

MEETING SUMMARY – FEBRUARY 5, 2015

BORREGO WATER COALITION

Thursday, February 5, 2015, 9 am to 3 pm

1. Welcome and Opening Remarks

A member opened the meeting with welcome and introductions. The acting facilitator reviewed the agenda, companion documents, and the following meeting goals:

1. Knowledge sharing to get everyone up to speed
2. Discussing what's next for the GSP
3. Discussing next steps for legal counsel
4. Determining how to keep everyone in sync and collaborating going forward

The next regularly scheduled Coalition meeting is on March 5th. Subsequent meeting dates are April 2nd and May 7th.

2. General Updates

Dec. 10 County/Coalition Meeting

Two coalition members highlighted the following points from the meeting:

- The county intends to participate as one of the public entities for the GSA
 - There will be substantial work done by county staff as we create reductions for the valley because this changes the county general plan.
- The county says there is no evidence of overdraft in Ocotillo Wells, and they don't see anything in overdraft beyond the BVGB.

District/County Planning Staff Meetings/County's GSA Plans/District's GSA Plans/Basin Boundaries

Building on the previous discussion, two coalition members highlighted the following points:

- The county wants to handle land use issues relative to the GSP for the BVGB. The BWD would handle groundwater management issues. There would be two GSPs for the BVGB, and the county and the BWD would have an MOU to understand how things would be coordinated and paid for.
- The county doesn't want to deal with the Borrego Basin as defined by DWR, because this includes Imperial County, state park and BLM land that has no overdraft and has almost no pumping.

General discussion and Q&A by members followed:

- A member asked whether the county is changing how they do things in light of new legislation.
- A member responded that there are conversations in process. The SGMA means that groundwater management and land use needs to be in sync, they need to work hand in hand.

- Another member added that the county may soon be determining how land use development, well permits, etc. figure in to the SGMA.
- A member noted that permits for wells come from the county, and asked whether the county will put on hold anything affecting groundwater for the time being.
- A member responded that we know the county wants to participate in the land use issue. We (the BWC) gave copies of our (BWC recommended) policies to county staff, and they are presently digesting them.
- A member asked about the process of defining the BVGB according to our definition (not DWR's current definition), and whether that conversation with DWR had happened yet.
 - Discussion followed regarding potential sources of pumping outside of the BWC's area of concern. A member noted that, according to USGS, it's unlikely that there is anyone outside of our area pumping water that could affect us.

SGMA Implementation Schedule

Three coalition members updated the group on the SGMA implementation schedule, noting that BWC policy recommendations and SGMA information were in the agenda package for the January board meeting of the BWD.

Discussion by members on the timeline followed:

- A member asked for review of critical dates. GSAs must be determined by mid-2017. CASGEM high priority basins and medium basins designated in "critical overdraft" have to have a GSP no later than January 31, 2020. Medium priority CASGEM basins must have theirs by January, 2022.
- Another member noted that we won't necessarily follow those dates exactly, but we must not exceed them.
- A member clarified that the dates are set by the legislation, and that there's a flowchart for when things need to be done.

Rutan Bond Counsel Meeting/Rutan 501(c) Formation Cost

Five members reviewed distributed materials, and general discussion and Q&A by members followed:

- A member requested clarification on the term "CFD".
 - A member responded that a CFD is an assessment district. You set the boundaries of the district when you create it.
- Another member added that people who buy bonds are looking for predictability and stability. We're looking for an appropriate vehicle to make that happen.
- A member asked whether creating a CFD required approval from LAFCO.
 - A member responded that it depends on use. There is some latitude for how you allocate repayment options, and there is usually a different structure for community vs. residential properties.
- Members discussed whether it would be advantageous for the BWC to adopt a more formal structure in order to pursue bond options, and how bonding projects could be funded.
 - A member noted that the BWC may need to be a formal entity (i.e. an incorporated non-profit) to get a seat at the table. Right now, we're an unofficial community

interest group with no legal standing. If we do want to form a legal entity, we should budget \$8-10,000 in legal costs and discuss who will fund those costs.

- A member suggested applying for funds available to “DAC” (disadvantaged communities), and noted that these funds may be available when the new budget is released in July.
 - Discussion by members followed regarding how DAC status is determined. A member explained that DAC status is determined by median household income via the census; by this standard, Borrego Springs qualifies as a DAC because seasonal residents are not included in the census. Another member noted that census data leaves out many of Borrego Springs’ poorest residents, and highlighted data on the school lunch program as a better indicator.
 - A member clarified that funding for DACs would come from DWR, which releases grant opportunities that include provisions for DACs.
 - A member noted that DWR is working on how to implement money for Proposition 1, and that some of that money will be available outside of the IRWM structure.
 - Another member suggested pursuing neighborhood grants available through the county, but notes that the BWC would have to be a non-profit. These funds are for projects, and entities in Borrego have been successful with these grants in the past.
- Members discussed that public agencies and non-profits generally apply to these grants, and that possible uses for the funding are generally specified by the grant itself.

Members then discussed strategic next steps:

- It was suggested that the BWC set up a group to research grant opportunities and strategies for applying to them.
 - A member noted that it can be very expensive to go through the process of applying to grants, and that the competition is high.
- It was suggested that the BWC instead seek help from someone involved on the government side. A member suggested writing a letter from the BWC to the BWD and the county explaining what the BWC has accomplished so far, and asking what it should do to stay involved in the development and implementation of the GSP going forward.
 - Discussion on the specifics of the letter followed. It was suggested that the BWC should ask how to be integrated in to the process if the county and the BWD are both GSAs for our basin, knowing that being a formal agency means we also need to be able to protect ourselves from litigation.
- A member asked whether becoming a non-profit would create a structure and formality that lends credence to the group.
 - A member responded that there might be a way to do something within the GSP process itself, so the BWC is validated for a seat at the table. It was suggested to decide this based on the response from the BWD and the county.

ACTION ITEM: Member to draft letter to BWD and county, send to all members to sign. Emphasize asking for specific mechanisms that would allow the BWC to continue participating in the GSP process. Members suggested setting a March deadline for response, and sending the letter to particular contacts at the county.

Discussion on this action item followed:

- A member expressed concern over the possible formation of a non-profit. This member noted that knowledge sharing is the most important activity of the BWC for the next six months, and suggested that the BWC may lose power or legitimacy in the community if it becomes a more formal organization.
- Members discussed how to incorporate DWR. It was suggested that the letter include a line stating that DWR was instrumental in forming this group.

BWD Town Hall Update

Three members updated the group on the recent BWD public comment meetings for the BWC recommendations, and the proposed town hall.

- The BWD asked for public comments at the first of three meetings to discuss the BWC's recommendations. Most of the time at the first (January) meeting was spent educating attendees on the legislation and SGMA process.
- The next public comment meetings are scheduled for 2/17 and 3/17.
- The town hall meeting is scheduled for 3/25, 4-6 p.m. The goal is to focus on groundwater policy issues that are relevant locally.

ACTION ITEM: Member will distribute the town hall agenda to members for comment.

Rutan, AWAARE, District Attorneys Meeting

Five members updated the group, and discussed issues with the BWC policy recommendations document that arose during and after the meeting:

- One member suggested that the figure of "5,600 AF of recharge" be removed from the policy recommendations, and that the document instead reflect the SGMA's sustainability language. This would allow the BWC to adjust the numbers as needed, instead of using static numbers.

General discussion on this topic followed:

- A member expressed support for this suggestion, and asked whether it would be best to take the numbers out and/or add a footnote saying they're the best available data.
- A member agreed that a dynamic model that ties in to the law is needed. We need to include in the plan that we will review new data periodically and change it as needed towards the end goal of sustainability.
- A member noted that the discussion raises the question of whether the policy recommendations are a living document, and asked how the group should deal with modifications or edits.
- The members agreed to leave the recharge numbers in the policy recommendations to the District and County as these were developed by the USGS using a 65-year average of annual recharge data.
- It was suggested that the BWC maintain an FAQ in an appendix for clarification and/or keep an internal log of amendments that will go in to future revisions.
- It was also suggested that the log include clarifications for questions that come up from public comments while the recommendations are in public review. These clarifications could then be incorporated in to future revisions.

ACTION ITEM: **Members** will develop a log for clarifications, revisions, etc. This discussion will occur at the end of the meeting, when the group reviews action items.

Other Updates (USGS Report, Reclamation Report, Dudek Water Quality Report, etc.)

A member noted that the USGS report is still pending, and the Bureau of Reclamation's report is expected at the end of March.

A member noted that Dudek is finding lower water quality in the lower aquifer. The water is non-potable.

3. Phone Call with BWC Counsel

Two members noted that BWC counsel had identified an opportunity to add legislation that would benefit the BWC in participating in the GSP process. Members had a 10-minute phone call with BWC counsel to discuss this issue.

- Counsel explained that there is an opportunity to add language to state legislation that would facilitate agreements between private and public agencies to facilitate the SGMA. This language would also clarify how to become a GSA, and could be used to further the ability of the BWC to go in to contracts with GSAs.

Following the phone call, members discussed whether this opportunity should be pursued at this time:

- Members discussed whether adding the language to legislation is necessary, depending on BWC's role in the GSP process and whether the BWC becomes a non-profit.
- A member asked about the cost of having counsel add this legislation on our behalf. It was determined that this cost is unknown, and should be assessed if needed.

ACTION ITEM: ON HOLD - Determine cost for counsel to add language to legislation regarding cooperation between private and public agencies. (**Members** to determine if worthwhile to pursue, in parallel, while waiting for county response on BWC participation. Additionally, **Members** to consider discussing downside of not pursuing / waiting for County response on 501(c) formation).

4. Legal Funding and 501(c)3, 5, or 6 Costs

General discussion occurred regarding whether there is a need for further legal funding, and how to distribute costs fairly given that members are not able to contribute equally:

- A member noted that feedback from the county and BWD will help refine the scope of the BWC and determine whether further counsel is required. The BWC may need to plan for costs beyond what has been spent already.
- It was suggested that the next step is to close out the second round of funding, and finish work that's already on the table.

Members discussed the invoicing process, and updates on remaining invoices to be sent:

- The Chamber of Commerce is currently the fiscal intermediary, and can't continue to do so indefinitely. The Chamber will make sure they're contractually where they're supposed to be, and will invoice once that's done.
- A member asked for clarification regarding the second round of legal work. The current round addresses broad questions about bonds.

It was suggested that members wait for responses from the county and the BWD, and then evaluate whether the group will need more legal counsel.

5. Review of Action Items & Next Steps

The acting facilitator reviewed the action items from the day's meeting. The next meeting is tentatively scheduled for March 5th, 9 a.m. - 3 p.m. The Coordinating Committee will meet one week prior to the meeting date to determine whether there are enough agenda items to require a meeting.

6. Attendance

Borrego Water District	Lyle Brecht, Board Member Beth Hart, Board Member Jerry Rolwing, General Manager
Agriculture	Dennis Jensen, Oasis Ranch Jim Seley, Seley Ranch Mike Seley, Seley Ranch (alternate) Duane Young, Cocopah Nurseries Ryan Hall, Borrego Farms
Recreation	Bill Berkley, Ram Hill Golf Course Jim Moxham, Borrego Springs Resort (alternate) Jim Wermers, De Anza Country Club (retiring member) Mark Vonarx, De Anza Country Club (replacing Jim Wermers) Dan Wright, The Springs at Borrego and Road Runner
Watershed & Desert Ecosystem	Kathy Dice, Anza-Borrego State Park Ralph Singer, Anza Borrego Foundation
Commerce & Business	Linda Haddock, Borrego Springs Chamber of Commerce
Community & Tourism	Martha Deichler, Borrego Springs Unified School

DRAFT – For Internal Review

District

DWR Southern Region Office

Tim Ross, Senior Engineering Geologist

University of California, Irvine

Emily Brooks, Doctoral Student