

Borrego Water District
MINUTES
Regular Meeting of the Board of Directors
Wednesday, February 22, 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
Diana Del Bono, Administrative Assistant
Wendy Quinn, Recording Secretary

Public: Casey Jones, *Borrego Sun* Jim Engelke
Ray Shindler Jan Naragon
Kathy Johnston Richard Orne
Rick Anson Jane Morley, Borrego Valley
Dick Walker Sara Agahi, County of San Diego
Roger Ries, American Legion Anthony Barry, County of San Diego
Sylvia Caldwell, BVR

- D.** Approval of Agenda: *MSC: L.Brecht/M.Brecht approving the Agenda as written.*

- E.** Approval of Minutes:

Special meeting of January 17, 2012

MSC: L.Brecht/M.Brecht approving the Minutes of the Special Meeting of January 17, 2012 as amended (in Item II.B, "... a 'zero cash use' position in 2012 ...").

Regular meeting of January 25, 2012

MSC: L.Brecht/M.Brecht approving the Minutes of the Regular Meeting of January 25, 2012 as amended (in Item I.I.B, "... the County had quitclaimed ~~turned-over~~ a parcel of land ...").

- F.** Comments from Directors and Requests for Future Agenda Items: None

- G.** Comments from the Public and Requests for Future Agenda Items: None

H. Correspondence: Lance Lundberg had e-mailed the District asking to discuss the use of his second set of water credits to facilitate irrigation of the golf course at Montesoro. The matter was referred to the Executive Committee.

- I.** Staff Reports:

- A.** Financial Reports – January 2012

Kim Pitman summarized the Financial Reports in the Board package and answered questions. Director Lyle Brecht requested that Board package page 17 be corrected to reference White Nelson Diehl Evans, rather than Diehl, Evans & Co.

B. Manager/Operations Report

Jerry Rolwing answered questions regarding his report, which was included in the Board package.

J. Attorney's Report: None

II. CURRENT BUSINESS MATTERS

A. Discussion regarding flood control: Sara Agahi and Anthony Barry from the San Diego County Flood Control District presented slides depicting flood control issues in the Borrego Valley. They explained that because of alluvial fans in the area, the flood risks are unusual and unpredictable. Photos of flood damage were included, particularly from the 2004 flooding in the De Anza area. Because the federal government has amended its flood mitigation requirements, but County must do so to remain in compliance and maintain its eligibility for the national flood insurance program and FEMA assistance. The Flood Control District has retained a consultant to study the conditions and risks, which should be complete in about three months. Until that time, the County may not legally make development determinations or grant waivers or variances.

Discussion followed. Comments from the public included concern that the existing flood mitigation requirements should be evaluated and that public input should be solicited. Ms. Agahi noted that the current situation is not technically a building moratorium, because developers are free to commission their own flood control studies if they prefer not to wait for the County. Mr. Rolwing suggested that design criteria for a fan-wide flood control solution might be included in the flood control component of the IRWM.

President Hart declared a recess at 10:20 a.m., and the Board reconvened at 10:30 a.m.

B. Discussion and possible action on sale of District property: President Hart reported that the Asset Ad Hoc Committee had revisited the possible sale of District real property or a vehicle to make up for the expected \$50,000 to \$100,000 shortfall at fiscal year end. The most promising option appears to be the sale of 240 acres near Clark Lake. The Anza Borrego Foundation has expressed interest in purchasing the parcel, but the District first needs to give 60 days' notice and make the property available for low income housing or use by the School District. The Committee agreed to continue its investigation, including confirming ABF's continued interest and consulting a biologist or State Park representative concerning the land's potential for bio mitigation.

C. Discussion and possible action to assign Cross Connection ordinance to Operations and Management Committee: Mr. Rolwing reported that the District's cross connection (back flow prevention) program was established in 1993 and needs updating. He asked the Operations and Management Committee to review a sample ordinance and make a recommendation to the Board.

D. Discussion and possible approval of RESOLUTION NO. 2012-02-01 APPROVING A STRATEGY TO WORK WITH ALL STAKEHOLDERS IN THE FUTURE OF THE VALLEY TO RESOLVE THE OVERDRAFT: Director Lyle Brecht introduced the proposed resolution, which arose from discussions by the Strategic Planning Committee and the Board regarding a managed basin. *MSC: L.Brecht/Estep adopting Resolution 2012-02-01 Approving a Strategy to Work with all Stakeholders in the Future of the Valley to Resolve the Overdraft.*

III. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

The Committee's draft report was included in the Board package. Director Lyle Brecht reported that the Committee recommends that the Operations and Management Committee, beginning with the FY 2013 budget, set a budget line item of approximately \$100,000 each year to serve as a non-restricted reserve to

anticipate the interest and principle payments on the Viking Ranch note when they become due on the fifth anniversary of the second amendment to the Bargain Sale and Donation Agreement.

2. Due-Diligence

Director Lyle Brecht commended Mr. Rolwing on his report regarding emergency funding sources, but explained that the Committee had concluded that there is no compelling evidence that the Board may at this time relax the necessity for the District to aggregate adequate emergency reserves at the earliest possible date.

3. Strategic Planning Committee/IRWM

Director Lyle Brecht reported that the Committee had been working with the IRWM stakeholders to complete the planning grant application. The Committee is also planning for the Town Hall meeting, which is scheduled for March 28 at 4:00 p.m. The next Committee meeting will be February 23 at 9:00 a.m.

4. Executive Committee

No report.

5. Operations & Management Committee

Director Marshal Brecht reported that the Committee was continuing to investigate automated meter readers. The next meeting is scheduled for February 23 at 8:00 a.m.

6. Asset Ad Hoc Committee

This report was covered earlier in the meeting.

7. Christmas Circle Committee

President Hart reported that LAFCO had no experience in creating a funding source. The next plan is to contact Sacramento for information.

8. Negotiating (Montesoro)

Director Marshal Brecht reported he had discussed options for Montesoro golf course with Rick Vesci.

IV. STAFF REPORTS

A. Water and Wastewater Operations Report – January 2012:

B. Water Production/Use Records – January 2012:

President Hart invited questions on the staff reports, which were included in the Board package. Mr. Rolwing reported that the maintenance staff is looking into increased water losses in IDs 1 and 4.

V. INFORMATION ITEMS

None

VI. CLOSING PROCEDURE

Adjournment. There being no further business, the meeting adjourned at 11:10 a.m. The next Special Meeting of the Board of Directors is scheduled for March 20, 2012 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for March 28, 2012 at the Borrego Water District.