

**Borrego Water District
MINUTES
Regular Meeting of the Board of Directors
Wednesday, March 26, 2014
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
 Wendy Quinn, Recording Secretary
Public: Jan Naragon Ray Shindler
 Gil Lombard

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

E. Approval of Minutes:

Special meeting of February 18, 2014

MSC: L.Brecht/Estep approving the Minutes of the Special Meeting of February 18, 2014 as written.

Regular meeting of February 26, 2014

MSC: L.Brecht/M.Brecht approving the Minutes of the Regular Meeting of February 26, 2014 as corrected (spelling of Director Marshal Brecht's name corrected on Agenda page 5, Item II.C).

Special meeting of March 6, 2014

MSC: L.Brecht/Estep approving the Minutes of the Special Meeting of March 6, 2014 as written.

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

G. Comments from the Public and Requests for Future Agenda Items: None

H. Correspondence: Jerry Rolwing announced that he would report correspondence received recently at the next meeting.

II. CURRENT BUSINESS MATTERS

A. Discussion and possible approval of Genus L.P. request for water credits on Pepper Farm property: President Hart requested that this item be tabled pending further discussions with Genus L.P. owners and receipt of information from the County.

B. Final review of agenda for the Town Hall meeting scheduled for March 27th: Director Lyle Brecht noted that Claudia Faunt's presentation had been lengthened from 15 minutes to 20 minutes. Mr. Rolwing pointed out that Dr. Faunt's and Greg Krzys's presentations had been moved up ahead of his, per the Board's request.

C. Possible approval of a 2 pp. grant application to the County's Neighborhood Reinvestment Program in the amount of \$35,000 to be used with other matching community funds for a one-year bridge funding for continued Borrego Water Coalition administrative costs

until more permanent GWM administrative funding is in place: Director Lyle Brecht explained that the DWR has cut funding to the Borrego Water Coalition, so the BWC is in need of administrative cost coverage. The group would like to continue with its current facilitator and economist, and is requesting that BWD serve as the applicant for the proposed grant application. BWC anticipates a \$35,000 donation from AAWARE, another local organization and hopefully BWD. *A motion was made by Director Lyle Brecht to approve the grant application on the condition that the anticipated funds from other sources are forthcoming.* Mr. Rolwing pointed out that the grant application is actually four pages, and a multitude of e-mails will follow. Supervisor Horn's staff has informed him that the proposed grant funds may not be used for the intended purpose. The County is investigating other funding sources and the possibility of a County-supplied facilitator. Tax money collected by BWD from property owners, not necessarily rate payers, might be contributed.

Ray Shindler noted that some residents have expressed concern regarding the donation by BWD of "public money," as opposed to the private money proposed by AAWARE. Director Lyle Brecht explained that the funds would not go to BWC, but to an intermediary financing agent, perhaps ABF or BWD. He added that the aim of the proposal is to finance the Groundwater Management Plan. *In view of the subsequent discussion, Director Lyle Brecht withdrew his motion.*

D. Review of planning calendar: Director Lyle Brecht offered a couple of questions and a correction to the planning calendar. Kim Pitman suggested expanding it to two pages to facilitate reading.

III. STAFF REPORTS

A. Financial Reports - February 2014: Ms. Pitman explained that the differences between the actuals and projected figures are due to the T2 agreement payments. In response to President Hart, Ms. Pitman reported that Wells Fargo Bank had denied the District's request for a \$1 million line of credit. The bank will get back to us as to how much they are willing to offer.

President Hart inquired about the status of the District's data processing services. Ms. Pitman reported that Data Stream will be closing its doors in a couple of years and is investigating a partnership with a Microsoft-based company which appears to meet all BWD's needs. Ms. Pitman and Director Marshal Brecht plan to attend a seminar in May to learn more.

B. General Manager/Operations Report: Mr. Rolwing invited the Board's attention to the DWR water level data from monitoring wells, attached to his written report.

C. Water and Wastewater Operations Report - February 2014: Mr. Rolwing reported there were some water losses in ID-1 since the former Well 12 agreement had been replaced by the new one.

A new meter replacement program will be included in next year's budget.

D. Water Production/Use Records - February 2014: The Water Production/Use Records were included in the Board package.

IV. ATTORNEY'S REPORT

None

V. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

Director Lyle Brecht asked when completion of this year's audit was expected, noting that last year's was later than anticipated. Ms. Pitman replied that staff had supplied all the necessary information early, and the process should be faster since this is the second year these auditors have served the District. The Committee agreed to meet during the second week of April.

2. Due-Diligence

No report.

3. Strategic Planning Committee/IRWM

President Hart reported that the Committee met with the Borrego Water Coalition.

4. Executive Committee

No report.

5. Operations & Management Committee

President Hart reported that the Committee met this morning and discussed repairing Well 16, which needs general cleaning and maintenance and a new pump. Mr. Rolwing reported that Tandem Solar is working on a proposal to provide power to the wastewater treatment plant.

6. Parks Committee

No report.

7. Asset Ad Hoc Committee

President Hart reported the Committee had been working on water credit issues with Genus L.P. and also with Lane Sharman and Rudy Monica. They are negotiating with the County to obtain Mr. Monica's remaining credits, and Morton Park is assisting.

8. Personnel Committee

No report.

9. Negotiating Committee

President Hart reported that the Committee is working with Lance Lundberg on changes to his agreement with the District.

VI. INFORMATION ITEMS

None

VII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 10:30 a.m. The Town Hall meeting is scheduled for Thursday, March 27, 2014, 4:00 p.m. at the Performing Arts Center. The next Special Meeting/Budget Workshop of the Board of Directors is scheduled for April 22, 2014 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for April 23, 2014 at the Borrego Water District.