based on the Federal Mileage Rate applicable to when the mileage costs were incurred. Travel other than mileage will be billed at cost.
- Subconsultants will be billed at actual cost.
- Expert witness services, research, technical review, analysis, preparation, and meetings will be billed at 150% of standard hourly rates. Expert witness testimony and depositions will be billed at 200% of standard hourly rates.
- A finance charge of 1.5% per month (an annual rate of 18%) on the unpaid balance will be added to invoice amounts if not paid within 45 days from the date of the invoice.

## 2026 - 2027 Billing Rate Schedule

(Effective October 1, 2026, through September 30, 2027)

### Equipment Charges

EQUIPMENT	BILLING RATES
2" Purge Pump & Control Box	\$300 / day
Aquacalc / Pygmy or AA Flow Meter	\$28 / day
Emergency SCADA System	\$35 / day
Field Vehicles (Groundwater)	\$200 / day
Gas Detector	\$80 / day
Generator	\$60 / day
Hydrant Pressure Gauge	\$10 / day
Hydrant Pressure Recorder, Impulse (Transient)	\$55 / day
Hydrant Pressure Recorder, Standard	\$40 / day
Low Flow Pump Back Pack	\$135 / day
Low Flow Pump Controller	\$200 / day
Powers Water Level Meter	\$32 / day
Precision Water Level Meter 300ft	\$30 / day
Precision Water Level Meter 500ft	\$40 / day
Precision Water Level Meter 700ft	\$45 / day
QED Sample Pro Bladder Pump	\$65 / day
Skydio 2+ Drone (2 hour minimum)	\$100 / hour
Storage Tank	\$20 / day
Sump Pump	\$24 / day
Transducer Communications Cable	\$10 / day
Transducer Components (per installation)	\$23 / day
Trimble GPS – Geo 7x	\$220 / day
Tube Length Counter	\$22 / day
Turbidity Meter	\$30 / day
Turbidity Meter (2100Q Portable)	\$35 / day
Vehicle (Construction Management)	\$18.75 / hour
Water Flow Probe Meter	\$20 / day
Water Quality Meter	\$50 / day
Water Quality Multimeter	\$185 / day
Well Sounder	\$30 / day