



AGENDA

EXECUTIVE COMMITTEE MEETING Santa Fe Irrigation District

Wednesday, March 7, 2018
2:00 p.m.

Held at Santa Fe Irrigation District
5920 Linea del Cielo, Rancho Santa Fe, California 92067

CALL MEETING TO ORDER

ORAL COMMUNICATIONS

Opportunity for members of the public to address the Committee (Government Code Section 54954.3) Individuals may address the Committee regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Committee, at any time. Comments and inquiries pertaining to items listed on the agenda will be received during the deliberation of the agenda item. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each. Members of the public desiring to address the Committee are asked to complete a speaker's card, available at the table near the entrance and present it to the Board Secretary prior to the start of the meeting.

ACTION AND DISCUSSION ITEMS

1. Minutes from the February 8, 2018 Executive Committee Meeting (pages 3-5)
2. Review and Discuss March 1, 2018 Board of Directors Special Meeting – Planning Workshop (pages 6-8)
3. Consider Support of the Association of California Water Agencies' "No Water Tax" Initiative (pages 9-12)
4. Consider Establishing a Policy for Public Comment at Board Workshops on Cost of Service Study and Water Rates (page 13)
5. Review of Draft March 15, 2018 Board of Directors Meeting Agenda (pages 14-16)
6. Review of Future Regular and Special Board Meeting Agenda Items (pages 17-18)

REPORTS

7. General Manager's Report (verbal)
8. Committee Members' Comments (verbal)

INFORMATION ITEMS - None

CLOSED SESSION

9. Conference with Legal Counsel - Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representative: General Manager
Represented Employees: Santa Fe Irrigation District Employee Association

ADJOURN - *Next Scheduled Executive Committee meeting: Wednesday, April 11, 2018 @ 2:00 p.m.*

Assistance for the disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call the Board Secretary at (858) 756-2424 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.

**MINUTES
EXECUTIVE COMMITTEE MEETING
Santa Fe Irrigation District**

February 7, 2018
Santa Fe Irrigation District
5920 Linea del Cielo, Rancho Santa Fe, CA

CALL MEETING TO ORDER:

President Hogan called the meeting to order at 2:00 p.m.

PRESENT: President Hogan, Vice President Dunford, General Manager Bardin were present.

ORAL COMMUNICATIONS - None

ACTION AND DISCUSSION ITEMS:

1. MINUTES FROM THE DECEMBER 13, 2017 EXECUTIVE COMMITTEE MEETING

The Committee approved the minutes as presented.

2. ANNUAL REVIEW OF DIRECTOR COMPENSATION

The Committee reviewed and discussed the item, recommended no changes to compensation, and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

President Hogan requested to consider Closed Session prior to Item 3. President Hogan adjourned into Closed Session, Item #11, at 2:30 p.m. and General Counsel de Sousa Mills joined the meeting via teleconference.

CLOSED SESSION

11. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2)
OF SUBDIVISION (D) OF GOVERNMENT CODE SECTION 54956.9

President Hogan reconvened into Open Session at 3:00 p.m. and reported no reportable actions were taken in Closed Session.

3. REVIEW AND DISCUSS PROPOSED BOARD OF DIRECTORS' PLANNING
WORKSHOP SCHEDULE AND STRATEGIC BUSINESS PLAN UPDATE

The Committee reviewed and discussed the planning for Board workshops, focusing on the proposed schedule for Special Board Meetings. The Committee recommended revisions to the proposed schedule which will be made prior to Board consideration.

After a lengthy discussion, the Committee directed staff to move the item forward for full

Board consideration at their regular February meeting.

4. REVIEW AND DISCUSS LOCAL AGENCY FORMATION COMMISSION NOMINATION TO CONSOLIDATED REDEVELOPMENT OVERSIGHT BOARD REQUEST

The Committee considered the request, did not recommend nomination of any District Director, and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

5. CONSIDER AMENDMENTS TO DISTRICT ADMINISTRATIVE CODE

The Committee considered the amendments, concurred with staff's recommendations for approval, and directed staff to move the item forward for full Board consideration at their regular February meeting as a Consent item.

6. REVIEW OF DRAFT FEBRUARY 15, 2018 BOARD OF DIRECTORS MEETING AGENDA

The Committee reviewed the agenda and moved the Director Compensation item to the Consent Calendar. No other revisions were made.

7. REVIEW OF FUTURE REGULAR AND SPECIAL BOARD MEETING AGENDA ITEMS

The Committee reviewed the item and no revisions were made.

REPORTS

8. GENERAL MANAGER'S REPORT - None

9. COMMITTEE MEMBERS' COMMENTS - None

INFORMATION ITEMS - None

CLOSED SESSION

10. CONFERENCE WITH LEGAL COUNSEL - CONFERENCE WITH LABOR NEGOTIATORS
PURSUANT TO GOVERNMENT CODE SECTION 54957.6
AGENCY DESIGNATED REPRESENTATIVE: GENERAL MANAGER
REPRESENTED EMPLOYEES: SANTA FE IRRIGATION DISTRICT
EMPLOYEE ASSOCIATION

Item 10 was not considered.

11. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2)
OF SUBDIVISION (D) OF GOVERNMENT CODE SECTION 54956.9

Item considered out of order. Please see Minutes on Page 1.

ADJOURN

President Hogan adjourned the meeting at 4:00 p.m..

Michael T. Hogan, President

DATE: March 7, 2018

TO: Executive Committee

FROM: General Manager

SUBJECT: Review and Discuss March 1, 2018 Board of Directors Special Meeting – Planning Workshop

RECOMMENDATION:

It is the staff recommendation that the Executive Committee:

1. Review and discuss the March 1, 2018 Special Meeting / Planning Workshop; and
2. Take other actions as appropriate.

DISCUSSION:

This item has been agendaized to provide the opportunity for this Committee to debrief on the overall workshop and to address development and refinement of Strategic Issues. The Board of Directors held a Special Meeting on March 1, 2018 to perform a review of the District's Mission Statement, Vision Statement, and Strategic Objectives as part of the update to the 2012 Strategic Business Plan (SBP). During that meeting, the Board discussed and revised the District Mission and Vision Statements, which are shown below.

Mission Statement

The Mission of the Santa Fe Irrigation District is to efficiently provide customers with safe and reliable water.

Vision Statement

Santa Fe Irrigation District will be recognized for:

- Managing our water supply portfolio to effectively meet changing demands and availability of water supply
- Building, maintaining and operating infrastructure to maximize asset value
- Maintaining a high performing, stable workforce
- Demonstrating cost effectiveness and efficiency in District operations and service delivery as measured by identified standards
- Providing responsive customer service and essential public information.

In addition, Board members considered updates to the Strategic Issues list presented at that the meeting. The Strategic Issues list was referred to the Executive Committee for further development prior to further consideration by the Board.

Attachment A presents the revised Draft Strategic Issues from the March 1st Workshop for the Committee's consideration.

FISCAL IMPACT:

There is no fiscal impact resulting from the review of this item.

Attachment A: Proposed Revised Draft Strategic Issues

Prepared by: Michael J. Bardin, General Manager

Attachment A

March 1, 2018 Workshop
DRAFT Strategic Issues

- Ensuring long term water supply reliability in variable conditions
- Planning and financing water system infrastructure
- Maintaining fair and reasonable water rates for all customers to ensure long term financial health and fiscal stability
- 2. • Communicating with and engaging stakeholders and regional partners to advance and protect the mission
- Managing an evolving workforce
- Managing Regulatory and Legislative Policy Impacts

DATE: March 7, 2018
TO: Executive Committee
FROM: General Manager
SUBJECT: Consider Support of the Association of California Water Agencies' "No Water Tax" Initiative

RECOMMENDATION:

It is the staff recommendation that the Executive Committee:

1. Review and discuss supporting the ACWA's No Water Tax Initiative; and
2. Consider recommending the Board of Directors adopt said position and provide a financial contribution for the campaign; and
3. Take other actions as appropriate.

DISCUSSION:

Last year, ACWA and more than 100 water agencies across California actively opposed SB 623 by Sen. William Monning (D-Carmel), which proposed a tax on drinking water as a means of funding drinking water solutions in some disadvantaged communities. SB 623 is now a two-year bill and is currently parked at the Assembly Rules Committee. ACWA has an oppose-unless-amended position on the bill. However, current legislative activity is focused on a related budget trailer bills proposed by the State Dept. of Finance and the Governor.

The Brown Administration, in coordination with the proponents of SB 623, is attempting to advance the SB 623 proposal (with some changes that do not affect ACWA's position) in a budget trailer bill. Although a bill number for the budget trailer bill is not yet available, the Administration has posted the first version of the language. If the Administration is not successful with the budget trailer bill, Sen. Monning will try to move SB 623.

ACWA has proposed an initiative to work on a more appropriate package of funding solutions to address the lower income communities that do not have access to safe drinking water. They have launched a fund-raising effort this week to secure an outside public affairs firm to help develop a more strategic external affairs campaign and assist with coalition building outside the water industry and are seeking contributions of at least \$10,000 from water districts in the State, see Attachment A. Staff proposes a contribution of \$5,000.

Staff has conferred with Legal Counsel and determined that contributing financial support for the ACWA initiative is allowable per Government Code Section 53060.5., so long as ACWA uses District funds towards advocacy of members of the legislature, as opposed to communications directed to the public to appeal to voters to lobby the legislature.

FISCAL IMPACT:

No fiscal impact resulting from the review of this item. The FY 2018 District Budget includes sufficient funding that the District could make a financial contribution in support of the ACWA advocacy effort.

Attachment A: ACWA Request and Contribution Form

Prepared by: Kim Johnson, Executive Assistant
Approved by: Michael J. Bardin, General Manager

From: Timothy Quinn [mailto:Tim.Quinn@acwa.com]

Sent: Wednesday, February 21, 2018 9:14 AM

To: Cindy Tuck <CindyT@acwa.com>; Heather Engel <HeatherE@acwa.com>; Paula Currie <PaulaC@acwa.com>

Cc: Lili Vogelsang <LiliV@acwa.com>; Michaela Martinez <MichaelaM@acwa.com>; Donna Pangborn <DonnaP@acwa.com>

Subject: ACWA Seeking Contributions for "No Drinking Water Tax Campaign"

Importance: High

Dear No Drinking Water Tax Coalition Member,

Hopefully you saw ACWA's Outreach Alert distributed last week urging member agencies to join ACWA's coalition against SB 623 (Monning) and the budget trailer bill related to a tax on drinking water and take specific steps to advocate against the proposed tax.

As you know, fighting the tax on drinking water is one of the most important efforts undertaken by ACWA and member agencies in recent years. ACWA staff has done a commendable job to date. However, considering the potential negative consequences of this proposed tax and the dangerous precedent that it could set, I strongly believe that we need to do much more.

Therefore, ACWA is launching a fund-raising effort this week to secure an outside public affairs firm to help develop a more strategic external affairs campaign and assist with coalition building outside the water industry. We also intend to fund an advertising campaign focused on key legislative districts. We hope to secure enough funding to potentially sustain a campaign through the summer.

I urge you to submit a voluntary contribution to fund this effort. Based on the size of your agency, we recommend a contribution of at least \$10,000.00. Please use the attached contribution form to let us know whether you will be making a contribution.

If you have any questions or concerns, please don't hesitate to contact me directly at timq@acwa.com or ACWA's Director of Communications Heather Engel, heathere@acwa.com. We will be happy to schedule an in-person meeting with your agency to discuss strategy or funding.

Best regards,

-

Tim Quinn

Executive Director

Association of California Water Agencies

916.441.4545 | timq@acwa.com | www.acwa.com

CONTRIBUTION FORM

Please Print or Type

MEMBER AGENCY INFORMATION

Organization

Contact Person

Phone

Email

Billing Address

City, State, Zip

CONTRIBUTION INFORMATION

We contribute a total of

\$

Payment Option

Please send an invoice for processing

A check will be mailed to ACWA within 30 days.

Please make check payable to ACWA and mail it to 910 K Street, Ste. 100, Sacramento, CA 95814.

Please send this completed form to Michaela Martinez at michaelam@acwa.com

Printed Name

Title

Signature

Date

WE CAN SOLVE IT WITHOUT A
DRINKING WATER TAX



DATE: March 7, 2018

TO: Executive Committee

FROM: General Manager

SUBJECT: Consider Establishing a Policy for Public Comment at Board Workshops on Cost of Service Study and Water Rates

RECOMMENDATION:

It is the staff recommendation that the Executive Committee:

1. Consider a policy on receiving presentations from members of the public during Board workshops on cost of service and water rates; and
2. Discuss and take other actions as appropriate.

DISCUSSION:

At the request of a community organization and because the Board of Directors recognizes there is public interest in being able to provide more input to the Board, staff proposes the establishment of a policy that allows for and provides for the management of oral communications at workshops on cost of service and water rates.

Staff is currently discussing with legal counsel the parameters of such a policy and intends to present a draft proposal at the committee meeting for your consideration.

FISCAL IMPACT:

There is no fiscal impact resulting from the review of this item.

Prepared by: Michael J. Bardin, General Manager



**SANTA FE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING**

Santa Fe Irrigation District
5920 Linea del Cielo, Rancho Santa Fe, California 92067

**THURSDAY, MARCH 15, 2018
8:30 a.m.**

ROLL CALL – CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE –President Hogan

ITEMS TO BE ADDED TO THE AGENDA

(Government Code Section 54954.2)

ORAL COMMUNICATIONS

Opportunity for members of the public to address the Board (Government Code Section 54954.3) Individuals may address the Board regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Board, at any time. Comments and inquiries pertaining to items listed on the agenda will be received during the deliberation of the agenda item. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each. Members of the public desiring to address the Board are asked to complete a speaker's card, available at the table near the entrance and present it to the Board Secretary prior to the start of the meeting.

PRESENTATIONS AND AWARDS

1. Refund Check Presentation – Bill Knutsen, Joint Powers Insurance Authority (JPIA)

ACTION AGENDA

The following items on the Action Agenda call for discussion and action by the Board of Directors. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined.

CONSENT ITEMS

The following listed items on the consent calendar are routine matters and there will be no discussion unless the Board of Directors removes an item. Items removed by the Board or public will be heard following approval of the remaining items on the Consent Calendar.

2. Approval of Minutes:
 - a. February 15, 2018 Regular Board Meeting (pages 4-7)
 - b. March 1, 2018 Special Board Meeting
3. Receive and File Monthly Finance Reports (pages 8-20)
 - a. Budget Performance
 - b. Disbursements
 - c. Monthly Investment Transaction Report

2.

ACTION AND DISCUSSION ITEMS

4. Consider Support for the Association of California Water Agencies’ “No Water Tax” Initiative
5. Review and Discuss District Strategic Business Plan Update and Related Topics
6. Establish a Policy for Public Comment at Board Workshops on Cost of Service and Water Rates
7. Update on 2018 Legislative Session Regarding Statewide Long-Term Water Use Efficiency (pages 33-34)

DIRECTORS’ COMMENTS

Director’s comments are comments by Directors concerning District business, which may be of interest to the Board. They are placed on the Agenda to enable the individual Board members to convey information to the Board and the public. No action is to be taken on comments made by the Board members.

8. Directors’ Comments (verbal)
9. Directors’ Reports on Conferences, Activities, and Events (verbal reports)

REPORTS

The following reports are placed on the Agenda to provide information to the Board and the public. There is no action called for on these items. The Board may engage in discussion of any report upon which specific subject matter is identified in the Agenda, but may not take any action other than to place the matter on a future Agenda.

10. Operations Reports (pages 64-67)
 - a. R.E. Badger Filtration Plant Report
 - b. Water Resources Report
11. San Diego County Water Authority Board Meeting Report – President Hogan (page 68)
12. Committee Reports (page 69)
 - a. Executive Committee
 - b. Administrative and Finance Committee
 - c. Water Resources Committee
13. General Manager’s Report (verbal)
14. General Counsel’s Comments (verbal)

INFORMATION ITEMS - None

CLOSED SESSION

At any time during the Regular Session, the Board may adjourn to Closed Session to consider litigation, or discuss with Legal Counsel matters within the Attorney/Client Privilege, subject to the appropriate disclosures. Discussion of litigation is within the Attorney/Client Privilege and may be held in Closed Session. (Pursuant to Government Code Section 54956.9)

ADJOURNMENT

Any writings or documents provided to a majority of the Board of Directors for any item on this agenda will be made available for public inspection in the District Office located at 5920 Linea del Cielo, Rancho Santa Fe, CA during normal business hours.

Assistance for the disabled: *If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Board Secretary at (858) 756-2424 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.*

DRAFT

Preliminary 2018 Regular and Special Meeting Agenda Items List

Tuesday, March 27, 2018 Special Board Meeting

- Pledge: Director Petree
- Strategic Financial Planning w/Consultant
 - Reserve Funds Policy
 - CIP Funding Strategies
 - Long-Term Financial Obligations

April 19, 2018

- Pledge: Vice President Dunford
- Employee Recognition – Jon Frost, 5 years; Aaron Huff – 5 years
- Review Draft of FY 2019 Budget (A&F)
- Quarterly Treasurer’s Report
- Quarterly Board Expenses Report
- Receive and File Actuarial Evaluation (A&F)
- Schedule a Public Hearing to Consider the Adoption of FY 2019 District Budget
- Authorize General Manager to Execute a Professional Services Agreement for Cost of Service Study

Tuesday, April 24, 2018 Special Board Meeting

- Pledge: Director King
- Water Rates w/Consultant
 - Rate Setting Objectives/Goals
 - COSS Overview/Legal/Procedural
 - Alternative Water Rate Structure Development
 - Rate Setting Policies (Pass Through, Demand Reduction)

May 17, 2018

- Pledge: President Hogan
- Recognition of Water Awareness Poster Contest Winners
- Review Final Draft of FY 2019 District Budget
- Discussion of 2019 MOU (Closed Session)

Tuesday, May 29, 2018 Special Board Meeting

- Pledge: Director Menshek
- Regulatory Issues
 - Long Term Water Use Efficiency Standards
 - Operational
- Budget Workshop

June 21, 2018

- Pledge: Vice President Dunford
- Public Hearing – consider FY 2019 Budget
- Adopt FY 2019 Budget

- Adopt CEQA Guidelines
- Traffic Control Services Contract

Tuesday, June 26, 2018 Special Board Meeting

- Pledge: Director Petree
- Review Draft Cost of Service Study
- Review Draft Alternative Rate Structure Designs

July 19, 2018

- Pledge: Director King
- Employee Recognition- Bill Hunter, 10 years
- Quarterly Treasurer's Report
- Establish FY 2019 Appropriations Limit
- Receive and File Annual Report of Reimbursements and Compensation Paid to Directors and Other Expenses
- Set Fixed Charge Special Assessment
- Annual Review of Records Retention Schedule

Tuesday, July 24, 2018 Special Board Meeting

- Pledge: President Hogan
- Review Draft Cost of Service Study
- Review Draft Alternative Rate Structure Customer Impacts

August 16, 2018

- Pledge: Director Menshek
- Employee Recognition – Jessica Parks, 10 years

September 20, 2018

- Pledge: Vice President Dunford
- Waive Full Reading and Adopt Resolution No. 18-___, Approving the Amended Appendix of the District's Conflict of Interest Code
- Consider Approval of 20__ MOU (applicable years)
 - CSDA and LAFCO Elections
- Review and Discussion of the 2019 Water Rate Proposal
- Schedule Public Hearing for November for Water Rates