

November 6, 2014

Board of Directors of the Borrego Water District
806 Palm Canyon Drive
Borrego Springs, CA 92004



Dear Board of Directors:

The attached document articulates policies the Borrego Water Coalition members recommend to the Borrego Water District's Board of Directors.

Sincerely,

The Borrego Water Coalition

Lyle Brecht
Daniel A Wright
L. Chley
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Beth A Hart
Cory Ben
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BORREGO WATER COALITION MEMBER LIST

November 6, 2014

#	NAME	INTEREST AREA	AFFILIATION
1	Bill Bauer	Agriculture	AAWARE/Borrego Farms
2	David Bauer (alternate)	Agriculture	AAWARE/Borrego Farms
3	Dennis Jensen	Agriculture	AAWARE/Oasis Ranch Management
4	Duane Young	Agriculture	AAWARE/Cocopah Nurseries
5	Jim Seley	Agriculture	AAWARE/Seley Ranches
6	Mike Seley (alternate)	Agriculture	AAWARE/Seley Ranches
7	Ryan Hall (alternate)	Agriculture	AAWARE/Borrego Farms
8	Bill Berkley	Recreation	Rams Hill Partners/Rams Hill Golf Course
9	Dan Wright	Recreation	The Springs at Borrego and Road Runner Club
10	Jack Cameron (alternate)	Recreation	Borrego Springs Resort & Spa
11	Jim Moxham	Recreation	Borrego Springs Resort & Spa
12	Jim Wermers	Recreation	de Anza Country Club
13	Beth Hart	District Rate Payers; Registered Voters	Borrego Water District
14	Jerry Rolwing	District Rate Payers; Registered Voters	Borrego Water District
15	Lyle Brecht	District Rate Payers; Registered Voters	Borrego Water District
16	Marshal Brecht (alternate)	District Rate Payers; Registered Voters	Borrego Water District
17	Anne Bogardt (alternate)	School District	Borrego Springs Unified School District
18	Martha Deichler	School District	Borrego Springs Unified School District
19	Jim Wilson	Public Use Area	Christmas Circle Community Park Foundation
20	Linda Haddock	Commercial Businesses	Borrego Springs Chamber of Commerce
21	Jack McGrory	Resorts and Lodging	La Casa Del Zorro Resort & Spa
22	Casey Brown (alternate)	Resorts and Lodging	La Casa Del Zorro Resort & Spa
23	Kathy Dice	Watershed & Desert Ecosystems	Anza-Borrego Desert State Park
24	Paige Rogowski (alternate)	Watershed & Desert Ecosystems	Anza-Borrego Foundation
25	Ralph Singer	Watershed & Desert Ecosystems	Anza-Borrego Foundation
26	Laura Peters	not applicable; non-voting member	CA Department of Water Resources
27	Tim Ross	not applicable; non-voting member	CA Department of Water Resources
28	Jim Bennett	not applicable; non-voting member	San Diego County Planning & Dev. Services

For assistance with contacting one of your representatives, contact Linda Haddock, Executive Director, Borrego Springs Chamber of Commerce at (760) 767-5555 or lhaddock@bscvb.com, or Dorian Fougeres, Facilitator, Center for Collaborative Policy, CSUS at (916) 531-3835 or dfougeres@ccp.csus.edu

BORREGO WATER COALITION
GROUNDWATER MANAGEMENT
POLICY RECOMMENDATIONS

This document articulates policies the Borrego Water Coalition’s (BWC; “the Coalition”) members recommend to the Borrego Water District’s (BWD; “the District”) Board of Directors (“the Board”).¹

The Coalition recommends the inclusion of the following policies in the Borrego Valley’s Groundwater Sustainability Plan (GSP) required under the Sustainable Groundwater Management Act (SGMA; the Act; collectively SB 1168, SB 1319 and AB 1739, as amended):²

- (1) The Coalition recommends a Physical Solution of sufficient reductions in Basin withdrawals from the baseline in order to achieve a Sustainable Yield goal of approximately 5,600 acre-feet per year (AFY).³ These reductions shall be achieved at a minimum within a 20-year period beginning no later than January 31, 2020, with 5-year minimum interim reduction targets of ⁴:

No Later Than February 1, _____:

- a. 2025: approximately 20% from the Baseline
- b. 2030: approximately 40% from the Baseline
- c. 2035: approximately 60% from the Baseline
- d. 2040: approximately 70% from the Baseline⁵

¹ See Memorandum of Understanding for Borrego Water Coalition dated March 29, 2013 at: http://water.manager.borregospringschamber.com/bwc/documents/BWCMOUFinal-Revision_12-05-13.pdf.

² The Act establishes that it is the policy of the State of California that groundwater resources be managed sustainably for long-term water reliability and multiple economic, social, or environmental benefits for current and future beneficial uses [SB 1168, Section 1.(a)].

³ United States Geological Survey, 2014, “Hydrogeology, Hydrologic Effects of Development, and Simulation of Groundwater Flow in the Borrego Valley, San Diego County, California. Draft Report.” Claudia C. Faunt, Christina L. Stamos, Peter Martin, Lorraine E. Flint, Michael T. Wright, Matthew K. Burgess, Michelle Sneed, Justin Brandt, and Alissa L. Coes.

⁴ January 31, 2020 is the final due date established by the SGMA legislation for a basin in critical overdraft to have a GSP approved by DWR. All GSPs must include a reduction schedule with no more than 5-year benchmarks. A GSP may be approved and commence without penalty at any date before this final date.

⁵ The precise percentage is the amount necessary to achieve Sustainable Yield. This percentage reduction will be refined during the GSP period based on difference of actual withdrawals from the Sustainable Yield goal.

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- (2) The Coalition recommends a Baseline be established for each Owner based on either documented metered usage or on estimated average annual usage for the 10-year period 2004-2014 that fairly establishes historical Production at full operation;
- (3) The Coalition recommends that the GSP include an annual Non-Compliance Fee based on an Owner's Production (acre-feet of withdrawals) exceeding the interim targets and thereafter exceeding the proportionate permanent reductions in annual withdrawals required to achieve the Physical Solution. The purpose of the Non-Compliance fee is primarily to deter Owners from exceeding their annual extraction limits and secondarily to support implementation of the GSP⁶. Accordingly, the Non-Compliance Fee should be set at a level consistent with a fee for the unauthorized diversion of water;
- (4) The Coalition recommends and supports the development of separate funding mechanisms, both public and private, including acquiring and/or following agricultural land as a way to expedite bringing the basin into balance; for transfers of pumping rights among Owners; for paying for the implementation of the Physical Solution. Without such funding, support for these recommendations from all the members of the Coalition should be considered to be non-binding;
- (5) The Coalition recommends and supports the imposition of an approved, defined, and reasonable fee to be imposed on Owners specifically to cover the Administrative Costs of the GSP as may be required by the California Department of Water Resources (DWR) SGMA regulations;
- (6) The Coalition recommends that the County and District establish a Joint Powers Agreement (JPA), or similar legal structure, comprised of the appropriate Basin agencies and stakeholders, including Borrego Water Coalition members, for purposes of

⁶ AB-1739, Chapter 8 (Financial Authority), 10730(a) states: "A groundwater sustainability agency may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve. A groundwater sustainability agency shall not impose a fee pursuant to this subdivision on a de minimis extractor unless the agency has regulated the users pursuant to this part."

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effectively implementing the Physical Solution. Also, the JPA should work to align the County's General Plan, land-use policies, and the well permitting practices of the Department of Environmental Health (DEH) with the GSP, in support of Basin sustainability;⁷

- (7) The Coalition recommends that the District review its Policy for Water and Sewer Service to New Developments and its Water Credits Policy (WCP) so as to bring these policies into alignment with the Physical Solution and that the policies facilitate economic growth and free market trading among Owners to arrive at a Sustainable Community Solution (SCS);
- (8) The Coalition recommends that Owners be mandated to install meters on their Production wells and submit verified withdrawals data twice a year to the Basin Engineer. The Coalition agrees that a penalty be imposed for Owners failing to meter their Production wells no more than two-years from the date of the approved GSP;
- (9) The Coalition recommends that Owners be required to allow access to their Production wells for the collection of Water Quality Data (WQD), as required by state regulations. The Coalition agrees that a penalty be imposed for Owners failing to provide access to their Production wells for sampling by the Basin Engineer or other designated qualified water quality professional as specified by the GSP;
- (10) The Coalition recommends that the GSP include how it will involve the Coalition in an ongoing role in developing, monitoring, and periodically reviewing the elements of the GSP and include such mechanism(s) as a formal component of the GSP.

Definitions

Acre-feet per year (AFY) - a unit of measuring water usage over time corresponding to covering one acre of land with one foot of water over the course of one year. An acre-foot of water equals 43,560 cubic-feet of water or 325,851.4 U.S. gallons. A football field is about 1.1 acres. One cubic-foot contains 7.48 gallons of water.

⁷ The Act requires the County planning agency, before adopting or substantially amending a general plan, to review and consider the GSP for the Basin.

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Administrative Costs – legitimate and necessary GSP administration, legal, engineering, planning, technical and other costs not covered by State and/or Foundation grants and/or bond financing.

Basin – groundwater underlying the Borrego Valley alluvial basin boundaries that underlie the District and San Diego County and under their authority as determined by SGMA. Note: this is only a part of the basin as defined by DWR in its 2003 Bulletin 118, which includes other land within the jurisdiction of San Diego County, Imperial County, the Bureau of Land Management, and potentially the California Department of Parks and Recreation.

Basin Engineer – qualified professional engineering firm hired by the Groundwater Sustainability Agency to administer the implementation of the GSP.

Groundwater Sustainability Agency (GSA) – Agencies that have been created by statute to manage groundwater are deemed the exclusive agency to comply with the Sustainable Groundwater Management Act (“the Act”) within their boundaries unless the agency elects to opt out [Section 10723 (c)(1) and (c)(2)]. Otherwise, any local agency or combination of local agencies overlying a groundwater basin may elect to be a GSA [Section 10723]. Local agencies, such as the District [California Water Code Section 35562] and the County, have until June 30, 2017 to form a GSA [Section 10735.2(1)]. A GSA may adopt rules, regulations, ordinances, and resolutions for the purposes of the Act.

Joint Powers Agreement (JPA) – formal agreement of how two or more agencies plan to work together to achieve a common purpose.

Non-Compliance Fee – an annual fee for Owners failing to meet their withdrawals reduction target. The fee would be assessed on the basis of Production exceeding an Owner’s reduction target.

Physical Solution - A physical solution is a technical legal term for an operational plan that: (i) preserves water rights and, at the same time; (ii) enables all water users to exercise those rights fully even when there might not be sufficient water if there was strict compliance with the water rights system.

Policy for Water and Sewer Service to New Developments – see http://www.borregowd.org/uploads/Borrego_WD_2013_Proposed_New_Development_Policy_with_Detail_Sheet_and_Who_Pays_for_Growth_Policy_Feb_20_2012_Cle.pdf.

Owner – a person owning a groundwater extraction facility or an interest in a groundwater extraction facility in the Basin.

Production – annual groundwater withdrawals from the Basin.

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Sustainable Community Solution – the transfer of sustainable Production among Owners that results in the desired mix of economic activity that achieves withdrawals within the Sustainable Yield of the Basin.

Sustainable Yield – the average annual natural recharge to the Basin as determined by the US Geological Survey (USGS)

Water Credits Policy – http://www.borregowd.org/uploads/Water_Credit_policy_revision_06.25.2014.pdf

Water Quality Data (WQD) – data required under the various state agency programs, as amended (e.g. Salt and Nutrient Monitoring Program) that preserves the privacy of Owners' wells' data.