

In response to Director Lyle Brecht's inquiry about a potential grant from the U.S. Department of Agricultural, Mr. Rolwing replied that USDA was concerned about BWD's cash position. He expected to apply during the 2012-13 fiscal year, when the next audited financials are available. Director Lyle Brecht requested a written summary of the USDA's response.

Director Lyle Brecht reported that John Peterson and Llouise Jee had offered to assist the District with GIS information relative to the water quality study.

Discussion followed regarding whether a Board vote was required on the expenditure for recoating the Rams Hill Reservoir. It will exceed \$5,000, but the expenditure is in the approved budget. Lisa Foster's advice will be requested.

J. Attorney's Report: Mr. Rolwing agreed to follow up with Ms. Foster on her inquiry as to LAFCO's ability to assist BWD in acquiring police (lien) powers.

II. CURRENT BUSINESS MATTERS

A. Discussion and possible action regarding reduction of Santiago Estates CSD fees:
The Board agreed that the District could not afford to reduce or eliminate the CSD fees for Santiago Estates at this time. The issue will be reconsidered in three and a half years, when the existing maintenance contract is up for renewal. Mr. Rolwing will inform Santiago Estates.

B. Report by General Manager on production well water levels and pump efficiency:
Mr. Rolwing reported that the District's pump efficiency contractor, Pumpcheck, had completed a production well water level and pump efficiency check. He is working with David Dale in an effort to reduce the future decline in water levels in two of the wells. The pump in Well 12 will eventually need to be replaced, but not yet.

C. Discussion and possible action regarding offering remote access to the public for Board meetings: The attorneys for AAWARE, located in Los Angeles, had requested remote access to public Board meetings. Ms. Foster noted that none of her other public agency clients offered this service. *MSC: Estep/Delahay responding that it is not the intention of the Board to provide telephonic appearances at Board meetings. Director Marshal Brecht voted no, and all other Board members present voted aye.*

III. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

Ms. Pitman reported that the auditors would be visiting the District in June but have not yet designated the data they plan to review.

2. Due-Diligence

No report.

3. Strategic Planning Committee/IRWM

Director Lyle Brecht reported that a Governance Committee meeting has been scheduled.

4. Executive Committee

No report.

5. Operations & Management Committee

Director Marshal Brecht reported that the Committee met Monday and worked on the LGA grant application. The funds would be used to determine nitrate levels in the groundwater. Mr. Rolwing reported that a request of approximately \$70,000 was anticipated, which would provide for 20 testing sites.

Mr. Rolwing reported that the Committee also discussed a possible rate increase. They preferred 20 percent to 30 percent, or might consider a 30 percent increase for water with the meter charge to remain the same. A draft budget proposal will be presented at the next Board workshop.

6. Asset Ad Hoc Committee

Director Marshal Brecht announced that letters would be sent soon to other public agencies, as required by the Business and Professions Code, to ascertain their interest in purchasing BWD's property at Clark Lake. The Anza Borrego Foundation has expressed interest, but the others must be offered an opportunity first. Director Lyle Brecht suggested asking Ms. Foster whether the District could accept ABF's offer without waiting 60 days, in the event the other agencies decline the opportunity before that.

7. Christmas Circle Committee

Director Estep reported that the Committee had been discussing the overall park situation and had some ideas, depending on input from LAFCO.

8. Negotiating (Montesoro)

Director Lyle Brecht pointed out that the Committee name should be changed to "Negotiating (Rams Hill)." Director Estep reported the Committee had met with homeowners to review the contract for the partial sale of Well 12. Mr. Rolwing reported that the foreclosure sale was scheduled for July 11. The property involved is all vacant, and the foreclosure arises from delinquent Mello Roos payments.

9. Development Committee

Development Committee activities were covered in the Manager's Report.

IV. STAFF REPORTS

A. Water and Wastewater Operations Report - April 2012:

B. Water Production/Use Records - April 2012:

Mr. Rolwing noted that less water is being used due to golf course closures and conservation. Director Marshal Brecht requested that data for the prior two months be included in the report.

V. INFORMATION ITEMS

None

VI. CLOSED SESSION

None

VII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 10:15 a.m. The next Special Meeting of the Board of Directors is scheduled for June 19, 2012 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for June 27, 2012 at the Borrego Water District.