

B. Bi-Ennial Conflict of Interest Code Review and Approval of RESOLUTION 2020-12-02 RESOLUTION OF THE BOARD OF DIRECTORS OF THE BORREGO WATER DISTRICT AMENDING THE CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974: Mr. Poole reported that Esmeralda Garcia had been working with Best Best & Krieger on changes to the BWD Conflict of Interest Code. This is done every two years, and staff recommends acceptance. Ms. Garcia invited the Board's attention to the red-lined version of the Code in the Board package. The major change was to add the District Engineer to those who need to file a statement of economic interests. Discussion followed regarding whether the Finance Officer needs to file, and Ms. Garcia agreed to double check with Best Best & Krieger. *MSC: Brecht/Duncan adopting Resolution 2020-12-02, Resolution of the Board of Directors of the Borrego Water District Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974, subject to confirmation from legal counsel as to inclusion of the Finance Officer. The roll call vote was unanimous.*

C. Interim Borrego Springs Subbasin Watermaster Board:

1. Update on Board Activities. Director Duncan announced the next meeting, January 14. Mr. Poole reported that WM Executive Director Samantha Adams and an associate visited Borrego Springs last week, met with him and did some water sampling.

III. STANDING AND AD-HOC BOARD COMMITTEE REPORTS

A. STANDING:

1. Operations and Infrastructure. No report.

B. AD-HOC:

a. Stipulated Judgment Implementation. No report.

b. Risk Management/Pandemic. Director Brecht recommended a review of the Risk Management Policy sometime in January.

c. Grant Funding. Mr. Poole reported he was pretty sure the District would be receiving the \$500,000 grant for work on the wastewater treatment plant soon. BWD will also be replacing three reservoirs. Rick Alexander is continuing to look for grant opportunities and has suggested enlisting the help of a second consultant. Mr. Poole will discuss it with Director Johnson and perhaps ask the other consultant to speak to the Board in January. Director Johnson reported that the Borrego Art Institute is considering hiring a grant writer, and it would be nice if he/she could serve the whole community. She also suggested that someone go to Sacramento in an effort to get SGMA grants for adjudicated basins. Mr. Poole noted that Best Best & Krieger is working on that.

d. Association of California Water Agencies/Joint Powers Authority. No report.

e. Organizational Staffing. No report.

f. Prop 218 and BWD Developers' Policy. No report.

g. Public Outreach.

i. Proposition 218 Update and Outreach Schedule. President Dice reported that she, Director Baker and Mr. Poole had begun discussing plans for Prop 218 outreach. Mr. Poole invited the Board's attention to a proposed schedule in the Board package. Information was disseminated in the newsletter and *Borrego Sun* articles are planned for February and March. A Town Hall meeting will be held in March and a public hearing in May, with the new rates to be adopted in June. President Dice added that information will also be available on social media.

Director Baker explained that the themes for outreach throughout the year will be, "What has the Water District done for you?" and "Why approve increased rates, and what will happen if we don't?" Director Johnson asked whether Raftelis had a short brochure, hopefully free, that explains Proposition 218. Mr. Poole will look into it.

IV. MONTHLY FINANCIAL & OPERATIONS REPORTS

A. Financial Reports: November 2020: Jessica Clabaugh reported \$7.2 million in cash and cash equivalents at the end of November. The cash flow is \$379,000+, and reserves have increased. Expenses were as usual, and included a \$20,000 payment for the air quality study and the State Water Resources Control Board permit renewal for a total operating expense of \$401,000+. Operating income was \$199,000. There were two small main breaks in the Lazy S area, and they were quickly repaired. Bond funds are being expended on the De Anza pipeline and new well. A \$232,398 check was received from a Proposition 1 grant, which will be used to reimburse the District for expenses related to the sewer system. The bond fund had a remaining balance of \$1.1 million at the end of November. Watermaster expenses included payments to Best Best & Krieger, Dudek and Jerry Rolwing.

B. Water and Wastewater Operations Report: November 2020: The Water and Wastewater Operations Report was included in the Board package.

C. Water Production/Use Records: November 2020: The Water Production/Use Records were included in the Board package.

V. STAFF REPORTS

1. Deferred to January Meeting.

VI. CLOSED SESSION

A. Conference with Legal Counsel – Significant exposure to litigation pursuant to Government Code paragraph (3) of subdivision (d) of 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 10:10 p.m., and thereafter, the open session reconvened. There was no reportable action.

VII. CLOSING PROCEDURE

The next Board Meeting is scheduled for January 12, 2021, to be available on line. See Board Agenda at BorregoWD.org for details, available at least 72 hours before the meeting. There being no further business, the meeting adjourned.