

C. Discussion and possible approval of Raftelis Water and Wastewater Utility Rate Analysis Contract: Mr. Rolwing reported that the District's attorney and engineer had reviewed and approved the contract. Director Estep pointed out that page 2, article 4 should refer to the District's request, not the City's. ***MSC: L.Brecht/Delahay approving Raftelis Water and Wastewater Utility Rate Analysis Contract with the correction noted.***

D. Discussion and possible approval of Tandem Solar proposal for Solar Power Purchase Agreement: Mr. Rolwing reported that due diligence relative to the Tandem Solar proposal had not been completed. Peter Vogel of Tandem distributed a summary of the proposal and offered to answer questions.

E. Discussion and possible approval of Viking note refinancing: Director Lyle Brecht summarized the Due Diligence Committee's proposal to retain Stern Brothers to handle refinancing of the Viking note. He noted that he and Director Marshal Brecht had some differences of opinion as to cashing out versus refinancing and the amortization, but both agreed that this was a good time to begin the process. Director Estep requested that the action be delayed until Director Marshal Brecht could be present, and President Hart noted that a special meeting could be called if necessary.

F. Discussion and possible approval of 3rd Amendment to Lundberg Agreement: President Hart reported that she, Director Estep and District counsel had reviewed the proposed amendment. ***MSC: L.Brecht/Estep approving the 3rd Amendment to the Lundberg Agreement.***

G. Review of planning calendar: Diana Del Bono reported that she had made the changes to the planning calendar proposed by Director Lyle Brecht at the last meeting.

III. STAFF REPORTS

A. Financial Reports – July and August 2014: Ms. Pitman invited the Board's attention to the Financial Reports, included in the Board package.

B. General Manager/Operations Report: Mr. Rolwing reported that the USGS expects to have its report out by the end of the year. The Bureau of Reclamation report is expected soon. Mr. Rolwing invited the Board's attention to David Aladjem's report on the new Groundwater Management legislation, included in last week's Board package.

Mr. Rolwing reported he met with the DWR Deputy Chief regarding the IRWM and received approval to phase our plan, starting with Borrego Valley and adding other areas gradually. However, BWD's planning grant application consultant, RMC, does not believe this is an option. Mr. Rolwing is working to resolve the issue.

Pursuant to the Board's authorization at its July meeting, Mr. Rolwing issued water credits to Genus and recorded the Monica easement. Water credit agreements for Dan Wright, the Center Pivot Palm Grove and the Fortiner property are still pending.

Greg Holloway reported there had been a main break in Club Circle. A second pressure reducing valve is being installed, and replacement of old pipes is expected to be completed in October or November.

Because of the change in ownership of the Mall, the crew is in the process of installing a master meter and a backflow prevention device.

Well 16 is working well and supplying most of the water to Rams Hill.

Discussion followed regarding problems with the private sewer system on the Cameron property and whether they could affect the BWD system. President Hart suggested that the Operations and Management Committee look into it and possibly seek legal advice.

Mr. Holloway reported that the blower at the wastewater treatment plant had been replaced, and a contractor will be making permanent repairs to the corroded pipe next week. Some odor problems have been traced to grease traps at La Casa Del Zorro.

C. Water and Wastewater Operations Report – July 2014:

D. Water Production/Use Records - July 2014:

E. Water and Wastewater Operations Report – August 2014:

F. Water Production/Use Records – August 2014:

President Hart invited questions regarding the reports.

IV. ATTORNEY'S REPORT

None

V. COMMITTEE REPORTS & PROPOSALS

Ad Hoc Committees

1. Audit Committee

Ms. Pitman announced that the annual audit had been completed. Director Lyle Brecht suggested scheduling the audit report at the same time as the Viking note refinancing, if a special meeting is called. President Hart noted that another option would be a teleconference.

2. Due-Diligence

This report was presented earlier in the meeting.

3. Strategic Planning Committee/IRWM

President Hart reported that the Committee had been working with the Borrego Water Coalition and Mr. Rolwing on the Groundwater Management Plan update.

4. Executive Committee

No report.

5. Operations & Management Committee

This report was presented earlier in the meeting.

6. Parks Committee

No report.

7. Asset Ad Hoc Committee

President Hart reported that the Committee had completed the water credit policy update in July.

8. Personnel Committee

No report.

9. Negotiating Committee

President Hart reported that the Committee had reviewed the Lundberg documents and agreed to the amendments proposed by Lundberg's attorney.

10. CFD Committee

Director Estep reported that one of the bond attorneys the Committee was considering was not interested in the position. The other candidate will be invited to a future Board meeting.

VI. INFORMATION ITEMS

President Hart requested that date changes for the November and December Board meetings be considered in October.

Tracey Alexander circulated items for sale at the Center Market (lip balm and candy) labeled with vulgar four-letter words. He was concerned about their exposure to children and urged the District's support and a boycott of the market.

VII. CLOSED SESSION

Conference with Legal Counsel – Anticipated Litigation

A. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. One potential case:

This item was deleted from the Agenda.

VIII. CLOSING PROCEDURE

There being no further business, the Board adjourned at 10:30 p.m. The next Special Meeting of the Board of Directors is scheduled for October 14, 2014 at the Borrego Water District. The next Regular Meeting of the Board of Directors is scheduled for October 22, 2014 at the Borrego Water District.