

Borrego Water District
CORRECTED MINUTES
Regular Meeting of the Board of Directors
Wednesday, January 25, 2012
9:00 AM
806 Palm Canyon Drive
Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A.** Call to Order: President Hart called the meeting to order at 9:00 a.m.
- B.** Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C.** Roll Call: Directors: Present: President Hart, Vice-President Lyle Brecht, Secretary/Treasurer Marshal Brecht, Delahay, Estep
- Staff: Jerry Rolwing, General Manager
Kim Pitman, Administration Manager
Wendy Quinn, Recording Secretary
- Public: Carey Blakely, *Borrego Sun* Lane Sharman, BWX
Ray Shindler Jan Naragon
Bob McKee Dennis Dickinson
- D.** Approval of Agenda: *MSC: L.Brecht/M.Brecht approving the Agenda as written.*
- E.** Approval of Minutes:

Regular meeting of December 14, 2011

MSC: L.Brecht/Estep approving the Minutes of the Regular Meeting of December 14, 2011 as amended (referring to Director L. Brecht's request for the titles of the participants in the Reclamation meeting at the end of Item I.I.B).

F. Comments from Directors and Requests for Future Agenda Items: The Board agreed to consider Lisa Foster's research on establishment of a managed basin at the February workshop. Ms. Foster will be invited to the meeting.

G. Comments from the Public and Requests for Future Agenda Items: Bob McKee reported he had submitted a records request yesterday, asking how much more revenue the District would accrue had the commercial and irrigation customers not been exempted from the tiered rate system. He expressed concern that "Best Management Practices" had not been established for these exempted ratepayers, and noted that previous data he presented on discrepancies in rates had not been included in the Minutes.

H. Correspondence:

Letter from P. Ocheltree

Paul Ocheltree's e-mail expressing concern regarding a potential pump tax and Jerry Rolwing's response were included in the Board package. Director Lyle Brecht noted he would like to discuss the issues with Mr. Ocheltree.

Letter from R. Slaby

Robert Slaby requested that his water, sewer and trash service be discontinued since he has moved. Mr. Rolwing explained that District policy does not provide for temporary stoppage of these services since they must continue to maintain the system.

I. Staff Reports:

A. Financial Reports – December 2011

Kim Pitman summarized the Financial Reports in the Agenda package, noting that some unpaid availability fees had been written off.

B. Manager/Operations Report

Mr. Rolwing reported that the County had quitclaimed a parcel of land, which is occupied by the BWD lift station, to the District.

Discussion followed regarding the selection of a project for our USDA grant application. Mr. Rolwing suggested the Borrego Springs Road pipeline, and President Hart asked that he discuss it with the Operations and Management Committee and a USDA representative at the appropriate time.

J. Attorney's Report: None

II. CURRENT BUSINESS MATTERS

A. Discussion and possible action of removal of trees at the Country Club reservoir: Mr. Rolwing reported he had consulted Ray Burnand, who planted the trees around the Country Club reservoir, regarding concerns about their water use. Mr. Burnand explained that they are not tamarisks but casuarinas, which use little water. President Hart asked Ray Shindler to convey this to the concerned residents. *MSC: L.Brecht/Estep tabling the matter.*

B. Discussion and possible approval of Joint Funding Agreement Amendment #4 with U.S. Geological Survey: *MSC: L.Brecht/M.Brecht authorizing the General Manager to sign Joint Funding Agreement Amendment #4 with the U.S. Geological Survey.*

C. Discussion and possible approval of *Resolution 2012-01-01, RESOLUTION OF INTENTION TO APPROVE AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION, CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, AND THE BOARD OF DIRECTORS, BORREGO WATER DISTRICT (To provide different level of benefits, tier-2, 2% @ 60 formula for new hired after effective date):* *MSC: M.Brecht/L.Brecht adopting Resolution 2012-01-01, Resolution of Intention to Approve Amendment to Contract Between the Board of Administration, California Public Employees' Retirement System, and the Board of Directors, Borrego Water District.*

D. Discussion and possible approval of *Resolution 2012-01-02 AUTHORIZING EXECUTION OF A FUNDING AGREEMENT AND RELATED DOCUMENTS FOR FUNDING UNDER THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006 (PROPOSITION 84):* *MSC: L.Brecht/M.Brecht adopting Resolution 2012-01-02 Authorizing Execution of a Funding Agreement and Related Documents for Funding Under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84).*

E. Discussion and possible approval of assigning solar presentations to the Operations and Management Committee: Lane Sharman offered to serve as a consultant to the District in solar investigations for a fee of \$12,000 per year. He would survey the District property to identify potential solar sites, investigate solar vendors and technology. President Hart asked him to put his proposal in writing and submit it to the Operations and Management Committee. *MSC: L.Brecht/Estep assigning solar presentations to the Operations and Management Committee.*

F. Discussion and possible approval for asking the Asset Committee to revisit potential asset sales opportunities and to present its findings for discussion by the Board no later than the March Board workshop: *MSC: L.Brecht/M.Brecht asking the Asset Committee to revisit potential asset sales opportunities and to present its findings for discussion by the Board no later than the March Board workshop.*

G. Discussion and possible approval of assigning the task of Town Hall meeting planning to the Strategic Planning Committee: *MSC: L.Brecht/M.Brecht assigning the task of Town Hall meetings planning to the Strategic Planning Committee.* Committee meetings were scheduled for February 8 at 9:00 a.m. and February 22 at 1:30 p.m.

III. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

Director Lyle Brecht reported that the FY 2011 audit had been completed and the Committee was beginning work on 2012. The Committee discussed building cash reserves to cover interest on the Viking Ranch purchase due in four years and principle payments beginning in five years. A recommendation will be presented to the Board for consideration. Mr. Rolwing brought up the onset of Certificate of Participation payments beginning in 2013. Mr. Sharman suggested selling the Viking Ranch, perhaps to the State Park, with restrictions on its use (perhaps a recharge facility, solar facility or a retreat site).

2. Due-Diligence

Director Lyle Brecht asked Mr. Rolwing to submit his report on potential funding for emergencies to the Due Diligence Committee.

3. Strategic Planning Committee/IRWM

Draft notes from the January 10 IRWM meeting were included in the Board package. The next meeting is scheduled for February 14 at 1:00 p.m.

4. Executive Committee

No report.

5. Operations & Management Committee

Director Delahay reported that the meters that the District had been using to gradually replace old ones as needed, which were suitable for Automatic Meter Reading, are no longer being manufactured. Investigation into another model is underway.

6. Asset Ad Hoc Committee

No report.

7. Christmas Circle Committee

No report.

8. Negotiating (Montesoro)

No report.

IV. STAFF REPORTS

A. Water and Wastewater Operations Report – December 2011:

B. Water Production/Use Records – December 2011:

C. Year to Date Meter Installations:

D. Meter Installation History:

The staff reports were included in the Board package. Upon Ms. Pitman's inquiry, the Board agreed to combine the New Meter Installations report for Service Areas 1, 3 and 5. SA 4 will remain separate because of bonds.

V. INFORMATION ITEMS

A. Letter from Department of Water Resources: Mr. Rolwing announced that our CASGEM monitoring program has been approved.

B. CFD Annual Report: The annual report from Taussig & Associates on the Community Facilities District was included in the Board package.

VI. CLOSING PROCEDURE

Adjournment. There being no further business, the meeting adjourned at 10:30 a.m. The next Special Meeting of the Board of Directors is scheduled for February 14, 2012 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for February 22, 2012 at the Borrego Water District.