

**Borrego Water District
CORRECTED MINUTES
Special Meeting of the Board of Directors
Wednesday, October 16, 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
 Wendy Quinn, Recording Secretary
 Public: Kathy Johnston Jim Engelke

- D. Approval of Agenda: *MSC: L.Brecht/Delahay approving the Agenda as written.*
- 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 New Development Fees: Jerry Rolwing invited the Board's attention to the material in the Board package. Director Lyle Brecht questioned the accuracy of footnote 1, regarding an assumed average water consumption, and requested its deletion. President Hart suggested adding a statement that the fees apply to all new construction, including single family homes. Lisa Foster will be consulted. Director Lyle Brecht requested a change in the titles on Agenda pages 12 and 16 to clarify.

Mr. Rolwing noted that the County landscape ordinance applies to Borrego Springs. The Board agreed to investigate the adoption of a separate landscape ordinance for Borrego.

Jim Engelke suggested setting different EDUs for different size houses based on fixture units. Mr. Rolwing suggested adding to the Guest House category, "or casita, less than 800 square feet with one bathroom." He will look into wording in other districts' policies.

Mr. Rolwing pointed out that ID 5 has higher sewer rates because they used to have their own treatment plant. He suggested these rates stay the same until the other IDs catch up.

Discussion followed regarding sewer EDU issues: The ID 2 contract which involved private sewer construction money and requires EDU holder approval to increase rates; the issue of long-time EDU holders who no longer want them; and the current provision that an unused EDU reverts to the District after six months. The matters were referred to the Development Committee.

Mr. Engelke suggested adopting the Uniform Plumbing Code, requiring all properties with access to the sewer to hook up to it.

The Board questioned the provision at the top of Agenda page 5 that the application fee is non-refundable 45 days after the submission of the Application. Mr. Rolwing will modify or delete it.

Director Estep recommended modification of section 13, Resolution of Disputes, to provide that disputes will be referred to the Board, then to mediation, then to arbitration but not necessarily the American Arbitration Association. Ms. Foster will be consulted.

Discussion followed regarding the reduction of mitigation requirements from 2:1 to 1:1 and the proposal that existing water credit holders have the option to use the second credit to satisfy the capacity fee increase. Mr. Engelke believed this was not permissible under the California mitigation law. The Board agreed to ask Ms. Foster to draft some alternative language. President Hart suggested attaching a list of existing water credits.

Director Marshal Brecht pointed out that the total ¾” meter charge (Agenda page 16) should be \$795, not \$765. He further suggested modifying the wording at the top of the page to refer to “capacity fee and lateral installation pre-paid by developer.”

This item will be before the Board for further discussion at the next meeting, with approval tentatively in November and the public hearing in January. Letters to developers and hearing notice will be published as required.

B. Discussion of future climate change and Conservation workshops: Director Lyle Brecht pointed out that USGS did not plan to include climate change in its model, but expects soil temperatures to rise and that agriculture in the Valley will use more water to grow the same amount of crops. He recommended looking into this, since larger districts are planning ahead by reserving funds for the impact of climate change to water supply infrastructure. Mr. Rolwing reported that the Bureau of Reclamation will visit us next month and perhaps provide additional insight.

C. Discussion of potential agenda items for October 24th board meeting: Suggested items for the next agenda included the County mitigation policy and MOU (if available), further discussion of new development fees, presentation of the annual audit, and adoption of a resolution changing the November and December meeting dates (one meeting each month, November 14 and December 12). Mr. Rolwing will include the status of air in the water in his General Manager’s report.

President Hart declared a recess at 11:00 for an ad hoc committee meeting with a representative of the County.

III. CLOSED SESSION

A. Conference with Real Property Negotiator – Reference Government Code section 54956.8:

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| Property: | Rams Hill |
| District Negotiator: | Negotiating Committee |
| Negotiating Parties: | Bill Berkley |
| Under Negotiation: | Price and terms of payment |

The Board reconvened at 11:15 a.m., then adjourned to closed session. The open session reconvened at 12:00 p.m. There was no reportable action.

IV. CLOSING PROCEDURE

Adjournment: There being no further business, the meeting was adjourned at 12:00 p.m. The next Regular Meeting of the Board of Directors is scheduled for October 24, 2012 at the Borrego Water District.