



AGENDA

EXECUTIVE COMMITTEE MEETING Santa Fe Irrigation District

Wednesday, June 7, 2017
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 May 10, 2017 Executive Committee Meeting (pages 2-3)
2. Discussion of Board of Directors Planning Workshops (page 4)
3. Consider Resolution Adopting Position in Support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements (pages 5-9)
4. Review of Draft June 15, 2017 Board of Directors Meeting Agenda (pages 10-12)
5. Review of Future Regular and Special Board Meeting Agenda Items (pages 13-14)

REPORTS

6. General Manager's Report (oral)
7. Committee Members' Comments (oral)

INFORMATION ITEMS – None

ADJOURN - Next Executive Committee meeting: Wednesday, July 12, 2017 @ 9:30 a.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**

May 10, 2017
Santa Fe Irrigation District
5920 Linea del Cielo, Rancho Santa Fe, CA

CALL MEETING TO ORDER:

President Hogan called the meeting to order at 9:30 a.m.

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

ORAL COMMUNICATIONS - None

ACTION AND DISCUSSION ITEMS:

1. MINUTES FROM THE APRIL 12, 2017 EXECUTIVE COMMITTEE MEETING

The Committee approved the minutes as presented.

2. DISCUSSION OF BOARD OF DIRECTORS PLANNING WORKSHOP #2

The Committee held a lengthy discussion regarding the workshop agenda and provided input to GM Bardin to finalize the agenda and outline for discussion.

3. REVIEW OF DRAFT MAY 18, 2017 BOARD OF DIRECTORS MEETING AGENDA

The Committee reviewed and discussed the draft agenda. The Committee reordered the action items and added an item to consider action on Legislative Bills.

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

The Committee reviewed and discussed with no revisions made.

REPORTS

5. GENERAL MANAGER'S REPORT – GM Bardin provided a legislative update. A discussion item was also added to the May Board agenda for Board consideration.

6. COMMITTEE MEMBERS' COMMENTS

Vice President Daddi reported he was asked by the City of Solana Beach Historical Society to inquire if there were any events planned to commemorate the 100-year anniversary of Lake Hodges.

President Hogan noted SDCWA General Counsel made a presentation on the City of San Jose E-mail policy regarding personal e-mail accounts and the recorded information is available for other agencies. He also reported the SDCWA is moving forward with a Request for Proposals for a San Vicente Reservoir energy project.

INFORMATION ITEMS - NONE

ADJOURN

President Hogan adjourned the meeting at 11:45 a.m.

Michael T. Hogan, President

Next Executive Committee meeting: Wednesday, June 7, 2017 @ 2:00 p.m.

DATE: June 7, 2017

TO: Executive Committee

FROM: General Manager

SUBJECT: Discussion of Board of Directors Planning Workshops

RECOMMENDATION:

It is the staff recommendation that the Executive Committee:

1. Review and discuss the Board of Directors Planning Workshop that was held on May 23, 2017; and
2. Take other actions as appropriate.

DISCUSSION:

A Special Meeting of the Board of Directors of the Santa Fe Irrigation District was held on Tuesday, May 23, 2017

This item has been agendaized to provide the Executive Committee the opportunity to review and discuss the workshop, preparation for future workshops, and provide any input to staff.

FISCAL IMPACT:

No fiscal impact resulting from the review of this item.

Prepared by: Kim Johnson, Executive Assistant

Approved by: Michael J. Bardin, General Manager

DATE: June 7, 2017

TO: Executive Committee

FROM: General Manager

SUBJECT: Consider Adopting Position of Support on ACWA's Policy Statement regarding Bay Delta Flows

RECOMMENDATION:

It is staff's recommendation that the Executive Committee:

1. Consider adopting a position of support on ACWA's Policy Statement regarding Bay Delta Flows; and
2. Recommend that the Board of Directors Adopt a Resolution Supporting ACWA's Policy Statement regarding Unimpaired Flows in the Bay Delta watershed; and
3. Discuss and take other actions as appropriate.

BACKGROUND:

The State Water Resources Control Board (SWRCB) currently has a staff proposal under consideration regarding a new water quality objective on a "percentage of unimpaired flow" for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary. The SWRCB will be considering its adoption in Spring 2018. The proposal could lead to negatively affecting water reliability for much of the state's population, widespread fallowing of agricultural land, undercut the state's groundwater sustainability goals, cripple implementation of the Brown Administration's California Water Action Plan, and impact access to surface water for some disadvantaged communities that do not have safe drinking water.

The Association of California Water Agencies (ACWA) has been urging the SWRCB to set aside the unimpaired flow approach since it does not provide reasonable protection of all beneficial uses of water and fails to appropriately balance the multiple competing uses of water as required by state law. The ACWA Board of Directors has unanimously adopted a policy statement that calls for a better approach that can more effectively achieve ecological objectives while maintaining water supply reliability. ACWA is also calling for its membership to adopt resolutions supporting this policy statement.

As this proposal will impact surface water deliveries to the Metropolitan Water District, and ultimately the San Diego region, staff recommends the District adopt a position of support with ACWA's policy statement.

DISCUSSION:

The SWRCB is responsible for updating the San Francisco Bay/Sacramento-San Joaquin Delta Estuary Water Quality Control Plan (commonly referred to as the “Bay-Delta Plan.”) in a manner that establishes water quality objectives that ensures the reasonable protection of all beneficial uses of water (including domestic, municipal, agricultural and industrial supply; preservation and enhancement of fish, wildlife and other aquatic resources) while considering past, present and probable future beneficial uses, environmental characteristics, water quality conditions and economic considerations, among other things. It also has a responsibility to update the plan in a way that is consistent with the coequal goals and respects and implements the commitments made in the California Water Action Plan.

ACWA and its members have been urging the SWRCB to set aside the unimpaired flow approach and heed Governor Brown’s call for negotiated agreements. ACWA believes that a successful flows policy must be consistent with the following principles:

- **Collaboration:** The Governor has called for work on a comprehensive agreement on environmental flows in both the San Joaquin and Sacramento River basins. He has asked that the SWRCB members and staff prioritize analysis and implementation of voluntary agreements. In addition, the Brown Administration committed in the California Water Action Plan that the SWRCB and the California Natural Resources Agency will work with stakeholders to encourage negotiated implementation of protective Delta standards. By supporting the collaborative approach called for by the governor, it is the least contentious, most effective way to achieve the coequal goals.
- **Comprehensive Solutions:** A successful collaborative approach will require comprehensive solution for both water supply and ecosystem management. Water users will need to continue and build on their commitment to integrated resources management in order to maintain reliability without undue impacts on the ecosystem. Similarly, ecosystem managers will need to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability to develop integrated management portfolios that accomplish ecosystem goals without undue impacts on water supply. Utilizing the single variable proposed in the “percentage of unimpaired flow” approach will not achieve the desired ecological outcomes and is, by far, the most destructive policy approach from the perspective of protecting and improving water supply. It is believed that ecological outcomes can be achieved with even better results through a comprehensive approach that considers multiple solutions and benefits.
- **Science:** The SWRCB needs to incorporate the best available science to inform its work and assist with the development of voluntary settlement agreements. The unimpaired flow approach, in which flow objectives are not tied to any specific ecological outcome, fails to incorporate the best available science. As noted above, the updated plan needs to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability, and incorporate relevant current scientific information. Science alone cannot identify the best policy choice, but it can inform us about the policy tradeoffs we confront and help structure integrated solutions that provide ecosystem benefits with far less impact on water supply, the California economy and the public interest.
- **Functional Flows:** Science shows that functional flows have very promising benefits for fish as well agricultural and urban water users. Timed and tailored for specific purposes, functional flows can benefit species in ways that unimpaired flow requirements cannot. Examples abound of collaborative, innovative projects currently underway by local water

agencies and stakeholders that include functional flows and non-flow solutions that reconnect land and water to restore habitat and address the full life cycle of species needs. These efforts contribute real benefits to ecosystem recovery while maintaining water supply reliability.

- **Economic Considerations:** The SWRCB has a statutory obligation to consider economic impacts when establishing water quality objectives that reasonably protect all beneficial uses of water. Having a robust economic analysis is critical. The SWRCB also has a policy obligation under the coequal goals to ensure its actions related to a revised Bay- Delta Plan increase water supply reliability and thereby allow for a healthy, growing agricultural and urban economy in California.
- **Consistency with State Policy:** The SWRCB has been urged to heed the Governor’s direction and recognize that achieving the coequal goals will lead to a more reliable water supply and healthy ecosystem. Pursuing the coequal goals should be a guiding principle for the board’s decisions related to adopting a revised Bay-Delta Plan. The SWRCB also should ensure that its decisions on the Bay-Delta Plan enable, rather than obstruct, the implementation of the California Water Action Plan.
- **Leadership:** The best policy choice will come through the give and take of the negotiating process and the enlightened leadership of the SWRCB members. Ultimately, the Board must establish water quality objectives that ensure the reasonable protection of all beneficial uses of water as it implements negotiated solutions. The SWRCB should actively engage in this work and lead in a manner that is grounded in an awareness of how its actions can affect the implementation of the California Water Action Plan and the achievement of the coequal goals.

According to the SWRCB, its flow proposal does include “adaptive implementation,” that would allow adjustments to its regulations so water is used wisely and more effectively, including implementation of non-flow measures that could also reduce flow requirements. The difference between the SWRCB’s approach and ACWA’s approach appears to focus on whether SWRCB should implement flow regulations absent of negotiated agreements. As hinted both by ACWA and the SWRCB that negotiated solutions may minimize the potential for long-drawn-out litigation and produce more durable outcomes, staff recommends the District adopt a resolution supporting ACWA’s call for negotiated solutions.

FISCAL IMPACT:

There is no direct fiscal impact associated with the consideration of adopting a positions on ACWA’s policy statement.

Attachment A: Draft Resolution in Support of the Association of California Water Agencies’ Policy Statement on Bay-Delta Flow Requirements

Prepared by: Jessica L. Parks, Management Analyst
Approved by: Michael J. Bardin, General Manager

ATTACHMENT "A"

RESOLUTION NO. 17-XX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA FE IRRIGATION DISTRICT
SUPPORTING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES'
POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS**

WHEREAS, California is facing a defining moment in water policy that will be substantially impacted by the State Water Resources Control Board's approach to water quality objectives under the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta; and

WHEREAS, the State Water Board has the responsibility for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water in a way that is consistent with the coequal goals of improving water supply reliability and protecting, restoring and enhancing the Delta ecosystem and with respect to the commitments made in the California Water Action Plan; and

WHEREAS, the State Water Board staff's current proposal, which focuses singularly on an "unimpaired flow" approach, is irreconcilable with a policy of coequal goals of improving both water supply reliability and ecosystem health; it is also inconsistent with the broader water policy objectives of the Brown Administration; and

WHEREAS, the ACWA Board of Directors has unanimously adopted a strong policy statement calling for a better approach that can more effectively achieve ecological objectives while maintaining water supply reliability. The statement calls on the State Water Board to set aside its "unimpaired flow" approach and heed Governor Jerry Brown's call for negotiated agreements, which have been successful on many rivers and tributaries in California.

WHEREAS, the ACWA statement notes that to be successful, the state's flow policy must be consistent with the principles of collaboration, comprehensive solutions, science, functional flows, economic considerations, consistency with state policy, and leadership; and

WHEREAS, California's local urban and agricultural water managers are united in their vision for a future that includes a vibrant California economy as well as healthy ecosystems and fish populations, and believe that vision is best achieved through a comprehensive, collaborative approaches.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Fe Irrigation District hereby supports ACWA's Policy Statement on Bay-Delta Flows and encourages the State Water Resources Control Board to embrace the approach articulated in ACWA's policy statement.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Santa Fe Irrigation District held on the 15th day of June 2017, by the following vote, to wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Michael T. Hogan
President

ATTEST:

Michael J. Bardin, Secretary

Seal:



SANTA FE IRRIGATION DISTRICT BOARD OF DIRECTORS MEETING

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

THURSDAY, JUNE 15, 2017
8:30 a.m.

ROLL CALL – CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE – Vice President Daddi

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. Employee Recognition:
 - a. Damian Garcia, 20-year Service Award
 - b. San Diego Chapter American Public Works Award - Group 3 Pressure Reducing Stations Project
2. Recognition of 2017 “Be Water Smart” Poster Contest Winners

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.

3. Approval of Minutes
 - a. May 18, 2017 Regular Board Meeting (pages 4-6)
 - b. May 23, 2017 Special Board Meeting (pages 7-12)

4. Receive and File Monthly Finance Reports (pages 13-24)
 - a. Budget Performance
 - b. Disbursements
 - c. Monthly Investment Transaction Report
5. Authorize the General Manager to Execute Purchase Contracts for Bulk Chemicals at the R. E. Badger Filtration Plant (pages 70-77)
6. Waive Full Reading and Adopt Resolution No. 17-___, Amending and Adopting Local Guidelines for Implementing the California Environmental Quality Act (pages 60-67)
7. Waive Full Reading and Adopt Resolution No. 17-___, Adopting Position in Support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements (pages ___-___)

ACTION AND DISCUSSION ITEMS

8. Public Hearing on the FY18 District Budget (pages 36-39)
9. Adopt the FY18 District Budget (pages 40-41 w/Enclosure)
10. Discuss Preparation for Board of Directors' Planning Workshop #3 (pages 44-45)

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.

11. Directors' Comments (oral)
12. Directors' Reports on Conferences, Activities, and Events (oral 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.

13. Operations Reports (pages 49-52)
 - a. R.E. Badger Filtration Plant Report
 - b. Water Resources Report
14. San Diego County Water Authority Board Meeting Report – President Hogan (pages 53-55)
15. Committee Reports (page 56)
 - a. Executive Committee
 - b. Administrative and Finance Committee
 - c. Water Resources Committee

16. General Manager's Report (oral)

17. General Counsel's Comments (oral)

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)

18. Conference with Legal Counsel- Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
One case

19. Conference with Legal Counsel- Existing Litigation
Pursuant to Government Code Section 54956.9 (d)(1)
Case No. 37-2017-00012307-CU-BC-CTL

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.

Preliminary 2017 Regular Agenda Items List

July 20, 2017

- Pledge: Director Dunford
- Employee Recognition – Mike Andrews, 25 years
- Quarterly Treasurer’s Investment Report
- Distribution of Fiscal Year 2018 District Budget
- Authorize the General Manager to Execute Contract for FY18 Traffic Control Services
- Establish FY 2018 Appropriations Limit
- Receive and File Annual Report of Reimbursements and Compensation Paid to Directors and Other Expenses
- Set Fixed Charge Special Assessment

August 17, 2017

- Pledge: Director Petree
- Semi-annual Security Update (AFC)
- Notice of Completion for the San Dieguito Pump Station Replacement Project (J-600)
- Annual Review of Records Retention Schedule
- Review Miscellaneous Fees and Charges
- Administrative Code Amendments/Update

September 21, 2017

- Pledge: Director King
- CSDA and LAFCO Elections
- ACWA Elections

October 19, 2017

- Pledge: President Hogan
- Employee Recognition Danny Burns, 10 years; Lamont Foster, 10 years
- Quarterly Treasurer’s Report
- Quarterly Board Expenses Report
- Review of Jan. 2018 Water Rate Increase

November 16, 2017

- Pledge: Vice President Daddi

December 21, 2017

- Pledge: Director Dunford
- Employee Recognition – Brandon Fox, 10 years; Matt Sprint, 30 years
- Acceptance of FY 2017 Financial Audit
- Reconciliation of Reserve Fund Balances

Board Workshop Items:

- State Water Use Efficiency Standards
- Alternative Water Supply Development
- Regional and Statewide engagement level
- Strategic Business Plan Update
- General Manager Performance Objectives
- AMI Project Update and Demonstration of AMI Customer Portal
- Water Budget Rate Structure Presentation/Overview

Parking Lot Items:

- PERS Update and Overview
- Modifications to Inter-Connect Agreements with the City of San Diego
- Identification of Data Markers for Customer Utility Database
- Administrative Code Update

Administrative Code Revisions

- Article 13 – Billing Procedures
- Article 14 – Meters
- Article 18 – Annexations and Detachments, Water Service Outside District
- Article 20 – Procurement
- Article 23 – Extension of District Lines
- Article 24 – Easements, Encroachments, and Other Permits
- Article 25 – Interruption of Service
- Article 26 – Fire Hydrants
- Article 27 – Backflow Prevention
- Article 28 – Public Works Construction Contracts