

Mr. Poole reviewed changes recommended by Best Best & Krieger. They included reference to the well site as property “formerly owned by the Borrego Unified School District”; the lowest responsible, responsive bidder or best value; changes to the terms “description of payment,” “cost proposal” and “bid schedule” and other wording changes; deletion of the section on changes occurring after pre-qualification; and addition of provisions on critical supply shortage and force majeure. Esmeralda Garcia agreed to make the changes.

Mr. Ilkhanipour responded to comments and questions from Ms. Baker. She questioned why the warranty was only a year, and Mr. Ilkhanipour replied that it was standard in California. She asked why the well wouldn’t be used for monitoring, and he explained there were two monitoring wells nearby. In response to her inquiry about water quality sampling, he pointed out that it was labor intensive and expensive. As in Well 4-9, the new well will be constructed to prevent intrusion of nitrates. Mr. Ilkhanipour went on to explain that the contractor will provide a pump and generator during construction. After completion, the District will purchase a permanent pump. As for noise concerns, the site is over 1,000 feet from the closest residents. Mr. Ilkhanipour suggested notifying residents there may be noise for two months during drilling. Director Johnson noted that the County Department of Environmental Health is inspecting Santiago Estates, which is near the job site. Mr. Poole will discuss the issue with Mr. Dale and Trey Driscoll.

MSC: Johnson/Brecht approving the plans and specifications for the ID 5-X Well. The motion passed by unanimous roll call vote of those present.

B. FY 2020-21 Budget Revisions, Including Water and Sewer Rate Discussion: Jessica Clabaugh presented a review of the first quarter 20-21 budget. Revenues are at 30 percent of total budget, and were 29 percent last year. She reminded the Board that they had chosen not to implement the approved six percent water/four percent sewer rate increases at the beginning of the fiscal year. Staff recommends enacting them effective January 1, 2021. Ms. Clabaugh is working with Raftelis on suggested rates after 2021. The proposed rate increases for 20-21 will result in a \$114,000 increase for the remainder of the fiscal year. Director Brecht recommended using a cash basis rather than accrual to estimate the revenue increase. He also suggested showing how the cash taken from reserves was used.

Director Duncan expressed concern regarding the groundwater management legal budget of \$85,000 and the fact that nearly \$80,000 has already been spent. Discussion followed regarding expenses related to the stipulated judgment lawsuit and service of process. Steve Anderson explained that legal costs will increase if anyone challenges the lawsuit and a trial is necessary. He suggested adding a \$100,000 cushion to the GWM legal budget, and the Board concurred.

C. Air Quality Monitoring Program Funding: President Dice reported that the Borrego Valley Endowment Fund had agreed to fund half the AQM program for calendar year 2021 and was asking BWD to contribute the other half. One option would be to fund one fourth of the cost, carrying the program through June 21, and hope the WMB might take over then. Rick Alexander reported he was trying to identify a source of grant funding for four more years (\$168,000). The California Air Resources Board grant opportunity will open up in April, and he suggested seeking assistance from our local State Assembly member. The County Air Pollution Control District is another option, as is Supervisor Desmond’s discretionary fund. Mr. Alexander suggested meeting with Charlie Zender, who heads the AQM program, and will check on his availability, as well as David Garmon, who is also involved. Directors Duncan and Brecht expressed support for funding one fourth of the cost in 21, but Director Brecht wanted to identify where the money would come from and asked Mr. Alexander to continue to pursue grant funding. He also wanted to know how the data will be used. President Dice recommended postponing any decision until talking with Dr. Zender, and Mr. Poole agreed to invite him to the next Board meeting.

Mr. Alexander reported he attended an APCD webinar and learned that as an SDAC, Borrego would qualify for a grant to replace engines with zero emission engines in heavy equipment or trucks. Alan Asche has identified three or four pieces of equipment that would qualify.

D. Borrego Springs Basin Interim Watermaster Update: Director Duncan reported that the WMB would hear a report on the first Technical Advisory Committee meeting at this week's session. He went on to note that WMB Director Mark Jorgensen, the community member, does not have a representative on the TAC because he is not a pumper. Director Duncan suggested asking Mr. Jorgensen to share with BWD in accessing Dudek's input (as the BWD TAC representative). ***MSC: Brecht/Duncan allowing Mr. Jorgensen to have access to Dudek relative to the TAC. The motion passed by unanimous roll call vote of those present.***

Mr. Poole reported that the WMB might ask for BWD's assistance with the CASGEM groundwater monitoring program. More details will be presented at the next BWD meeting.

III. STAFF REPORTS

A. Water Sales and Revenues Update: Ms. Clabaugh presented a graph depicting water revenue, consumption and aging. The balance was just over \$339,000 for October, a six percent decrease from the previous month. A total of 57,500 units were sold, a nine percent decrease. She presented a three year average, showing a slight decline. Sewer revenues remain stable. There are a number of past due accounts; receivables increased about \$100,000 since February. Notices have been sent to customers who are critically overdue, and Ms. Garcia is working with some to establish payment plans.

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: (Two (2) potential cases):

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):

The Board adjourned to closed session at 11:00 a.m., and thereafter, the open session reconvened. There was no reportable action.

V. CLOSING PROCEDURE

The next Board Meeting is scheduled for November 24, 2020 at Borrego Water District, 806 Palm Canyon Drive, Borrego Springs, CA 92004. There being no further business, the Board adjourned.