Borrego Springs Watermaster
Regular Board Meeting
November 18, 2026 @ 1:30 p.m.
Meeting Available by Remote Access Only*

Please join my meeting from your computer, tablet or smartphone.
https://meet.goto.com/824360637

You can also dial in using your phone.
United States (Toll Free): 1 877 309 2073 or United States: +1 (571) 317-3129

Access Code: 824-360-637

Get the app now and be ready when your first meeting starts:
https://meet.goto.com/install

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

II. ELECTION OF BOARD OFFICERS (Bilyk)
The Board Officers are Chairperson, Vice Chairperson, Secretary, and Treasurer. Currently, Director Bilyk serves as Chair, Director Bennett serves as Vice Chair, Director Moran serves as Secretary, and Director Smith serves as Treasurer.

III. PUBLIC CORRESPONDENCE/COMMENT (Chairperson)
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 includes items received between August 13, 2026 and November 10, 2026.

A. Correspondence Received
   i. November 10, 2026 Letter from BWD.....**Page 4**
B. Public Comment

IV. CONSENT CALENDAR (Chairperson)

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

A. Approval of Minutes: Regular Meeting – August 19, 2026 .....**Page 7**
B. Approval of Minutes: Special Meeting – October 5, 2026 .....**Page 12**
C. Approval of August 2026 Financial Report .....**Page 14**
D. Approval of September 2026 Financial Report .....**Page 19**
E. Approval of October 2026 Financial Report .....**Page 24**
F. Receive and file July 2026 Watermaster Staff invoices
   i. July 2026 RWG Invoice.....**Page 29**
   ii. July 2026 West Yost Invoice.....**Page 35**
G. Receive and file August 2026 Watermaster Staff invoices
   i. August 2026 RWG Invoice.....**Page 44**
   ii. August 2026 West Yost Invoice .....**Page 50**
H. Receive and file September 2026 Watermaster Staff invoices
   i. September 2026 RWG Invoice.....**Page 58**
   ii. September 2026 West Yost Invoice.....**Page 64**

V. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Consideration of Approval of WY 2026 Carryover Transfers (ADAMS).....**Page 72**
B. Water Rights Accounting for Water Year 2026 (ADAMS).....**Page 88**
C. Consideration of Approval of Transfer of BPA between T2 Borrego, LLC – Ram's Hill and BWD, effective WY 2027 (ADAMS) .....**Page 108**
D. Consideration of Approval to Contract with C.J. Brown & Company, CPAs to Perform the WY 2026 Annual Financial Audit (ADAMS) .....**Page 114**
E. Consideration of Approval of the December 2026 TAC Meeting Agenda (MALONE).....**Page 122**
F. Consideration of Approval of the December 2026 EWG Meeting Agenda (MALONE) .....**Page 124**
G. Final Water Year 2026 Budget Status (ADAMS) .....**Page 126**

VI. REPORTS

A. Legal Counsel Report – *verbal*
B. Technical Consultant Report.....**Page 130**
   - GDE Next Steps
   - Fall 2026 Semi-Annual Monitoring Event - Report

C. Executive Director Report – *verbal*

D. Subcommittee Reports – *verbal*

i. Public Outreach Subcommittee Report
- Report of process to produce first publication and recommended next steps
- Discuss Board feedback on second publication (attached) ..... **Page 132**

ii. Bankruptcy Subcommittee Report

E. Chairperson's Report – *verbal*

VII. APPROVAL OF AGENDA ITEMS FOR JANUARY 20, 2027 BOARD MEETING .....**Page 133**

VIII. BOARD MEMBER COMMENTS

IX. NEXT MEETINGS OF THE BORREGO SPRINGS WATERMASTER

A. Regular Board Meeting – Wednesday, January 20, 2027 at 1:30 pm

B. Regular Board Meeting – Wednesday, March 17, 2027 at 1:30 pm

X. ADJOURNMENT

November 10, 2026

TO: Borrego Springs Subbasin Watermaster Board

FROM: Borrego Water District, Board of Directors

SUBJECT: GDE Stakeholder/Community Outreach Offer

The Borrego Water District (BWD) is encouraged that the Watermaster Board (WMB) now supports recognizing a remnant Groundwater Dependent Ecosystem (GDE) in the Borrego Valley Subbasin Mesquite Bosque (Bosque). BWD believes development of a GDE Management Plan (Plan) for the Bosque is a vital step for the WMB to meet its SGMA and CA Constitutional obligation of protecting all beneficial groundwater uses in our Basin. The WMB's recent actions provide a chance to shift the focus, effort, and resource expenditure from the scientific debate revolving around Best Available Science to activities that identify tools, management actions, and intentional outcomes for the Bosque. To ensure WM and Pumper resources are maximized for the benefit of the Bosque, BWD would like to offer the following observations and suggestions to guide the upcoming Technical Advisory Committee (TAC), and Environmental Working Group (EWG) process in developing a Plan.

First, BWD believes work performed by UCI, and the subsequent review by the TAC/EWG/WMB has significantly advanced our knowledge of groundwater dynamics in the near-surface of the central and south management areas, providing quantitative descriptions of the extent of live-mesquite coverage, seasonal vegetation dynamics, and updated Evapotranspiration Rate (ET) estimates. Stakeholders will make more-informed future decisions in the basin as a result of this updated knowledge base.

Second, there are a number of issues where there is significant concurrence amongst the experts and WMB. Recognizing and leveraging these areas of consensus will facilitate moving forward in the next phase of the WMB Process. Specifically, there is some level of general consensus on the following:

1. Portions of the Borrego Springs Mesquite Bosque should be recognized as a GDE.
2. Appropriate estimates of Bosque groundwater ET are necessary for inclusion in future BVHM model runs and water budget assessment, starting with the 2030 GMP update process.
3. Future WM resources should be used to evaluate/consider/implement tools and/or management actions, beyond the current rampdown, that provide a direct benefit to the Bosque. WM resources should not be used to gather data just so the experts can endlessly debate the different interpretations of it.

Finally, there are resources available to BWD and the WM as a result of the science-capacity built by our collective partnerships and grant activities over the last several years. Data sets, instrumentation, approaches to interpreting BVHM dynamics, and strategies for remote sensing have all been developed, discussed, deployed and detailed. This capacity can support those in decision-making positions going forward on monitoring and management.

As a result of the above, BWD has been preparing for the next phase of WMB GDE-management deliberations. One of the first steps taken by BWD was to begin discussions with UCI about receiving Technical Support for the BWD Board and its WM delegation to empower the members with access to data, analysis, and science. Three months ago, UCI and BWD entered into an Umbrella Agreement that provides a rapid response to any technical needs that may arise once the WMB next steps are fully known and a strategy developed.

BWD and/or UCI do not want to leave the impression that we have all of the answers or capacity to develop a management plan that solves the intertwined interests of the WMB stakeholders and public. Conversely, BWD and UCI understand the complexities of the resource management situation and believe that one key action needed to begin moving the conversation forward in the Borrego Springs Subbasin is obtaining stakeholder/community input that builds on existing consensus, and provides a voice for those who are passionate about this process. BWD believes not allowing for adequate stakeholder input in the beginning of the next phase of the WMB process, could erode public confidence further in the WM consideration of the Bosque.

In a perfect world, taking the time to obtain stakeholder input on the GDE and generate consensus paths forward would be a task administered by the WMB, but BWD understands the financial and logistical limitations of managing and holding WMB/TAC/EWG meetings. The SGMA law itself, and the Department of Water Resources and its SGMA Program all emphasize the importance of stakeholder outreach and engagement in implementing SGMA — one of the first Guidance Documents was on community outreach and engagement. https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Groundwater-Management/Assistance-and-Engagement/Files/Guidance-Doc-for-GSP---Stakeholder-Communication-and-Engagement.pdf

Therefore, BWD would like to offer its assistance to the WMB with administration, design, and logistics, of a stakeholder/community outreach process in full cooperation/coordination with the WMB. If the WMB is satisfied with the existing TAC/EWG process and not interested in additional stakeholder/community outreach, BWD believes the results would be worth the effort, so it will carry out activities in the spirit of engaging stakeholders and the community to adequately contribute to GDE planning. BWD and UCI staff have preliminarily discussed the concept of a BWD-driven GDE outreach program with the WMB Community Representative and believe by working together, the opportunity exists for valuable one on one conversations for the first time with this important constituency and their WM Representatives.

Working together with the WMB, these proposed activities would enhance the upcoming TAC/EWG process to develop of a GDE Plan, in whatever capacity the WMB prefers. Our goal is not to create a parallel or replacement process with the WMB, but to work with those who are interested ensuring the stakeholder/community is involved in the upcoming GDE process and ensure all voices are heard. An outline of the initial thoughts into Outreach is attached in Attachment A.

Again, BWD is encouraged by the recent WMB direction and stands poised to be a productive member of its upcoming Bosque evaluation process in whatever capacity affects planning by the WMB. Thank you for your consideration.

Sincerely,



Kathy Dice, President

APPENDIX A
Outline of BWD Proposed Outreach
11-10-26

FORMAT: Starting in January 2027, up to three meetings thru winter/spring of 2027 to develop a list of tools and management options for the WMB to consider that have been broadly defined and vetted by the community.

PRELIMINARY OUTREACH MEETING TOPICS

(1) ROLES, RESPONSIBILITIES, AND RELATIONSHIPS: Identification of the WMB legal obligations and the roles/relationships for each party in regards to the Bosque or GDE or GW question including WMB, BWD, UCI, WMB Community Representative, County, State Parks, AAWARE, ABF, Parcel Owners, Stakeholders/Community, and Others In short, who cares and why? What kind of information would help individuals with the decisions they face;

(2) GDE HISTORY: Make available for all participants an overview of the history including the Prop 68 UCI GDE Study findings and current status of the WMB process. .

(3) VISIONING – GDE: An open forum, using participatory activities (visioning board / interactive materials) to develop an understanding of what the stakeholders/community value in the GDE including biodiversity, birds, green space, dust control, SGMA/water budget and what they see as its future. The perspective of the stakeholders/community may be a representation of the historical extent, the current extent, or a vision of the future extent of the Bosque GDE . These features provide the platform for developing/evaluating potential tools and management actions/ 'interventions.'

(4) TOOLS AND MANAGEMENT ACTION IDENTIFICATION: Engaging stakeholders in a collective, brainstorming session to identify and evaluate tools, management actions and inclusive approaches to proactively meet the obligations of SGMA, group visions previously identified and avoid GDE degradation. A group discussion on determining a method of evaluating and prioritizing the various tools and management actions options is also envisioned.

(5) EVALUATION OF TOOLS AND MANAGEMENT ACTIONS AND RECOMMENDATIONS: Share the results of synthesizing the issues above including evaluation/prioritization of the tools and management actions identified.

(6) REVIEW OF FINDINGS/FINAL REPORT: The final meeting will be designed to present and discuss the Findings and Recommendations Report that includes stakeholder/community suggested tools and management actions to be submitted by BWD for use in the upcoming WMB GDE management process.

MINUTES
BORREGO SPRINGS WATERMASTER BOARD MEETING
Conducted Virtually via GoToMeeting
Wednesday, August 19, 2026, 3:00 p.m.

The following individuals were present at the meeting:

Directors Present	Chair Tyler Bilyk – Agricultural Sector
	Vice Chair Jim Bennett – County of San Diego (arrived at 3:22pm)
	Treasurer Shannon Smith – Recreational Sector
	Secretary Gina Moran – Borrego Water District (BWD)
	Mark Jorgensen – Community Representative
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	Cameryn Brock, Center for Biological Diversity
	Diane Johnson, BWD Board Member
	George Peraza, DWR
	Holly Smit Kicklighter
	Jessica Clabaugh, BWD Finance Office
	Jim Dax, Board Alternate – Community Representative
	Kathy Dice, BWD Board Member
	Marisa Earll, Intera
	Seth Alston, Center for Biological Diversity
	Steve Anderson, BB&K, representing BWD
	Tammy Baker, BWD Board Member and Board Alternate - BWD
	Trey Driscoll, Intera, TAC Member representing BWD
	Yara Pasner, Intera
	Peter

Please visit the Watermaster's Website[1] to access the Agenda Packet, recording, and presentation for the August 19, 2026 Meeting. The following meeting minutes identify the start time each agenda item discussion (hours, minutes, seconds: 00:00:00), which can be used as a reference to find and listen to the details of each topic discussed in the meeting recording for specifics and context.

I. **Opening Procedures**

A. Chair Bilyk called the meeting to order at 3:03 PM at which time the meeting recording was started. 00:00:00

B. Chair Bilyk led the meeting participants in the Pledge of Allegiance. 00:00:17

C. Samantha Adams, Executive Director (ED) called roll and confirmed that a quorum of 4 of 5 members of the Board were present. Vice Chair Bennett arrived at 3:22pm, increasing the Board member quorum to 5. 00:00:33

[1] https://borregospringswatermaster.com/past-watermaster-meetings/

Unapproved

D. Approval of Agenda. The Board discussed the agenda topics for the August 19, 2026 Board meeting. 00:01:14

Motion: Motioned by Director Moran, seconded by Director Jorgensen to approve the Agenda. 00:01:30

Motion carried unanimously by voice vote (4-0). Vice Chair Bennett was absent.

II. **Public Correspondence**

A. *Correspondence Received*. Chair Bilyk referenced the correspondence included in the agenda package. 00:01:54

B. *Public Comments*. Chair Bilyk called for public comments. There were no public comments. 00:02:18

III. **Consent Calendar**

Chair Bilyk called for discussion on the Consent Calendar items included in the August 19, 2026 agenda package. 00:02:42

- There were no public comments.
- Board discussion ensued to determine action.

Motion: Motioned by Director Smith, seconded by Chair Bilyk, to approve the Consent Calendar, inclusive of an edit to the May 2026 RWG Invoice to remove Mr. Bouchard's time billed on May 18, 2026 unrelated to the Borrego Springs Watermaster. 00:06:15

Motion carried unanimously by roll-call vote (4-0). Vice Chair Bennett was absent.

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

A. *Consideration of Approval of Resolution 26-01 to Establish a Procedure for Technical Review of Transfer Applications.* ED Adams gave a presentation summarizing the memo included in the agenda package. 00:06:54

- Public comment was made by Holly Smit-Kicklighter and Steve Anderson.
- Board discussion ensued, including Legal Counsel input, to determine action. Following discussion, the Board elected not to adopt the resolution presented and identified that a transfer policy can be revisited in conjunction with the 2030 Sustainable Yield redetermination. In the interim, the Board identified that Parties to a permanent transfer of BPA would need to bear the cost of any transfer reviews, including any Special meetings required to take action to review the transfer for consideration of approval.

B. *Overview of Anticipated WY 2027 Calendar of Activities and Approval of WY 2027 Board Meeting Dates.* ED Adams gave a presentation summarizing the memo included in the agenda package. 01:25:45

- There were no public comments.
- Board discussion ensued to determine action.

Unapproved

Motion: Motioned by Director Jorgensen, seconded by Director Moran, to i) change the WY 2027 Board meeting start time to 1:30 pm on the third Wednesday of the month and ii) approve the WY 2027 meeting dates and topics presented. 01:34:36

Motion carried unanimously by roll-call vote (5-0-0).

C. *Next Steps Related to the Borrego Sink Mesquite Bosque.* ED Adams provided a summary of the memo included in the agenda package. 01:35:26

- Public comment was made by Holly Smit-Kicklighter, Cameryn Brock, Jim Dax, and Tammy Baker.
- Board discussion ensued to determine action.

Motion: Motioned by Director Smith, seconded by Director Bilyk to acknowledge that, based on the information currently available, a remnant GDE may remain in portions of the Basin, and in response to this acknowledgment, directed Staff to: (i) develop a feasibility study focused on delivering irrigation water to areas of the mesquite bosque where groundwater is believed to be the shallowest to yield the greatest benefit to healthy mesquite stands; (ii) continue monitoring the health of the mesquite bosque using NDVI or similar tools to track the health of the mesquite; and (iii) request that the EWG and TAC each provide advice and counsel to the Board on additional potential management actions that should be considered. 02:28:07

Motion carried unanimously by roll-call vote (5-0-0).

D. *WY 2026 – Q3 Watermaster Budget Status Report (as of June 30, 2026).* ED Adams provided a summary of the memo included in the agenda package. 02:29:10

- There were no public comments.
- There was no Board discussion and no Board action was taken.

E. *Spring 2026 Semi-Annual Monitoring Report.* Lauren Salberg provided a summary of the memo included in the agenda package. 02:35:05

- Public comments were made by Trey Driscoll and Tammy Baker.
- Board discussion ensued, including Legal Counsel input, to determine action.

Motion: Motioned by Chair Bilyk, seconded by Director Moran, for Tyler Bilyk and Tammy Baker to form a public outreach subcommittee to work with the West Yost Communications Team on developing and publishing public outreach materials. 03:10:13

Motion carried unanimously by roll-call vote (5-0-0).

Unapproved

V. **Reports.**

A. *Legal Counsel Report.* Mr. Markman had no report. 03:11:44

B. *Technical Consultant Report.* Mr. Malone reported on the items listed in the agenda package memo (see slide 39 of the Board presentation slides). 03:11:58

- There were no Board comments.

C. *Executive Director Report.* ED Adams reported on the items listed in the agenda package memo (see slides 40 through 41 of the Board presentation slides). 03:12:50

- There were no Board comments.

D. *Chairperson's Report.* Chair Bilyk had no report. 03:14:53

VI. **Approval of Agenda Items for November 18, 2026 Board Meeting**

ED Adams reviewed the list of potential agenda items for the next several Board meetings listed in the agenda package. 03:14:59

- There were no public comments or Board discussion.

Motion: Motioned by Director Jorgensen, seconded by Vice Chair Bennett, to approve the following agenda for the November 18, 2026 Regular Board Meeting: 03:18:23

- Election of Board Officers
- Consideration of approval of WY 2026 Water Rights Transfers
- Final WY 2026 Water Rights Accounting
- Final WY 2026 Budget Status
- GDE Next Steps
- Consideration of Approval of December 2026 TAC and EWG Meeting Agendas
- Approve Auditor Engagement

Motion carried unanimously by roll-call vote (5-0-0).

VII. **Board Member Comments**

Chair Bilyk called for comments. 03:19:03

- The Board discussed, including Legal Counsel input, if public comments typed in the GoToMeeting chat are part of the public record per the Brown Act.
- Director Moran asked about the EWG's focus in WY 2027 based on the available budget.
- Director Jorgensen, Alt. Director Dax, and Director Smith commented on the discussion related to the GDE next steps.

VIII. **Next Meetings of the Borrego Springs Watermaster**

Chair Bilyk reviewed the meetings listed in the agenda package. 03:23:29

Unapproved

IX. **Adjournment**

Chair Bilyk adjourned the meeting at 6:27 PM. 03:23:52

Recorded by:
Lauren Salberg, Staff Geologist, West Yost

Attest:
Gina Moran, Secretary of the Board

Unapproved

MINUTES
BORREGO SPRINGS WATERMASTER SPECIAL BOARD MEETING
Conducted Virtually via GoToMeeting
Monday, October 5, 2026, 11:00 a.m.

The following individuals were present at the meeting:

Directors Present	Chair Tyler Bilyk – Agricultural Sector
	Vice Chair Jim Bennett – County of San Diego
	Treasurer Shannon Smith – Recreational Sector
	Secretary Gina Moran – Borrego Water District (BWD)
	Mark Jorgensen – Community Representative
Watermaster Staff Present	James M. Markman, Legal Counsel
	Samantha Adams, Executive Director, West Yost
	Lauren Salberg, Staff Geologist, West Yost
Others Present	None.

Please visit the Watermaster's Website[1] to access the Agenda Packet and recording for the October 5, 2026 Meeting. The following meeting minutes identify the start time each agenda item discussion (hours, minutes, seconds: 00:00:00), which can be used as a reference to find and listen to the details of each topic discussed in the meeting recording for specifics and context.

I. **Opening Procedures**

A. Chair Bilyk called the meeting to order at 11:02 AM at which time the meeting recording was started. 00:00:00

B. Samantha Adams, Executive Director (ED) called roll and confirmed that a quorum of all five members of the Board were present. 00:00:08

II. **Public Comment**

Chair Bilyk called for public comments. There were no public comments. 00:00:39

III. **Closed Session**

A. The Board of Directors entered a Closed Session at 11:03 AM. 00:00:59 to 00:40:25

The public meeting was reconvened at 11:42 AM. ED Adams reported that the Watermaster Board took action to retain specialized Legal Counsel to advise on bankruptcy matters. Special Counsel will report back to the Board after 10 hours of research and provide recommendations to address filing claim in the bankruptcy proceedings of Soli Organic. A subcommittee of the Board consisting of Chair Bilyk and Director Smith was appointed to support Special Counsel between Board meetings.

IV. **Adjournment**

Chair Bilyk adjourned the meeting at 11:43 AM. 0:41:07

[1] https://borregospringswatermaster.com/past-watermaster-meetings/

Recorded by:
Lauren Salberg, Staff Geologist, West Yost

Attest:
Gina Moran, Secretary of the Board

12:42 PM
09/29/26
Accrual Basis

Borrego Springs Watermaster
Profit & Loss for Fiscal Year 2025-2026
October 2025 through August 2026

	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26	Jul 26	Aug 26	TOTAL
Ordinary Income/Expense												
Income												
DWR Grant Reimbursement t	0.00	0.00	0.00	263,282.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	263,282.30
Meter Read Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,213.92	0.00	0.00	0.00	10,213.92
Pumping Assessment	0.00	175,024.32	0.00	0.00	0.00	0.00	0.00	175,024.32	0.00	0.00	0.00	350,048.64
Services Rendered	0.00	0.00	0.00	0.00	0.00	0.00	326.00	0.00	0.00	0.00	0.00	326.00
WY 2025 - Expected Grant Reimb v	0.00	0.00	0.00	(266,268.25)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(266,268.25)
Total Income	0.00	175,024.32	0.00	(2,985.95)	0.00	0.00	326.00	185,238.24	0.00	0.00	0.00	357,602.61
Expense												
Audit	0.00	161.00	0.00	6,489.00	0.00	1,662.00	225.00	0.00	0.00	0.00	0.00	8,537.00
Bank Service Charges	25.00	0.00	0.00	25.00	26.00	0.00	0.00	0.00	0.00	0.00	0.00	76.00
Consulting Services	78,630.25	69,187.07	40,445.00	61,329.45	59,958.10	25,460.05	85,185.76	50,330.41	44,428.10	13,574.50	32,895.50	561,424.19
Consulting Services- Meter Read	215.00	322.50	161.25	161.25	170.25	276.25	110.50	357.00	888.25	165.75	184.50	3,012.50
Insurance	3,946.02	3,946.02	3,946.02	3,946.02	3,946.02	3,946.02	3,946.02	3,945.97	2,386.19	2,386.19	2,386.19	38,726.68
Interest Expense	1,044.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,044.69
Legal	5,000.00	4,855.00	3,445.00	3,500.00	5,745.00	11,305.14	13,641.10	10,467.50	19,775.00	12,000.00	15,580.91	105,314.65
Meter Read Expenses	0.00	0.00	0.00	0.00	0.00	0.00	3,166.35	0.00	0.00	0.00	0.00	3,166.35
Total Expense	88,860.96	78,471.59	47,997.27	75,450.72	69,845.37	42,649.46	106,274.73	65,100.88	67,477.54	28,126.44	51,047.10	721,302.06
Net Ordinary Income	(88,860.96)	96,552.73	(47,997.27)	(78,436.67)	(69,845.37)	(42,649.46)	(105,948.73)	120,137.36	(67,477.54)	(28,126.44)	(51,047.10)	(363,699.45)
Net Income	**(88,860.96)**	**96,552.73**	**(47,997.27)**	**(78,436.67)**	**(69,845.37)**	**(42,649.46)**	**(105,948.73)**	**120,137.36**	**(67,477.54)**	**(28,126.44)**	**(51,047.10)**	**(363,699.45)**

t Reflects actual reimbursement received from DWR.

v Reflects reversal of estimated reimbursement amounts.

11:47 AM
09/29/26
Accrual Basis

Borrego Springs Watermaster
Balance Sheet for Fiscal Year 2025-2026
As of August 31, 2026

	Aug 31, 26
ASSETS	
Current Assets	
Checking/Savings	
US Bank	635,560.67
Total Checking/Savings	635,560.67
Accounts Receivable	
Accounts Receivable	11,046.63
Total Accounts Receivable	11,046.63
Other Current Assets	
Prepaid Expenses	21,475.74
Total Other Current Assets	21,475.74
Total Current Assets	668,083.04
TOTAL ASSETS	**668,083.04**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	84,868.66
Total Accounts Payable	84,868.66
Total Current Liabilities	84,868.66
Total Liabilities	84,868.66
Equity	
Retained Earnings	946,913.83
Net Income	-363,699.45
Total Equity	583,214.38
TOTAL LIABILITIES & EQUITY	**668,083.04**

11:58 AM
09/29/26
Accrual Basis

Borrego Springs Watermaster
Expense Distribution Detail
August 2026

Type	Date	Num	Memo	Account	Amount
RWG Law					
General Journal	08/01/2026	140R	RWG Estimate for July 1, 2026 to July 31, 2026	Legal	(12,000.00)
Bill	08/18/2026	259859	Services rendered through July 31, 2026	Legal	12,338.41
Bill	08/31/2026	260344	Services rendered through August 31, 2026	Legal	15,242.50
Total RWG Law					15,580.91
West Yost & Associates					
General Journal	08/01/2026	140R	WY Estimate for July 1, 2026 to July 31, 2026	Consulting Services	(13,574.50)
General Journal	08/01/2026	140R	WY Estimate for July 1, 2026 to July 31, 2026	Consulting Services- Meter Read	(165.75)
Bill	08/28/2026	2068621	Services from July 1, 2026 to July 31, 2026	Consulting Services	14,312.50
Bill	08/28/2026	2068621	Services from July 1, 2026 to July 31, 2026	Consulting Services- Meter Read	165.75
Bill	08/31/2026	2069026	Services from August 1, 2026 to August 31, 2026	Consulting Services	32,157.50
Bill	08/31/2026	2069026	Services from August 1, 2026 to August 31, 2026	Consulting Services- Meter Read	184.50
Total West Yost & Associates					33,080.00
TOTAL					**48,660.91**

Borrego Springs Watermaster

Register: US Bank
From 08/01/2026 through 08/31/2026
Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
8/14/2026			-split-	Deposit		X	32,700.50	745,276.61
8/25/2026	2237	RWG Law	Accounts Payable	Services rendered through June 30, 2026	19,775.00			725,501.61
8/25/2026	2238	West Yost & Associates	Accounts Payable		90,056.40			635,445.21
8/27/2026			Undeposited Funds	Deposit		X	115.46	635,560.67

Borrego Springs Watermaster

Liquidity Summary for Fiscal Year 2025-2026

October 2025 to August 2026

Cash in Bank	$	635,561
Less: Accounts Payable	$	(84,869)
Less: Accrued Payables	$	-
Net Available Cash	**$**	**550,692**
Accounts Receivable	$	11,047
Prepaid Expenses	$	21,476
Adjusted Working Capital	**$**	**583,214**

Notes to Liquidity Summary

Supplemental schedule highlighting near-term liquidity.
Net Available Cash reflects cash less current payables and accrued liabilities (estimates).
Prepaid expenses (insurance premiums) are excluded because they are non-cash assets.
Accounts receivable are excluded from "Net Available Cash" due to collection timing variability.
Schedule is intended for internal board reporting only.

11:27 AM
10/20/26
Accrual Basis

Borrego Springs Watermaster
Profit & Loss for Fiscal Year 2025-2026
October 2025 through September 2026

	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26	Jul 26	Aug 26	Sep 26	TOTAL
Ordinary Income/Expense													
Income													
DWR Grant Reimbursement t	0.00	0.00	0.00	263,282.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	263,282.30
Meter Read Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,213.92	0.00	0.00	0.00	0.00	10,213.92
Pumping Assessment	0.00	175,024.32	0.00	0.00	0.00	0.00	0.00	175,024.32	0.00	0.00	0.00	0.00	350,048.64
Services Rendered	0.00	0.00	0.00	0.00	0.00	0.00	326.00	0.00	0.00	0.00	0.00	685.00	1,011.00
WY 2025 - Expected Grant Reimb v	0.00	0.00	0.00	(266,268.25)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(266,268.25)
Total Income	0.00	175,024.32	0.00	(2,985.95)	0.00	0.00	326.00	185,238.24	0.00	0.00	0.00	685.00	358,287.61
Expense													
Audit	0.00	161.00	0.00	6,489.00	0.00	1,662.00	225.00	0.00	0.00	0.00	0.00	0.00	8,537.00
Bank Service Charges	25.00	0.00	0.00	25.00	26.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	76.00
Consulting Services	78,630.25	69,187.07	40,445.00	61,329.45	59,958.10	25,460.05	85,185.76	50,330.41	44,428.10	13,574.50	32,895.50	15,070.50	576,494.69
Consulting Services- Meter Read	215.00	322.50	161.25	161.25	170.25	276.25	110.50	357.00	888.25	165.75	184.50	615.00	3,627.50
Insurance	3,946.02	3,946.02	3,946.02	3,946.02	3,946.02	3,946.02	3,946.02	3,945.97	2,386.19	2,386.19	2,386.19	2,386.19	41,112.87
Interest Expense	1,044.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,044.69
Legal	5,000.00	4,855.00	3,445.00	3,500.00	5,745.00	11,305.14	13,641.10	10,467.50	19,775.00	12,000.00	15,580.91	9,480.64	114,795.29
Meter Read Expenses	0.00	0.00	0.00	0.00	0.00	0.00	3,166.35	0.00	0.00	0.00	0.00	2,819.85	5,986.20
Total Expense	88,860.96	78,471.59	47,997.27	75,450.72	69,845.37	42,649.46	106,274.73	65,100.88	67,477.54	28,126.44	51,047.10	30,372.18	751,674.24
Net Ordinary Income	(88,860.96)	96,552.73	(47,997.27)	(78,436.67)	(69,845.37)	(42,649.46)	(105,948.73)	120,137.36	(67,477.54)	(28,126.44)	(51,047.10)	(29,687.18)	(393,386.63)
Net Income	**(88,860.96)**	**96,552.73**	**(47,997.27)**	**(78,436.67)**	**(69,845.37)**	**(42,649.46)**	**(105,948.73)**	**120,137.36**	**(67,477.54)**	**(28,126.44)**	**(51,047.10)**	**(29,687.18)**	**(393,386.63)**

t Reflects actual reimbursement received from DWR.

v Reflects reversal of estimated reimbursement amounts.

11:14 AM
10/20/26
Accrual Basis

Borrego Springs Watermaster
Balance Sheet for Fiscal Year 2025-2026
As of September 30, 2026

	Sep 30, 26
ASSETS	
Current Assets	
Checking/Savings	
US Bank	640,797.95
Total Checking/Savings	640,797.95
Accounts Receivable	
Accounts Receivable	6,494.35
Total Accounts Receivable	6,494.35
Other Current Assets	
Prepaid Expenses	19,089.55
Total Other Current Assets	19,089.55
Total Current Assets	666,381.85
TOTAL ASSETS	**666,381.85**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	112,854.65
Total Accounts Payable	112,854.65
Total Current Liabilities	112,854.65
Total Liabilities	112,854.65
Equity	
Retained Earnings	946,913.83
Net Income	-393,386.63
Total Equity	553,527.20
TOTAL LIABILITIES & EQUITY	**666,381.85**

12:53 PM
10/26/26
Accrual Basis

Borrego Springs Watermaster
Expense Distribution Detail
September 2026

Type	Date	Num	Memo	Account	Amount
Borrego Water Dist					
Bill	09/30/2026	202622	September 2026 Meter Reads	Meter Read Expenses	2,819.85
Total Borrego Water Dist					2,819.85
RWG Law					
Credit	09/24/2026	CR_258932 (259929)	Reversal of May 2026 Invoice 258932	Legal	(10,467.50)
Bill	09/24/2026	260341	Revised invoice for services rendered through May 31, 2026	Legal	10,387.50
Bill	09/30/2026	260736	Services rendered through September 30, 2026	Legal	9,560.64
Total RWG Law					9,480.64
West Yost & Associates					
Bill	09/30/2026	2069292	Services from September 1, 2026 to September 30, 2026	Consulting Services	15,070.50
Bill	09/30/2026	2069292	Services from September 1, 2026 to September 30, 2026	Consulting Services- Meter Read	615.00
Total West Yost & Associates					15,685.50
TOTAL					**27,985.99**

Borrego Springs Watermaster

Register: US Bank
From 09/01/2026 through 09/30/2026
Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
9/10/2026			Undeposited Funds	Deposit		X	1,702.32	637,262.99
9/24/2026			Undeposited Funds	Deposit		X	212.79	637,475.78
9/29/2026			-split-	Deposit		X	3,322.17	640,797.95

Borrego Springs Watermaster

Liquidity Summary for Fiscal Year 2025-2026

October 2025 to September 2026

Cash in Bank	$	640,798
Less: Accounts Payable	$	(112,855)
Less: Accrued Payables	$	-
Net Available Cash	**$**	**527,943**
Accounts Receivable	$	6,494
Prepaid Expenses	$	19,090
Adjusted Working Capital	**$**	**553,527**

Notes to Liquidity Summary

Supplemental schedule highlighting near-term liquidity.
Net Available Cash reflects cash less current payables and accrued liabilities (estimates).
Prepaid expenses (insurance premiums) are excluded because they are non-cash assets.
Accounts receivable are excluded from "Net Available Cash" due to collection timing variability.
Schedule is intended for internal board reporting only.

2:19 PM
11/06/26
Accrual Basis

Borrego Springs Watermaster
Profit & Loss for Fiscal Year 2026-2027
October 2026

	TOTAL
Ordinary Income/Expense	
Expense	
Consulting Services	60,547.85
Consulting Services- Meter Read	191.25
Insurance	2,386.19
Legal	4,500.00
Total Expense	67,625.29
Net Ordinary Income	(67,625.29)
Net Income	**(67,625.29)**

2:15 PM
11/06/26
Accrual Basis

Borrego Springs Watermaster
Balance Sheet for Fiscal Year 2026-2027
As of October 31, 2026

	Oct 31, 26
ASSETS	
Current Assets	
Checking/Savings	
US Bank	641,482.95
Total Checking/Savings	641,482.95
Accounts Receivable	
Accounts Receivable	5,809.35
Total Accounts Receivable	5,809.35
Other Current Assets	
Prepaid Expenses	16,703.36
Total Other Current Assets	16,703.36
Total Current Assets	663,995.66
TOTAL ASSETS	**663,995.66**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	112,854.65
Total Accounts Payable	112,854.65
Other Current Liabilities	
Accrued Payables	65,239.10
Total Other Current Liabilities	65,239.10
Total Current Liabilities	178,093.75
Total Liabilities	178,093.75
Equity	
Retained Earnings	553,527.20
Net Income	-67,625.29
Total Equity	485,901.91
TOTAL LIABILITIES & EQUITY	**663,995.66**

2:18 PM
11/06/26
Accrual Basis

Borrego Springs Watermaster
Expense Distribution Detail
October 2026

Type	Date	Num	Memo	Account	Amount
RWG Law					
General Journal	10/31/2026	144	RWG Estimate for October 1, 2026 to October 31, 2026	Legal	4,500.00
Total RWG Law					4,500.00
West Yost & Associates					
General Journal	10/31/2026	144	WY Estimate for October 1, 2026 to October 31, 2026	Consulting Services	60,547.85
General Journal	10/31/2026	144	WY Estimate for October 1, 2026 to October 31, 2026	Consulting Services- Meter Read	191.25
Total West Yost & Associates					60,739.10
TOTAL					**65,239.10**

Borrego Springs Watermaster

Register: US Bank
From 10/01/2026 through 10/31/2026
Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/8/2026			Undeposited Funds	Deposit		X	685.00	641,482.95

Borrego Springs Watermaster

Liquidity Summary for Fiscal Year 2026-2027

October 2026

Cash in Bank	$	641,483
Less: Accounts Payable	$	(112,855)
Less: Accrued Payables	$	(65,239)
Net Available Cash	**$**	**463,389**
Accounts Receivable	$	5,809
Prepaid Expenses	$	16,703
Adjusted Working Capital	**$**	**485,902**

Notes to Liquidity Summary

Supplemental schedule highlighting near-term liquidity.
Net Available Cash reflects cash less current payables and accrued liabilities (estimates).
Prepaid expenses (insurance premiums) are excluded because they are non-cash assets.
Accounts receivable are excluded from "Net Available Cash" due to collection timing variability.
Schedule is intended for internal board reporting only.

Lauren Salberg

From: Vanessa Rodriguez <VRodriguez@rwglaw.com>
Sent: Tuesday, August 18, 2026 12:51 PM
To: Samantha Adams; Maria Mendoza-Tellez; Lauren Salberg; Leah Ehresman
Subject: RWG Invoice - July 2026
Attachments: Invoice_259859_13056-0001.pdf

Follow Up Flag: Follow up
Flag Status: Completed

Good afternoon,

Attached please find our invoice pertaining to services rendered through July, 2026. Jim has the following message to go with the invoice: this statement for services rendered in July, 2026 should be the last reaching higher amounts due to the Motion to Amend the Judgment and the GDE issue.

Thank you for handling your payments through ACH or wire transfer.

Kind regards,

Vanessa Rodriguez
Legal Secretary

RWG LAW

RICHARDS WATSON GERSHON
1 Civic Center Circle
P.O. Box 1059
Brea, CA 92822-1059
T: 714.990.0901
E: vrodriguez@rwglaw.com
W: rwglaw.com
Legal Secretary to James L. Markman, D. Craig Fox, Amy Greyson, Nicholas Ghirelli, and Quinn Barrow

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Approved September 9, 2026

BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
25 EDELMAN, SUITE 120
IRVINE, CA 92618

Invoice Date:	August 18, 2026
Invoice Num.:	259859
Matter Number:	13056-0001

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through July 31, 2026

Time Detail

Date	Initials	Description	Hours
07/02/26	JCM	DRAFT MOTION TO AMEND JUDGMENT; REVIEW FIVE-YEAR ASSESSMENT, STAFF REPORT AND OTHER DOCUMENTS REGARDING REVISIONS TO GROUNDWATER MANAGEMENT PLAN	4.50
07/06/26	JCM	DRAFT AND REVISE MOTION TO AMEND JUDGMENT; DRAFT SUPPORTING DECLARATIONS; E-MAIL WITH MR. BROCHARD AND MS. SALBERG REGARDING SAME	5.80
07/07/26	JCM	DRAFT, REVIEW AND REVISE MOTION TO AMEND JUDGMENT AND DECLARATIONS IN SUPPORT; E-MAIL WITH MR. BROCHARD AND CONFERENCE WITH MS. ADAMS REGARDING SAME; DRAFT PROPOSED ORDER	3.40
07/08/26	KHB	REVIEW AND REVISE MOTION TO AMEND JUDGMENT	0.50
07/08/26	JCM	FINALIZE AND FILE MOTION TO AMEND JUDGMENT; COMMUNICATIONS WITH COURT CLERK REGARDING COURT SCHEDULING ERROR REGARDING HEARING DATE; REVISE MOTION ACCORDINGLY	1.10
07/13/26	JLM	FIRST REVIEW OF MOTION TO AMEND THE JUDGMENT AFTER 5 YEAR REVIEW	2.50
07/13/26	JCM	REVIEW AND ANALYZE MEMORANDUM REGARDING LEGAL STANDARDS APPLICABLE TO GROUNDWATER DEPENDENT ECOSYSTEMS	1.70

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: August 18, 2026
Invoice Num.: 259859
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Date	Initials	Description	Hours
07/14/26	JLM	REVIEW AMENDMENT TO WATERMASTER AGREEMENT; STATUS CONFERENCE WITH MR. METZ; FIRST REVIEW OF FILED MOTION TO AMEND JUDGMENT	0.70
07/14/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING MOTION TO AMEND AND MEMORANDUM REGARDING GROUNDWATER DEPENDENT ECOSYSTEMS	0.50
07/15/26	JLM	E-MAILS ON STATE OF GDE OPINION	0.20
07/16/26	JLM	PROVIDE EDIT TO OPINION LETTER; PHONE CONFERENCE WITH MS. ADAMS ON PROCESSING OPINION LETTER	1.00
07/17/26	JLM	CONFERENCE ON CONCLUSIONS IN OPINION LETTER WITH MR. BROCHARD	0.70
07/17/26	KHB	REVIEW GDE MEMORANDUM	0.50
07/20/26	JLM	CONFERENCE ON OPINION MEMO WITH MR. BROCHARD; PROVIDE OPINION TO MS. ADAMS	1.50
07/20/26	KHB	REVIEW AND REVISE GDE MEMORANDUM; CONFERENCE WITH MR. MARKMAN REGARDING SAME	1.30
07/20/26	JCM	REVIEW REVISED MEMORANDUM REGARDING GROUNDWATER DEPENDENT ECOSYSTEMS	0.60
07/21/26	JLM	COMPLETE AND TRANSMIT OPINION MEMO ON GDES; PHONE CALL WITH MR. BYLIK AND MS. ADAMS ON PROCESSING OPINION	0.80
07/22/26	JLM	E-MAILS ON PROCESSING GDE OPINION	0.70
07/23/26	JLM	DISTRIBUTE GDE OPINION TO BOARD MEMBERS; E-MAILS ON PROCESSING OPINION	2.00
07/27/26	JLM	PHONE CALLS AND E-MAILS ON PROCESSING GDE OPINION AT SPECIAL BOARD MEETING	3.00
07/28/26	JLM	E-MAILS AND PHONE CALL ON GDE OPINION	0.50
07/29/26	JLM	ATTEND SPECIAL MEETING OF WATERMASTER ON GDES	2.00
07/29/26	SLF	REVIEW NOTICE OF PUBLICATION OF LEGAL COUNSEL OPINION; REVIEW OPINION MEMORANDUM	0.40
07/30/26	JLM	PHONE CALLS ON RELEASE OF GDE OPINION	0.50
Total			**36.40**

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: August 18, 2026
Invoice Num.: 259859
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Timekeeper Summary

Name	Hours	Rate	Amount
JACOB C. METZ	17.60	275.00	4,840.00
JAMES L. MARKMAN	16.10	400.00	6,440.00
KYLE H. BROCHARD	2.30	350.00	805.00
STEVEN L. FLOWER	0.40	350.00	140.00
Total	**36.40**		**$12,225.00**

Cost Detail

Date	Description	Amount
07/07/26	LEGAL RESEARCH - 6/30/26	0.33
07/08/26	FIRST LEGAL NETWORK, LLC - ATTORNEY SERVICE - FILING/ORANGE CIVIL ELECTRONIC FILING	98.50
07/31/26	LEGAL RESEARCH	14.58
Total		**$113.41**

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: August 18, 2026
Invoice Num.: 259859
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Current Legal Fees.....$12,225.00
Current Client Costs Advanced.....$113.41

Total Current Fees and Costs.....$12,338.41

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
25 EDELMAN, SUITE 120
IRVINE, CA 92618

Invoice Date:	August 18, 2026
Invoice Num.:	259859
Matter Number:	13056-0001

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through July 31, 2026

Fees	12,225.00
Costs	113.41
Total Amount Due	**$12,338.41**

TERMS: PAYMENT DUE UPON RECEIPT

PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE TO

RICHARDS, WATSON & GERSHON
350 South Grand Avenue, 37th Floor
Los Angeles, CA 90071

WEST YOST
Water. Engineered.

Remit Payment To:
PO Box 2158
Davis, CA 95617

July 31, 2026

Invoice Number: 2068621

Accounts Payable	Client Project:	Work Order No. 8
Borrego Springs Watermaster	WY Project No:	940-80-25-12
c/o West Yost Associates	Contract Amount:	598,842.00
25 Edelman, Suite 120	Job Name:	WY 2026 Admin and Technical Services
Irvine, CA 92618		

Approved September 9, 2026

Professional Services from July 1, 2026 to July 31, 2026

Previously Billed :	**517,616.44**
Total This Period :	**14,478.25**
Total Amount Billed to Date including This Invoice :	**532,094.69**
Amount Remaining in Contract :	**66,747.31**

Task 101 Board Meetings

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	6.00	370.00	2,220.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	3.00	246.00	738.00	
Totals	9.00		2,958.00	
Total Labor				**2,958.00**
			Total this Task	**$2,958.00**

Task 130 Court Hearings

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	1.00	370.00	370.00	
Totals	1.00		370.00	
Total Labor				**370.00**
			Total this Task	**$370.00**

Project	940-80-25-12	WY 2026 Admin and Technical Services	Invoice	2068621

Task 220 Insurance, Accounting, and Financial Services

Professional Personnel

	Hours	Rate	Amount	
Administrative III				
Mendoza-Tellez, Maria	2.50	160.00	400.00	
Totals	2.50		400.00	
Total Labor				**400.00**
			Total this Task	**$400.00**

Task 230 Outreach - Records, Docs, Website

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	.50	246.00	123.00	
Totals	.50		123.00	
Total Labor				**123.00**
			Total this Task	**$123.00**

Task 240 Track/Respond to Public Communications & Requests

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.25	370.00	92.50	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	1.00	246.00	246.00	
Totals	1.25		338.50	
Total Labor				**338.50**
			Total this Task	**$338.50**

Task 250 As-needed support to the BPA Parties

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	.25	246.00	61.50	
Totals	.25		61.50	
Total Labor				**61.50**
			Total this Task	**$61.50**

Project	940-80-25-12	WY 2026 Admin and Technical Services	Invoice	2068621

Task 260 As-requested admin. of the Judgment, Rules & Regs, and GMP

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.50	370.00	185.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	2.00	246.00	492.00	
Totals	2.50		677.00	
Total Labor				**677.00**
		Total this Task		**$677.00**

Task 270 General administration and project managements tasks

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	1.00	370.00	370.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	4.75	246.00	1,168.50	
Totals	5.75		1,538.50	
Total Labor				**1,538.50**
		Total this Task		**$1,538.50**

Task 311 GWMP - Monthly Meter Reads

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.25	370.00	92.50	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	2.00	246.00	492.00	
Engineer/Scientist/Geologist II				
Kelty, Clay	7.00	221.00	1,547.00	
Totals	9.25		2,131.50	
Total Labor				**2,131.50**
		Total this Task		**$2,131.50**

Project	940-80-25-12	WY 2026 Admin and Technical Services	Invoice	2068621

Task 320 GWMP - GWL and GWQ Mon

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	2.50	370.00	925.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	8.50	246.00	2,091.00	
Engineer/Scientist/Geologist II				
Kelty, Clay	7.50	221.00	1,657.50	
Technical Specialist II				
Garrison, David	1.00	231.00	231.00	
Totals	19.50		4,904.50	
Total Labor				**4,904.50**
			Total this Task	**$4,904.50**

Task 370 2030 SYR - WY 2026 Scope

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.75	370.00	277.50	
Principal Eng/Scientist/Geologist II				
Malone, Andy	1.50	355.00	532.50	
Totals	2.25		810.00	
Total Labor				**810.00**
			Total this Task	**$810.00**

Task 500 Consulting services to Parties with manual-read meters

Professional Personnel

	Hours	Rate	Amount	
Engineer/Scientist/Geologist II				
Kelty, Clay	.75	221.00	165.75	
Totals	.75		165.75	
Total Labor				**165.75**
			Total this Task	**$165.75**
			Total this Invoice	**$14,478.25**

Description of Services:

Please see attached description of services

Outstanding Invoices

Number	Date	Balance
2068013	5/31/2026	47,405.55
2068421	6/30/2026	42,650.85
Total		**90,056.40**

Project	940-80-25-12	WY 2026 Admin and Technical Services	Invoice	2068621

Please direct questions to:

Project Manager Samantha Adams
Principal Greg Chung GKC

Description of Services Rendered
Project 940-80-25-12
Watermaster Administrative and Technical Services
Invoice Period: July 1, 2026 to July 31, 2026

TASK 1 – MEETINGS AND COURT HEARINGS

The work performed for this task includes preparing for and attending Watermaster Board Meetings, TAC Meetings, Court Hearings, and stakeholder Open House meetings. The work performed in this reporting period included:

BOARD MEETINGS

- Corresponded with Watermaster Board officers and legal counsel throughout the month to coordinate meeting agenda items and other Watermaster activities.
- July 29, 2026 Special Board Meeting:
    - Prepared the Call and Notice for the Special Board meeting.
    - Compiled the final agenda package and distributed via the stakeholder distribution list and Watermaster website.
    - Responded to questions from Board members via email and phone calls regarding the Board package items.
    - Attended the virtual Board meeting on July 29, 2026. The meeting was attended by Samantha Adams and Lauren Salberg.
- August 19, 2026 Board Meeting:
    - Drafted meeting minutes of the June 24, 2026 Special Board meeting.
    - Drafted meeting minutes of the July 29, 2026 Special Board meeting.
    - Prepared punch list of action items for the Board meeting. Created meeting link and coordinated assignments for preparing the package.
    - Began preparing meeting materials for the agenda package.

TAC MEETINGS

- This task is complete.

COURT HEARINGS

- Prepared Declaration of the Executive Director supporting the notice to amend the Judgment to replace the 2020 GMP with the 2026 GMP Update as Exhibit 1.

STAKEHOLDER OUTREACH

- This task is complete.

TASK 2 – WATERMASTER ADMINISTRATION

The Executive Director, with support from staff, will organize, oversee, and/or perform the administrative and management aspects of running the Watermaster and administering the Judgment, Rules and Regulations, and GMP. The work performed in this reporting period included:

PREPARE THE WATERMASTER ANNUAL BUDGET

- This task is complete.

INSURANCE, ACCOUNTING, AND FINANCIAL SERVICES

- Processed accounts receivable and payable into QuickBooks.
- Deposited checks to US Bank.

MAINTAIN WEBSITE AND GRANT COMMUNICATIONS

- Publish and notice publication of Legal Counsel's opinion on how to address GDEs under SGMA.

RESPOND TO AND TRACK PUBLIC INFORMATION REQUESTS

- Regularly checked Borrego inbox and provided general as-requested support to the public throughout the month by responding to emails on the following topics:
    - BPA rights on specific parcels in the Basin
    - Water rights and/or water availability for additional dwelling units (ADUs)
    - Watermaster process for new well construction

AS-NEEDED SUPPORT TO THE BPA PARTIES

- Fulfilled a data request from the County of San Diego for spring 2026 groundwater-level measurements.

AS-NEEDED ADMINISTRATION OF THE TERMS OF THE JUDGMENT, RULES & REGULATIONS, AND GROUNDWATER MANAGEMENT PLAN

- Continued work to support the development of a framework for technical analysis of water rights transfer applications.

GENERAL ADMINISTRATION AND PROJECT MANAGEMENTS TASKS

- Performed monthly project management tasks including budget, schedule, and scope of work progress evaluations.

TASK 3 – 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 2026. The work performed in this reporting period included:

GROUNDWATER PUMPING MONITORING - ANNUAL METER VERIFICATION

- No work performed during the reporting period.

GROUNDWATER PUMPING MONITORING - MONTHLY COLLECTION AND PROCESSING OF METER READ DATA

- Cataloged and processed June 2026 monthly meter reads.

- Performed QA/QC of May and June 2026 pumping by well.

Groundwater Level and Quality Monitoring Program

- Compiled and transmitted results from the spring 2026 semi-annual monitoring event to owners of wells in the monitoring program (part of agreement requirements). Responded to well owner's questions on results.
- Began preparing figures and tables for the spring 2026 semi-annual monitoring report.
- Began performing groundwater-quality trend analysis using results from spring 2026 semi-annual monitoring event for eventual review by the TAC for the updated groundwater quality PMA process defined in the 2026 GMP Update.
- Began preparing public outreach materials focused on the Watermaster's monitoring programs.
- Coordinated with Blaine Tech to schedule the Fall 2026 Semi-Annual Monitoring Event.

Cooperator Data Collection, Data Management, and Reporting Data to DWR Portals

- No work performed during the reporting period.

Annual Water Rights Accounting

- This task is complete.

Annual Report to the Court and DWR

- This task is complete.

As-needed technical support for implementation of the Judgment, Rules and Regulations, and Groundwater Management Plan

- This task has no budget for additional as-needed services and is complete.

Technical Work to Redetermine 2030 Sustainable Yield

- Reviewed and provided comments on the legal opinion on SGMA and groundwater dependent ecosystems (GDEs).

5-Year GMP Assessment/Update

- This task is complete.

Task 4 – Environmental Working Group

The objective of this task is to support the activities of the EWG in WY 2026. The work performed in this reporting period included the following:

- The budget for this task is expended, and remaining work is billed to Task 3 - *Technical Work to Redetermine 2030 Sustainable Yield*, as defined in the Statement of Work.

Task 5 - Staff services Billed to Watermaster Related to Manual-Read Meters

The objective of this task is to coordinate the monitoring and collection of meter data from Parties with manual-read meters. This work is reimbursed by only those Parties with manual-read meters. The work performed in this reporting period included:

- Sent email reminders to Parties who had not yet sent June 2026 meter reads to perform and send results of their manual meter reads.

- Sent email reminders to Parties to perform and send manual meter reads in July 2026.

PARTY-FUNDED REQUESTS FOR INFORMATION (RFI)

- No work performed during the reporting period.

Lauren Salberg

From: Vanessa Rodriguez <VRodriguez@rwglaw.com>
Sent: Friday, September 25, 2026 12:12 PM
To: Samantha Adams; Maria Mendoza-Tellez; Lauren Salberg; Leah Ehresman
Subject: RWG Invoice - August 2026
Attachments: Invoice_260344_13056-0001.pdf

Approved October 9, 2026

Good afternoon,

Attached please find our invoice pertaining to services rendered through August, 2026. Jim has the following message to go with the invoice: This invoice will be the final invoice for a substantially increased sum from normal due to legal work concluding on the GDE issue and the amendment to the Judgement.

Thank you!

Kind regards,

Vanessa Rodriguez
Legal Secretary

RWG LAW

RICHARDS WATSON GERSHON
1 Civic Center Circle
P.O. Box 1059
Brea, CA 92822-1059
T: 714.990.0901
E: vrodriguez@rwglaw.com
W: rwglaw.com
Legal Secretary to James L. Markman, D. Craig Fox,
Amy Greyson, Nicholas Ghirelli, and Quinn Barrow

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
25 EDELMAN, SUITE 120
IRVINE, CA 92618

Invoice Date: September 25, 2026
Invoice Num.: 260344
Matter Number: 13056-0001

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through August 31, 2026

Time Detail

Date	Initials	Description	Hours
08/04/26	JLM	REVIEW ORDER MOVING STATUS CONFERENCE TO SAME DATE AS HEARING ON MOTION TO AMEND JUDGMENT; TELEPHONE CONFERENCE WITH MR. METZ ON SCHEDULE FOR STATUS CONFERENCE	0.80
08/04/26	JCM	REVIEW ORDER MOVING STATUS CONFERENCE TO SAME DATE AS HEARING ON MOTION TO AMEND JUDGMENT; TELEPHONE CONFERENCE WITH MR. MARKMAN REGARDING HEARING AND STATUS CONFERENCE	0.80
08/05/26	JLM	PHONE CALLS ON NEXT BOARD MEETING AND STATUS OF GDE ISSUE	0.70
08/06/26	JLM	CONFERENCE ON POTENTIAL GDE LITIGATION WORK WITH MR. METZ AND MR. MCGLOTHLIN	1.50
08/06/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING POTENTIAL GDE LITIGATION	0.30
08/10/26	JLM	REVIEW DRAFT STAFF REPORT ON GDE ISSUE; E-MAIL TO MS. ADAMS AND CONFERENCE WITH MR. METZ THEREON	1.50
08/10/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING GDE ISSUE	0.20
08/13/26	JLM	REVIEW TRANSFER MATERIALS; REVIEW DWR LETTER; REVIEW ADDITIONAL GDE REPORT; REVIEW AGENDA PACKET	4.50
08/13/26	SLF	REVIEW BOARD MEETING AGENDA	0.10

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: September 25, 2026
Invoice Num.: 260344
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Date	Initials	Description	Hours
08/14/26	JLM	REVIEW BOARD MEETING AGENDA PACKET	1.50
08/17/26	JLM	COMPLETE AGENDA REVIEW, INCLUDING OPINION LETTER	3.50
08/18/26	JLM	E-MAILS ON DOMESTIC WELL	0.30
08/19/26	JLM	E-MAILS ON RESUMING SMALL PRODUCTION; PHONE CALL FROM MS. ADAMS ON TRANSFER POLICY ISSUES; REVIEW BWD LEGAL OBJECTIONS TO TRANSFER POLICY; ATTEND WATERMASTER BOARD MEETING	5.40
08/20/26	JCM	DRAFT E-MAIL TO MR. MARKMAN REGARDING UPCOMING STATUS CONFERENCE STATEMENT	0.10
08/21/26	JLM	CONFERENCE WITH MR. METZ ON STATUS CONFERENCE REPORT	0.40
08/21/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING STATUS CONFERENCE STATEMENT	0.40
08/24/26	JLM	WORK ON STATUS CONFERENCE STATEMENT	4.50
08/24/26	JCM	COMMUNICATIONS WITH MR. MARKMAN REGARDING UPCOMING STATUS CONFERENCE STATEMENT	0.20
08/25/26	JLM	DRAFT STATUS CONFERENCE REPORT	3.70
08/25/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING STATUS CONFERENCE STATEMENT	0.20
08/26/26	JLM	COMPLETE AND TRANSMIT DRAFT STATUS CONFERENCE STATEMENT	2.80
08/26/26	JCM	REVIEW AND REVISE DRAFT STATUS CONFERENCE STATEMENT; CONFERENCE WITH MR. MARKMAN REGARDING SAME	2.20
08/27/26	JLM	FINALIZE AND CIRCULATE STATUS CONFERENCE REPORT	0.40
08/27/26	JCM	FINALIZE AND CIRCULATE DRAFT STATEMENT TO ALL PARTIES FOR COMMENTS AND EDITS; E-MAIL WITH MR. MARKMAN REGARDING REVISED DRAFT STATUS CONFERENCE STATEMENT	0.80
08/28/26	JCM	REVIEW COMMENTS AND EDITS FROM AAWARE REGARDING DRAFT STATUS CONFERENCE STATEMENT; E-MAIL WITH MR. MARKMAN REGARDING SAME	0.50
08/31/26	JLM	REVIEW AND DISCUSS SUGGESTED EDITS BY OTHER COUNSEL TO STATUS CONFERENCE STATEMENT	1.50
08/31/26	JCM	REVISE STATUS CONFERENCE STATEMENT; REVIEW COMMENTS AND EDITS FROM PARTIES AND CONFERENCE WITH MR. MARKMAN REGARDING SAME; DRAFT NOTICE OF	1.60

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: September 25, 2026
Invoice Num.: 260344
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Date	Initials	Description	Hours
		NON-OPPOSITION REGARDING MOTION TO AMEND JUDGMENT; E-MAIL COMMUNICATIONS WITH PARTIES	
Total			**40.40**

Timekeeper Summary

Name	Hours	Rate	Amount
JACOB C. METZ	7.30	275.00	2,007.50
JAMES L. MARKMAN	33.00	400.00	13,200.00
STEVEN L. FLOWER	0.10	350.00	35.00
Total	**40.40**		**$15,242.50**

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: September 25, 2026
Invoice Num.: 260344
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Current Legal Fees.....$15,242.50
Current Client Costs Advanced.....$0.00

Total Current Fees and Costs.....$15,242.50

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
25 EDELMAN, SUITE 120
IRVINE, CA 92618

Invoice Date:	September 25, 2026
Invoice Num.:	260344
Matter Number:	13056-0001

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through August 31, 2026

Fees	15,242.50
Costs	0.00
Total Amount Due	**$15,242.50**

TERMS: PAYMENT DUE UPON RECEIPT

PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE TO

RICHARDS, WATSON & GERSHON
350 South Grand Avenue, 37th Floor
Los Angeles, CA 90071

WEST YOST
Water. Engineered.

Remit Payment To:
PO Box 2158
Davis, CA 95617

August 31, 2026

Invoice Number: 2069026

Accounts Payable	Client Project:	Work Order No. 8
Borrego Springs Watermaster	WY Project No:	940-80-25-12
c/o West Yost Associates	Contract Amount:	598,842.00
25 Edelman, Suite 120	Job Name:	WY 2026 Admin and Technical Services
Irvine, CA 92618		

Approved October 9, 2026

Professional Services from August 1, 2026 to August 31, 2026

Previously Billed :	**532,094.69**
Total This Period :	**32,342.00**
Total Amount Billed to Date including This Invoice :	**564,436.69**
Amount Remaining in Contract :	**34,405.31**

Task 101 Board Meetings

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	16.00	370.00	5,920.00	
Principal Eng/Scientist/Geologist II				
Malone, Andy	6.50	355.00	2,307.50	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	17.75	246.00	4,366.50	
Totals	40.25		12,594.00	
Total Labor				**12,594.00**
			Total this Task	**$12,594.00**

Task 220 Insurance, Accounting, and Financial Services

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.25	370.00	92.50	
Administrative IV				
Ehresman, Leah	.25	176.00	44.00	
Administrative III				
Mendoza-Tellez, Maria	7.00	160.00	1,120.00	
Totals	7.50		1,256.50	
Total Labor				**1,256.50**
			Total this Task	**$1,256.50**

Project 940-80-25-12 WY 2026 Admin and Technical Services Invoice 2069026

Task 230 Outreach - Records, Docs, Website

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	.50	246.00	123.00	
Totals	.50		123.00	
Total Labor				**123.00**
		Total this Task		**$123.00**

Task 240 Track/Respond to Public Communications & Requests

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.50	370.00	185.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	.50	246.00	123.00	
Totals	1.00		308.00	
Total Labor				**308.00**
		Total this Task		**$308.00**

Task 250 As-needed support to the BPA Parties

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	1.50	246.00	369.00	
Totals	1.50		369.00	
Total Labor				**369.00**
		Total this Task		**$369.00**

Task 260 As-requested admin. of the Judgment, Rules & Regs, and GMP

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.25	370.00	92.50	
Principal Eng/Scientist/Geologist II				
Malone, Andy	.50	355.00	177.50	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	6.25	246.00	1,537.50	
Totals	7.00		1,807.50	
Total Labor				**1,807.50**
		Total this Task		**$1,807.50**

Project 940-80-25-12 WY 2026 Admin and Technical Services Invoice 2069026

Task 270 General administration and project managements tasks

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	1.25	370.00	462.50	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	2.25	246.00	553.50	
Totals	3.50		1,016.00	
Total Labor				**1,016.00**
		Total this Task		**$1,016.00**

Task 311 GWMP - Monthly Meter Reads

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Kelty, Clay	7.25	246.00	1,783.50	
Salberg, Lauren	3.25	246.00	799.50	
Totals	10.50		2,583.00	
Total Labor				**2,583.00**
		Total this Task		**$2,583.00**

Task 320 GWMP - GWL and GWQ Mon

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	3.25	370.00	1,202.50	
Principal Eng/Scientist/Geologist II				
Malone, Andy	2.00	355.00	710.00	
Associate Eng/Scientist/Geologist I				
Kelty, Clay	6.00	246.00	1,476.00	
Salberg, Lauren	33.25	246.00	8,179.50	
Totals	44.50		11,568.00	
Total Labor				**11,568.00**
		Total this Task		**$11,568.00**

Task 370 2030 SYR - WY 2026 Scope

Professional Personnel

	Hours	Rate	Amount	
Principal Eng/Scientist/Geologist II				
Malone, Andy	1.50	355.00	532.50	
Totals	1.50		532.50	
Total Labor				**532.50**
		Total this Task		**$532.50**

Project	940-80-25-12	WY 2026 Admin and Technical Services	Invoice	2069026

Task 500 Consulting services to Parties with manual-read meters

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Kelty, Clay	.75	246.00	184.50	
Totals	.75		184.50	
Total Labor				**184.50**
			Total this Task	**$184.50**
			Total this Invoice	**$32,342.00**

Description of Services:

Please see attached description of services

Outstanding Invoices

Number	Date	Balance
2068621	7/31/2026	14,478.25
Total		**14,478.25**

Please direct questions to:

Project Manager Samantha Adams
Principal Greg Chung GKC

Description of Services Rendered
Project 940-80-25-12
Watermaster Administrative and Technical Services
Invoice Period: August 1, 2026 to August 31, 2026

TASK 1 – MEETINGS AND COURT HEARINGS

The work performed for this task includes preparing for and attending Watermaster Board Meetings, TAC Meetings, Court Hearings, and stakeholder Open House meetings. The work performed in this reporting period included:

BOARD MEETINGS

- Corresponded with Watermaster Board officers and legal counsel throughout the month to coordinate meeting agenda items and other Watermaster activities.
- August 2026 Regular Board Meeting:
    - Prepared, reviewed, and formatted agenda package content. This work included:
        - Organized, compiled, and formatted the public correspondence and consent calendar items.
        - Performed work, including coordination, preparation, and/or review of staff memos or other materials for eight agenda items.
    - Compiled the final agenda package and distributed via the stakeholder distribution list and Watermaster website.
    - Prepared PowerPoint Presentation to support the Board meeting discussion.
    - Responded to questions from Board members via email and phone calls regarding the Board package items.
    - Attended the virtual Board meeting on August 19, 2026. The meeting was attended by Samantha Adams, Andy Malone, and Lauren Salberg.

TAC MEETINGS

- This task is complete.

COURT HEARINGS

- No work performed during the reporting period.

STAKEHOLDER OUTREACH

- This task is complete.

TASK 2 – WATERMASTER ADMINISTRATION

The Executive Director, with support from staff, will organize, oversee, and/or perform the administrative and management aspects of running the Watermaster and administering the

Judgment, Rules and Regulations, and GMP. The work performed in this reporting period included:

Prepare the Watermaster annual budget

- This task is complete.

Insurance, Accounting, and Financial Services

- Prepared June and July 2026 Financial Reports.
- Processed accounts receivable and payable into QuickBooks.
- Cut checks for accounts payable and mailed for signature.
- Deposited checks to US Bank.
- Sent follow-up reminders to Parties with past due assessments.
- Performed outreach to Pumper with outstanding payments owed on both Pumping Assessments installments and meter read invoices.

Maintain Website and Grant Communications

- Maintained Watermaster website by updating meeting dates, meeting materials, and spring 2026 semi-annual monitoring report materials.

Respond to and track public information requests

- Regularly checked Borrego inbox and provided general as-requested support to the public throughout the month by responding to emails on the following topics:
    - Public correspondence to the Board on the topic of groundwater dependent ecosystems (GDEs)
    - Reviewed and forwarded letter from the Borrego Water District on the topic of the proposed water rights transfer policy.
- Reviewed and forwarded letter from DWR on its receipt and review of the WY 2025 Annual Report and Alternative Plan Periodic Assessment Report.

As-needed support to the BPA Parties

- Fulfilled a data request from the Borrego Water District for spring 2026 groundwater-level measurements and groundwater-quality results and WY 2026 mid-year pumping by Management Area.
- Responded to BPA Party questions on Assessment and Meter Read invoices.

As-needed administration of the terms of the Judgment, Rules & Regulations, and Groundwater Management Plan

- Continued work to support the development of a revised framework for technical analysis of water rights transfer applications.
- Reviewed an application for a replacement De Minimis well. Corresponded with Legal Counsel regarding an application for a replacement De Minimis well in the Basin to confirm that Watermaster approval is not required in this case. Responded to applicant with findings.

GENERAL ADMINISTRATION AND PROJECT MANAGEMENTS TASKS

- Performed monthly project management tasks including budget, schedule, and scope of work progress evaluations.

TASK 3 – 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 2026. The work performed in this reporting period included:

GROUNDWATER PUMPING MONITORING - ANNUAL METER VERIFICATION

- No work performed during the reporting period.

GROUNDWATER PUMPING MONITORING - MONTHLY COLLECTION AND PROCESSING OF METER READ DATA

- Cataloged and processed July 2026 monthly meter reads.
- Performed QA/QC of July 2026 pumping by well.

GROUNDWATER LEVEL AND QUALITY MONITORING PROGRAM

- Completed annual groundwater-quality trend analysis using results from spring 2026 semi-annual monitoring event for eventual review by the TAC for the updated groundwater quality PMA process defined in the 2026 GMP Update. Prepared figures and tables of analysis results.
- Finalized the Spring 2026 Semi-Annual Monitoring Report, inclusive of new format to annually include results from the groundwater-quality trend analysis.
- Coordinated with WY Comms team to draft public outreach materials focused on the Watermaster's monitoring programs and published for the Board's review and feedback. (*NOTE: WY Comms team time spent was not charged to Watermaster due to Board request to redo the content*)
- Began preparing for Fall 2026 Semi-Annual Monitoring Event, including review of monitoring well network and consideration of wells no longer able to be monitored and potential replacement wells and an internal meeting to discuss fall 2026 monitoring activities.

COOPERATOR DATA COLLECTION, DATA MANAGEMENT, AND REPORTING DATA TO DWR PORTALS

- No work performed during the reporting period.

ANNUAL WATER RIGHTS ACCOUNTING

- This task is complete.

ANNUAL REPORT TO THE COURT AND DWR

- This task is complete.

AS-NEEDED TECHNICAL SUPPORT FOR IMPLEMENTATION OF THE JUDGMENT, RULES AND REGULATIONS, AND GROUNDWATER MANAGEMENT PLAN

- This task has no budget for additional as-needed services and is complete.

Technical Work to Redetermine 2030 Sustainable Yield

- Coordinated with Legal counsel and prepared summary to Board for next steps on GDE related efforts.

5-Year GMP Assessment/Update

- This task is complete.

Task 4 – Environmental Working Group

The objective of this task is to support the activities of the EWG in WY 2026. The work performed in this reporting period included the following:

- The budget for this task is expended, and remaining work is billed to Task 3 - *Technical Work to Redetermine 2030 Sustainable Yield*, as defined in the Statement of Work.

Task 5 - Staff services Billed to Watermaster Related to Manual-Read Meters

The objective of this task is to coordinate the monitoring and collection of meter data from Parties with manual-read meters. This work is reimbursed by only those Parties with manual-read meters. The work performed in this reporting period included:

- Sent email reminders to Parties who had not yet sent July 2026 meter reads to perform and send results of their manual meter reads.
- Sent email reminders to Parties to perform and send manual meter reads in August 2026.
- Coordinated with a Party experiencing manual meter read problems. Coordinated with the Party and meter vendor to discuss fixing the meter.

Party-Funded Requests for Information (RFI)

- No work performed during the reporting period.

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Approved October 29, 2026

BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
25 EDELMAN, SUITE 120
IRVINE, CA 92618

Invoice Date: September 30, 2026
Invoice Num.: 260736
Matter Number: 13056-0001

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through September 30, 2026

Time Detail

Date	Initials	Description	Hours
09/01/26	JLM	CALLS AND EDITS ON STATUS REPORT	1.20
09/01/26	JCM	REVIEW AND REVISE STATUS CONFERENCE STATEMENT WITH PARTIES' EDITS AND CHANGES; REVIEW E-MAIL FROM PARTIES AND CONFERENCE WITH MR. MARKMAN REGARDING SAME	0.80
09/02/26	JLM	COMPLETE AND FILE STATUS REPORT	0.80
09/02/26	JCM	FINALIZE AND FILE STATUS CONFERENCE STATEMENT AND NOTICE OF NON-OPPOSITION REGARDING MOTION TO AMEND THE JUDGMENT; E-MAIL WITH PARTIES REGARDING STATUS CONFERENCE STATEMENT	1.00
09/08/26	JCM	COORDINATE TO UPDATE WATERMASTER SERVICE LIST	0.10
09/09/26	JCM	E-MAIL WITH MR. MARKMAN REGARDING HEARING ON MOTION TO AMEND JUDGMENT AND TENTATIVE RULING	0.20
09/10/26	JLM	REVIEW AMENDMENT MOTION AND APPEAR AT HEARING IN COURT	2.50
09/10/26	JCM	PREPARE FOR AND ATTEND HEARING ON MOTION TO AMEND JUDGMENT AND STATUS CONFERENCE; REVIEW COURT'S TENTATIVE RULING; CONFERENCE WITH MR. MARKMAN REGARDING SAME	2.40
09/11/26	JLM	E-MAILS ON MOTION TO TRANSFER	0.20

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: September 30, 2026
Invoice Num.: 260736
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Date	Initials	Description	Hours
09/11/26	JCM	REVIEW AND RESPOND TO E-MAIL FROM MS. ADAMS REGARDING STATUS CONFERENCE REPORT	0.20
09/14/26	JLM	PHONE CALLS AND DOCUMENT REVIEW ON PUMPER IN BANKRUPTCY	0.70
09/14/26	JCM	REVIEW COURT'S MINUTE ORDER REGARDING MOTION TO AMEND JUDGMENT AND STATUS CONFERENCE; RESEARCH PROOF OF CLAIM REQUIREMENTS REGARDING PUMPER IN BANKRUPTCY; E-MAIL WITH MR. MARKMAN REGARDING SAME	0.60
09/14/26	SLF	REVIEW E-MAIL REGARDING MEETING SCHEDULE	0.10
09/15/26	JLM	E-MAILS ON MEETING DATE FOR NEW WATER YEAR	0.30
09/16/26	JLM	E-MAILS ON PUMPER BANKRUPTCY	0.20
09/16/26	JCM	DRAFT NOTICE OF ENTRY OF ORDER REGARDING MOTION TO AMEND JUDGMENT AND NEXT STATUS CONFERENCE	0.50
09/17/26	JLM	E-MAILS ON BANKRUPT PUMPER AND NOTICE OF ENTITY OF ORDER AMENDING JUDGMENT	0.30
09/17/26	JCM	REVIEW AND RESPOND TO E-MAILS FROM MS. ADAMS AND MS. SALBERG REGARDING COURT'S ORDER GRANTING AMENDMENT TO JUDGMENT; FINALIZE AND FILE NOTICE OF ENTRY OF ORDER	0.20
09/18/26	JLM	E-MAILS ON BROWN ACT ISSUE IN HAVING BOARD MEMBER REVIEW INFORMATIONAL RELEASE	0.30
09/21/26	JLM	ATTEND MEETING ON PUMPER BANKRUPTCY CASE; REVIEW FILED DOCUMENTS	2.50
09/21/26	JCM	REVIEW PUMPER BANKRUPTCY CASE DOCKET AND NOTICE REGARDING MEETING OF CREDITORS; COMMUNICATIONS WITH MR. MARKMAN REGARDING MEETING OF CREDITORS AND CASE STATUS	0.50
09/22/26	JLM	REVIEW BANKRUPTCY FILINGS; PHONE CONFERENCE WITH MR. METZ AND MS. ADAMS	4.00
09/22/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING PUMPER BANKRUPTCY MATTER (IN RE: 80 ACRES URBAN AGRICULTURE, INC., ET AL.) AND POTENTIAL BANKRUPTCY COUNSEL; REVIEW BANKRUPTCY PETITION, COMPLAINT, AND OTHER DOCUMENTS	0.60
09/23/26	JLM	E-MAILS ON BANKRUPTCY CASE	0.30
09/24/26	JLM	ATTEND MEETING WITH MS. ADAMS AND MR. BILYK ON PUMPER BANKRUPTCY; CONFER WITH MR. METZ THEREON	0.50
09/24/26	JCM	CONFERENCE WITH MR. MARKMAN REGARDING PUMPER BANKRUPTCY MATTER (IN RE: 80 ACRES URBAN AGRICULTURE, INC., ET AL.)	0.30

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: September 30, 2026
Invoice Num.: 260736
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Date	Initials	Description	Hours
09/25/26	JLM	ARRANGE FOR BANKRUPTCY ATTORNEY FOR BOARD RECOMMENDATIONS	1.60
09/28/26	JLM	PHONE CALLS ON SEEKING BANKRUPTCY COUNSEL	1.60
09/29/26	JLM	PROVIDE CLOSED SESSION TITLE FOR SPECIAL MEETING ON BANKRUPTCY	0.40
09/30/26	JLM	PHONE CALL CONCERNING ENGAGING OF BANKRUPTCY COUNSEL	1.20
Total			**26.10**

Timekeeper Summary

Name	Hours	Rate	Amount
JACOB C. METZ	7.40	275.00	2,035.00
JAMES L. MARKMAN	18.60	400.00	7,440.00
STEVEN L. FLOWER	0.10	350.00	35.00
Total	**26.10**		**$9,510.00**

Cost Detail

Date	Description	Amount
09/02/26	POSTAGE 1 ENVELOPE DANIEL LEE FETZER (DIFFERENT ADDRESS)	2.85
09/02/26	POSTAGE 1 FLAT ENVELOPE DANIEL LEE FETZER	2.85
09/02/26	INFOTRACK US, INC - E-FILING FEE	20.20
09/18/26	POSTAGE 1 FLAT ENVELOPE TO DANIEL LEE	2.27
09/18/26	POSTAGE 1 FLAT ENVELOPE TO JENNIFER FAY	2.27
09/21/26	INFOTRACK US, INC - E-FILING FEE	20.20
Total		**$50.64**

Client: BORREGO SPRINGS WATERMASTER
Matter: GENERAL LEGAL SERVICES

Invoice Date: September 30, 2026
Invoice Num.: 260736
Matter Number: 13056-0001

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

Current Legal Fees.....$9,510.00
Current Client Costs Advanced.....$50.64

Total Current Fees and Costs.....$9,560.64

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

CONFIDENTIAL

This material is subject to the attorney-client privilege and/or attorney work product protection, or otherwise is privileged or confidential. Do not disclose the contents hereof. Do not file with publicly-accessible records.

BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
25 EDELMAN, SUITE 120
IRVINE, CA 92618

Invoice Date:	September 30, 2026
Invoice Num.:	260736
Matter Number:	13056-0001

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through September 30, 2026

Fees	9,510.00
Costs	50.64
Total Amount Due	**$9,560.64**

TERMS: PAYMENT DUE UPON RECEIPT

PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE TO

RICHARDS, WATSON & GERSHON
350 South Grand Avenue, 37th Floor
Los Angeles, CA 90071

Client Name:
Client Number: 13056

Invoice Date: September 30, 2026

Aged A/R

0-30	31-60	61-90	91-120	Over 120
25,630.00	12,338.41	0.00	0.00	0.00

Total **$37,968.41**

WEST YOST
Water. Engineered.

Remit Payment To:
PO Box 2158
Davis, CA 95617

September 30, 2026

Invoice Number: 2069292

Accounts Payable	Client Project:	Work Order No. 8
Borrego Springs Watermaster	WY Project No:	940-80-25-12
c/o West Yost Associates	Contract Amount:	598,842.00
25 Edelman, Suite 120	Job Name:	WY 2026 Admin and Technical Services
Irvine, CA 92618		

Approved October 29, 2026

Professional Services from September 1, 2026 to September 30, 2026

Previously Billed :	**564,436.69**
Total This Period :	**15,685.50**
Total Amount Billed to Date including This Invoice :	**580,122.19**
Amount Remaining in Contract :	**18,719.81**

Task 101 Board Meetings

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	1.50	370.00	555.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	.75	246.00	184.50	
Totals	2.25		739.50	
Total Labor				**739.50**
			Total this Task	**$739.50**

Task 130 Court Hearings

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.50	370.00	185.00	
Totals	.50		185.00	
Total Labor				**185.00**
			Total this Task	**$185.00**

Project 940-80-25-12 WY 2026 Admin and Technical Services Invoice 2069292

Task 220 Insurance, Accounting, and Financial Services

Professional Personnel

	Hours	Rate	Amount	
Administrative III				
Mendoza-Tellez, Maria	6.25	160.00	1,000.00	
Totals	6.25		1,000.00	
Total Labor				**1,000.00**
		Total this Task		**$1,000.00**

Task 230 Outreach - Records, Docs, Website

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	3.50	246.00	861.00	
Totals	3.50		861.00	
Total Labor				**861.00**
		Total this Task		**$861.00**

Task 240 Track/Respond to Public Communications & Requests

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	1.50	246.00	369.00	
Totals	1.50		369.00	
Total Labor				**369.00**
		Total this Task		**$369.00**

Task 260 As-requested admin. of the Judgment, Rules & Regs, and GMP

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	2.00	370.00	740.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	.75	246.00	184.50	
Administrative III				
Mendoza-Tellez, Maria	.50	160.00	80.00	
Totals	3.25		1,004.50	
Total Labor				**1,004.50**
		Total this Task		**$1,004.50**

Project 940-80-25-12 WY 2026 Admin and Technical Services Invoice 2069292

Task 270 General administration and project managements tasks

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	1.00	370.00	370.00	
Associate Eng/Scientist/Geologist I				
Salberg, Lauren	4.25	246.00	1,045.50	
Totals	5.25		1,415.50	
Total Labor				**1,415.50**
		Total this Task		**$1,415.50**

Task 311 GWMP - Monthly Meter Reads

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	.25	370.00	92.50	
Associate Eng/Scientist/Geologist I				
Kelty, Clay	12.25	246.00	3,013.50	
Salberg, Lauren	7.75	246.00	1,906.50	
Totals	20.25		5,012.50	
Total Labor				**5,012.50**
		Total this Task		**$5,012.50**

Task 320 GWMP - GWL and GWQ Mon

Professional Personnel

	Hours	Rate	Amount	
Eng/Scientist/Geologist Manager I				
Adams, Samantha	1.00	370.00	370.00	
Associate Eng/Scientist/Geologist I				
Kelty, Clay	10.25	246.00	2,521.50	
Salberg, Lauren	2.00	246.00	492.00	
Technical Specialist II				
Braganza, Conrad	4.00	231.00	924.00	
Technical Analyst II				
Houghton, Cindy	1.00	176.00	176.00	
Totals	18.25		4,483.50	
Total Labor				**4,483.50**
		Total this Task		**$4,483.50**

Task 500 Consulting services to Parties with manual-read meters

Professional Personnel

	Hours	Rate	Amount	
Associate Eng/Scientist/Geologist I				
Kelty, Clay	2.50	246.00	615.00	
Totals	2.50		615.00	
Total Labor				**615.00**

Project	940-80-25-12	WY 2026 Admin and Technical Services	Invoice	2069292
			Total this Task	**$615.00**
			Total this Invoice	**$15,685.50**

Description of Services:

Please see attached description of services

Outstanding Invoices

Number	Date	Balance
2068621	7/31/2026	14,478.25
2069026	8/31/2026	32,342.00
Total		**46,820.25**

Please direct questions to:

Project Manager Samantha Adams
Principal Greg Chung GKC

Description of Services Rendered
Project 940-80-25-12
Watermaster Administrative and Technical Services
Invoice Period: September 1, 2026 to September 30, 2026

TASK 1 – MEETINGS AND COURT HEARINGS

The work performed for this task includes preparing for and attending Watermaster Board Meetings, TAC Meetings, Court Hearings, and stakeholder Open House meetings. The work performed in this reporting period included:

BOARD MEETINGS

- Corresponded with Watermaster Board officers and legal counsel throughout the month to coordinate meeting agenda items and other Watermaster activities.
- October 2026 Special Board Meeting:
    - Prepared the Call and Notice for a Special Board meeting to be held on October 5, 2026.
    - Compiled the agenda notice and distributed via the stakeholder distribution list and Watermaster website.
- November 2026 Regular Board Meeting:
    - Prepared punch list of action items for the Board meeting. Created meeting link and coordinated assignments for addressing action items from August 2026 Regular Board Meeting.

TAC MEETINGS

- This task is complete.

COURT HEARINGS

- Reviewed Tentative Order from the Judge on the motion to amend the Judgment.
- Coordinated with Legal Counsel to provide the Watermaster Board with status on Court activities.

STAKEHOLDER OUTREACH

- This task is complete.

TASK 2 – WATERMASTER ADMINISTRATION

The Executive Director, with support from staff, will organize, oversee, and/or perform the administrative and management aspects of running the Watermaster and administering the Judgment, Rules and Regulations, and GMP. The work performed in this reporting period included:

PREPARE THE WATERMASTER ANNUAL BUDGET

- This task is complete.

Insurance, Accounting, and Financial Services

- Prepared draft August 2026 Financial Report.
- Processed accounts receivable and payable into QuickBooks.
- Deposited checks to US Bank.
- Coordinated with C.J. Brown regarding performing WY 2026 financial audit.
- Prepared invoice to BWD for services rendered to fulfill data requests.

Maintain Website and Grant Communications

- Maintained Watermaster website by updating meeting dates, meeting materials, WY 2027 Board meeting schedule, and WY 2027 meter read schedule.

Respond to and track public information requests

- Regularly checked Borrego inbox and provided general as-requested support to the public throughout the month by responding to emails on the following topics:
    - BPA rights on a specific parcel in the Basin
    - The Borrego Springs Judgment and water rights on a parcel for sale in the Basin

As-needed support to the BPA Parties

- No work performed during the reporting period.

As-needed administration of the terms of the Judgment, Rules & Regulations, and Groundwater Management Plan

- Sent meeting minutes as proof of adoption of the 5-Year Assessment Report and 2026 GMP Update to DWR following approval of minutes at the August 2026 Board meeting.
- Processed and filed bankruptcy notices received for a Party to the Judgment and distributed to Legal Counsel, the Board Chair.
- Coordination with Legal Counsel and Board Chair regarding bankruptcy notice and next steps.
- Compiled and shared details of the bankruptcy notice and the Party's current outstanding assessments and pumping status and shared with the Board.

General administration and project managements tasks

- Performed monthly project management tasks including budget, schedule, and scope of work progress evaluations.
- Performed task order close out activities for WY 2026.

Task 3 – 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 2026. The work performed in this reporting period included:

Groundwater Pumping Monitoring - Annual Meter Verification

- No work performed during the reporting period.

Groundwater Pumping Monitoring - Monthly Collection and Processing of Meter Read Data

- Communicated with Parties with telemetry systems experiencing issues on the expectations for BWD to perform an official meter read to verify pumping.
- Cataloged and processed August 2026 monthly meter reads.
- Calculated August 2026 pumping by well.
- Performed QA/QC of August 2026 pumping by well.
- Cataloged and processed September 2026 monthly meter reads.
- Calculated September 2026 pumping by well.
- Performed QA/QC of September 2026 pumping by well.
- Began calculating total water year pumping for Parties with metered pumping.

Groundwater Level and Quality Monitoring Program

- Based on Watermaster Board feedback, coordinated with WY Comms team and Watermaster Board Subcommittee to prepare revised public outreach materials focused on the Watermaster's monitoring programs.
- Began preparation for the Fall 2026 Semi-Annual Monitoring Event, including:
    - Began coordination of action items to prepare for the monitoring event.
    - Mailed an outreach packet to a well owner that can no longer be accessed in an effort to sample the well during fall monitoring event.
    - Ordered bottles from Clinical Laboratory for groundwater-quality sample analysis.
    - Requested an updated quote from Blaine Tech to perform groundwater-quality sampling. Developed draft Task Order with Blain Tech to perform the work.
    - Updated and printed field forms, contact sheet, and all other instructions/documents for the Groundwater Monitoring Program semi-annual event.
    - Began scheduling monitoring dates and times with well owners.

Cooperator Data Collection, Data Management, and Reporting Data to DWR Portals

- This task is complete.

Annual Water Rights Accounting

- This task is complete.

Annual Report to the Court and DWR

- This task is complete.

As-needed technical support for implementation of the Judgment, Rules and Regulations, and Groundwater Management Plan

- This task is complete.

Technical Work to Redetermine 2030 Sustainable Yield

- This task is complete.

5-Year GMP Assessment/Update

- This task is complete.

Task 4 – Environmental Working Group

The objective of this task is to support the activities of the EWG in WY 2026. The work performed in this reporting period included the following:

- This task is complete.

Task 5 - Staff services Billed to Watermaster Related to Manual-Read Meters

The objective of this task is to coordinate the monitoring and collection of meter data from Parties with manual-read meters. This work is reimbursed by only those Parties with manual-read meters. The work performed in this reporting period included:

- Sent email reminders to Parties who had not yet sent August 2026 meter reads to perform and send results of their manual meter reads.
- Coordinated with BWD to support their performance of WY 2026 year-end official meter reads in September 2026, including providing a list of all wells requiring official meter reads and coordinating with well owners, as needed.
- Sent email reminders to Parties about BWD performing official meter read in September 2026.

Party-Funded Requests for Information (RFI)

- No work performed during the reporting period.

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.A

To: Board of Directors

From: Samantha Adams, Executive Director

Date: November 11, 2026

Subject: Consideration of Approval of WY 2026 Carryover Transfers

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

Agenda Item Purpose

Present five one-time transfers of Carryover proposed to be recorded with water year (WY) 2026 for Board review and consideration of approval.

Recommended Action

Consider each of the five proposed one-time transfers of Carryover and approve, deny, or request additional information or analysis to support a decision. This action is required for Watermaster Staff to finalize the WY 2026 Water Rights Accounting.

Fiscal Impact: Two of the proposed transfers would allow the Transferees to resolve a combined 142.04 acre-feet (af) of Overproduction from WY 2025 and 2026 and avoid incurring Overproduction Penalty Assessments, totaling $71,020.

Judgment Context

Section III.I addresses transfers of Baseline Pumping Allocation (BPA) and leases of Annual Allocation/Carryover. Under Section III.I.(5), Watermaster has the authority, with input from the Technical Advisory Committee, to impose locational restrictions on transfers based on reasonable, evidence-based concerns that a transfer may cause or exacerbate Undesirable Results, provided such restrictions are equitable to affected Pumpers.

Related Actions and Direction

During WY 2026, the Board considered the development of a formal technical review process to inform transfer decisions. At its August 19, 2026 meeting, the Board deferred adoption of such a process and directed that transfers continue to be considered on a case-by-case basis, with further consideration of a technical review process to occur in conjunction with the redetermination of the 2030 Sustainable Yield. Consistent with this direction, Staff presents proposed transfers to the Board

for consideration of approval, denial, or a request for additional information or analysis (at the expense of the Parties to the transfer).

Discussion

Attached for Board review and consideration of approval are five one-time transfers of Carryover proposed to be effective in WY 2026. Action on these transfers is necessary to complete the WY 2026 water rights accounting process. A total of 458.32 af of Carryover is proposed to be transferred among Parties.

Staff reviewed the transfer applications for administrative completeness and compliance with applicable Judgment requirements and confirmed that all Parties are in good standing with the Watermaster and meet eligibility requirements. The draft transfer documentation submitted to Watermaster for each transfer is attached.

To support the Board's consideration of each transfer, the following information is provided:

- Copy of the transfer application forms
- Names of the transferor and transferee Parties
- Volume of Carryover proposed to be transferred
- A map showing the location of the BPA parcels associated with each Party
- Potential implications for the WY 2026 Water Rights Accounting and associated assessments if the transfer is not approved

The Board is asked to approve or deny each proposed transfer or request additional information or analysis to support its consideration.

Transfer of Carryover from T2 Borrego LLC ("Burnand", attached to APMs 140-010-10 and 140-070-02) to T2 Borrego, LLC ("Bagdasarian", attached to APNs 140-070-15, 140-070-20, and 140-070-28)

- T2 Borrego, LLC – Burnand (Transferor) proposes to transfer 107.48 af of Carryover to T2 Borrego LLC – Bagdasarian (Transferee). The Transfer Application Form is attached.
- Figure 1 shows the location of the Transferor and Transferee BPA parcels, which are located in the central portion of the North Management Area (NMA), where the majority of BPA parcels in the NMA are concentrated.
- If not approved, T2 Borrego LLC – Bagdasarian will be issued a Pumping Assessment for its 107.48 af of pumping in WY 2026. This would also increase the total Adjusted Pumping Calculation by 107.48 af and reduce the WY 2027 Pumping Assessment Rate by $3.10/af compared to the $135.74/af presented in Agenda Item V.B of this agenda package, which assumes approval of all Carryover transfers.

Transfer of Carryover from The RoadRunner Club at Borrego, LP to The Springs RV and Golf Resort, LP

- The RoadRunner Club (Transferor) proposes to transfer 196 af of Carryover to The Spring RV and Golf Resort (Transferee). The Transfer Application Form is attached.
- Figure 2 shows the location of the Transferor and Transferee BPA parcels, which are adjacent to each other in the northern portion of the Central Management Area (CMA).
- If not approved:
    - The RoadRunner Club's Adjusted Pumping Calculation would decrease by 35.24 af because a greater portion of its WY 2026 pumping would be considered an exercise of Carryover, which is the first water pumped. This would also decrease the total Adjusted Pumping Calculation by 35.24 af and slightly increase the WY 2027 Pumping Assessment Rate by $1.05/af compared to the $135.74/af presented in Agenda Item V.B of this agenda package, which assumes approval of all Carryover transfers.
    - The Springs' Adjusted Pumping Calculation would not change.

Transfer of Carryover from T2 Borrego LLC (Burnand) to Carpenter Family Trust 12-11-07

- T2 Borrego LLC – Burnand (Transferor) proposes to transfer 21.05 af of Carryover to the Carpenter Family Trust (Transferee), in part to resolve a total of 8.25 af of Overproduction that must be cured as part of WY 2026 accounting). The Transfer Application Form is attached.
- Figure 3 shows the location of the Transferor and Transferee BPA parcels, which are located in the NMA.
- If not approved:
    - The Carpenter Family Trust would be subject to an Overproduction Penalty Assessment of $4,125, to be issued by November 30, 2026 and due within ten days of issue.
- The Adjusted Pumping Calculation would increase by 5.29 af and slightly decrease the WY 2027 Pumping Assessment Rate by $0.16/af compared to the $135.74/af presented in Agenda Item V.B of this agenda package, which assumes approval of all Carryover transfers.

Transfer of Carryover from T2 Palms LLC to Gamini D. Weerasekera

- T2 Palms, LLC (Transferor) proposes two transfers of Carryover to Gamini D. Weerasekera (Transferee) to:
    - Resolve outstanding Overproduction from WY 2025 in the amount of 66.32 af
    - Resolve WY 2026 Overproduction over the Maximum Overproduction of 67.47 af
- Figure 4 shows the location of the Transferee and Transferor BPA parcels. Gamini D. Weerasekera's parcels are in the NMA and T2 Palms, LLC's parcels are in the southern portion of the NMA and northern portion of the CMA.
- If not approved,

  - Gamini D. Weerasekera would be subject to the following Overproduction Penalty Assessments to be issued by November 30, 2026 and due within ten days of issue:
  - $33,160 for the Overproduction incurred in WY 2025
  - $33,735 for the Overproduction over Maximum Overproduction Limit in WY 2026
- The Adjusted Pumping Calculation would increase by 67.47 af and decrease the WY 2027 Pumping Assessment Rate by $1.96/af compared to the $135.74/af presented in Agenda Item V.B of this agenda package, which assumes approval of all Carryover transfers.
- The transfer application form is attached for the transfer to cover 66.32 af of Overproduction from WY 2025.
- The transfer application form to cover WY 2026 Overproduction is not attached because the terms of the transfer have not been finalized between the Parties. If approved by the Board, the Parties will finalize and submit the completed forms to Staff. If terms are not reached timely following Board approval, the transfer will not be completed by the Transferor. In this case, Gamini D. Weerasekera would be subject to an Overproduction Penalty Assessment of $33,735, to be issued by November 30, 2026 and due within ten days of issue.

Next Steps

The Board is requested to take action to approve or deny the applications, or request additional information to support further consideration of approval, at the expense of the transfer Parties.

For all transfers that are approved, Watermaster Staff and Legal Counsel will fully execute the transfer agreements and provide copies to each Party. The completed transfers will be reflected in the final WY 2026 Water Rights Accounting.

For all transfers that are denied or are not completed, Watermaster Staff will update the WY 2026 Water Rights Accounting accordingly, and if applicable, issue the corresponding Overproduction Penalty Assessments by November 30, 2026, which will be due within ten days of being issued.

For all transfers subject to Board request for further review and analysis, Staff will determine the cost of the analysis and work with the Parties to the transfer on an agreement to fund the additional work. In the case of the transfers that would resolve Overproduction, it will not be possible to timely perform additional analysis to avoid triggering an Overproduction penalty assessment.

Enclosures

Transfer of Carryover Form and Figure 1: T2 Borrego LLC (Burnand Property) to T2 Borrego, LLC (Bagdasarian Farms)

Transfer of Carryover Form and Figure 2: The RoadRunner Club at Borrego, LP to The Springs RV and Golf Resort, LP

Transfer of Carryover Form and Figure 3: T2 Borrego LLC (Burnand Property) to Carpenter Family Trust 12-11-07

Transfer of Carryover Form and Figure 4: T2 Palms LLC to Gamini D. Weerasekera

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*

T2 Borrego, LLC - Burnand ("Transferor") has transferred rights to

T2 Borrego, LLC - Bagdasarian ("Transferee"). The Transfer is effective in

Water Year 2026 and the transferred amount includes:

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

107.48 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: n/a for this transfer

☐ 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)

And transferred from Transferor's parcels as approved by Watermaster.

☑ Transferor ☐ Transferee is responsible for payment of applicable pumping assessments

Transferor has already paid pumping fees for the Carryover water transferred here.

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: Vice President _____

Date: October 26, 2026 _____

~~Transferee Signature~~ _____

Its: Vice President _____

Date: October 26, 2026 _____

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: _____

Date: _____

_____
Legal Counsel Signature

Name: _____

Date: _____

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Water Rights Accounting\Transfers\WY 2026_Transfers.mxd - csanchez - 11/9/2026

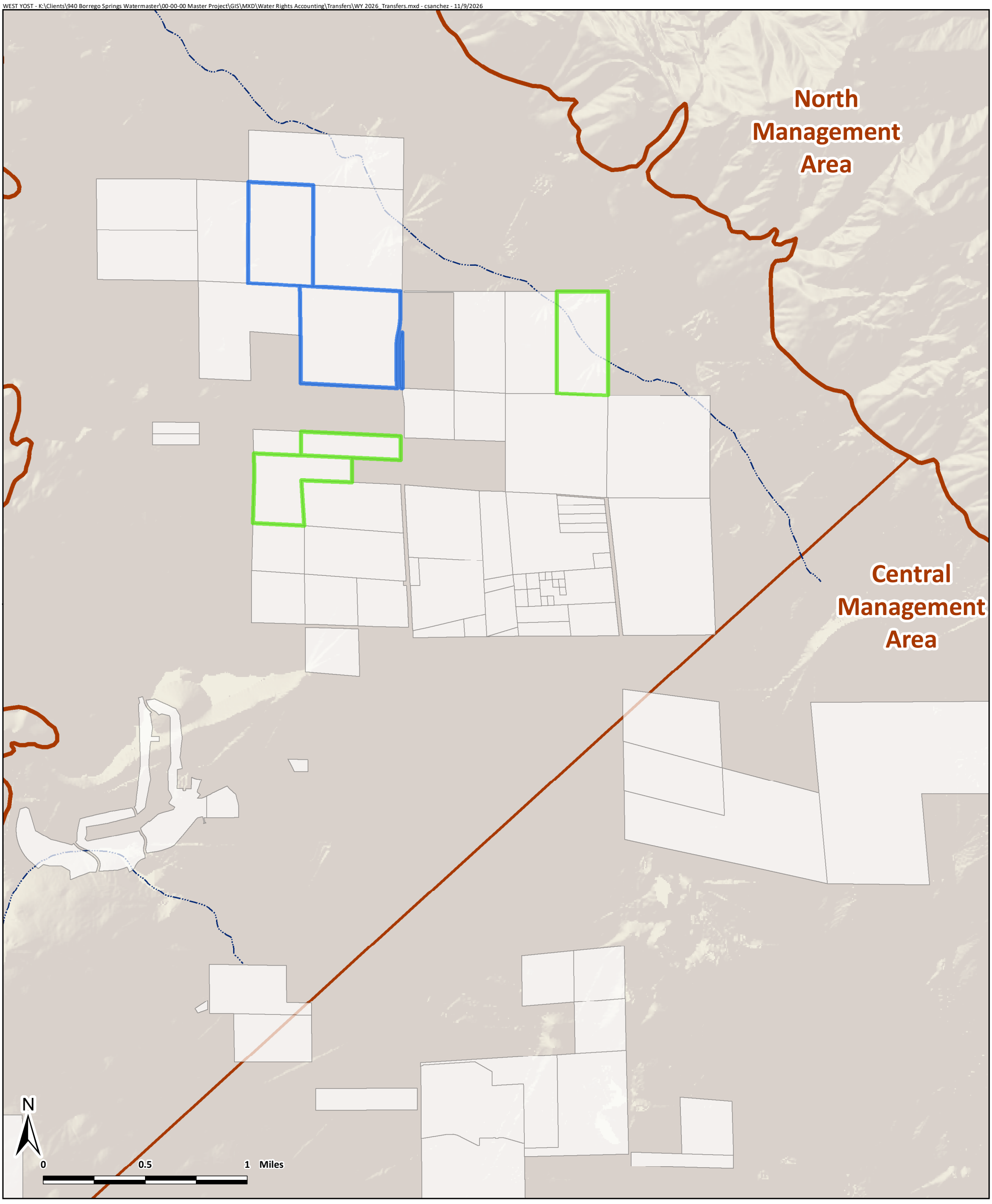
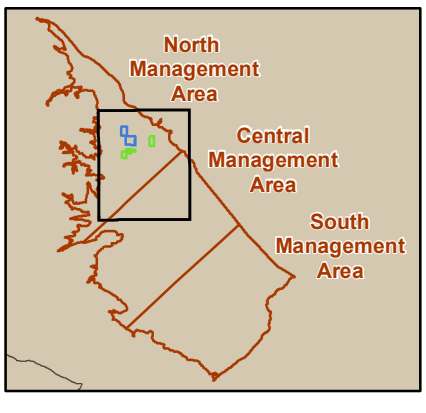


Exhibit 4 BPA Parcels

- Transferor BPA Parcel(s) (from T2 Borrego, LLC - Burnand)
- Transferee BPA Parcel(s) (to T2 Borrego, LLC - Bagdasarian)

Other Features

- Other Parcels with BPA Rights
- Borrego Springs Subbasin with Management Area Divisions



Borrego Springs Watermaster

WY 2026 Water Rights Accounting

Prepared by:

WEST YOST

Figure 1.
WY 2026 Transfer of Carryover:
Borrego, LLC (Burnand) to T2 Borrego, LLC (Bagdasarian)

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*

The RoadRunner Club at Borrego, LP ("Transferor") has transferred rights to

The Springs RV and Golf Resort, LP ("Transferee"). The Transfer is effective in

Water Year 2026 and the transferred amount includes:

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

196 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:

☐ 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 Resident
Date: 10/29/26

Transferee Signature
Its: General Manager, Springs RV & Golf
Date: 10/29/26

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	Legal Counsel Signature
Name: _____	Name: _____
Date: _____	Date: _____

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Water Rights Accounting\Transfers\Parties_Wells_TransferAreas.mxd - lsalberg - 10/29/2026

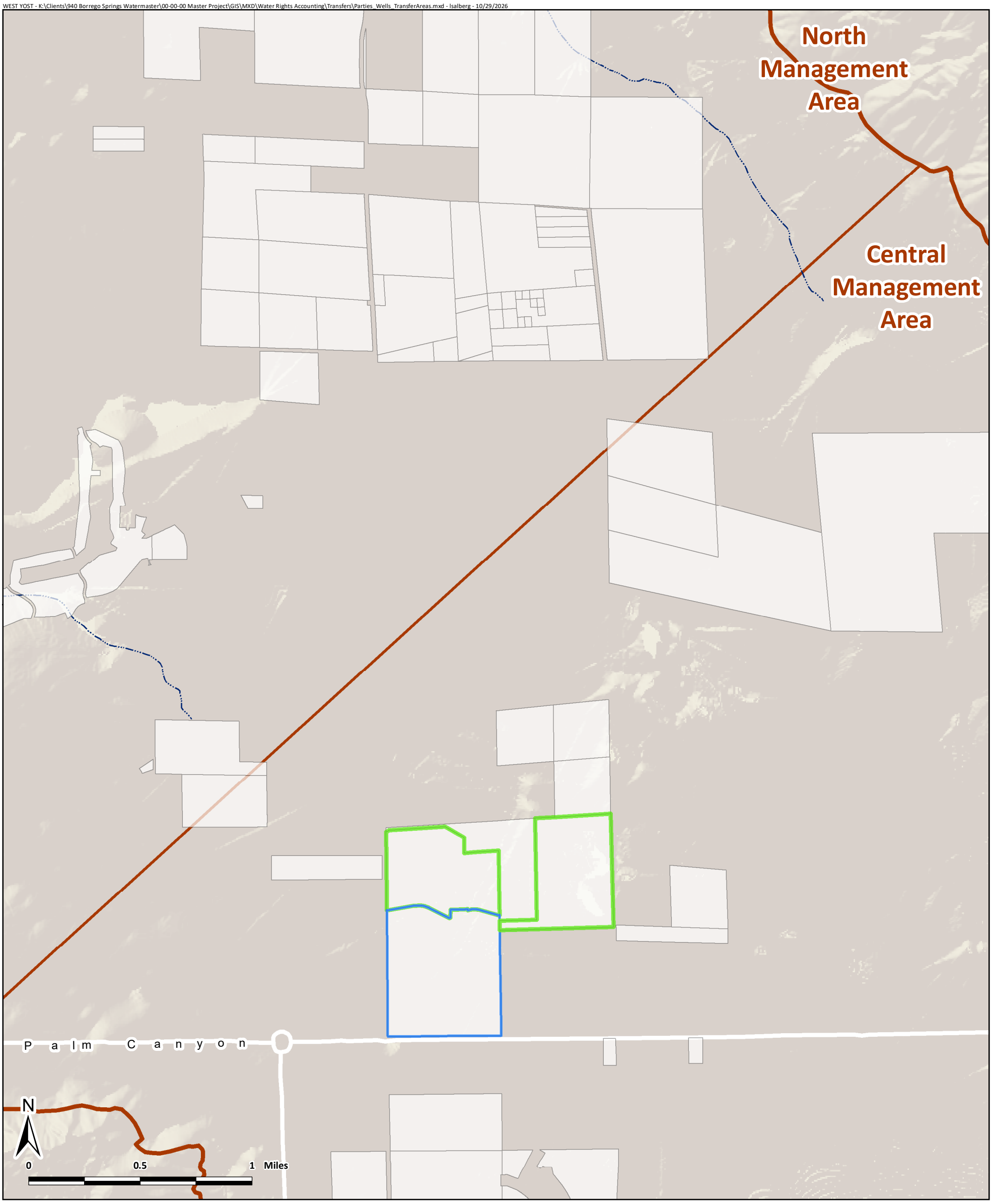


Exhibit 4 BPA Parcels

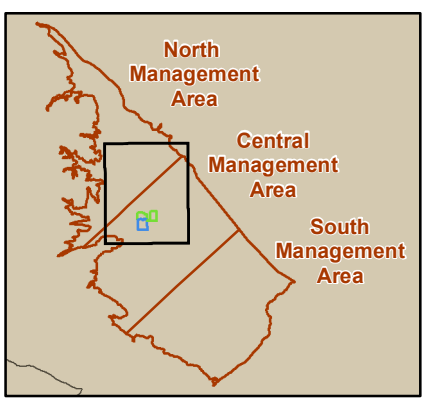
Transferor BPA Parcel(s)
(from The RoadRunner Club)

Transferee BPA Parcel(s)
(to The Springs RV & Golf Resort)

Other Features

Other Parcels with BPA Rights

Borrego Springs Subbasin with Management Area Divisions



Borrego Springs Watermaster
WY 2026 Water Rights Accounting

Prepared by:

WEST YOST

Figure 2.
WY 2026 Transfer of Carryover:
The RoadRunner Club to The Springs RV & Golf Resort

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*

T2 Borrego, LLC Burnand
Carpenter Family Trust 12-11-07

("Transferor") has transferred rights to

("Transferee"). The Transfer is effective in

Water Year 2026 and the transferred amount includes:

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

21.05 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: n/a for this transfer

☐ 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)
And transferred from Transferor's parcels as approved by Watermaster.

☑ Transferor ☐ Transferee is responsible for payment of applicable pumping assessments
Transferor has already paid pumping fees for the Carryover water transferred here.

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: Vice President

Date: 10/29/2026

Transferee Signature

Its: Trustee

Date: 10-29-2026

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: _____

Date: _____

_____
Legal Counsel Signature

Name: _____

Date: _____

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Water Rights Accounting\Transfers\Parties_Wells_TransferAreas.mxd - lsalberg - 10/29/2026

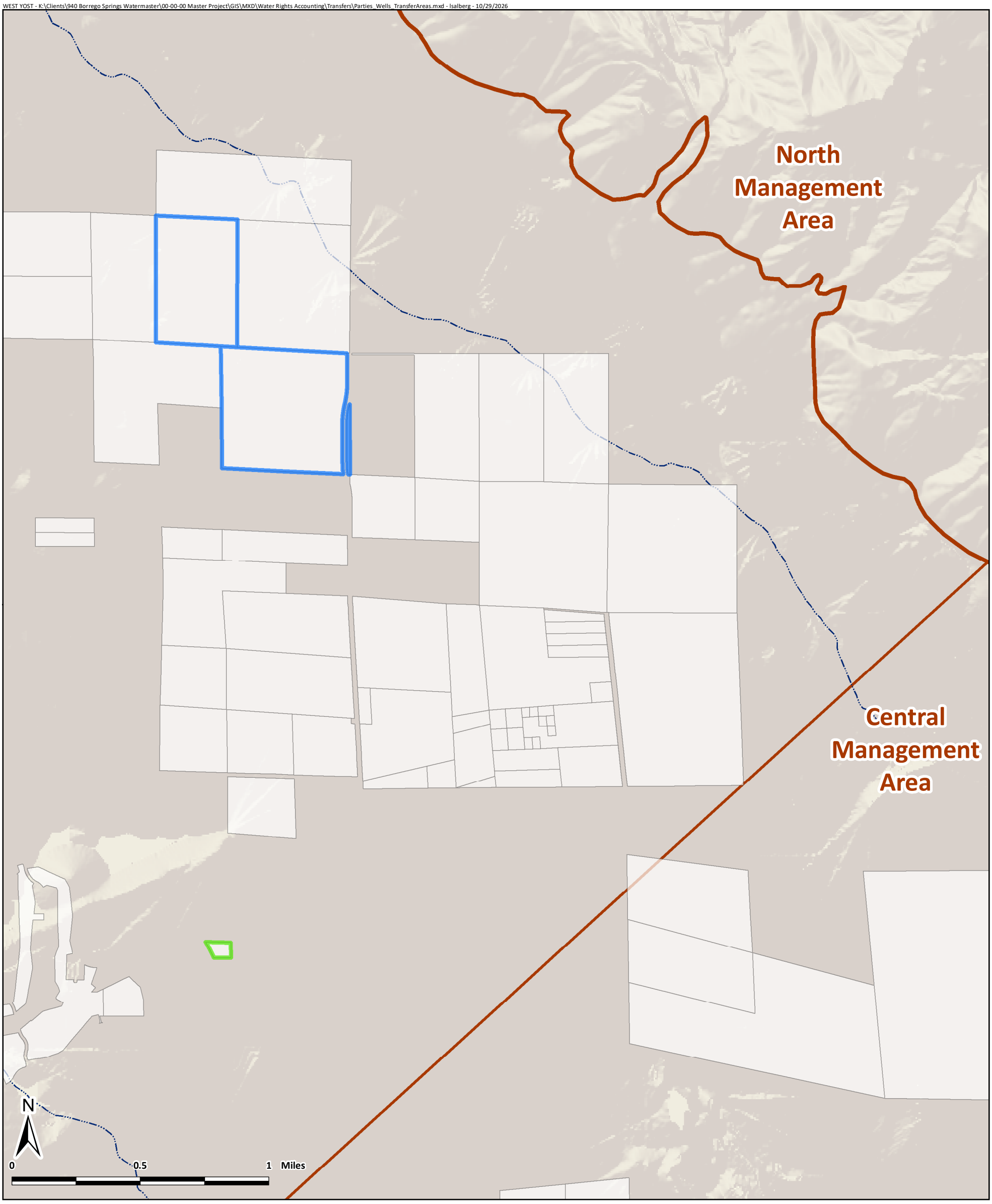
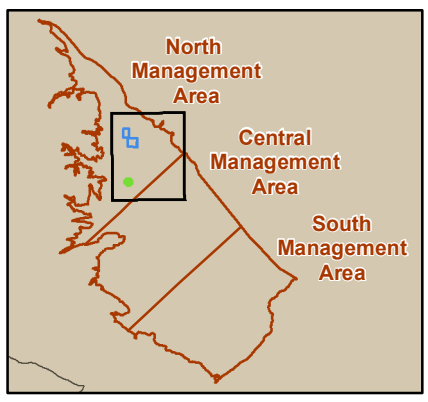


Exhibit 4 BPA Parcels

- Transferor BPA Parcel(s) (from T2 Borrego, LLC)
- Transferee BPA Parcel(s) (to Carpenter Family Trust 12-11-07)

Other Features

- Other Parcels with BPA Rights
- Borrego Springs Subbasin with Management Area Divisions



Borrego Springs Watermaster

WY 2026 Water Rights Accounting

Prepared by:

WEST YOST

Figure 3.
WY 2026 Transfer of Carryover:
T2 Borrego, LLC to Carpenter Family Trust 12-11-07

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*

T2 Palms LLC ("Transferor") has transferred rights to

Gamini D. Weerasekera ("Transferee"). The Transfer is effective in

Water Year 2026 and the transferred amount includes:

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

66.32 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: n/a for this transfer

☐ 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)
And transferred from Transferor's parcels as approved by Watermaster.

☑ Transferor ☐ Transferee is responsible for payment of applicable pumping assessments
Transferor has already paid pumping fees for the Carryover water transferred here.

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: Vice President
Date: 10/29/2026

Transferee Signature
Its: GAMINI D. WEERASEKERA
Date: 10/26/26

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: _____

Date: _____

_____
Legal Counsel Signature

Name: _____

Date: _____

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Water Rights Accounting\Transfers\WY 2026_Transfers.mxd - csanchez - 11/9/2026

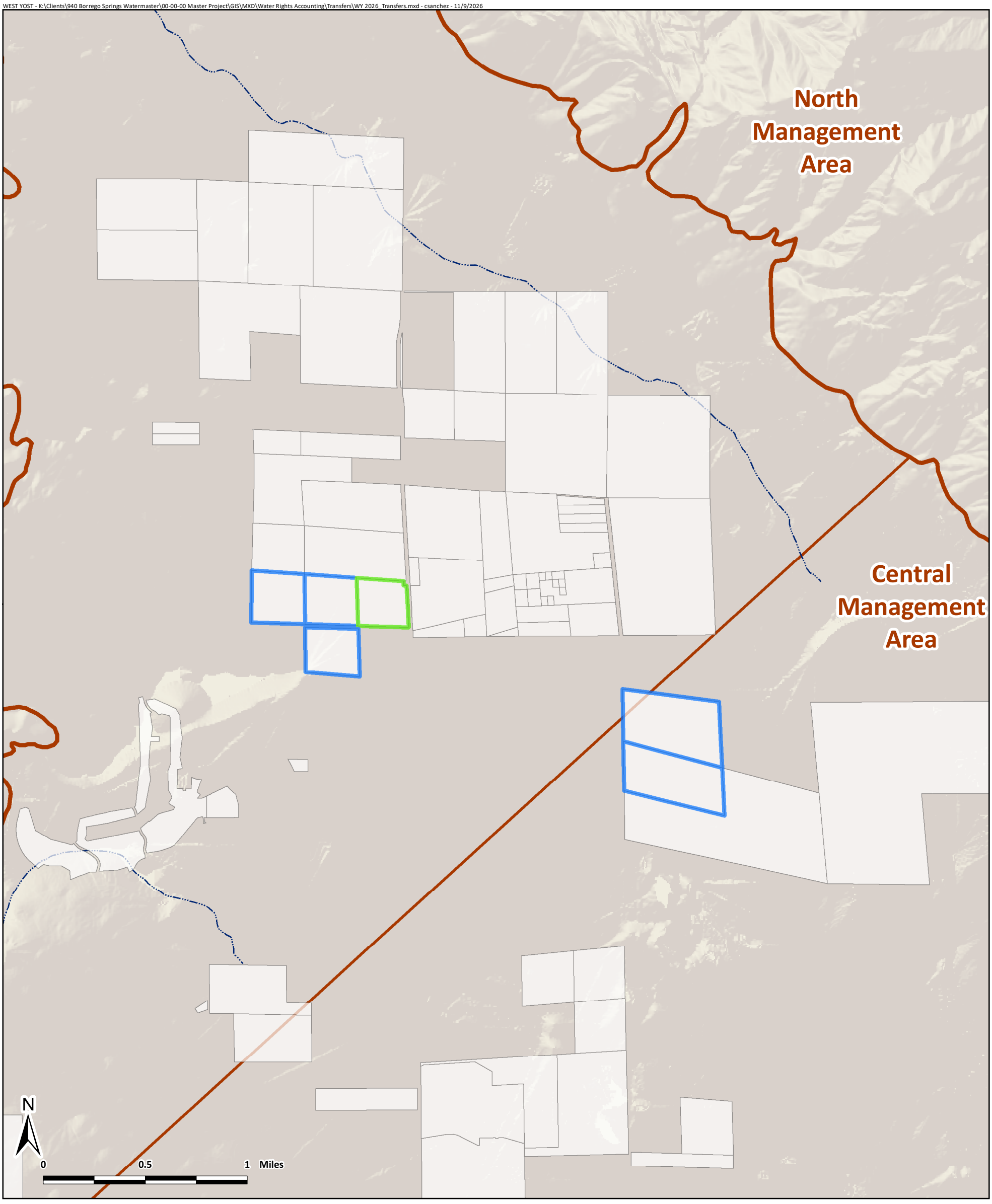
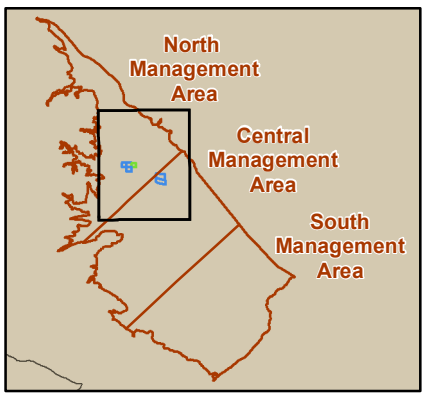


Exhibit 4 BPA Parcels

- Transferor BPA Parcel(s) (from T2 Palms,LLC)
- Transferee BPA Parcel(s) (to Gamini D. Weerasekera)

Other Features

- Other Parcels with BPA Rights
- Borrego Springs Subbasin with Management Area Divisions



Borrego Springs Watermaster

WY 2026 Water Rights Accounting

Prepared by:

WEST YOST

Figure 4.
WY 2026 Transfer of Carryover:
T2 Palms, LLC to Gamini D. Weerasekera

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.B

To: Board of Directors

From: Samantha Adams, Executive Director

Date: November 11, 2026

Subject: Water Rights Accounting for WY 2026

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

Agenda Item Purpose

The purpose of this memo is to:

- Provide the Board with a summary of water rights accounting for Water Year (WY) 2026[1], including pumping, transfers, Carryover elections, Overproduction, and the Adjusted Pumping Calculation
- Report the WY 2027 Pumping Assessment rate in dollars per acre-foot ($/af)
- Identify how the water rights accounting presented herein would change if any of the Carryover transfers presented in Agenda Item IV.A are not approved by the Board
- Explain changes in the water rights accounting process in WY 2026 related to Legal Counsel's clarified interpretation of the Maximum Overproduction Limit
- Describe the Overproduction Penalty Assessments that will be issued
- Initiate discussion amongst the Board on the potential economic impact of the current Carryover rules as it relates to the Pumping Assessment rate

Recommended Actions

- Approve the WY 2026 Water Rights Accounting, subject to any revisions directed by the Board
- Direct Staff to finalize the WY Water Rights Accounting documentation based on Board feedback
- Direct Staff to issue WY 2027 Assessment invoices and any applicable Overproduction Penalty Assessment invoices upon completion of the final Water Rights Accounting and not later than November 30, 2026

[1] WY 2026 is the period of October 1, 2025 through September 30, 2026

Fiscal Impact: Approval of the WY 2026 Water Rights Accounting will enable Watermaster staff to:

- Prepare the WY 2027 Pumping Assessment invoices. Pursuant to the Judgment, the invoices must be issued by November 30, 2026.
- Issue any applicable Overproduction Penalty Assessments, which will be due within ten (10) days of being issued.

Judgment Context

The water rights accounting process is performed annually pursuant to the process and schedule outlined in Section IV.E.(3) of the Judgment.[2] The water rights accounting documents each Party's BPA, Annual Allocation, Carryover Account Balance, transfers and leases, groundwater pumping, Overproduction, Carryover Elections, and Adjusted Pumping Calculation. The results are used to calculate the annual Pumping Assessment Rate and invoice each Party's Pumping Assessment for the subsequent WY.

The results of the water rights accounting process must be reported to the Court and DWR as part of the Annual Report. The WY 2026 Annual Report is due April 1, 2027.

Related Actions and Direction

Historically, the Board has reviewed and approved the Water Rights Accounting on an annual basis and authorized Staff to issue the associated Pumping Assessment invoices. To date, Watermaster has completed the water rights accounting process on-time and issued Pumping Assessment invoices by the November 30th deadline specified in the Judgment.

At its June 3, 2026 meeting, as part of the annual budgeting process, the Board established a WY 2027 Pumping Assessment of $625,000 and an Overproduction Penalty Assessment Rate of $500/af. As part of the WY 2027 budget approval process, the Board directed Staff to identify efficiencies and reduce costs associated with the preparation of the WY 2026 Annual Report, in which the water rights accounting process is recorded and reported to DWR and the Court. One of the efficiencies is to directly prepare Chapter 3 of the WY 2026 Annual Report documenting the WY 2026 Water Rights Accounting process, as opposed to the prior approach of preparing a stand-alone memorandum that was later incorporated into the Annual Report format.

Summary of WY 2026 Water Rights Accounting

Chapter 3 of the WY 2026 Annual Report (enclosed) documents the detailed water rights accounting for WY 2026. **The WY 2026 Water Rights Accounting presented herein, and in the enclosure assumes Board approval of the five transfers of Carryover presented in Agenda Item V.A.** If one or more transfers are not approved, the accounting results and WY 2027 Pumping Assessment Rate will need to be revised. The key impacts are noted herein.

[2] Judgment is available on the Watermaster's website at: https://borregospringswatermaster.com/wp-content/uploads/2026/06/Alternative-Plan-Resubmission-Borrego-Springs-Judgment-with-2026-GMP.pdf

Tables 17 and 18 of Chapter 3 in the WY 2026 Annual Report presents the WY 2026 Water Rights Accounting by Party, and in aggregate. The high-level results are summarized as follows:

- Total Pumping in the Basin was **6,778.67 acre-feet** (af). This is:
    - 15% less than the Sustainable Yield of 7,952 af
    - 33% less than the total pumping of 10,128.95 af in WY 2025
    - 53% less than total pumping of 14,338.45 af in WY 2021, the first year of Rampdown implementation
    - Of the total pumping for WY 2026:
        - 99.6% of pumping was calculated from meter read records
        - Less than 1% was estimated based on partial-year meter read records for two Parties (2 wells), due to malfunctioning meters during a portion of the year.
        - Less than 1% was estimated based on water duty methods for one Party that is not in compliance with the Judgment.
- Total Carryover eligible for election: **14,020.38 af**
- Total Carryover elected by Parties: **4,169.69 af**
    - This is 30% of eligible Carryover, a significant reduction relative to prior WYs
    - In WY 2024 and 2025, Parties elected 82% and 63% of eligible Carryover, respectively
- Total Adjusted Pumping Calculation: **4,604.40 af**
    - This is 56 percent lower than the adjusted pumping calculation of 10,505.66 af in WY 2025
- Assessment Rate: **$135.74/af** (*= $625,000 / 4,604.40 af*)
    - This is a 307% ($102.42/af) increase over the WY 2026 Assessment Rate of $33.32/af
    - The increase is related to the Carryover rules defined in the Judgment
- Unresolved Overproduction subject to Penalty Assessments: **53.56 af**
    - The unresolved Overproduction was incurred by one Party and includes 31.56 af of outstanding Overproduction from WY 2025 and 22 af of Overproduction in WY 2026 that exceeded the Maximum Overproduction Limit (20% of Annual Allocation).
    - The Overproduction Penalty Assessment resulting from unresolved Overproduction is $26,780 (= $500/af x 53.56 af).

Potential Impacts on WY 2026 Water Rights Accounting If Carryover Transfers in Agenda Item V.A are not Approved

The WY 2026 Water Rights Accounting presented herein assumes approval of the five transfers of Carryover presented to the Board for consideration of approval as part of Agenda Item V.A. Some transfers, if not approved, will affect the accounting and, in two cases, the ability of Parties to cure their Overproduction and avoid penalties.

If the pending Carryover transfers are not approved, the WY 2026 Water Rights Accounting will need to be revised. Assuming no transfers are approved, this would result in:

- A decrease in the amount of Carryover pumped in WY 2026, the pumping eligible for Carryover, and the Carryover elected:
    - Carryover pumped would decrease by 163.19 af
    - Carryover eligible for Election would decrease by 352.75 af
    - Carryover elected would decrease by 18.19 af
- An increase in the adjusted pumping calculation by 145 af, resulting in a decrease in the Pumping Assessment Rate to $131.60/af. The total Pumping Assessment would remain at $625,000, the change would redistribute the total assessments due by the Parties.
- An increase of unresolved Overproduction by 142.04 af. If the transfers are not approved, a total of 195.60 af of Overproduction will be subject to penalty assessments totaling $97,800 across three parties.

Changes to WY 2026 Accounting: Clarification on Applying the Maximum Overproduction Limit Beyond the First Three Years of Operations

During preparation of the WY 2026 Water Rights Accounting, in response to questions posed in relation to estimating Over Production Penalty Assessments for a Party in bankruptcy proceedings, Watermaster consulted with Legal Counsel to interpret the Overproduction provisions in Sections III.G(1) and III.G(2) of the Judgment related to the Maximum Over Production Limit. Legal Counsel determined that the Maximum Overproduction Limit, which is 20% of a Party's Annual Allocation, continues to apply following the initial three-year implementation period (WY 2021 to 2023). Under this clarified interpretation, a Party may incur Overproduction of up to 20% of its Annual Allocation in any WY following the first three WYs so long as the Overproduction is cured by the end of the subsequent WY. Any Overproduction exceeding the Maximum Overproduction Limit (*i.e.* the portion of Overproduction above 20% of its Annual Allocation) must be cured within the WY in which it occurs.

This interpretation of Overproduction differs from Watermaster's application of the Overproduction rules in WYs 2024 and 2025, the two years that followed the initial three-year grace period. In WY 2024 and 2025, Watermaster Staff allowed all Overproduction to be cured in the subsequent WY.

Based on this clarified interpretation of Overproduction, Staff revised the WY 2026 Water Rights Accounting process to distinguish between:

- Overproduction within the Maximum Overproduction Limit, which may be cured by the end of the following WY (WY 2027).
- Overproduction in excess of the Maximum Overproduction Limit, which must be cured within the current WY (WY 2026).

Three Parties were impacted by this clarified interpretation, who cumulatively incurred 93.96 af of Overproduction in excess of the Maximum Overproduction Limit in WY 2026. Immediately following confirmation of the interpretation by Legal Counsel, Watermaster notified these three Parties on October 19, 2026 (five days after the initial Carryover Election Reports were issued) and provided

revised Carryover Election Reports which identified the Overproduction required to be cured as part of the WY 2026 water rights accounting process. The Parties were given an extended deadline of November 18, 2026 (a 30-day period) to cure this Overproduction, due to the revised interpretation.

Two of the three Parties resolved their Overproduction through transfers of Carryover (presented in Agenda Item V.A). As of the date of this memo, one Party has not resolved its 22 af of Overproduction and is now subject to an Overproduction Penalty Assessment at a rate of $500/af ($11,000).

Tables 17 and 18, which present the WY 2026 Water Rights Accounting, were updated to reflect the clarified interpretation of the Maximum Overproduction Limit. The following columns were added to identify the Maximum Overproduction Limit and distinguish between any Overproduction incurred in WY 2026 within and above that limit:

- *(k)* Maximum Allowable Overproduction in WY 2026
- *(p)* Balance of Overproduction incurred in WY 2026
- *(q)* Balance of Overproduction to Resolve within WY 2026
- *(r)* Balance of Overproduction to Resolve by end of WY 2027

Carryover Impacts to the Pumping Assessment Rate

The Judgment establishes provisions for Carryover in Section III.B. Under these provisions, Parties may purchase unused Annual Allocation to use (Carryover) in subsequent WYs. The Judgment initially limits the amount of Carryover a Party may accrue to twice its BPA and provides a process for Watermaster to seek Court approval of modifications to Carryover limits and/or duration if necessary to prevent Undesirable Results. Carryover accrued under the existing rules is protected from subsequent changes to those rules. For purposes of water rights accounting, accrued Carryover is treated as groundwater that has already been pumped and paid for.

Pursuant to Section IV.E.(4) of the Judgment, the annual Pumping Assessment Rate is calculated by dividing the total Watermaster Assessment by the Adjusted Pumping Calculation of all Parties. The Adjusted Pumping Calculation accounts for Carryover available from prior years, Annual Allocation pumped, applicable transfers, and new Carryover Elections. Because elected Carryover is included in the Adjusted Pumping Calculation and thus assessed as though it were pumped, the Judgment effectively allows Parties to "prepay" assessments for groundwater that will be pumped in a future WY.

At $135.74/af, the WY 2027 Assessment Rate is significantly higher than past years, a 307% increase ($102.42/af), over the WY 2026 Assessment Rate of $33.32/af. The increase in the WY 2027 Pumping Assessment Rate is due to two main factors:

- **A higher Pumping Assessment compared to prior years.** From WY 2022 to 2026, the Pumping Assessment to fund operations averaged $454,800. As part of the WY 2027 budget development, the Board increased the Pumping Assessment to $625,000 with the intent to maintain this amount through WY 2031 so that: i) Pumping Assessments would be stable rather than varying the assessment to match annual fluctuations in operating expenses and ii) Watermaster can more reliably maintain an unencumbered cash reserve equivalent to nine

months of operating expenses. The WY 2026 Pumping Assessment was established with support of the Watermaster's financial model, which projects revenues and operating expenses on a monthly basis for a five-year projection period.

- **Significantly reduced Carryover elections in WY 2026.** In WY 2026, Parties elected only 30% of eligible Carryover, which is substantially less than prior year elections of 82% and 63% in WY 2024 and 2025, respectively. Several of the Parties who did not elect Carryover from WY 2026 had an Adjusted Pumping Calculation of zero (0) af. This is because the first water pumped by a Party is deemed an exercise of any available Carryover and these Parties had a sufficient bank of "pre-paid" Carryover to cover all of their WY 2026 pumping. Because they chose not to elect Carryover, the Adjusted Pumping Calculation decreased, resulting in an increased Pumping Assessment Rate to cover the $625,000 Pumping Assessment.

The significant reduction in Carryover elections in WY 2026 highlights a potentially unanticipated economic risk of the Judgment's Carryover provisions. While Carryover provides flexibility for Parties to manage their groundwater rights, it can also result in a disproportionate share of Watermaster's operating costs being borne by a relatively small number of Parties in some years. This creates the potential for substantial fluctuations in the Pumping Assessment Rate and increases the risk of delayed or defaulted assessment payments, which could affect Watermaster's financial stability.

For example, if no Parties had elected Carryover in WY 2026, the Adjusted Pumping Calculation would have been 434.71 af, resulting in a Pumping Assessment Rate of $1,437.74/af. Only nine Parties would have been responsible for the $625,000 Pumping Assessment, with individual assessments ranging from $1,725 to $254,825.

Although hypothetical, this scenario illustrates the potential magnitude of the issue. Staff recommends that the Board consider evaluating the long-term financial implications of the existing Carryover provisions and whether any measures may be warranted to mitigate these risks. This topic could be agendized for discussion at a future Board meeting..

Next Steps

Based on direction from the Board, Staff will proceed with the following next steps:

- **Finalize the WY 2026 Water Rights Accounting**, including any revisions to Chapter 3 of the Annual Report based on Board feedback, including any changes related to the five pending Carryover transfers under consideration in Agenda Item V.A. Using the final WY 2026 Water Rights Accounting, Staff will calculate the final WY 2026 Adjusted Pumping calculation and the WY 2027 Pumping Assessment.
- **Notice of WY 2027 Assessments and Allowable Pumping.** Watermaster staff will issue the first installment of the WY 2027 Assessments to each party by November 30th. The assessment communication will include:
    - A final water rights accounting summary based on the Party's Carryover Election or intent to forego pumping.
    - Notification of the penalties for failure to timely pay assessments pursuant to Section V.3 of the Judgment.

- **Overproduction Penalty Assessment.** Watermaster staff will issue the Overproduction Penalty Assessment invoice(s) by November 30th, which will be due within ten days of issuance.
- **Remedy of Overproduction.** Staff will provide additional communication to three Parties who incurred Overproduction in WY 2026 within their Maximum Overproduction Limit that must be cured by the end of WY 2027 water rights accounting.
- **Report WY 2026 Water Rights Accounting to the Court and DWR.** The final WY 2026 Annual Report will be submitted to the Court and DWR by April 1, 2027.

Enclosures

Chapter 3 of the Draft WY 2026 Annual Report— *WY 2026 Water Rights Accounting*, which includes Tables 17 and 18 referenced herein.

3.0 WATER YEAR 2026 WATER RIGHTS ACCOUNTING

Watermaster is responsible for performing water rights accounting on an annual basis to track pumping, Carryover elections, transfers, and leases between the Parties, and to calculate the Adjusted Pumping Calculation. Pumping assessments and total allowable pumping by Party for the ensuing WY are based on the Adjusted Pumping Calculation. On occasion, adjustments are made to prior Water Rights Accounting when new information is available and warrants corrections to past records; all changes to prior Water Rights Accounting are documented in Appendix E. No updates were made to past accounting as part of the WY 2026 water rights accounting.

The accounting process provides for a transparent demonstration that the water rights, Rampdown, Carryover, and transfer provisions of the Judgment are being implemented as intended.

3.1 Definitions

Key definitions for the Watermaster's Water Rights Accounting are defined in this section.

3.1.1 Judgment Terms for Water Rights Accounting

Key definitions from the Judgment for the Watermaster's Water Rights Accounting are:

- **Baseline Pumping Allocation.** BPA is the maximum allowed pumping quantity allocated to a Party (Judgment Section I.A.8). Exhibit 4 to the Judgment defines the BPA for each Party to the Judgment. Exhibit 4 is updated annually with any changes to BPA allocation based on Permanent Transfers of rights. The most current version of Exhibit 4 ins provided as Appendix D. The total BPA is 24,293 af.
- **Rampdown Rate.** The Rampdown Rate is the percent reduction in cumulative authorized pumping of BPA effective across the Basin in any particular WY, which when subtracted from 100 percent will determine the effective Pumping Percentage (Judgment Section I.A.51). The Rampdown Rate for WY 2026 was 26.73 percent. The Rampdown rate is updated after each redetermination of the Sustainable Yield and was most recently updated based on the redetermination of the 2025 Sustainable Yield. The next redetermination of Sustainable Yield will be adopted in WY 2030 and effective beginning in WY 2031.
- **Pumping Percentage.** The Pumping Percentage is the percentage of a Party's BPA that is authorized to be pumped in any particular WY, based on the Rampdown Rate in effect (Judgment Section I.A.49). For example, in WY 2026 the Pumping Percentage is 73.27 percent, under a Rampdown Rate of 26.73 percent.
- **Annual Allocation.** The Annual Allocation is the maximum amount of pumping allowed by a Party in a given WY, excluding Carryover or imported water, if available. The Annual Allocation for each WY will be determined by multiplying the Party's BPA by the Pumping Percentage in effect for that WY. Annual Allocation for each BPA Party is rounded to the nearest whole af (Judgment Section I.A.51). For example, if a Party's BPA is 418 af, the WY 2026 Annual Allocation is 306 af (0.7327 X 418 af = 306.27 af, rounded to 306).
- **Carryover.** Any unused Annual Allocation in a given WY may be purchased for use in subsequent water years as "Carryover", so long as the Party's assessment is paid in the current year, subject to restrictions on the amount or duration of Carryover specified in Section III.B of the Judgment. The initial maximum quantity of Carryover that a Pumper can accrue is two times the Party's BPA (Judgment Sections I.A.12 and III.B). The first Groundwater produced by a Party during any WY will be deemed to be an exercise of any

Carryover held by the Party (Judgment Section III.G.1). Each year, Parties are presented with the amount of Carryover they are eligible to elect to purchase. Their Carryover elections must be made within the window of time provided in the Judgment, which is between October 15 and October 31 each year. Any Party that does not timely elect its available Carryover has lost the opportunity to make a Carryover election for that year.

- **Permanent Transfer.** A Permanent Transfer is a transfer of BPA, including any portion of a Party's total BPA, which is permanently added to a grantee's cumulative BPA and subtracted from the grantor's BPA, and when multiplied by the pumping Rampdown percentage will establish additional Annual Allocation of the grantee in each WY (less any water pumped in that year by the selling Party) and thereafter (Judgment Section I.A.42).
- **Lease.** A Lease is a transfer of Annual Allocation or Carryover for one WY or for several WYs, as set forth in a written lease agreement (Judgment Section I.A.32).
- **Adjusted Pumping Calculation.** The Adjusted Pumping Calculation is the basis of establishing each Party's pumping assessment and is defined in Section IV.E.4 of the Judgment. Section IV.E.4 establishes that the annual Watermaster Budget will be funded through the establishment of an annual uniform pumping assessment (expressed in $/af of pumping). The Adjusted Pumping Calculation is computed for all Parties with BPA rights and for the two parties with other non-De Minimis water rights (ABDSP and BSUSD).

  Watermaster calculates each Party's annual Adjusted Pumping Calculation in af as follows:

  + Total Pumping by Party (af)
  + Total Pumping by Party's Lessee (af)
  – Amount of Carryover Pumped by Party (af)
  – Amount of Annual Allocation or Carryover Leased from Others and Pumped by Party (af)
  + Carryover Election (af)

  = Adjusted Pumping Calculation (af)

- **Overproduction.** Overproduction is pumping by a Party in any particular WY that is in excess of the sum of the Party's Annual Allocation plus any leased Annual Allocation plus any accrued Carryover (Judgment Section I.A.38). Pursuant to Sections III.G(1) and III.G(2) of the Judgment, reasonable flexibility is provided to allow a Party that has overproduced its Annual Allocation in a particular Water Year to cover the Overproduction during the next Water Year. Overproduction up to the Maximum Overproduction Limit of 20 percent of its Annual Allocation (must be cured by the end of the subsequent WY. Any Overproduction exceeding the Maximum Overproduction Limit must be cured within the WY in which it occurred. Overproduction can be cured, either by using less Annual Allocation (e.g., under-pumping the allowable pumping limit afforded by Annual Allocation) or applying Carryover in the subsequent WY or by Lease or Permanent Transfer. If Overproduction is not cured by the applicable deadline, an Overproduction Penalty Assessment applies. For example, a Party that incurs Overproduction in WY 2026 exceeding the Maximum Overproduction Limit must cure the amount exceeding the limit within WY 2026 (e.g. through the Water Rights Accounting process for WY 2026), while the remaining Overproduction, up to the Maximum Overproduction Limit, may be cured by the end of WY 2027.

3.1.2 Additional Terminology for Water Rights Accounting

In addition to the definitions from the Judgment, the following terminology are used by the Watermaster to support the water rights accounting:

- **Other Non-De Minimis Water Rights.** This is the term used to refer to the Judgment-defined water rights of the ABDSP (20 afy) and the BSUSD (22 afy) that are not BPA rights. This terminology is used to distinguish them from BPA rights. Although these rights do not qualify for Carryover and cannot be leased or transferred, the pumping pursuant to them must be considered in the Adjusted Pumping Calculation and in assessing Overproduction. The ABDSP and BSUSD are called Parties with non-De Minimis rights.
- **Total Allowable Pumping.** The total allowable pumping in a particular WY is the total amount of pumping that a Party can do without triggering Overproduction rules. The total allowable pumping is computed as follows:
  - For BPA Parties: the total allowable pumping is the sum of the WY Annual Allocation plus (or less than) any transfers and leases of Annual Allocation plus any available Carryover account balance.
  - For Parties with non-De Minimis rights: the total allowable pumping is the sum of the non-De Minimis Water rights plus any transfers and leases of Annual Allocation or Carryover.

3.2 Transfers and Leases

NOTE: THE TRANSFERS DESCRIBED HEREIN ARE SUBJECT TO BOARD APPROVAL IN AGENDA ITEM V.A. OF THE NOVEMBER BOARD MEETING. THIS TEXT WILL BE UPDATED IF ANY TRANSFER IS NOT APPROVED.

Pursuant to Section III.I of the Judgment, all Parties have the option to Transfer or Lease BPA, Annual Allocation, or Carryover Rights. Each type of Transfer is described in the sections below.

Parties who elect to transfer or lease BPA, Annual Allocation, or Carryover Rights are required to identify the total volume transferred, the term of the Transfer, the Party responsible for payment of applicable pumping assessments, and identify the assigned parcels and wells that the transferred water may be used at. All transfers and leases are reviewed by Watermaster staff to ensure compliance with the terms of the Judgment (such as compliance with minimum fallowing standards) and documented on Watermaster-approved forms.[39]

Section III.I of the Judgment describes the provisions for transfers, including requirements for Watermaster review and approval to determine if the Parties to the transfer, and the transfer conditions, meet the eligibility requirements and limitations defined in the Judgment. Specifically, Section III.I.(5) of the Judgment enables restriction of transfers under specific conditions, stating: "*In order to protect the Basin and protect against Undesirable Results, the Watermaster, with input from the Technical Advisory Committee, may restrict Permanent Transfers and Leases to specific areas of the Basin based on reasonable, evidence-based concern that the Permanent Transfer or Lease will cause or exacerbate Undesirable Results, and then only in a manner that is equitable to all affected Pumpers.*"

[39] https://borregospringswatermaster.com/pumper-resources/. See Forms for Documentation and Approval of Water Rights Transfers.

Upon receipt of Transfer or Lease documents by the Parties to the Transfer or Lease, Watermaster Staff reviews the transfer to determine that all Parties are in good standing and meet applicable eligibility requirements. The transfer is than submitted to the Board for review consideration of approval.

3.2.1 Permanent Transfers of BPA

Section III.I of the Judgment describes the provisions for Permanent Transfer of BPA. Except for a Permanent Transfer of BPA concurrently with the transfer of a BPA Parcel or a Permanent Transfer of a Party's BPA to other overlying parcels owned by that Party or its affiliates, all Permanent Transfers must be reviewed and approved by Watermaster.

There was one permanent transfer of BPA in WY 2026, totaling 400 af, as described below.

At its January 21, 2026 meeting, the Board reviewed and approved one permanent Transfer of BPA from David and Juli Bauer, co-trustees of the D&J Bauer Family Trust 11-18-04 (D. Bauer) to the BWD, involving the purchase and transfer of BPA and associated BPA Parcels over time.

In May 2023, BWD entered into an agreement to purchase a total of 1,826 af of BPA and associated parcels and wells, through a series of incremental transfers from 2023 through 2030. At its October 12, 2023 meeting, the Watermaster Board approved the first transfer under the agreement, totaling 415 af of BPA. The transfer included BPA attached to one BPA parcel, and one well.

To simplify approval of the remainder of the incremental transfers, the BWD presented, and the Board approved, an annual schedule of transfers over time. The proposal identified the volume of each BPA transfer and its associated BPA parcels and wells that would be transferred each year. Exhibit 4 of the Judgment was updated in January 2026 to identify the volume of BPA assigned to each of the D. Bauer parcels. The approved schedule of transfers is as follows:

APN	BPA, *af*	Effective Date of Transfer
140-070-18	415	WY 2023
140-070-17	400	WY 2026
140-070-27	200	WY 2027
140-110-14	311	WY 2028
140-010-11	500	WY 2030

The 400 af of BPA associated with APN 140-070-017 from D. Bauer to BWD is reflected in the WY 2026 water rights accounting.

The BWD intends to fallow the land in accordance with the Judgment fallowing standards and transfer the BPA rights to its primary BPA rights. Until the land is fallowed, the BPA purchased by BWD remains attached to the BPA Parcels and can only be pumped for use on the subject Parcels. Thus, the BPA assigned to BWD are shown as stand-alone entries in Exhibit 4 of the Judgment.

Appendix D of this Annual Report contains the updated Exhibit 4 listing of BPA by Party as of October 1, 2026. The most current version of Exhibit 4 is also available on the Watermaster's website.

3.2.2 Leases of Annual Allocation

Parties may Lease part or all of their Annual Allocation to another Party (BPA or Non-De Minimis) for a specific WY. In the Lease of Annual Allocation, the BPA right is retained by the Lessor. Parties that Lease Annual Allocation have the option to include the Allocation's Carryover Rights as part of the transaction. For Leases where the Transferor elects to include Carryover Rights in the Transfer, the Transferee may make an election of a portion of or all of the associated Carryover from any unpumped Annual Allocation leased (subject to limits on Carryover). For Leases where the Transferor elects to exclude Carryover Rights from the transfer of Annual Allocation, the Transferor may make an election of a portion of or all of the associated Carryover from any unpumped Annual Allocation transferred (subject to limits on Carryover).

There were no Leases of Annual Allocation among Parties during WY 2026.

3.2.3 Transfers of Carryover

Parties may transfer Carryover to another Party (BPA or Non-De Minimis). Transfers of Carryover are subject to the limits established by the Judgment, including that Carryover is the first water pumped each year and the maximum amount of Carryover allowed to be held by a Party is two times the Party's BPA.

During WY 2026, there were five transfers of Carryover, totaling 458.32 af. Table 16 identifies the transfers of Carryover that occurred in WY 2026.

Table 16. Transfers of Carryover in WY 2026

Transferor	Transfer Amount	Transferee
T2 Borrego, LLC	107.48 af	T2 Borrego LLC (Attached to BPA Parcel Purchased from Bagdasarian Farms LLC)
T2 Palms, LLC	66.32 af	Gamini D. Weerasekera
T2 Palms, LLC	67.47 af	Gamini D. Weerasekera
T2 Borrego, LLC	21.05 af	Carpenter Family Trust 12-11-07
The Roadrunner Club at Borrego	196 af	The Springs RV and Golf Resort

3.3 Water Rights Accounting for WY 2026

NOTE: THE ACCOUNTING DESCRIBED HEREIN ASSUMES THE ABOVE NOTED TRANSFERS, WHICH ARE SUBJECT TO BOARD APPROVAL IN AGENDA ITEM V.A. OF THE NOVEMBER BOARD MEETING, ARE APPROVED. THIS TEXT AND THE ASSOCIATED ACCOUNTING WILL BE UPDATED IF ANY TRANSFER IS NOT APPROVED.

By October 15th of each new WY, Watermaster is required to submit a notice to each Party of its total prior WY pumping, the amount of Carryover pumped, the amount of any Leases and Transfers pumped, the maximum amount of Annual Allocation eligible for Carryover from the preceding WY, and if the Party has incurred, and must cure, Overproduction above its 20% Overproduction Maximum Limit. The report must also provide an estimate of the Pumping Assessment for the ensuing WY to support the Parties' elections to Carryover or not pump. The schedule in Section IV.E.4 of the Judgment also prescribes that all elections to Carryover or to not pump must be reported to the Watermaster by October 31st. Upon receipt of all elections of Carryover, or notices to not pump, the Watermaster completes a full accounting of Water Rights to determine the Adjusted Pumping Calculation. Watermaster completed the WY 2026 Water Rights Accounting in November 2026 and reported it to the Board at its November 18, 2026 regular Board meeting.

Table 17 shows the summary of the WY 2026 Water Rights Accounting for each Party to the Judgment, including the Parties with BPA rights and the Parties with other non-De Minimis rights (ABDSP and BSUSD). Table 17 also includes detailed footnotes on how each column of information is obtained or calculated. Table 18 summarizes the information provided in Table 17 and aggregates the accounting data. Table 18 serves as a tool to understand and interpret the data provided Table 17, and includes:

- The column title and identifier of each column of data presented in Table 17. The identifier is a letter assigned to each column to support communication of how certain values are calculated.
- A description of the information reported in each column of data in Table 17 and any calculations made based on other values, using the column identifiers.
- Aggregate WY 2026 accounting totals for all Parties for each column reported in Table 17 (e.g., total pumping by all Parties).

Notable conclusions from the Water Rights Accounting for WY 2026 include:

- The total pumping by all Parties in WY 2026 was 6,778.67 af, which is:
  - Less than the 2025 Sustainable Yield of 7,952 af.
  - About 62 percent less than the Annual Allocation of 17,841 af, which is based on a 26.73 percent Rampdown of BPA.
  - Thus, the reduction in pumping continues to be significantly ahead of the Rampdown schedule.
- Purchase of available Carryover continued to decrease relative to prior years. In WY 2026, Parties elected to purchase 30 percent of eligible Carryover, compared to the 63 percent of eligible Carryover elected by Parties in WY 2025, and 82 percent elected in WY 2024. As of the end of WY 2026, 47 percent of the maximum allowable Carryover was held by the BPA Parties.
- The Adjusted Pumping Calculation is 4,604.40 af. This is the lowest Adjusted Pumping Calculation to date, 56 percent lower than WY 2025. The implication is that the Assessment Rate per af of Adjusted Pumping will be significantly higher than prior WYs. Section 3.4 details the Pumping Assessment Rate calculation.
- For the first time, Overproduction was not fully resolved. One Party did not resolve a combined 53.56 af of outstanding Overproduction and WY 2026 Overproduction in excess of the maximum Overproduction limit. Thus, this Party will be issued an Overproduction Penalty Assessment in the amount of $500/af of Overproduction.

DRAFT

Table 17. WY 2026 Water Rights Accounting Summary for the Borrego Springs Subbasin - (all values in acre-feet)

BPA Party or Party with Other Non-De Minimis Water Rights [1]	BPA or Other Non-De Minimis Rights as of Sep 30, 2025[1]	Permanent Transfer of BPA[2] effective in WY 2026	BPA or Other Non-De Minimis Rights as of Oct 1, 2025	Maximum Allowable Carryover Account Balance [3]	Carryover Account Balance as of Oct 1, 2025[3]	Total Balance of Overproduction to Resolve Effective WY 2026[4]	WY 2026 Annual Allocation per Rampdown: 73.27% of BPA[5]; 100% of non-BPA rights[6]	Leased or Transferred Annual Allocation Effective in WY 2026[2]	Transferred Carryover Effective in WY 2026[2]	Total Allowable Pumping for WY 2026[7]	Maximum Overproduction Limit in WY 2026[8]	Total Pumping in WY 2026	WY 2026 Pumping was Metered or Estimated[9]	Carryover Pumped in WY 2026[10]	Was Overproduction prior to WY 2026 Resolved? [11]	Balance of Overproduction incurred in WY 2026[12]	Balance of Overproduction to Resolve with WY 2026 Accounting[8, 13]	Balance of Overproduction to Resolve by end of WY 2027[14]	Pumping Allocation Eligible for Carryover[15]	Carryover Election by Party	Carryover Account Balance as of October 1, 2026	WY 2026 Adjusted Pumping Calculation
	(a)	*(b)*	*(c) = (a) + (b)*	*(d) = 2 x (c)*	*(e)*	*(f)*	*For BPA Parties: (g) = 73.27% x (c) For other Parties: (g) = (c)*	*(h)*	*(i)*	*(j) = (e) + (g) + (h) + (i) - (f)*	*(k) = 20% x (g)*	*(l)*	*(m)*	*(n)*	*(o)*	*(p)*	*(q)*	*(r) = (p) - (q)*	*(s)*	*(t)*	*(u) = (e)+(i)-(n)+(t)*	*(v)= (l)-(n)-(h)+(t)*
TOTALS	**24,335.00**	**0.00**	**24,335.00**	**48,586.00**	**25,050.16**	**101.64**	**17,841**	**0.00**	**0.00**	**42,789.52**	**3,568.20**	**6,778.67**		**6,343.97**		**48.19**	**22.00**	**26.19**	**14,020.38**	**4,169.69**	**22,805.80**	**4,604.40**
BPA Parties																						
BPA Party Subtotal	***24,293***	***0***	***24,293***	***48,586***	***25,050.16***	***101.64***	***17,799***	***0.00***	***0.00***	***42,747.52***	***3,559.80***	***6,751.66***		***6,343.97***		***48.19***	***22.00***	***26.19***	***14,020.38***	***4,169.69***	***22,805.80***	***4,577.39***
Agri-Empire	574	0	574	1,148	0.00	0.00	421.00	0.00	0.00	421.00	84.20	**0.00**	Metered	0.00	na	0.00	0.00	0.00	421.00	0.00	0.00	0.00
Rick and Joan Anson, co-trustees of the Anson Family Trust 08-1 8-08	2	0	2	4	0.00	0.00	1.00	0.00	0.00	1.00	0.20	**0.00**	na	0.00	na	0.00	0.00	0.00	1.00	0.00	0.00	0.00
Alan & Tracy Asche	5	0	5	10	10.00	0.00	4.00	0.00	0.00	14.00	0.80	**0.63**	Metered	0.63	na	0.00	0.00	0.00	0.63	0.63	10.00	0.63
Gary D. & Darlis A. Bailey	7	0	7	14	2.32	0.00	5.00	0.00	0.00	7.32	1.00	**3.76**	Metered	2.32	na	0.00	0.00	0.00	3.56	3.56	3.56	5.00
David and Juli Bauer, co-trustees of the D&J Bauer Family Trust 11-18-04	1,411	-400	1,011	2,022	26.00	0.00	741.00	0.00	0.00	767.00	148.20	**20.55**	Metered	20.55	na	0.00	0.00	0.00	741.00	0.00	5.45	0.00
BWD (Purchase from D & J Bauer and attached only to APN 140-070-18)	415	0	415	830	830.00	0.00	304.00	0.00	0.00	1,134.00	60.80	**0.00**	na	0.00	na	0.00	0.00	0.00	0.00	0.00	830.00	0.00
BWD (Purchase from W. Bauer and attached only to APN 140-010-08)	670	0	670	1,340	1,340.00	0.00	491.00	0.00	0.00	1,831.00	98.20	**0.00**	na	0.00	na	0.00	0.00	0.00	0.00	0.00	1,340.00	0.00
BWD (Purchase from D & J Bauer and attached only to APN 140-070-17)[A]	0	400	400	800	0.00	0.00	293.00	0.00	0.00	293.00	58.60	**0.00**	na	0.00	na	0.00	0.00	0.00	293.00	293.00	293.00	293.00
Borrego Air Ranch Mutual Water & Improvement Co.	12	0	12	24	15.64	0.00	9.00	0.00	0.00	24.64	1.80	**6.10**	Metered	6.10	na	0.00	0.00	0.00	9.00	9.00	18.54	9.00
T2 Tilting T LLC	1,462	0	1,462	2,924	2,216.47	0.00	1,071.00	0.00	0.00	3,287.47	214.20	**42.31**	Metered	42.31	na	0.00	0.00	0.00	749.84	0.00	2,174.16	0.00
Borrego Water District	2,591	0.00	2,591	5,182	3,500.39	0.00	1,898.00	0.00	0.00	5,398.39	379.60	**1,212.41**	Estimated (P)	1,212.41	na	0.00	0.00	0.00	1,898.00	1,898.00	4,185.98	1,898.00
Carpenter Family Trust 12-11-07	6	0	6	12	0.00	3.76	4.00	0.00	21.05	21.29	0.80	**9.29**	Metered	9.29	Yes	0.00	0.00	0.00	4.00	4.00	12.00	4.00
Tenaja Ranch, LP	4,741	0	4,741	9,482	1,362.14	0.00	3,474.00	0.00	0.00	4,836.14	694.80	**985.37**	Metered	985.37	na	0.00	0.00	0.00	3,474.00	0.00	376.77	0.00
Desert Farm LLC, Crumrine Family Trust 04-19-06	21	0	21	42	3.32	0.00	15.00	0.00	0.00	18.32	3.00	**20.51**	Metered	3.32	na	2.19	0.00	2.19	0.00	0.00	0.00	17.19
CWC Casa Del Zorro LLC	22	0	22	44	40.05	0.00	16.00	0.00	0.00	56.05	3.20	**23.86**	Metered	23.86	na	0.00	0.00	0.00	16.00	16.00	32.19	16.00
De Anza Desert Country Club	957	0	957	1,914	607.11	0.00	701.00	0.00	0.00	1,308.11	140.20	**502.71**	Metered	502.71	na	0.00	0.00	0.00	701.00	701.00	805.40	701.00
John B. & Silvia H. Hogan	8	0	8	16	7.09	0.00	6.00	0.00	0.00	13.09	1.20	**5.83**	Metered	5.83	na	0.00	0.00	0.00	6.00	6.00	7.26	6.00
T2 Palms, LLC	887	0	887	1,774	1,450.15	0.00	650.00	0.00	-133.79	1,966.36	130.00	**12.97**	Metered	12.97	na	0.00	0.00	0.00	470.61	0.00	1,303.39	0.00
Genus L.P.	112	0	112	224	0.00	0.00	82.00	0.00	0.00	82.00	16.40	**0.00**	na	0.00	na	0.00	0.00	0.00	82.00	0.00	0.00	0.00
JM Roadrunner, LLC	1,595	0	1,595	3,189.74	2,855.88	0.00	1,169.00	0.00	0.00	4,024.88	233.80	**725.13**	Metered	725.13	na	0.00	0.00	0.00	1,058.99	0.00	2,130.75	0.00
Robert Larkins	2	0	2	4	0.00	0.00	1.00	0.00	0.00	1.00	0.20	**0.00**	na	0.00	na	0.00	0.00	0.00	ne	0.00	0.00	0.00
Michael Maiter & John Savittieri	1	0	1	2	2.00	0.00	1.00	0.00	0.00	3.00	0.20	**0.00**	na	0.00	na	0.00	0.00	0.00	0.00	0.00	2.00	0.00
Gamini D. Weerasekera	103	0	103	206	0.00	66.32	75.00	0.00	133.79	142.47	15.00	**157.47**	Metered	67.47	Yes	15.00	0.00	15.00	0.00	0.00	0.00	90.00
Daniel Lee Fetzer and Jennifer Fay Fetzer	14	0	14	28	19.26	0.00	10.00	0.00	0.00	29.26	2.00	**0.00**	na	0.00	na	0.00	0.00	0.00	8.74	8.74	28.00	8.74
Doug & Patricia Munson	1	0	1	2	2.00	0.00	1.00	0.00	0.00	3.00	0.20	**0.00**	na	0.00	na	0.00	0.00	0.00	0.00	0.00	2.00	0.00
Ronald Pecoff	114	0	114	228	0.00	0.00	84.00	0.00	0.00	84.00	16.80	**44.63**	Metered	0.00	na	0.00	0.00	0.00	39.37	0.00	0.00	44.63
The Roadrunner Club at Borrego, LP	520	0	520	1,040	391.45	0.00	381.00	0.00	-196.00	576.45	76.20	**372.69**	Metered	195.45	na	0.00	0.00	0.00	203.76	163.00	163.00	340.24
RTA Borrego, LLC	12	0	12	24	0.00	0.00	9.00	0.00	0.00	9.00	1.80	**0.00**	na	0.00	na	0.00	0.00	0.00	9.00	0.00	0.00	0.00
Jose G. & Maria E. Sanchez	4	0	4	8	0.00	0.00	3.00	0.00	0.00	3.00	0.60	**1.20**	Estimated	0.00	na	0.00	0.00	0.00	ne	0.00	0.00	1.20
Seley Ranches, L.P.	2,226	0	2,226	4,452	1,856.48	0.00	1,631.00	0.00	0.00	3,487.48	326.20	**1,297.38**	Metered	1,297.38	na	0.00	0.00	0.00	1,631.00	870.90	1,430.00	870.90
Soli Organic Inc.	61	0	61	122	0.00	31.56	45.00	0.00	0.00	13.44	9.00	**76.00**	Estimated (P)	0.00	No	31.00	22.00	9.00	0.00	0.00	0.00	76.00
Max Siefker	2	0	2	4	0.00	0.00	1.00	0.00	0.00	1.00	0.20	**0.00**	na	0.00	na	0.00	0.00	0.00	ne	0.00	0.00	0.00
Brian Siefker Trust 12-18-01	3	0	3	6	0.00	0.00	2.00	0.00	0.00	2.00	0.40	**0.00**	na	0.00	na	0.00	0.00	0.00	ne	0.00	0.00	0.00
Smith Kent R. Revocable Living Trust 01-04-90	50	0	50	100	100.00	0.00	37.00	0.00	0.00	137.00	7.40	**0.00**	na	0.00	na	0.00	0.00	0.00	0.00	0.00	100.00	0.00
The Springs RV and Golf Resort, LP	262	0	262	523	54.15	0.00	192.00	0.00	196.00	442.15	38.40	**210.34**	Metered	210.34	na	0.00	0.00	0.00	192.00	192.00	231.81	192.00
T2 Borrego, LLC	965	0	965	1,930	1,930.00	0.00	707.00	0.00	-128.53	2,508.47	141.40	**0.00**	na	0.00	na	0.00	0.00	0.00	128.53	0.00	1,801.47	0.00

DRAFT

Table 17. WY 2026 Water Rights Accounting Summary for the Borrego Springs Subbasin - (all values in acre-feet)

BPA Party or Party with Other Non-De Minimis Water Rights [1]	BPA or Other Non-De Minimis Rights as of Sep 30, 2025[1]	Permanent Transfer of BPA[2] effective in WY 2026	BPA or Other Non-De Minimis Rights as of Oct 1, 2025	Maximum Allowable Carryover Account Balance [3]	Carryover Account Balance as of Oct 1, 2025[3]	Total Balance of Overproduction to Resolve Effective WY 2026[4]	WY 2026 Annual Allocation per Rampdown: 73.27% of BPA[5]; 100% of non-BPA rights[6]	Leased or Transferred Annual Allocation Effective in WY 2026[2]	Transferred Carryover Effective in WY 2026[2]	Total Allowable Pumping for WY 2026[7]	Maximum Overproduction Limit in WY 2026[8]	Total Pumping in WY 2026	WY 2026 Pumping was Metered or Estimated[9]	Carryover Pumped in WY 2026[10]	Was Overproduction prior to WY 2026 Resolved? [11]	Balance of Overproduction incurred in WY 2026[12]	Balance of Overproduction to Resolve with WY 2026 Accounting[8, 13]	Balance of Overproduction to Resolve by end of WY 2027[14]	Pumping Allocation Eligible for Carryover[15]	Carryover Election by Party	Carryover Account Balance as of October 1, 2026	WY 2026 Adjusted Pumping Calculation
	(a)	*(b)*	*(c) = (a) + (b)*	*(d) = 2 x (c)*	*(e)*	*(f)*	*For BPA Parties: (g) = 73.27% x (c) For other Parties: (g) = (c)*	*(h)*	*(i)*	*(j) = (e) + (g) + (h) + (i) - (f)*	*(k) = 20% x (g)*	*(l)*	*(m)*	*(n)*	*(o)*	*(p)*	*(q)*	*(r) = (p) - (q)*	*(s)*	*(t)*	*(u) = (e)+(i)-(n)+(t)*	*(v)= (l)-(n)-(h)+(t)*
T2 Borrego, LLC - Ram's Hill	2,536	0	2,536	5,072	5,052.00	0.00	1,858.00	0.00	0.00	6,910.00	371.60	**791.99**	Metered	791.99	na	0.00	0.00	0.00	811.99	0.00	4,260.01	0.00
T2 Farms LLC	482.25	0	482.25	964.50	964.50	0.00	353.00	0.00	0.00	1,317.50	70.60	**73.11**	Metered	73.11	na	0.00	0.00	0.00	73.11	0.00	891.39	0.00
T2 Borrego, LLC (Purchase from Bagdasarian Farms LLC and attached to APNs 140-070-15, 140-070-20, 140-070-28)	1,142	0	1,142	2,284	0.00	0.00	837.00	0.00	107.48	944.48	167.40	**107.48**	Metered	107.48	na	0.00	0.00	0.00	837.00	0.00	0.00	0.00
Joel Vanasdlen	36	0	36	72	34.00	0.00	26.00	0.00	0.00	60.00	5.20	**0.00**	na	0.00	na	0.00	0.00	0.00	26.00	0.00	34.00	0.00
Steven L. Phillips Separate Property Trust (Ward BPA Property)	82	0	82	164	164.00	0.00	60.00	0.00	0.00	224.00	12.00	**10.39**	Metered	10.39	na	0.00	0.00	0.00	10.39	0.00	153.61	0.00
Wisdom Gabriel B & Weiss-Wisdom Diana Family 2008 Trust 08-01-08	1	0	1	2	2.00	0.00	1.00	0.00	0.00	3.00	0.20	**0.00**	na	0.00	na	0.00	0.00	0.00	0.00	0.00	2.00	0.00
Steven L. Phillips Separate Property Trust (Wright BPA Property)	158	0	158	316	175.50	0.00	116.00	0.00	0.00	291.50	23.20	**33.70**	Metered	33.70	na	0.00	0.00	0.00	116.00	0.00	141.80	0.00
Ashley Bilyk and Lee Tyler Bilyk	18	0	18	36.26	36.26	0.00	13.00	0.00	0.00	49.26	2.60	**3.86**	Metered	3.86	na	0.00	0.00	0.00	3.86	3.86	36.26	3.86
Parties with Other Non-De Minimis Water Rights																						
Other Party Subtotal	***42***	***0***	***42***	***na***	***na***	***0.00***	***42***	***0.00***	***0.00***	***42***	***8.40***	***27.01***		***0.00***		***0.00***	***0.00***	***0.00***	***na***	***na***	***na***	***27.01***
Borrego Springs Unified School District	22	na	22	na	na	0.00	22.00	0.00	0.00	22.00	4.40	**20.34**	Metered	0.00	na	0.00	0.00	0.00	na	na	na	20.34
Anza Borrego Desert State Park	20	na	20	na	na	0.00	20.00	0.00	0.00	20.00	4.00	**6.67**	Metered	0.00	na	0.00	0.00	0.00	na	na	na	6.67

(1) The Judgment establishes separate, non-BPA pumping rights for two entities—the Anza Borrego Desert State Park (ABDSP) and the Borrego Springs Unified School District (BSUSD). These non-BPA rights are not subject to pumping Rampdown, Carryover, or transfer (to other Parties), but are subject to all other substantive provisions of the Judgment, including paying pumping assessments based on annual pumping and the ability to purchase/lease Annual Allocation or Carryover to cover Overproduction.

(2) A negative transfer value indicates rights transferred to another Party. A positive value indicates rights transferred from another Party. Non-BPA rights cannot be transferred. Parties with Other Non-De Minimis Water Rights may receive a lease/transfer of annual allocation or Carryover to resolve Overproduction. The sum of all transfers across all Parties will always be 0.

(3) Carryover only applies to BPA rights; non-BPA rights are not eligible for Carryover. The maximum Carryover balance is two times the BPA (= 2 x BPA). Balance as of October 1, 2025 (start of WY 2026) is based on the final WY 2025 water rights accounting, unless adjustments have been made and documented since publishing the prior year accounting. No changes to prior year accounting were made in WY 2026.

(4) The balance of Overproduction to resolve effective WY 2026 (October 1, 2025) is based on the final WY 2025 water rights accounting, unless adjustments have been made and documented since publishing the prior year accounting (none were made in WY 2026). Overproduction can be remedied through under-pumping of the Annual Allocation or transfers and leases of BPA/Annual Allocation/Carryover.

(5) The Annual Allocation in each WY is determined by multiplying the Party's BPA by the Pumping Percentage in effect for that WY, based on the pumping Rampdown percentage then in effect pursuant to the Judgment. For example, in WY 2026 the Pumping Percentage is 73.27 percent, which is a 26.73 percent Rampdown of BPA. Annual Allocation is rounded to the nearest whole af. The subtotal and totals across all Parties is the sum of each Party's rounded Annual Allocation value.

(6) The Rampdown applies only to BPA Parties. For BSUSD and ABDSP, the rights are not subject to Rampdown and the Annual Allocation is always equal to the pumping right defined in the Judgment.

(7) The total allowable pumping for the WY is the sum of the Carryover account balance (e), plus the Annual Allocation (g), plus any leased/transferred Allocation or Carryover, less the total balance of Overproduction (f). Allowable (j) = (e) + (g) + (h) + (i) - (f)

(8) Pursuant to Judgment Section III.G(2), a Party may overproduce by up to 20% of its Annual Allocation (its Maximum Overproduction Limit) during the current WY and cure that Overproduction during the subsequent WY. Any Overproduction in excess of the 20% Maximum Overproduction Limit must be cured within the WY in which it occurs.

(9) "Estimated (P)"" values were estimated for Parties with partial year metered data (the available data was used to estimate pumping for the WY based on the data available). "Estimated" values are for Parties with no meter data available in which case the pumping was estimated based on the method used in the GMP, or using other more accurate data, if available. "na" values represent parties who are not actively pumping and have no operable wells.

(10) Pursuant to Judgment Section III.G.1 "The first Groundwater produced by a Party during any Water Year will be deemed to be an exercise of any Carryover." If (e) >0, then (n) = minimum of [(e)+(i)-(f)] or (l)

(11) This column identifies if Overproduction prior to WY 2026 was resolved. If not resolved, the Party will be issued an Overproduction Penalty Assessment, due within ten (10) days of issuance. For WY 2026, the assessment rate is $500/af of Overproduction.

(12) This is the total amount of Overproduction. incurred in WY 2026: (p) = If (l) > (e) + (g) + (h) + (i), then (l) - [(e) + (g) + (h) + (i)], otherwise 0

(13) This is the balance of Overproduction incurred in WY 2026 that is above the 20% Maximum Overproduction Limit (see footnote #8) and must be resolved within the WY in which it occurred. If the value is greater than 0, then it was not resolved within the WY and an Overproduction Penalty Assessment of $500/af is triggered.

(14) This is the balance of Overproduction incurred in WY 2026 that is within the Party's 20% Maximum Overproduction Limit (see footnote #8) and must be resolved by the end of WY 2027 Water Rights Accounting, October 31, 2027.

(15) If the Party has no Overproduction balance, then the eligible Carryover is the minimum value of (s) = (g) +(h) - [(l) - (n)) or (s) = [(d) – (e) – (f)] + (n)+(i). Parties who are not in good standing with the Watermaster (either are not reporting pumping or have unpaid assessments) are not eligible for Carryover; in this case (p) is shown as "ne".

Other Notes:

(A) At its January 21, 2026 meeting, the Watermaster Board approved a schedule for the systematic purchase and transfer of BPA from David and Juli Bauer, co-trustees of the D&J Bauer Family Trust 11-18-04, to the BWD. In WY 2026, BWD 400 AF of BPA, associated with APN 140-070-017, was purchased and transferred to BWD. The BWD intends to fallow the land in accordance with the Judgment fallowing standards and transfer the BPA rights to its primary BPA rights. Until the land is fallowed, the BPA purchased by BWD remains attached to the BPA Parcel and can only be pumped for use on the subject Parcel. Thus, the BPA assigned to BWD is shown as a stand-alone entry in Exhibit 4 of the Judgment.

DRAFT

Table 18. WY 2026 Water Rights Accounting Summary			
Table 17 Column Title and Identifier		Description of Information Reported in Table 17	Totals for WY 2026, including Sub-totals for BPA and Non-DeMin Parties, *af*
BPA Party or Party with Other Non-De Minimis Water Rights		This is the name of the Party with pumping rights, as defined in the Judgment.	na
BPA or Other Non-De Minimis Rights as of Sep 30, 2025	a	This is the total BPA (or maximum pumping allotment in the case Non-De Minimis Water Rights holders) for each Party as of the end of the prior WY (WY 2025).	**24,335** *BPA = 24,293* *Non-DeMin = 42*
Permanent Transfer of BPA effective in WY 2026	b	This column indicates if a Party permanently transferred BPA effective in WY 2026. A negative value indicates that a Party transferred its BPA to another Party. A positive value indicates that a Party received a transfer of BPA from another Party. **Note**: Non-BPA rights of Other Non-De Minimis Parties cannot be transferred.	**0 (net transfer)** 400 af of water was permanently transferred between BPA Parties in WY 2026.
BPA or Other Non-De Minimis Rights as of Oct 1, 2025	c	This is the total BPA for each Party as of the start of WY 2026, accounting for permanent transfers. *(c) = (a) + (b)* **Note**: The total amount of BPA and Non-De Minimis Rights never changes and should equal column (a) in aggregate.	**24,335** *BPA = 24,293* *Non-DeMin = 42*
Maximum Allowable Carryover Account Balance	d	This is each BPA Party's maximum allowable Carryover balance. The maximum balance is two times the Party's BPA. *(d) = 2 x (c).* **Note**: The rights of Other Non-De Minimis Parties are not subject to Carryover provisions.	**48,586** *BPA = 48,586* *Non-DeMin = na*
Carryover Account Balance as of Oct 1, 2025	e	This is the Carryover Account Balance available to each Party as of the start of WY 2026.	**25,050.16** *BPA = 25,050.16* *Non-DeMin = na*
Total Balance of Overproduction to Resolve Effective WY 2026	f	This is the portion of Overproduction incurred in the prior WY (WY 2025) that must be resolved by the end of the current WY (WY 2026) to avoid issuance of an Overproduction Penalty Assessment.	**101.64** *BPA = 101.64* *Non-DeMin = 0*
WY 2026 Annual Allocation per Rampdown	g	This is the WY 2026 Pumping Allocation for each BPA Party. The WY 2026 pumping allocation is equal to 73.27% of BPA.[40] *(g) = 0.7327 x (c).* **Note**: The rights of Other Non-De Minimis Parties (ABDSP and BSUSD) are not subject to Rampdown. *(g) = (c)*	**17,841** *BPA = 17,799* *Non-DeMin = 42*

[40] The Rampdown schedule to the 2025 Sustainable Yield is available on the Watermasters website at: https://borregospringswatermaster.com/wp-content/uploads/2025/11/Rampdown-Schedule-to-2025-SY.pdf

Table 18. WY 2026 Water Rights Accounting Summary

Table 17 Column Title and Identifier		Description of Information Reported in Table 17	Totals for WY 2026, including Sub-totals for BPA and Non-DeMin Parties, *af*
Leased or Transferred Annual Allocation Effective in WY 2026	h	This column indicates if a Party leased or transferred Annual Allocation in WY 2026. A negative value indicates that a Party transferred allocation to another Party. A positive value indicates that a Party received a transfer of Annual Allocation from another Party.	**0** (none in WY 2026)
Transferred Carryover Effective in WY 2026	i	This column indicates if a Party transferred Carryover in WY 2026. A negative value indicates that a Party transferred Carryover to another Party. A positive value indicates that a Party received a transfer of Carryover from another Party.	**0 (net transfer)** 458.32 af transferred between Parties in WY 2026.
Total Allowable Pumping for WY 2026	j	This is each Party's total allowable pumping for the WY, based on the sum of Annual Allocation, Carryover Account Balance, transferred rights, and unresolved Overproduction balance. *(j) = (e) + (g) + (h) + (i) - (f)*	**42,789.52** *BPA = 42,747.52* *Non-DeMin = 42*
Maximum Overproduction Limit in WY 2026	k	This is the maximum amount of Overproduction a Party may incur in WY 2026 and resolve in the subsequent WY, equivalent to 20 percent of the Party's Annual Allocation. Any Overproduction exceeding this limit must be cured within WY 2026. *(k) = 0.20 x (g)*	**3,568.20** *BPA = 3,559.80* *Non-DeMin = 8.40*
Total Pumping in WY 2026	l	This is the total pumping (metered and estimated) for WY 2026.	**6,778.67** *BPA = 6,751.66* *Non-DeMin = 27.01*
WY 2026 Pumping was Metered or Estimated	m	• "Metered" values are based on metered data. • "Estimated (P)" values were estimated for parties with partial year metered data (the available data was used to estimate pumping for the WY based on the data available). • "Estimated" values are for Parties with insufficient or no meter data available, in which case the pumping was estimated based on the method used in the Watermaster's Groundwater Management Plan (GMP) or other more accurate data, if available. • "na" values represent parties who are not actively pumping and have no operable wells for which to report pumping.	na
Carryover Pumped in WY 2026	n	Pursuant to Judgment Section III.G.1 "The first Groundwater produced by a Party during any WY will be deemed to be an exercise of any Carryover." *If (e) >0, then (n) = minimum of [(e)+(i)-(f)] or (l)*	**6,343.97** *BPA = 6,343.97* *Non-DeMin = 0*

DRAFT

Table 18. WY 2026 Water Rights Accounting Summary

Table 17 Column Title and Identifier		Description of Information Reported in Table 17	Totals for WY 2026, including Sub-totals for BPA and Non-DeMin Parties, *af*
Was Overproduction prior to WY 2026 Resolved?	o	• "Yes" identifies if a Party with Overproduction at the start of WY 2026 resolved their Overproduction either through: 1) transfer of Carryover or Annual Allocation (columns *h* and *i*), or 2) under-pumping their Annual Allocation (column *g*) • "No" indicates that Overproduction was not resolved and an Overproduction Penalty Assessment of $500/af is triggered. • "na" identifies Parties with no Overproduction balance due at the start of WY 2026 and, therefore, had nothing to resolve.	One Party did not resolve Overproduction, totaling 53.56 af from: • 31.56 af of outstanding WY 2025 Overproduction (column *f)* • 22 af of Overproduction above the WY 2026 Maximum Limit (column *q*)
Balance of Overproduction incurred in WY 2026	p	This is the total amount of Overproduction incurred in WY 2026, which includes Overproduction within and above the Maximum Overproduction Limit. *(p) = If (l) > (e) + (g) + (h) + (i), then (l) - [(e) + (g) + (h) + (i)], otherwise 0*	**48.19** *BPA = 48.19* *Non-DeMin = 0*
Balance of Overproduction to Resolve with WY 2026 Accounting	q	This is the balance of Overproduction incurred in WY 2026 that is above the 20% Maximum Overproduction Limit (column *k)* and must be resolved within the WY in which it occurred. If the value is greater than 0, then the Overproduction was not resolved, and an Overproduction Penalty Assessment is triggered.	**22.00** *BPA = 22.00* *Non-DeMin = 0*
Balance of Overproduction to Resolve by end of WY 2027	r	This is the amount of Overproduction incurred within the Maximum Overproduction Limit during WY 2026 and must be resolved by the end of WY 2027 accounting (October 31, 2027). *(r) = (p) – (q)*	**26.19** *BPA = 26.19* *Non-DeMin = 0*
Pumping Allocation Eligible for Carryover	s	This is the amount of each Party's Annual Allocation eligible for Carryover from WY 2026. Parties who are not in good standing with the Watermaster (either are not reporting pumping or have unpaid assessments) are not eligible for Carryover and are listed as "ne". *If no Overproduction, (s) = (g) + (h) – [(l) - (n)]* *If amount eligible > Maximum Allowable Carryover (see column d), (s) =[(d) – (e) – (f)] + (n) + (i)*	**14,020.38** *BPA = 14,020.38* *Non-DeMin = na*
Carryover Election by Party	t	This is the amount of Carryover elected. If Staff was not contacted by a Party prior to the October 31, 2026 reporting deadline, Carryover was assumed to not be elected.	**4,169.69** *BPA = 4,169.69* *Non-DeMin = na*

Table 18. WY 2026 Water Rights Accounting Summary			
Table 17 Column Title and Identifier		Description of Information Reported in Table 17	Totals for WY 2026, including Sub-totals for BPA and Non-DeMin Parties, *af*
Carryover Account Balance as of Oct 1, 2026	u	This is the new Carryover Account balance after election of eligible Carryover. *(u) = (e) + (i) - (n) + (t)*	**22,805.80** *BPA = 22,805.80* *Non-DeMin = na*
WY 2026 Adjusted Pumping Calculation	v	This is the portion of "pumping" used to calculate the WY 2027 pumping assessment rate, pursuant to the formula in Judgment Section IV.E.4. The Adjusted Pumping Calculation accounts for water pumped in the current water year, use of Carryover that was paid for prior WYs, new Carryover Elections, and leases/transfers of Annual Allocation. *(v) = (l) - (n) - (h) + (t)*	**4,604.40** *BPA = 4,577.39* *Non-DeMin = 27.01*

3.4 WY 2027 Pumping Assessments

NOTE: THE PUMPING ASSESSMENT RATE DESCRIBED HEREIN ASSUMES THE ABOVE NOTED TRANSFERS, WHICH ARE SUBJECT TO BOARD APPROVAL IN AGENDA ITEM V.A. OF THE NOVEMBER BOARD MEETING, ARE APPROVED. THIS TEXT AND THE ASSOCIATED ACCOUNTING WILL BE UPDATED IF ANY TRANSFER IS NOT APPROVED.

3.4.1 Pumping Assessment Rate

The uniform pumping assessment is calculated based on the total of all Parties' Adjusted Pumping Calculations as follows:

Total Watermaster Assessment for WY ($)
÷ Total Adjusted Pumping (af)
= Pumping Assessment Rate ($/af)

The final Pumping Assessment of each Party is then computed as follows:

Adjusted Pumping Calculation (af)
x Pumping Assessment Rate ($/af)
= Pumping Assessment ($)

The final Pumping Assessment Rate for WY 2027, based on the approved WY 2027 Budget (see Section 1.9.3 of this Report) and the WY 2027 Adjusted Pumping Calculations is:

$$\begin{array}{r} \$625{,}000 \\ \div\ 4{,}604.40\ af \\ \hline = \$135.74/af \end{array}$$

This is the highest Pumping Assessment Rate to date and is due to the decreased amount of Carryover elected in WY 2026. In effect, many Parties' WY 2026 pumping was deemed an exercise of Carryover, which had been assessed in past years and these same Parties did not elect eligible WY 2026 Carryover, resulting in no Pumping Assessments owed by those Parties. Table 19 shows the history of the Assessment Rate since WY 2022.

Table 19. History of Assessment Rates[41]

Water Year	Adjusted Pumping Calculation, *af*	Assessment Rate, *$/af*
2022	19,963.03	22.94
2023	17,387.36	26.34
2024	14,548.75	24.06
2025	10,505.67	33.32
2026	4,604.40	135.74

3.4.2 Overproduction Penalty Assessments

The Judgment provides the Watermaster the authority to establish penalty assessments for Overproduction in accordance with the definitions described in Section 3.1. Pursuant to Section III.G.(4) of the Judgment, the Watermaster annually establishes the Overproduction Penalty Assessment rate, which may not be less than $500 per af of Overproduction. As part of the approval of the WY 2027 Budget, the Watermaster established the Overproduction Penalty Assessment rate at $500 per af of Overproduction for any Party that does not remedy Overproduction as of the completion of Water Rights Accounting for WY 2026.

As described in Section 3.3, and shown in Table 17, not all Overproduction required to be remedied by the end of WY 2026 was resolved. One Party, Soli Organic, Inc., did not cure its outstanding Overproduction from WY 2025 (totaling 31.56 af) or its Overproduction in WY 2026 in excess of its Maximum Overproduction Limit (totaling 22.00 af). Thus, the Party will be issued an Overproduction Penalty Assessment for a total of 53.56 af unresolved Overproduction, resulting in a penalty of $26,780.

[41] The values reported in Table 19 reflect the adjusted pumping calculations and assessment rates used to invoice Pumpers for their Pumping Assessments.

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.C

To: Board of Directors

From: Samantha Adams, Executive Director

Date: November 11, 2026

Subject: Consideration of Approval of Transfer of BPA between T2 Borrego, LLC – Ram's Hill and BWD, effective WY 2027

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

Agenda Item Purpose

Present the proposed Permanent Transfer of BPA between T2 Borrego, LLC – Ram's Hill and Borrego Water District, effective in water year (WY) 2027, for Board review and consideration of approval.

Recommended Action

Consider the Permanent Transfer of BPA and approve, deny, or request additional information or analysis to support a decision.

Fiscal Impact: None.

Judgment Context

Section III.I addresses transfers of Baseline Pumping Allocation (BPA) and leases of Annual Allocation/Carryover. Under Section III.I.(5), Watermaster has the authority, with input from the Technical Advisory Committee, to impose locational restrictions on transfers based on reasonable, evidence-based concerns that a transfer may cause or exacerbate Undesirable Results, provided such restrictions are equitable to affected Pumpers.

Related Actions and Direction

During WY 2026, the Board considered the development of a formal technical review process to inform transfer decisions. At its August 19, 2026 meeting, the Board deferred adoption of such a process and directed that transfers continue to be considered on a case-by-case basis, with further consideration of a technical review process to occur in conjunction with the redetermination of the 2030 Sustainable Yield.

Consistent with this direction, Staff presents a proposed Permanent Transfer of BPA to the Board for consideration of approval, denial, or a request for additional information or analysis (at the expense of the Parties to the transfer).

Discussion

Attached for Board review and consideration of approval is a proposed Permanent Transfer of BPA between T2 Borrego, LLC – Ram's Hill (T2 Borrego) and the Borrego Water District (BWD), to be effective in WY 2027. The transfer is being presented to the Board at its November 2026 meeting to facilitate timely review and approval in accordance with the Parties' contractual obligations.

Pertinent information about the proposed transfer follows:

- T2 Borrego (Transferor) proposes to transfer four acre-feet (af) of BPA to the BWD (Transferee) to enable a new service connection to provide water to new lodging units that are under construction at Ram's Hill. The draft Transfer Application Form is attached.
- Staff reviewed the proposed transfer for administrative completeness and compliance with applicable Judgment requirements and confirmed that both Parties are in good standing with Watermaster.
- Based on information provided by T2 Borrego, the proposed transfer represents the final amount of water rights required to fulfill their obligations to the BWD for the Ram's Hill development project. Previously, in 2018, T2 Borrego provided BWD with four agricultural water credits in support of the project water demands. Under the terms of the agreement with BWD, T2 Borrego is required to convey an additional four af of BPA before water meters can be installed for the project cottages. The proposed transfer is intended to satisfy this remaining requirement.
- Figure 1 identifies the location of the T2 Borrego BPA parcels and the wells approved for BWD to produce its BPA rights (BWD rights are not tied to parcels).
- If the transfer is not approved, T2 Borrego would not satisfy the remaining BPA transfer requirement under its agreement with BWD. According to information provided by T2 Borrego, this could delay water service to the new lodging units at Ram's Hill and result in associated economic impacts.

Next Steps

The Board is requested to take action to approve or deny the proposed Permanent Transfer of BPA, or request additional information to support further consideration of approval, at the expense of the transfer Parties.

If the transfer is approved, Watermaster Staff and Legal Counsel will work with the Parties to finalize and execute the transfer documentation and provide copies to each Party. Additionally, Exhibit 4 to the Judgment will be updated and posted on the Watermaster's website, and the completed transfer will be reflected in the WY 2027 Water Rights Accounting, with an effective date of October 1, 2026 (the start of WY 2027).

If the transfer is not approved or if additional information is requested, Watermaster Staff will notify the Parties of the Board's decision.

Enclosures

Permanent Transfer of BPA Form and Figure 1: T2 Borrego, LLC to BWD

TRANSFER OF WATER RIGHTS:
PERMANENT TRANSFER OF BPA

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—ordered by 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 permanently transferred by and among Parties to the Judgment who are in good standing with the Watermaster. Carefully review Sections III.I and III.J prior to completing this form.

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

a Transferee who is not a Party to the Judgment **must intervene as a Party as a condition of completing any Permanent Transfer*

T2 Borrego, LLC ("Transferor") has assigned and permanently transferred to Boirrego Water District ("Transferee")

BPA rights in the amount of 4.00 acre-feet.

The transfer of rights is a (select one):

☐ Permanent Transfer with [ ] full or [ ] partial land conveyance with associated change to assignment of BPA. Attach deed (or comparable instrument) and water rights restrictive covenant(s) per Section III.I.(6) of the Judgment documenting BPA allocations. Fill out Section 2 of this form.

☑ Permanent Transfer separate from BPA Parcel transfer: Assignment of BPA ~~that originated from water credits conversion to BPA Parcel and Wells. Fill out Sections 2 and 3 of this form.~~ For new service connection.

☐ Permanent Transfer separate from BPA Parcel transfer: Permanent fallowing of all or a portion of an original BPA Parcel and transfer of BPA rights to a different BPA Parcel/Wells. Fill out Sections 2 and 4 of this form.

The BPA transferred is assigned for use at the following parcel(s) and well(s). If Transferee is already an owner of BPA listed in Exhibit 4 of the Judgment, and the assignment is to the entirety of the parcels and wells already listed, need only state below *"Those parcel(s) and well(s) listed in Exhibit 4 for Transferee"*.

Parcel(s)**: N/A - BWD BPA is not required to be tied to BPA parcels

Well(s)**: BWD Wells as decided by BWD

***attach additional sheets if necessary to list all parcels and wells*

I hereby certify that I have read and reviewed Sections III.I and III.J of the Stipulated Judgment, the conditions of Sections III.I.(6) and III.I.(7) have been satisfied, and I understand the means by which the Judgment requires groundwater pumping be permanently reduced to achieve sustainability of the Borrego Springs Subbasin.

Transferor Signature	Transferee Signature
Its: Vice President	Its: General Manager
Date: November 4, 2026	Date:

TRANSFER OF WATER RIGHTS:
PERMANENT TRANSFER OF BPA

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

☑ 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 transfer is subject to restrictions based on location of Transferee's BPA Parcel per evidence-based findings published by the Watermaster.

☑ Yes ☐ No Watermaster was notified of transfer for approval pursuant to III.I.(7).

Anti-Speculation Considerations.

☐ Yes ☑ No Transferee is subject to anti-speculation considerations. Provide explanation:

Does not apply to the BWD. See Judgment III(i)(2) page 25.

If Yes, Transferee:

☐ Yes ☐ No Provided Eligibility Proof pursuant to III.I.(2).b

☐ Yes ☐ No Meets Eligibility Requirement

Section 3. Information for Transfers of BPA Converted from Water Credits

☐ Yes ☐ No Has Watermaster issued Transferor with a status letter converting the water credits to BPA?

If no, attach (1) water rights restrictive covenant and (2) detailed evidence that fallowing has been completed to minimum standards in Exhibit 3 of the Judgment.

TRANSFER OF WATER RIGHTS:
PERMANENT TRANSFER OF BPA

BORREGO SPRINGS WATERMASTER
23692 Birtcher Drive, Lake Forest, CA 92630,
Tel. 949-420-3030, BorregoSpringsWM@westyost.com

Section 4. Information for Transfers Involving Permanent Fallowing of BPA Parcels

☐ Yes ☐ No Has BPA parcel been fallowed prior to execution of this transfer to satisfy the minimum fallowing requirements described in Exhibit 3 of the Judgment?

If Yes:

☐ Yes ☐ No Has documentation been provided to and confirmed by Watermaster that the fallowing standards have been satisfied? If no, attach:

(1) water rights restrictive covenant
(2) detailed evidence that fallowing has been completed to minimum standards in Exhibit 3 of the Judgment.

If No:

Indicate which of the following methods will be utilized to ensure fallowing is completed within 12 months of the transaction:

☐ Deposit to Watermaster of 120% of the funds needed to complete the fallowing

☐ Security or performance bond secured in favor of the Watermaster in an amount equal to 120% of the anticipated cost of the fallowing

☐ Escrow account opened with a reputable title company with a holdback from the purchase price equal to 120% of the anticipated cost of fallowing, payable to the Watermaster if not timely completed within 12 months of the transaction.

Section 5. 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 Permanent Transfer is:

☐ approved without requirement of further action

☐ approved subject to curing the criteria listed in the attached finding of an Eligibility Violation. Failure to address these criteria within the stated Cure Period, will result in reversal or potential forfeiture of the Transfer pursuant to Section III.I.(3) of the Judgment.

Following execution of this form, the transfer will be formally recorded by updating Watermaster's records and Exhibit 4 of the Judgment. The updated Exhibit 4 will be posted to the Watermaster website and published with the next Annual Report to the Court (due April 1st of each year).

_____	_____
Executive Director Signature	Legal Counsel Signature
Name: _____	Name: _____
Date: _____	Date: _____

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Water Rights Accounting\Transfers\Parties_Wells_TransferAreas.mxd - lsalberg - 11/9/2026

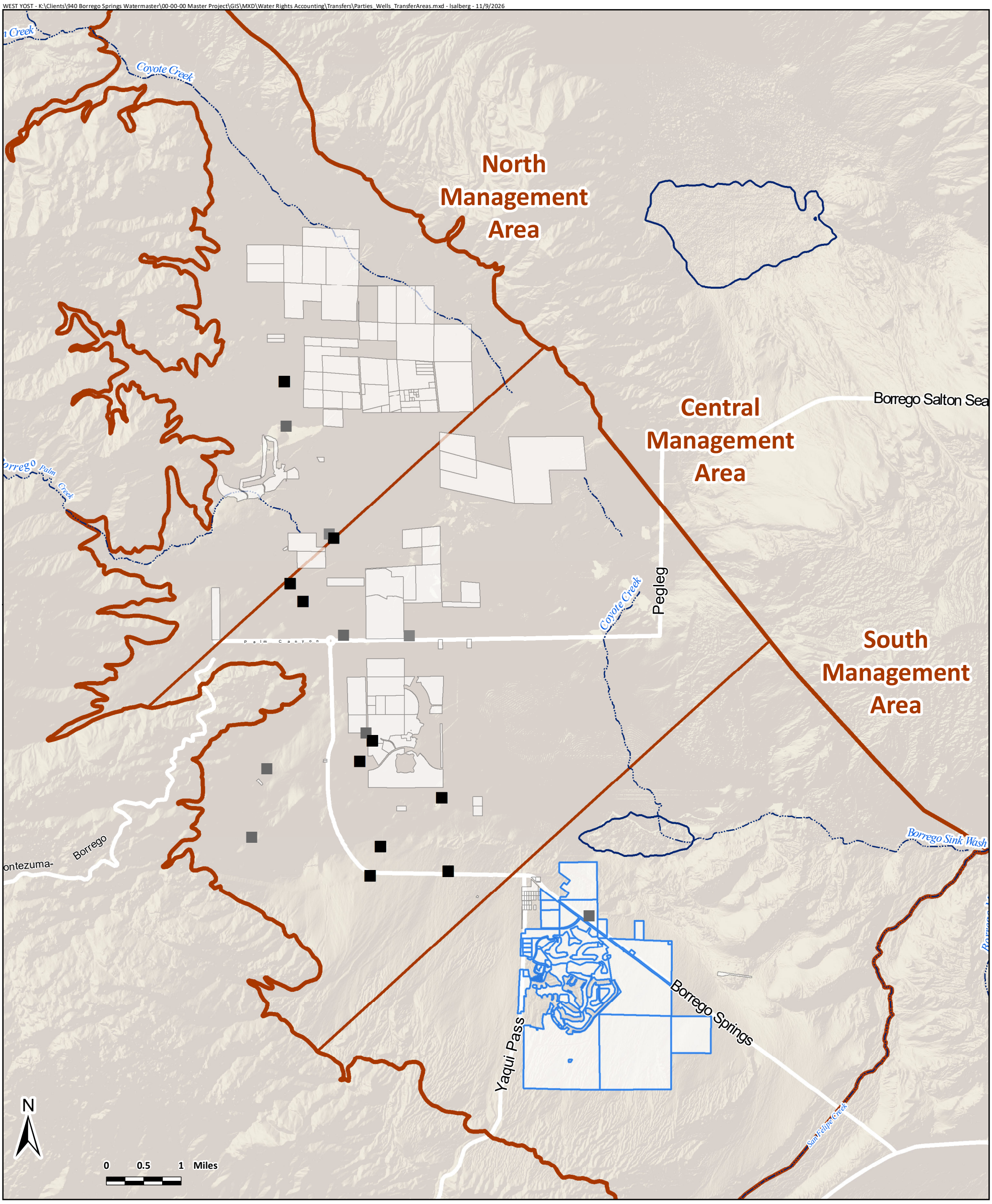


Exhibit 4 BPA Parcels

Transferor BPA Parcel(s)
(from T2 Borrego, LLC - Rams Hill)

Transferee BPA Well(s)
(to the BWD)

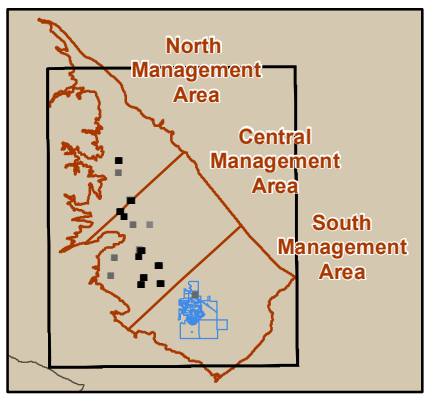
Active BWD Production Well

Inactive BWD Well

Other Features

Other Parcels with BPA Rights

Borrego Springs Subbasin with Management Area Divisions



Borrego Springs Watermaster

WY 2027 Water Rights Transfer

Prepared by:

WEST YOST

Figure 1.
WY 2027 Transfer of BPA:
T2 Borrego, LLC - Rams Hill to BWD

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.D

To: Board of Directors

From: Samantha Adams, Executive Director

Date: November 11, 2026

Subject: Consideration of Approval to Contract with C.J. Brown & Company, CPAs to Perform the WY 2026 Annual Financial Audit

---

✓ Recommended Action **☐ Provide Direction to Staff** **☐ Information and Discussion**

☐ Fiscal Impact **✓ Cost Estimate: $9,064**

Agenda Item Purpose

Present and request Board approval of the proposal for C.J. Brown & Company, CPAs to perform the WY 2026 Annual Financial Audit.

Recommended Action

Approve proposal to perform the financial audit and direct Staff to engage with C.J. Brown & Company, CPAs to perform the work.

Fiscal Impact: None. The Water Year 2027 budget assumed an expenditure of $9,064 for performing the WY 2026 financial audit.

Judgment Context

Section E.5 of the Judgment requires the Watermaster to file an Annual Report with the Court, based on the Water Year (WY). Among other topics, the Annual Report must include a financial audit of all assessments and expenditures for the reporting period.

Related Actions and Direction

In 2023, Watermaster staff requested quotes from various auditors and based on the quotes and interviews, C.J. Brown & Company, CPAs was selected to perform the WY 2023 financial audit. The 2023 quote provided was for five years of services at the following rates for the subsequent four years from WY 2024 through WY 2027: $8,650, $8,812, $9,064, and $9,340. C.J. Brown & Company, CPAs have completed audits for the past three years (WY 2023 through WY 2025) on-time and within budget.

Discussion

Watermaster staff recommends retaining C.J. Brown & Company, CPAs to perform the financial audit for WY 2026. Attached for your review and consideration is C.J. Brown & Company, CPAs engagement letter to perform the WY 2026 financial audit at the quoted cost of $9,064.

Next Steps

If approved, Watermaster staff will execute the engagement letter with C.J. Brown & Company and kickoff the audit process.

Enclosures

C.J. Brown & Company, CPAs engagement letter to perform the Borrego Springs Watermaster financial audit for WY 2026

C.J. Brown & Company CPAs
An Accountancy Corporation

Christopher J. Brown, CPA, CGMA
Jonathan Abadesco, CPA
Jeffrey Palmer
Michael Howell, CPA

Cypress Office:
10805 Holder Street, Suite 150
Cypress, California 90630
(657) 214-2307

Riverside Office:
5051 Canyon Crest Drive, Suite 203
Riverside, California 92507
(657) 214-2307

October 14, 2026

To Management and the Board of Directors

Borrego Springs Watermaster
c/o West Yost Associates
25 Edelman, Suite 120
Irvine, California 92618

Dear Ms. Samantha Adams:

The following represents our understanding of the services we will provide the Borrego Springs Watermaster.

You have requested that we audit the business-type activities of the Borrego Springs Watermaster (Watermaster), as of September 30, 2026, and for the year then ended and the related notes, which collectively comprise Watermaster's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management Discussion and Analysis

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and *Government Auditing Standards*. As part of an audit in accordance with GAAS and *Government Auditing Standards,* we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Watermaster's ability to continue as a going concern for a reasonable period of time.

Although we are currently in the planning stage of our audit, we have identified the following significant potential risks (according to GAAS) during our audit to date that require special audit consideration:

- Improper revenue recognition is considered an inherent risk.
- Management override of controls is considered an inherent risk.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Watermaster's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;

Management Responsibilities, continued

b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
c. To provide us with:
    i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
    ii. Additional information that we may request from management for the purpose of the audit;
    iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
    iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
    v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials;
j. For the accuracy and completeness of all information provided;
k. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
l. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform, we will prepare the financial statements based on the trial balance provided by the Watermaster.

At the end of the year, we agree to perform the following:

- Propose adjusting or correcting journal entries to be reviewed and approved by Watermaster management.

Nonattest Services, continued

We will not assume management responsibilities on behalf of the Watermaster. However, we will provide advice and recommendations to assist management of the Watermaster in performing its responsibilities.

The Watermaster's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining internal control, including the process used to monitoring the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the preparation of financial statements. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the Watermaster's basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinion on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement. In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Provisions of Engagement Administration, Timing, and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The timing of our audit will be scheduled to start approximately November-December 2025 and the audit report will be issued no later than February 2026. Jonathan Abadesco is the engagement partner for the audit services specified in this letter. His responsibilities include supervising C.J. Brown & Company, CPAs – An Accountancy Corporation services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices will be rendered every month and are payable upon presentation. We estimate that our fee for the audit will not exceed $9,064 (with out-of-pocket expenses not exceeding $500). We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Additional time incurred that exceeds the scope of the audit will be billed at our quoted rates. Whenever possible, we will attempt to use the Watermaster's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature. *Government Auditing Standards* require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Provisions of Engagement Administration, Timing, and Fees

The audit documentation for this engagement is the property of C.J. Brown & Company, CPAs – An Accountancy Corporation and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to them by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of C.J. Brown & Company, CPAs – An Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators. Regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

C.J. Brown & Company, CPAs

C.J. Brown & Company CPAs – An Accountancy Corporation

****

RESPONSE:

This letter correctly sets forth our understanding.

Borrego Springs Watermaster

Acknowledged and agreed on behalf of the Borrego Springs Watermaster by:

Management signature: _____
Title: _____
Date: _____

Governance signature: _____
Title: _____
Date: _____

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.E

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: November 11, 2026

Subject: Consideration of Approval of the December 2026 TAC Meeting Agenda

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

Agenda Item Purpose

Present a proposed agenda for the next Technical Advisory Committee (TAC) meeting scheduled for December 2026 and request Board approval.

Recommended Action

Approve the agenda for the next TAC meeting, with any recommended changes.

Fiscal Impact: None. TAC meetings were included in the approved Water Year (WY) 2027 budget.

Judgment Context

Section IV.E.7 of the Judgment requires that the Watermaster meet with the TAC regularly, at least semiannually, to review Watermaster activities pursuant to the Judgment and to receive advisory recommendations from the TAC.

Related Actions and Direction

At its June 3, 2026 meeting, the Board approved a scope of work and budget for the TAC to perform in WY 2027, including two meetings scheduled for December 2026 and April 2027.

Recommended Agenda for December 2026 TAC Meeting

The next TAC meeting will be a virtual meeting scheduled from 9:00 to 11:00 am on December 16, 2026. The recommended agenda items are:

1. **Review of Draft Analysis of Groundwater ET Estimates within the Mesquite Bosque Area: BVHM-Estimated vs. UCI GDE Study Report (WY 2027 Scope to Redetermine the 2030 Sustainable Yield)**

   Agenda Item Purpose: Present the methods, results, and recommendations of a Board-approved task in WY 2027 to redetermine the 2030 Sustainable Yield, which is to compare estimates of groundwater evapotranspiration (ET_{gw}) in the Mesquite Bosque area as estimated

by the Borrego Valley Hydrologic Model (BVHM) to the estimates of ET in the UCI GDE Study Report. The objective of this comparison is to determine if updates should be made to the BVHM to improve its ability to simulate the evapotranspiration of shallow groundwater by the Mesquite Bosque. The TAC will be given the opportunity to provide feedback and recommendations.

2. **Review the Groundwater-Quality Trend Analysis, as of Spring 2026**

   Agenda Item Purpose: Review the results of the Spring 2026 groundwater-quality trend analysis[1] in the context of the Groundwater Management Plan (GMP), specifically evaluating if the groundwater-quality trends indicate the potential for "significant and unreasonable degradation" to occur as a result of Watermaster management[2] and provide the TAC with opportunity to recommend the Board consider additional investigation or management actions based on the trend analysis results.

3. **Discuss Groundwater Monitoring Program Optimization**

   Agenda Item Purpose: Describe the Board's direction from its June 3, 2026 meeting for the Technical Consultant to optimize the groundwater monitoring program to reduce costs while maintaining the ability to meet the program objectives. The TAC will share any recommendations for optimizing the monitoring program for the Technical Consultant to consider in developing its recommendation to the Board in spring 2027.

4. **Groundwater Dependent Ecosystems (GDE) Next Steps**

   Agenda Item Purpose: Describe the Board's direction from its August 18, 2026 meeting to implement monitoring and management actions related to the Mesquite Bosque as a potential GDE and request TAC input on any additional management actions that could be considered by the Board to support the Mesquite Bosque.

   Note: The Technical Consultant will provide an update on the GDE Next Steps in the TC Report (Agenda Item VI.B).

Next Steps

If approved, Watermaster staff will distribute the agenda to the TAC and hold the TAC meeting on December 16, 2026. Staff will provide a report-out from the TAC meeting to the Board at its January 20, 2027 Regular Board Meeting.

---

[1] Available as part of the Spring 2026 Semi-Annual Monitoring Report on the Watermaster's website at: https://borregospringswatermaster.com/wp-content/uploads/2026/08/IVE.-Spring-2026-Monitoring-Report-MonitoringPage.pdf

[2] See Chapter 3.6.2.4 – Undesirable Results (related to groundwater-quality) of the 2026 5-Year Assessment Report, available at: https://borregospringswatermaster.com/wp-content/uploads/2026/06/Borrego-Springs-Subbasin-5-Year-Assessment-FINAL.pdf

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.F

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: November 11, 2026

Subject: Consideration of Approval of the December 2026 EWG Meeting Agenda

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

Agenda Item Purpose

Present a proposed agenda for the next Environmental Working Group (EWG) meeting scheduled for December 2026 and request Board approval.

Recommended Action

Approve the agenda for the next EWG meeting, with any recommended changes.

Fiscal Impact: None. EWG meetings were included in the approved Water Year (WY) 2027 budget.

Judgment Context

Section IV.H of the Judgment establishes the EWG to advise the Watermaster on groundwater-dependent ecosystems (GDEs) and other matters approved by the Watermaster. The Judgment also requires that the EWG be provided with an adequate budget to carry out its responsibilities as directed by the Watermaster.

Related Actions and Direction

At its June 3, 2026 meeting, the Board approved a scope of work and budget for the EWG to perform in WY 2027, including one meeting scheduled for December 2026.

Recommended Agenda for December 2026 EWG Meeting

The next EWG meeting will be a virtual meeting scheduled from 1:00 to 3:00pm on December 18, 2026. The recommended agenda items are:

1. **Biological Restoration of Fallowed Lands – Next Steps**

   Agenda Item Purpose: Summarize the key findings from the Biological Restoration of Fallowed Lands Project and facilitate development of EWG recommendations to the Board on how

project findings should be used by the Watermaster to support land fallowing actions performed in accordance with the Judgment.

2. **Groundwater Dependent Ecosystems (GDE) – Next Steps**

   Agenda Item Purpose: Describe the Board's direction from its August 18, 2026 meeting to implement monitoring and management actions related to the Mesquite Bosque as a potential GDE and request EWG input on any additional management actions that could be considered by the Board to support the Mesquite Bosque.

   Note: The Technical Consultant will provide an update on the GDE Next Steps in the TC Report (Agenda Item VI.B).

Next Steps

If approved, Watermaster staff will distribute the agenda to the EWG and hold the EWG meeting on December 18, 2026. Staff will provide a report-out from the EWG meeting to the Board at its January 20, 2027 Regular Board Meeting.

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM V.G

To: Board of Directors

From: Samantha Adams, Executive Director

Date: November 11, 2026

Subject: Final Water Year 2026 Budget Status

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

Agenda Item Purpose

The purpose of this memo is to report the final budget status for water year (WY) 2026 as of September 30, 2026 as compared to the amended WY 2026 Budget.

Recommended Action

Board discussion.

Fiscal Impact: None. In WY 2026, the Watermaster underspent planned expenditures by $21,584At year end, cash reserves are $527,943, which is equivalent to 13.8 months of planned WY 2027 operating expenses.

Judgment Context

Section IV.E.3 of the Judgment requires the Watermaster to prepare and adopt an annual budget for each WY. Section IV.E.5(b) requires, as part of the Annual Reporting process, preparing an annual fiscal report of the operation of Watermaster from the prior WY. Quarterly status reports are provided to the Board to track progress during the year and prior to annual reporting to the Court.

Related Actions and Direction

On June 18, 2025, the Board adopted the water year (WY) 2026 Budget. The budget was amended twice:

- On November 19, 2025 to increase the budget for the Environmental Working Group (EWG) line-item, in support of the scope of work to review the UCI GDE Study Report.
- On April 15, 2026 to carry forward unspent funds collected in WY 2025 to cover the cost needed to complete the Five-Year Assessment Report and 2026 GMP Update.

WY 2026 Budget Status

Table 1, enclosed, compares actuals through the end of WY 2026 to the amended WY 2026 Budget. The table shows:

- The Watermaster budget categories and the relevant line items in the WY 2026 Budget, including: revenues, expenditures (administrative services, legal services, technical/ engineering services, Environmental Working Group, services to Parties with manual read meters), liabilities on Payment Terms, and cash reserves
- The amended WY 2026 Budget amount for each category and the associated line-item detail
- The final actual values as of September 30, 2026
- The percent of budget expended for each category and line item (computed as actual divided by budget)
- The variance of actual compared to budget for each category and line item (computed as budget minus actual)
- Any pertinent notes that explain the budget status

As of September 30, 2026 (end of WY 2026):

- 99.9% of planned revenues were accrued, totaling $360,588.56.
- 97% of planned expenditures were spent, totaling $751,674.24:
  - 96% of the administrative services budget was expended
  - 104% of the legal services budget was expended
  - 96% of the technical services budget was expended
  - 100% of the EWG budget was expended
  - 80% of meter read services budget (pass through expense) was expended[LS1][LS2]
- In total, the Watermaster underspent planned expenditures by $21,584.46
- Watermaster has paid off the entirety of its vendor liability ($0).
- Cash reserves are $527,943, which is equivalent to 13.8 months of operating expenses based on the average reserve target of $344,668 in the approved WY 2027 budget.

Next Steps

The final WY 2026 budget status, including an accounting of revenues and expenditures, will be documented in the WY 2026 Annual Report to the Court and DWR, consistent with Section IV.E.5(a) of the Judgment. The WY 2026 Annual Report is due to the Court and DWR by April 1, 2027.

Enclosures

Table 1. Borrego Springs Watermaster Budget Status Report for WY 2026 as of September 30, 2026.

Table 1. Borrego Springs Watermaster Budget Status Report for WY 2026
as of September 30, 2026 (4th Fiscal Quarter)

Revenues, Expenditures, and Reserves	Approved WY 2026 Budget (as Amended)	Actual WY 2026 Year-to-Date	Percent (%) of Budget	Variance to Date *(Budget minus Actual)*	Notes
Revenues	**$ 361,020**	**$ 360,588.56**	**99.9%**	**$ 431.44**	
Pumping Assessments Invoiced	**$ 350,000**	**$ 350,048.64**	**100%**	**$ (48.64)**	*First installment was due 12/31/25; Second installment was due 6/30. Received payment for all but two Parties.*
payments received		*$ 347,424.36*	*99%*		
Bad Debt (non-payment on Assessments)	**$ (1,000)**	**$ -**	**0%**	**$ (1,000.00)**	*No bad debt has been recorded*
Overproduction Penalty Assessments	**$ -**	**$ -**		**$ -**	
Revenues Collected for Pass thru Expenses	**$ 12,020**	**$ 10,539.92**	**88%**	**$ 1,480.08**	*Under budget due to reduced cost of meter reading.*
payments received		*$ 10,327.13*	*86%*		
Total Expenditures	**$ 773,259**	**$ 751,674.24**	**97%**	**$ 21,584.46**	
Administrative Services	**$ 301,671**	**$ 288,774.83**	**96%**	**$ 12,896.17**	
Watermaster Staff Admin Services	***$ 237,254***	***$ 237,678***	**100%**	**$ (424.27)**	
Board Meetings	*$ 104,752*	*$113,675.83*	*109%*	*$ (8,923.83)*	*Special meetings held in November 2025 and July 2026. April and May 2026 meetings lasted 4+ hours.*
Technical Advisory Committee Meetings	*$ 32,950*	*$32,139.50*	*98%*	*$ 810.50*	
Court Hearings	*$ 1,512*	*$1,263.50*	*84%*	*$ 248.50*	
Stakeholder Outreach/Workshops	*$ 12,846*	*$12,809.50*	*100%*	*$ 36.50*	
Administration and Management	*$ 85,194*	*$77,789.94*	*91%*	*$ 7,404.06*	
Other Administrative or Vendor Services	***$ 64,417***	***$ 50,770.56***	**79%**	**$ 13,646.44**	
Financial Audit	*$ 8,812*	*$ 8,537.00*	*97%*	*$ 275.00*	
Insurance	*$ 48,142*	*$ 41,112.87*	*85%*	*$ 7,029.13*	*This is a pre-paid expense; to-date value reflects balance sheet amount*
Misc. Expenses	*$ 2,000*	*$ 76.00*	*4%*	*$ 1,924.00*	
Interest on Vendor Terms During Prop 68 Grant Period	*$ 5,463*	*$ 1,044.69*	*19%*	*$ 4,418.31*	*Final interest was paid to vendors in October 2025 following receipt of DWR Reimbursement #9*
Pass Through Expenses	***$ -***	***$ 326.00***		**$ (326.00)**	
Reimbursement to BWD for GSP	*$ -*	*$ -*		*$ -*	
Pumper-Funded Request for Information	*$ -*	*$ 326.00*		*$ (326.00)*	*RFI funded by UCI for historical groundwater-level data.*
Legal Services	**$ 110,000**	**$ 114,795**	**104%**	**$ (4,795.29)**	*Higher costs driven by Board-directed work to prepare a legal opinion memo on the topic of SGMA and GDEs and initial efforts related to a BPA Party's bankruptcy case.*

Table 1. Borrego Springs Watermaster Budget Status Report for WY 2026
as of September 30, 2026 (4th Fiscal Quarter)

Revenues, Expenditures, and Reserves	Approved WY 2026 Budget (as Amended)	Actual WY 2026 Year-to-Date	Percent (%) of Budget	Variance to Date *(Budget minus Actual)*	Notes
Technical/Engineering Services	**$ 311,928**	**$ 300,855.92**	**96%**	**$ 11,071.78**	
General Technical Consultant Services	***$ 224,870***	***$ 213,783.32***	**95%**	***$ 11,086.68***	
Coordinate/Implement meter reading program	*$ 33,584*	*$ 28,260.50*	*84%*	*$ 5,323.50*	
Groundwater Monitoring Program	*$ 116,969*	*$ 113,806.72*	*97%*	*$ 3,162.28*	
Data Management and Reporting Data to DWR	*$ 12,276*	*$ 13,381.50*	*109%*	*$ (1,105.50)*	*Higher costs driven by additional work to submit Periodic Assessment materials to DWR via SGMA portal*
Annual Report to the Court and DWR	*$ 51,221*	*$ 46,934.85*	*92%*	*$ 4,286.15*	
As-needed technical support	*$ 10,820*	*$ 11,399.75*	*105%*	*$ (579.75)*	*At its September 17, 2025 meeting, the Board authorized use of the Technical As-Needed Budget to fund the Scenario 1C Pumping Projections. Entire budget was spent on this effort.*
Consulting Services with TAC Support/Input	***$ 87,058***	***$ 87,072.60***	**100%**	***$ (14.90)***	
5-Year Assessment and Update of the GMP (includes addressing DWR RCAs)	*$ 71,316*	*$ 73,201.10*	*103%*	*$ (1,885.40)*	
Technical Work to Support 2030 SY Update	*$ 15,742*	*$ 13,871.50*	*88%*	*$ 1,870.50*	
Environmental Working Group	**$ 37,640**	**$ 37,634.50**	**100%**	***$ 5.50***	
Ad Hoc EWG Meetings/Requests	*$ 37,640*	*$ 37,634.50*	*100%*	*$ 5.50*	
Services to Parties with Manual Read Meters	**$ 12,020**	**$ 9,613.70**	**80%**	**$ 2,406.30**	*Cost savings achieved by reducing official meter read frequency to two times per year and being performed by BWD staff.*
Liabilities on Payment Terms					
Beginning Balance	**$ 149,988**	**$ -**		***$ 149,988***	
Year-End Balance (Budget) and Current Balance	**$ -**	**$ -**		***$ -***	*Outstanding vendor balances are paid off; Vendor Terms have ended.*
Cash Reserves					
Beginning Cash Reserves	**$ 560,559**	**$738,996.64**		**$ (178,437.88)**	*We had more cash in reserve at start of year than budgeted due to*
Average Target Reserve and Actual Reserve	**$ 571,934**	**$ 527,943.00**	**92%**	**$ 43,990.55**	*Actual represents net available cash (bank cash balance less accounts payable)*
Target and Actual Number of Months of Operating Expenses in Reserve	*9.00*	*13.8*	*153%*	*-4.79*	*13.8 months of operating expenses in reserve is based on the average reserve target of $344,668 in the approved WY 2027 budget*

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: November 11, 2026

Subject: Technical Consultant Report – November 2026

OVERVIEW

The purpose of the monthly Technical Consultant (TC) Report is to share information with the Board on the status of technical efforts being performed, including those with guidance and input from the Technical Advisory Committee (TAC) and Environmental Working Group (EWG). Additional details and topics that may arise after publishing this report will be presented during the Board meeting.

At the November 18, 2026 Board meeting, I intend to report on the following topics:

- Groundwater Dependent Ecosystem (GDE) – Next Steps
- Fall 2026 Semi-Annual Monitoring Event – Report

GROUNDWATER DEPENDENT ECOSYSTEM – NEXT STEPS

At its August 18, 2026 meeting, the Board acknowledged that a remnant GDE may remain in portions of the Mesquite Bosque—particularly in areas where depth-to-groundwater is the shallowest. Based on this acknowledgement, the Board:

- Directed Watermaster staff to develop a feasibility study to provide supplemental irrigation water to support parts of the Mesquite Bosque that are the most likely locations of GDE behavior and may be impacted by declining groundwater levels.
- Directed the EWG and TAC to identify any additional management actions to support the Mesquite Bosque, aside from supplemental irrigation water, for the Board to consider.
- Directed the Technical Consultant to monitor the health of the Mesquite Bosque using NDVI

The WY 2027 budget, approved by the Board at its June 3, 2026 meeting, includes $13,448 for follow-on work related to the UCI GDE Study Report. This budget can be used to begin implementation of the Board-directed feasibility study and NDVI monitoring. As described in Agenda Items V.D and V.E, the TAC and EWG are both planning to meet in December 2026 and one of their agenda topics is to discuss the GDE Next Steps.

At the Board meeting, the Technical Consultant will present an outline of the proposed feasibility study and the work planned to be completed in WY 2027.

FALL 2026 SEMI MONITORING EVENT

As required by the Watermaster's Groundwater Monitoring Program, groundwater-quality and groundwater levels must be collected semi-annually from wells in the monitoring network.

The Fall 2026 Semi-Annual Monitoring event occurred October 12-16, 2026. Watermaster Staff[1] performed the following activities:

- Collected groundwater-quality samples from all 29 wells, including:
    - 20 production wells
    - Nine monitoring wells.
- Measured groundwater-levels from 54 of 55 wells, including:
    - Manual water level readings at 54 of 55 wells. This work included documenting site conditions and measuring (if possible) a static water level depth. Measurements were taken at all but one well (Palleson well), which could not be accessed due to no trespassing signs. Watermaster Staff has tried to contact the owner of the Palleson well to gain access, but has not made contact to date.
    - In addition to collecting manual measurements, transducer data was also downloaded from all 18 wells with transducers installed. Two transducers were replaced: one due to a low battery and another due to difficulties downloading data. West Yost is coordinating with In-Situ to determine whether the data can be recovered from the malfunctioning transducer and In-Situ has confirmed that the transducer is eligible for replacement under warranty.

The *Fall 2026 Semi-Annual Monitoring Report* will present the data collected and will be presented at the January 2027 Watermaster Board meeting.

[1] Note: The activities summarized above are limited to the monitoring events performed by Watermaster Staff and do not include groundwater-quality sampling or groundwater-level measurements performed by other entities, like BWD or DWR, which are conducted separately and the data are provided to Watermaster staff.

2040 Is Here Today

Borrego Springs reaches the 2040 Sustainable Yield 14 years early

Borrego Springs has reached a remarkable milestone. In Water Year 2026, the valley pumped less groundwater than its estimated Sustainable Yield. We have temporarily reached the Sustainable Yield targeted for 2040—14 years ahead of schedule.

Borrego depends entirely on groundwater. We have no imported water supply. Water used by our homes, farms, golf courses, and businesses comes from the aquifer beneath the valley.

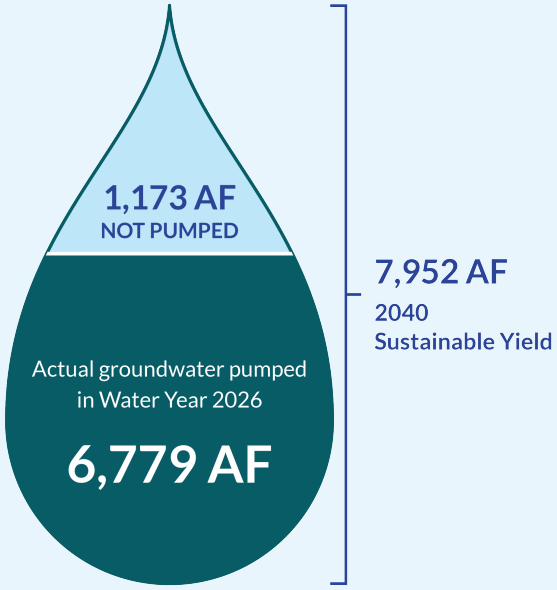
For decades, we pumped more water than nature replenished, causing groundwater levels to decline. Borrego adopted a plan to gradually reduce pumping to the Sustainable Yield by 2040.

THE RESULTS

2040 Sustainable Yield	7,952 AF
Water Year 2026 pumping	– 6,779 AF
Below the Sustainable Yield	**1,173 AF**

Pumping for Water Year 2026 was 15% below the 2040 Sustainable Yield.

Year to year decrease: Water Year 2026 pumping was 3,350 AF less than Water Year 2025 (10,129 AF), a drop of 33%.



HOW DID WE DO IT?

Cooperation and conservation! Farmers have reduced water use by retiring farmland, crop conversions, improving irrigation efficiency and innovation in planting configurations. Golf courses and other recreational users have reduced pumping through innovation and investment in course layouts, irrigation efficiency and improved plant selection. The Borrego Water District and the community have contributed through conservation, efficiency, and adoption of improved technologies.

These changes have required difficult decisions, investment, and sacrifice. Together, they have made a real difference.

WHAT'S NEXT?

This is a milestone, not a permanent finish line. Pumping could range above and below the Sustainable Yield in years to come. Groundwater levels and quality still require careful monitoring, and responsible use remains essential.

2040 remains our long-term goal. In Water Year 2026, Borrego showed that reaching it is possible.

BORREGO SPRINGS WATERMASTER
Agriculture · Recreation · Community | A Sustainable Future

Borrego Springs Watermaster
Board of Directors Meeting
November 18, 2026
AGENDA ITEM VII

To: Board of Directors

From: Samantha Adams, Executive Director

Date: November 11, 2026

Subject: Establishing Agenda for January 20, 2027 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 March and May 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 November Board meeting
4. Call on Directors to request additional items for consideration of inclusion on the January 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 2027 Regular Meeting

The January 20, 2027 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 2027 includes the following business items for consideration and possible action:

1. Hearing to Receive Comments on the Draft WY 2026 Annual Report
2. WY 2027 Q1 Budget Status Review
3. Report-out from December 2026 TAC Meeting
4. Report-out from December 2026 EWG Meeting
5. Fall 2026 Semi-Annual Monitoring Report

Staff's Tentative Topics for March and May Regular Meetings

March Agenda Topics (IN-PERSON)

1. Consideration of Approval of WY 2026 Financial Audit
2. Consideration of Approval of WY 2026 Annual Report
3. WY 2028 Budget Scoping Discussion
4. Consideration of Approval of the April 2027 TAC Meeting Agenda

May Agenda Topics

1. Consideration of Approval of Insurance Renewal Package
2. Report-out from April 2027 TAC meeting
3. Review draft WY 2028 Budget
4. Review pumping-to-date in WY 2027
5. Q2 WY 2027 Budget status review