

**Borrego Water District
MINUTES
Regular Meeting of the Board of Directors
Wednesday, May 28, 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
Greg Holloway, Operations Manager
Diana Del Bono, Administrative Assistant
Morgan Foley, McDougal Love Eckis Boehmer & Foley (via teleconference, Item VII only)
Wendy Quinn, Recording Secretary

Public: Jim Engelke Bob McKee
Jeannie Beck, *Borrego Sun* Kathy Johnston

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

E. Approval of Minutes:

Special meeting of April 3, 2014

MSC: L.Brecht/M.Brecht approving the Minutes of the Special Meeting of April 3, 2014 as written.

Special meeting of April 22, 2014

MSC: L.Brecht/M.Brecht approving the Minutes of the Special Meeting of April 22, 2014 as written.

Regular meeting of April 23, 2014

MSC: L.Brecht/M.Brecht approving the Minutes of the Regular Meeting of April 23, 2014 as amended (Item II.C, third sentence, delete “and how they might be affected by resolution of the overdraft”; Item II.F, first sentence, revise in part to read, “. . . the yearly Raftelis cost analysis for ID-1”)

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

G. Comments from the Public and Requests for Future Agenda Items: Bob McKee referred to the Board’s action last week to approve payment to a facilitator for the Borrego Water Coalition. He pointed out that the BWC website states there are no costs associated with the organization. President Hart assured him that the website would be updated.

H. Correspondence: None

II. CURRENT BUSINESS MATTERS

A. Discussion of FY 2014-2015 surplus water for Rams Hill Golf Course: Jerry Rolwing reported he had notified Rams Hill that 610 acre-feet of spare capacity would be

available to the golf course for the year. To date they have used 187 acre-feet, and they plan to use more water in July and August to keep the course going rather than reseeding in the fall.

B. Discussion of future availability of USGS Model: Mr. Rolwing reported that Claudia Faunt of USGS had approved access to the model for BWD and Dudek Engineering. A water quality component still needs to be incorporated, and USGS recommended depth-dependent sampling. Cost estimates are being compiled. Director Lyle Brecht recommended sharing the USGS figures with the Bureau of Reclamation, DWR and economist Roger Mann, who is assisting the Borrego Water Coalition. Mr. Rolwing agreed to request USGS's permission.

C. Review of planning calendar: Director Lyle Brecht requested larger type, and President Hart pointed out that the Town Hall Meeting date needs to be changed.

III. STAFF REPORTS

A. Financial Reports - April 2014: Kim Pitman noted significant items in the Financial Reports. The income from meter fees declined because eighteen meters were removed from vacant lots at Rams Hill and written off. Repairs and maintenance were up due to repairs on the backhoe and a water main break. Additional engineering and legal fees were incurred relative to negotiations with Rams Hill. The ACWA insurance premium decreased.

B. General Manager/Operations Report: Mr. Rolwing reported that USGS and the Bureau of Reclamation are finalizing their reports. He has been working with the County on the water credit issue. President Hart offered to assist. Mr. Rolwing met with Bill Wright recently to discuss the necessary infrastructure for service to the new library.

Director Estep inquired about public concerns relative to water use at the solar facilities. Mr. Rolwing explained that as long as the providers abide by County regulations, the District is obligated to sell them water upon request. Director Lyle Brecht noted that the District is working with the County to cooperate on future issues such as this, as part of the Groundwater Management Plan update.

Mr. Rolwing reported that T2 Borrego has not yet agreed to the Raftelis analysis of availability fees at Rams Hill, but neither have they voiced any objections. President Hart said that the Strategic Planning Committee would follow up.

C. Water and Wastewater Operations Report - April 2014: In response to Director Delahay, Mr. Rolwing reported that repairs to the pump in Well 16 are proceeding, in collaboration with San Diego Gas and Electric.

Director Delahay reported that the Operations and Management Committee had discussed the use of solar energy at the treatment plant, and a question arose as to the effect of the debt on the District's credit rating. Director Marshal Brecht had some relevant information from De Anza which he had not yet had an opportunity to review. He pointed out that one proposal had been received, and others should be solicited. The Board agreed to prepare an RFP with David Dale's help, requesting alternate proposals for purchase of the system versus contracting to buy the resulting power.

D. Water Production/Use Records - April 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 reported that the Committee was working on financial highlights and a transmittal letter.

2. Due-Diligence

No report.

3. Strategic Planning Committee/IRWM

Director Lyle Brecht reported that the Committee was working on policy recommendations and a presentation for the public Borrego Water Coalition meeting.

4. Executive Committee

President Hart reported that negotiations with Lundberg had stalled, but the agreement with Genus had been concluded. They have agreed that the District may use their well as a monitoring well. Mr. Rolwing agreed to check with DWR to see if they have a format for an agreement to document this arrangement.

5. Operations & Management Committee

Director Delahay reported that the Committee was working on solar energy and Well 16.

6. Parks Committee

No report.

7. Asset Ad Hoc Committee

No report.

8. Personnel Committee

No report.

9. Negotiating Committee

No report.

10. CFD Committee

Director Estep reported that the Committee discussed selection of a bond attorney and was seeking someone local.

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 Government Code section 54956.9. One potential case: **President Hart declared a recess at 10:35, and the closed session reconvened at 1:00 p.m. The open session reconvened at 2:30 p.m. There was no reportable action.**

VIII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 2:30 p.m. The next Special Meeting of the Board of Directors is scheduled for June 17, 2014 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for June 25, 2014 at the Borrego Water District.