

**Borrego Water District
MINUTES
Regular Meeting of the Board of Directors
and Public Hearing
Wednesday, March 27, 2013
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
 Diana Del Bono, Administrative Assistant
 Lisa Foster, McDougal Love Eckis Boehmer & Foley (via
 teleconference, Item VII)
- Wendy Quinn, Recording Secretary
- Public: Jim Engelke Doug Wilson, Mesquite Trails
 Tom Pantico Kyle Roan, *Borrego Sun*
 Ray Bolanos

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

E. Approval of Minutes:
 Special meeting of February 19, 2013
 MSC: L.Brecht/Estep approving the Minutes of the Special Meeting of February 19, 2013 as corrected (amend Item II.D, last paragraph, in part to read, ". . . an invitation from Bunnie Hamilton Patrick Meehan to join her him, Bill Berkley and De Anza residents the new owners of La Casa del Zorro . . .).

 Regular meeting of February 27, 2013
 MSC: L.Brecht/Estep approving the Minutes of the Regular Meeting of February 27, 2013 as corrected (amend Item II.A, second paragraph, in part to read, ". . . Mr. Berkley had requested the opportunity to uniquely participate in supervise the District's due diligence investigation The developer He also requested access . . . ;" in Item II.A, next to the last paragraph, delete the sentence, "Director Lyle Brecht pointed out that he could come to the District office and review them, but could not make copies;" correct Item II.F to refer to the previous owners, rather than the new owners).

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

G. Comments from the Public and Requests for Future Agenda Items: Doug Wilson reported that the Mesquite Trails development is moving forward. He is working with the County on planning issues and will meet with District representatives next week on water matters.

H. Correspondence: Jack McGrory, new owner of La Casa del Zorro, had written to express his support for Bill Berkley in restoring the Rams Hill Golf Course and to urge the District's support. President Hart asked Jerry Rolwing to respond.

II. CURRENT BUSINESS MATTERS

A. Public Hearing to hear testimony regarding the proposed **POLICY FOR WATER AND SEWER SERVICE TO NEW DEVELOPMENTS and BORREGO WATER DISTRICT DEMAND OFFSET MITIGATION WATER CREDITS POLICY**: President Hart opened the public hearing at 9:10 a.m. Hearing no comments, the public hearing was closed.

B. Consideration and possible approval of **Resolution 2013-03-01 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT APPROVING A POLICY FOR WATER AND SEWER SERVICE TO NEW DEVELOPMENTS**: *MSC: L.Brecht/Estep approving Resolution 2013-03-01, Resolution of the Board of Directors of the Borrego Water District Approving a Policy for Water and Sewer Service to New Developments.*

C. Consideration and possible approval of **Resolution 2013-03-02 RESOLUTION OF THE BOARD OF DIRECTORS APPROVING THE BORREGO WATER DISTRICT DEMAND OFFSET MITIGATION WATER CREDITS POLICY**: *MSC: L.Brecht/Estep approving Resolution 2013-03-02, Resolution of the Board of Directors Approving the Borrego Water District Demand Offset Mitigation Water Credits Policy.*

D. Discussion of and possible approval of Agreement for Consulting Services for David Taussig & Associates: *MSC: L.Brecht/Estep approving the agreement for consulting services with David Taussig & Associates and authorizing Mr. Rolwing to sign it.*

E. Consideration of approval of sewer transfer from Jerry A. Wilkinson to Philip J. Cleary: *MSC: L.Brecht/Delahay approving the sewer transfer from Jerry A. Wilkinson to Philip J. Cleary.*

III. STAFF REPORTS

A. Financial Reports - February 2013: The Financial Reports were covered at the March 19 meeting.

B. Manager/Operations Report: Director Marshal Brecht inquired about Proposition 303 funds. Mr. Rolwing replied that two out of our three applications were approved, and the funds had been used for monitoring wells. President Hart asked about a response from the County regarding water credits for Rudy Monica and Viking Ranch. Mr. Rolwing replied that the County had no problem with Viking Ranch, but they are still reviewing Monica's.

C. Water and Wastewater Operations Report - February 2013:

D. Water Production/Use Records - February 2013:

Mr. Rolwing reported that Well 11 is back in service and operating fine. The total cost was approximately \$80,000.

IV. ATTORNEY'S REPORT

None

V. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

Director Lyle Brecht requested global numbers and approximate dates for the three pumps that failed.

2. Due-Diligence

Director Lyle Brecht reported that the Committee was investigating refinancing opportunities. Mr. Rolwing confirmed that the Committee should also look into water credit pricing.

3. Strategic Planning Committee/IRWM

President Hart reported the Committee had held a series of public meetings during the last couple of months to answer questions from Mr. Berkley, prepare the RFP for consulting services relative to his project and plan for the Town Hall Meeting. Director Lyle Brecht added that the Committee had also met with the Borrego Water Coalition.

4. Executive Committee

No report.

5. Operations & Management Committee

Mr. Rolwing announced that the Committee would be scheduling a meeting soon.

6. Parks Committee

No report.

7. Negotiating (Rams Hill)

Director Lyle Brecht noted that this effort had been moved to the Strategic Planning Committee. Director Estep recommended that the Negotiating Committee be disbanded.

8. New Development/Water Credits Committee

The Board agreed to disband this Committee.

9. Asset Ad Hoc Committee

President Hart referred to an offer received last month for the purchase of real property, which the District elected to deny at that time. The bidder has since increased the offer, but it was the consensus of the Board not to accept it.

VI. INFORMATION ITEMS

None

VII. CLOSED SESSION

A. Conference with Legal Counsel - Anticipated Litigation; significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Section 54956.9. Two cases: The Board adjourned to closed session at 9:30 a.m., and the public meeting reconvened at 11:00 a.m. There was no reportable action.

VII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 11:00 a.m. to the Town Hall Meeting, 4:00 p.m., March 27, 2013 at the Performing Arts Center, 590 Palm Canyon Drive. The next Special Meeting of the Board of Directors is scheduled for April 16, 2013 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for April 24, 2013 at the Borrego Water District.