

**Borrego Water District  
MINUTES  
Special Meeting of the Board of Directors  
Wednesday, April 17, 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  
                                  Lisa Foster, McDougal Love Eckis Boehmer & Foley  
                                  Wendy Quinn, Recording Secretary
- Public:**           Julian Peabody                     Jim Engelke, Lundberg  
                                  Ray Shindler                       Dennis Dickinson

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

**E. Comments from Directors and Requests for Future Agenda Items:**  
Director Lyle Brecht reported that a ratepayer in Santiago Estates had requested an explanation of the \$17 per month charge on their water bill to cover Club Circle Golf Course costs.

Director Lyle Brecht referred to a letter to the *Borrego Sun* opining that BWD Directors could not adequately represent all ratepayers. He asked Lisa Foster to comment during Item II.F.

Director Lyle Brecht pointed out that different viewpoints relative to a managed basin were expressed at the Town Hall Meeting: We should begin adjudication immediately, importation is the only answer, basin management should be delayed. Director Lyle Brecht urged the factions to stop viewing one another as the enemy. The enemy is the overdraft.

**F. Comments from the Public and Requests for Future Agenda Items:** Jim Engelke requested that the Board identify a subcommittee to begin discussion of the mitigation policy, which is at a standstill with the County.

Ray Shindler invited the Board's attention to an article concerning nitrate pollution in the Central Valley and suggested that the District contact the State or UC Davis to test the soil in Borrego Springs for contamination. Discussion followed regarding whether AAWARE is part of the Farm Bureau, and Jerry Rolwing agreed to investigate and put that and the nitrate issue on the next workshop Agenda.

## II. CURRENT BUSINESS MATTERS

A. Discussion and possible approval of Resolution no. 2012-04-01 *Resolution consenting to join the health benefits program of the ACWA joint powers insurance authority, ratifying the action of the ACWA health benefits authority Board of Directors to terminate the health benefits authority joint powers agreement, and authorizing and directing the Borrego Water District (BWD) to execute all necessary documents*: MSC: L.Brecht/M.Brecht adopting Resolution No. 2012-04-01, Resolution consenting to join the health benefits program of the ACWA joint powers insurance authority, ratifying the action of the ACWA health benefits authority Board of Directors to terminate the health benefits authority joint powers agreement, and authorizing and directing the Borrego Water District (BWD) to execute all necessary documents.

B. Discussion of FY 2013 budget package development process, financial objectives and rates: A summary of the development of the FY 2013 budget was included in the Board package for information. Discussion issues included the separation of operations and maintenance (O&M) items versus non-O&M, and in which category groundwater management should be. Director Lyle Brecht requested the addition of a cash flow report and capital improvement plan. Mr. Rolwing will ask David Dale and the Operations and Management Committee to review the budget prior to the Board's next discussion at the May Special Meeting.

C. Discussion of addendum to RMC agreement for planning services should the IRWM planning grant request be awarded by DWR: Director Lyle Brecht explained that the Board needs to decide, should its application for an IRWM planning grant be awarded by DWR, whether to continue to retain the consulting services of RMC or open the contract to competitive bid and forward RFQs to both RMC and the other previous bidder, GEI. Ms. Foster informed the Board that the choice is theirs. There are costs involved in the competitive bid process and it is likely that RMC would be selected since the District has been pleased with their services. Courts have held that if the competitive bid process is found to be unavailing, it is not required. The Board agreed to put the matter on next week's Agenda for decision.

D. Debrief concerning March Town Hall: what worked; what we should consider for next Town Hall in November:

E. Discussion of assigning planning for the November Town Hall to the Strategic Planning Committee:

President Hart suggested asking the Town Hall presenters for a script of their presentations in advance of the meeting.

After discussion, there were questions as to whether a November Town Hall would be scheduled. Jim Engelke suggested a seminar on the IRWMP instead.

F. Discussion of managed basin strategy: Director Lyle Brecht reported that he, President Hart and Mr. Rolwing had consulted with water law attorney David Aladjem. Mr. Aladjem concurred there are two paths to establishing a managed basin: maintaining local control and losing it. Pumpers want local control, and Mr. Aladjem recommended a negotiated settlement leading to legislation. Discussion followed regarding whether this would be feasible or if the matter would end up with adjudication. If we wish to seek legislation in 2013, negotiations should begin soon. In response to Director Lyle Brecht,

Ms. Foster confirmed that the Board has a fiduciary duty to do what it can to save the aquifer.

**G.** Discussion of potential agenda items for April 25th: April 25 Agenda items will include clarification of Community Services District fees and assignment of the mitigation policy to a committee.

### **III. CLOSING PROCEDURE**

There being no further business, the meeting was adjourned at 11:15 a.m. The next Regular Meeting of the Board of Directors is scheduled for April 25, 2012 at the Borrego Water District.