

Borrego Water District Board of Directors

MINUTES

Special Meeting

May 12, 2020 @ 9:00 a.m.

806 Palm Canyon Drive

Borrego Springs, CA 92004

I. OPENING PROCEDURES

- A. Call to Order: President Dice called the meeting to order at 9:15 a.m.
- B. Pledge of Allegiance: Those present stood for the Pledge of Allegiance.
- C. Roll Call: Directors: Present: President Dice, Vice-President Brecht, Secretary/Treasurer Duncan, Delahay, Johnson

Staff: Geoff Poole, General Manager
 Jessica Clabaugh, Finance Officer
 David Dale, District Engineer
 Esmeralda Garcia, Administrative Assistant
 Wendy Quinn, Recording Secretary

Public: Rebecca Falk Emilio Vargas
 Tamara Kahn

D. Approval of Agenda: **MSC: Brecht/Johnson approving the Agenda as written.**
The roll call vote was unanimous.

- E. Approval of Minutes: None
- F. Comments from the Public and Requests for Future Agenda Items: None
- G. Comments from Directors: None
- H. Correspondence Received from the Public: None

II. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION

A. Fiscal Year 2020-21 BWD DRAFT Budget and Capital Improvement Plan:
Geoff Poole reported that the second version of the 20-21 budget incorporated comments from the last meeting and the Budget Committee and new information regarding the CIP. He pointed out that this version of the CIP doesn't take economics into consideration; he and the Budget Committee will address that next. In general the included projects are recommended due to aging infrastructure or for increased operational flexibility. An updated version will be presented to the Board at its next meeting.

Jessica Clabaugh presented slides outlining the proposed budget. Director Brecht requested that they all be converted to portrait format. Ms. Clabaugh noted that there were not many changes to the draft budget presented at the last meeting. No rate increases are included. Director Brecht noted that the budget would be reworked in September.

Mr. Poole explained the well rehabilitation process, how the pumps can become clogged and require extensive cleaning every five years. There are nine wells, so about one per year is cleaned. This is a maintenance expense and has been included in the budget.

Ms. Clabaugh reported that David Dale's engineering fees had been included in the budget. Mr. Poole added that his work would include hydraulic monitoring, engineering for replacement reservoirs, and the Phase 2 pipeline project in De Anza. His services will be charged to the specific projects, the same as Dudek. Director Brecht questioned the projected expense for groundwater monitoring, and Mr. Poole agreed to double check.

Director Johnson inquired about the possible effect of the WMB on liability insurance. Mr. Poole explained that the WMB would not affect BWD's insurance, but conversations with JPIA have begun regarding acquisition of policies for WMB.

Director Brecht asked whether the three reservoir replacement projects would still proceed if the pending grant application is not approved. Mr. Poole replied that the Twin Tanks are of greatest concern. The other two (Indian Head and Rams Hill #2) are recommended but not critical. He explained there are three grants under consideration: Part of the SDAC grant, \$240,000 for site investigation and pilot hole drilling for Replacement Well #2; wastewater treatment plant upgrade; and \$1.5 million for replacement of the three tanks. Director Brecht pointed out that if the Twin Tanks need to be replaced, the District should be prepared to proceed without the grant if necessary.

Mr. Poole will have a detailed report on the CIP and an engineer's letter at the next meeting. Director Brecht requested that the CIP schedule be cleaned up to make it easier to read. Ms. Clabaugh added that the Risk Management Policy would be attached to the budget, as well as a grants narrative and a professional services budget.

B. Preliminary Engineering Report – Reservoir Replacement Alternatives: Mr. Poole referred to the preliminary engineering report on replacement of the Twin Tanks, Indian Head Tank and Rams Hill Tank #2. Staff had been considering construction of a reservoir adjacent to Well 4-9 or near Palm Canyon Resort as alternatives to replacement of the tanks on their current sites. A grant application is pending.

Mr. Dale reported that he had evaluated the alternatives and concluded that replacement of the tanks in their current locations is the best option. A new tank at the Well 4-9 site would be more expensive and complex, and would incur higher operational and maintenance costs. Director Duncan pointed out that the Indian Head and Rams Hill #2 tanks are primarily for emergency service.

III. STAFF REPORTS

A. Presentation on New Online Water/Sewer Bill Payment Methods: Mr. Poole reported that the online bill payment system is now fully operational. Esmeralda Garcia took the Board through the steps on the BWD website that customers would follow in order to access the new procedures. At the top of the site, there is a "Pay My Bill" option which takes the user to a list of necessary information (account number, name, and company name if a business). There is a 2.75 percent transaction charge, plus 50 cents if the bill is under \$100. The customer has a choice to use a credit card or withdrawal from bank account. There is a \$1.00 charge to use the bank account. The service may be used as a one-time payment, or set up to continue monthly. So far between 30 and 40 customers have used the system.

B. COVID 19 Update:

1. Employee/Customer Protections. Mr. Poole reported that District employees are continuing to practice appropriate health and safety recommendations. There have been no incidents related to COVID. President Dice thanked Val and Alan for their help during recent water shut-offs and asked Mr. Poole to convey it to the employees.

IV. CLOSED SESSION:

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to paragraph (3) of subdivision (d) of Government Code Section 54956.9: (One (1) potential case):

B. Conference with Legal Counsel – Existing Litigation (*BWD v. All Persons Who Claim a Right to Extract Groundwater, et al.*, San Diego Superior Court case no. 37-2020-00005776):

C. Replacement Well Number Two Site – Conference with Real Property Negotiators (Govt. Code Section 54956.8); Property APN: APN 198-021-08, 77.95 acres; BWD Negotiator: Geoff Poole; Negotiating Parties: Geoff Poole, General Manager, and Owner: Borrego Nazareth; Under Negotiation: Price and Terms of Payment:

The Board adjourned to closed session at 10:25 a.m., and thereafter, the open session reconvened. There was no reportable action.

V. CLOSING PROCEDURE

The next Board Meeting is scheduled for May 26, 2020 at Borrego Water District, 806 Palm Canyon Drive, Borrego Springs, CA 92004. There being no further business, the Board adjourned.