

**Borrego Water District
CORRECTED MINUTES
Special Meeting of the Board of Directors
Wednesday, May 15, 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: Jim Engelke Hank Barber
 John Peterson Nicole Martin, Jim Seley/Duane Young
 Duane Young, Mary Delaney
 RR Tree Farm Thomas Ray, Seley Ranches
 Dick Walker Tamara Ray, Seley Ranches
 Casey Jones, Tim Ross, DWR (via teleconference,
 Borrego Sun Item II.D)
 Claudia Faunt, USGS Mike Wright, USGS (via teleconference,
 (via teleconference, Item II.D)
 Item II.D)

D. Approval of Agenda: Jerry Rolwing requested the addition of Item II.H, Discussion of Potential Agenda Items for May 23. *MSC: L.Brecht/Estep approving the Agenda as amended.*

- E. Comments from Directors and Requests for Future Agenda Items: None
- F. Comments from the Public and Requests for Future Agenda Items: None

II. CURRENT BUSINESS MATTERS

A. Discussion of FY 2013 Budget and Rates: Director Marshal Brecht invited the Board's attention to the proposed FY 2013 Budget in the Board package. Additional revenues in the event of a 10, 20 or 30 percent rate increase were projected. Director Marshal Brecht hoped to schedule final review and possible approval of the budget for the June workshop.

B. Discussion of Development Committee Recommendations: Director Lyle Brecht reported that he, Director Estep and Mr. Rolwing had reviewed the existing water mitigation credit policy and recommended the 2:1 mitigation requirement be reduced to 1:1, which could be satisfied by meeting the County requirement. A developer's fee would also be charged for access to the District's infrastructure and necessary upgrades. The revised policy will be finalized for review at the June workshop and possible approval at the following Regular Meeting.

C. Discussion of Santiago Estates CSD fee analysis: Kim Pitman summarized a chart in the Board package showing income and expenses associated with the Club Circle Golf Course. With fees as is, the District should have \$3,470 net revenue for FYE 2013. If Santiago Estates' CSD fees were reduced by half, there would be a net loss of approximately \$5,000; and if they were eliminated, a net loss of approximately \$14,000.

D. Discussion of what is known regarding nitrate levels in top level of upper aquifer underneath northern part of basin: Mr. Rolwing explained that he hoped to obtain a Local Groundwater Assistance (LGA) Grant (see following Agenda Item) to assist in determining how the aquifer overdraft affects the basin water quality. Claudia Faunt of USGS reported that she had some historical data on the issue, and Mike Wright of USGS added that a new report was expected shortly. Tim Ross of DWR stated the he too had some historical data and more recent figures compiled by BWD. John Peterson suggested compiling all this information into a database and then developing a monitoring program. Duane Young requested a copy of the historical data, and Ms. Faunt agreed to send an electronic version to Mr. Rolwing for distribution. Mr. Rolwing expressed concern regarding confidentiality issues for property owners providing data from individual wells, and Ms. Faunt agreed to investigate. Dr. Ross agreed to look into requirements and limitations relative to assistance from DWR and USGS with the LGA grant application. Ms. Faunt will submit a cost estimate for assistance in compiling the data.

E. Discussion of Local Groundwater Assistance (LGA) Grant Program Guidelines and Proposal Solicitation Package (PSP). The due date for applications responding to this solicitation is July 13, 2012 at 5pm: Mr. Rolwing proposed an LGA grant application for between \$50,000 and \$100,000. He has pulled existing BWD data. Directors Delahay and Marshal Brecht agreed to serve on an ad hoc committee to work on the application.

F. Discussion of CEQA and AB3030 GWM authority: The County has CEQA authority. The District has AB3030 authority to develop a managed basin plan. Upon review of the statutes, General Counsel indicated that the District does not require CEQA authority to establish a managed basin plan. Also, acquiring CEQA authority would not give the District the means to enforce a managed basin plan not provided under AB3030. The means to acquire the authority to enforce a plan can be obtained either legislatively or via the courts.

G. Discussion of potential routes for managed basin authority (LAFCO involvement): Director Lyle Brecht reported that a suggestion had been made to put the managed basin issue on the ballot. It was his understanding it had to be via court action or legislation. Discussion followed regarding whether LAFCO needed to be involved. Lisa Foster opined that for the District to acquire police powers, we would need Special Act Legislation or a court stipulation. Mr. Rolwing emphasized the importance of getting a consensus among stakeholders. At Director Estep's request and with the Board's concurrence, Ms. Foster agreed to contact Robert Berry at LAFCO to determine whether they can grant BWD the authority to lien property in connection with collection of fees.

H. Discussion of Potential Agenda Items for May 23: Diana Del Bono provided a draft Agenda. The Board agreed to include a discussion of CSD fees for Santiago Estates, a report from Mr. Rolwing on the pump check and water level report, and a letter from Lucy Larson. Ms. Martin requested the opportunity to call in to Board meetings, at least to listen, and offered to pay associated costs. President Hart asked Ms. Foster to look into it and requested that it be included on the Agenda.

III. CLOSING PROCEDURE

There being no further business, the meeting was adjourned at 11:30 a.m. The next Regular Meeting of the Board of Directors is scheduled for May 23, 2012 at the Borrego Water District.