

Curt Yaws thanked the Board for its consideration and expressed his desire to reach sustainability. Director Johnson asked how much the School District would save by using the BSUSD well, and Mr. Stevens estimated he was now spending \$10,000 a month to irrigate the high school. Tim Fletcher, Vice President of the California Teachers' Association Board, appreciated the BWD Board's consideration.

G. Comments from Directors: None

H. Correspondence Received from the Public: None

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Borrego Water District and Community Water Master Board Representative Responsibilities/Term: Mr. Poole announced the public forum next week to select the community representative on the Water Master Board. He invited the Board's attention to a proposed list of responsibilities and term in the Board package. President Dice requested clarification of paragraphs 1 and 3 and had drafted some suggested language. Director Johnson pointed out that the proposal contemplates the nominating committee serving an ongoing role, and she wondered if the committee members realized this. Mr. Poole agreed to make sure they did.

B. Water Master Community Representative Forum: Mr. Poole announced that the public forum was scheduled for February 4 and 5:30 p.m. at the Library. The candidates are Mark Jorgensen, Rebecca Falk and Martha Deichler. Bri Fordem opted out. Information and proposed questions have been distributed to the candidates. The forum will be an official Board meeting.

C. SB 998 Delinquent Payments Policy: Mr. Poole reported that Diana Del Bono had updated the District's delinquent payments policy to comply with SB 998. Ms. Del Bono invited the Board's attention to the draft policy in the Board package, which deals with discontinuation of water service for nonpayment and sets forth policies and procedures. Information will be included in the next water bills. SB 998 requires that the policy be available in a number of specified languages and posted on the BWD website. Provisions are included in the policy for health issues and alternative payment arrangements. Changes were also made to the District's Administrative Code to comply with the revised policy. The District was essentially following the Bill's provisions already, but one significant change was that the General Manager can enforce collection of delinquent payments by liening the property. ***MSC: Brecht/Delahay approving the SB 998 Delinquent Payments Policy.***

D. San Diego County Land Code Development Update: Director Brecht explained that years ago, during planning for the Rudyville development, the County, BWD and the Sponsor Group worked together on land use issues. They arose again during the GSP planning process, and it became clear that more cooperative efforts were needed. The County has authority over land use, but their decisions have significant impact on the District; for example, well abandonment. There is no County enforcement, and there are significant public health issues. The District has a developers' policy, but it doesn't include all financial risks. Director Brecht asked the Board if they would consider a letter to the County saying the District is interested in being part of the land use planning process. Director Duncan pointed out that SB 252 requires consultation with water districts when counties issue well permits in critically overdrafted basins, and this has not been happening here. Director Brecht observed that current County policies are impediments to achieving SGMA objectives. He suggested that someone present a letter to the Sponsor Group, and offered to work on it, stressing financial risks to the District and its ratepayers. President Dice and Director Johnson will help, and President Dice will present the letter to the Sponsor Group.

E. Update on Status of Settlement Agreement/Stipulated Judgment: Mr. Poole reported that as of last evening, 86.7 percent of the pumpers had signed the stipulation. Director

Brecht requested the date the stipulated judgment is being submitted to the court, the percent of pumping allocation signed and the date of application for an injunction (for the audit).

III. STANDING AND AD-HOC BOARD COMMITTEE REPORTS

A. STANDING:

1. Operations and Infrastructure. Mr. Poole reported that the Committee would schedule its next meeting following today's Board meeting

B. AD-HOC:

1. Stipulated Judgment Implementation. No report.
2. Risk Management. No report.
3. Grant Funding. No report.
4. Association of California Water Agencies/Joint Powers Authority. No report.

5. Organizational Staffing. No report.
6. Prop 218 and BWD Developers' Policy. No report.
7. Town Hall 2020 Agenda. President Dice planned to set a date for the Committee to work on the agenda.

IV. STAFF REPORT

A. Financial Reports:

November 2019

December 2019

President Dice offered to answer questions on the Financial Reports.

B. Water and Wastewater Operations Report:

December 2019

The water and wastewater operations report was included in the Board package.

C. Water Production/Use Records:

December 2019

Director Delahay noted that the District produced less than 1,500 af during the past 12 months due to rainfall, so water was saved but revenue was less.

D. General Manager Report: Status Update and Verbal Discussion of:

1. BS Basin Groundwater & Water Quality Monitoring Program (+well abandonment). Mr. Poole reported he had been working with John Peterson and Jay Jones on water quality and groundwater elevation. The frequency of water sampling has been accelerated, and the team is continuing to look for new areas for monitoring wells. There are 31 now. The goal is to gather as much data as possible for the lowest cost. Mr. Peterson noted he had been working for the District on and off since 2003, repeating his mantra, "data not gathered is data lost." He felt there was not enough information about groundwater quality to ask intelligent questions. He wanted to gather more information about existing contaminants. Dr. Jones pointed out that the GMP identifies data gaps, such as how water quality changes with depth.

Mr. Peterson showed a map of existing monitoring wells. He explained that 80 percent of the inflow comes from Coyote Canyon and ends up in the Sink. He wanted to add wells in the area that is now unrepresented. The question is not when we will run out of water, but when we will run out of cheap water. Mr. Poole noted that instead of drilling new monitoring wells, he hoped to use existing production wells, after contacting the property owners. Mr. Peterson wanted to identify the contaminants on which to concentrate. Now it sometimes take a whole day to get a sample from one well, whereas using existing production wells, 25 samples could be collected in a day. Director Duncan suggested that this task be referred to the Water Master Board.

2. Grants Update. Rick Alexander reported on the status of the District's two large pending grant applications, for the wastewater treatment plant upgrade and the rebuilding

of the water distribution system. During the last month he spent a lot of time responding to comments on the cultural resources survey, particularly from tribes. The archeologist updated the report to expand the protocol should a tribal sacred site be encountered during construction.

Mr. Alexander announced that the project officer from the State Water Resources Control Board had cleared the treatment plant grant and the implementation agreement is being drafted. The water distribution project is under overall review. If plans for replacement of the Twin Tanks and Indian Head Tank are changed, this will need to be addressed in the grant application.

Mr. Alexander reported that he checked with the Air Pollution Control District regarding the Wilcox well. The grant application should be submitted before the existing permit expires, so he will be ready to apply as soon as the funds become available. The APCS has asked District staff to keep a monthly log of wells in operation on the first of each month.

The Bureau of Reclamation has rejected an initial inquiry into funding for the Coyote Creek acquisition and rehabilitation project. They are currently prohibiting acquisition of public land unless it is directly related to something they already own and operate or in response to a national emergency. However, other funding sources are available, and Mr. Alexander will begin inquiries. He is also following up on solar grant opportunities for well sites.

President Dice inquired about a possible grant for air quality management, and Mr. Alexander replied he was working with David Garmon and would be meeting with Supervisor Desmond and Assemblyman Randy Voepel. President Dice announced she would be attending the upcoming town hall meeting with Congressional candidate Brian Jones and would discuss her proposed input with Mr. Alexander in advance.

Director Brecht pointed out that in the next three years the District will need another \$5 million CIP, and he hoped to obtain a low interest loan. Mr. Alexander will work with Mr. Poole to investigate the options. Gary Haldeman asked about financing for long-term purchase of water, noting that the ratepayers are concerned. Director Brecht replied that it would not be needed for six or seven years, and President Dice added that although the District is not actively pursuing it, if an opportunity came up it would be investigated. Currently infrastructure is the priority.

Director Duncan reported that there is a grant opportunity through the California Department of Fish and Game which could enable the District to buy farmland. An application will be filed when it comes up later this year.

3. Updated Borrego Springs Sub Basin Well List. Meet Panchal reported that there are 221 wells in the Sub Basin, including active, inactive and unknown status; agricultural, domestic, industrial, monitoring and recreational. The Board requested a written report for the next meeting. Mr. Poole pointed out that it is important to address the inactive and unknown wells and find out which have been improperly abandoned. Director Brecht recommended sending Mr. Panchal's written report to the County Department of Environmental Health with a cover letter and a copy to Supervisor Desmond. Director Duncan suggested that because improperly abandoned wells are a public health issue, grant funding might be available. He asked Mr. Alexander to investigate.

4. SB 929 Website Revisions. Mr. Poole reported he had made the changes to the BWD website required by SB 929. They include having a working website, contact information for the District, the most recent Agenda, the State Controller's reports for the District's financial transaction report, Board and staff compensation report, an enterprise system catalog, fee information and SB 998 policy. Director Brecht asked whether the ENSI report was posted, and Mr. Poole replied that it was in previous Board packages. He will provide a link.

5. Risk Management Policy. Mr. Poole reported that staff was working with Brian Brady on the risk management policy and he would have a report in February.

6. US Gypsum Acquisition of Viking Ranch. Mr. Poole reported that US Gypsum was recommending acquisition of the Viking Ranch property, but the purchase has not yet been negotiated.

7. Projected Bond Financed Project Expenditures Jan. 2020 thru Jul. 2022. Mr. Poole reported that \$3.1 million of the \$5.6 million available has been expended. The remaining \$2.5 million will be spent on Replacement Well #2 (\$1.5 million), Phase II Pipelines (\$400,000), sewer system upgrades (\$500,000) and fire hydrant repairs.

8. Finance Officer Advertising. Mr. Poole announced that Kim Pitman would be retiring in June. The deadline for applications is February 15.

9. Materials Distributed at January 14th meeting.

a. WM Board Candidate Questions (see Item II.B). Mr. Poole invited the Board's attention to materials in the Board package, which were distributed following publication of the January 14 Agenda. The materials have been distributed to the community WM Board candidates, and they are submitting bios.

V. CLOSED SESSION

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to Government Code paragraph (3) of subdivision (d) of Section 54956.9 (Three (3) potential cases):
The Board adjourned to closed session at 10:50 a.m., and the open session reconvened at 12:15 p.m. There was no reportable action.

VI. CLOSING PROCEDURE

The next Board Meeting is scheduled for February 11, 2020 at Borrego Water District, 806 Palm Canyon Drive, Borrego Springs, CA 92004. There being no further business, the Board adjourned at 12:15 p.m.