



AGENDA

WATER RESOURCES COMMITTEE Santa Fe Irrigation District

Thursday, June 7, 2018
9:00 a.m.

Held at the Santa Fe Irrigation District
5920 Linea de Cielo, Rancho Santa Fe, CA 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 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 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. Approval of May 3, 2018 Meeting Minutes (pages 3-4)
2. Consider Adoption of Amended Local Guidelines for Implementing the California Environmental Quality Act (pages 5-10)
3. Recycled Water Expansion Plan Progress Update (pages 11-13)
4. Consider Canceling July Water Resources Committee Meeting (page 14)

REPORTS

5. FY18 Capital Improvement Projects Status Report (verbal)
6. Engineering Services Manager's Report (verbal)
7. Operations Manager's Report (verbal)
 - Free Chlorine Transition Overview (Presentation)
 - FY19 Chemical Purchases
8. General Manager's Report (verbal)

9. Committee Members' Comments (verbal)

INFORMATION ITEMS – None

ADJOURN

Next Scheduled Water Resources Committee meeting: *Thursday, August 2, 2018 at 9:00 a.m.*

**MINUTES
SANTA FE IRRIGATION DISTRICT
WATER RESOURCES COMMITTEE**

May 3, 2018
Santa Fe Irrigation District
5920 Linea del Cielo, Rancho Santa Fe, CA 92067

PRESENT: Chairman Kenneth Dunford, Director Andy Menshek, General Manager Michael Bardin, Engineering Services Manager Bill Hunter, Operations Manager Cor Shaffer, and Management Analyst Jessica Parks were present.

Chairman Dunford called the meeting to order at 9:00 a.m.

ORAL COMMUNICATIONS - None

ACTION AND DISCUSSION ITEMS:

1. APPROVAL OF FEBRUARY 28, 2018 MEETING MINUTES

The Committee approved the minutes as submitted.

2. NOTICE OF COMPLETION FOR THE AUTOMATED METERING PROGRAM PHASE 3 PROJECT J-1801

ESM Hunter presented the item and responded to questions from the Committee. After discussion, the Committee concurred with staff's recommendation for Board approval and directed staff to move the item forward for full Board action at their regular May meeting as a Consent item.

3. CONSIDER AUTHORIZING THE GENERAL MANAGER TO EXECUTE A PURCHASE AGREEMENT FOR VEHICLES

GM Bardin presented the item and he and OM Shaffer responded to questions from the Committee. After discussion, the Committee concurred with staff's recommendation for Board approval and directed staff to move the item forward for full Board action at their regular May meeting as a Consent item.

4. REVIEW DRAFT FISCAL YEAR 2019 CAPITAL ACQUISITION BUDGET

OM Shaffer presented the item and responded to questions from the Committee. After discussion, the Committee agreed to include the items requested in the full FY19 District budget for Board consideration.

5. CONSIDER AUTHORIZING THE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE KLEINFELDER GROUP FOR JOINT FACILITIES IMPROVEMENTS

ESM Hunter presented the item and responded to questions from the Committee. After a lengthy discussion, the Committee concurred with staff's recommendation for Board approval and directed staff to move the item forward for full Board action at their regular May meeting as a Consent item.

REPORTS

6. FY18 CAPITAL IMPROVEMENT PROJECTS STATUS REPORT

ESM Hunter provided a status update on current projects and responded to questions from the Committee.

7. ENGINEERING SERVICES MANAGER'S REPORT - None

8. OPERATIONS MANAGER'S REPORT

- 2018 Planned Regional Disinfectant Changeover
- Presentation on Valve Maintenance and Replacement Program

OM Shaffer reported on the regional disinfectant changeover set for late summer and gave a PowerPoint presentation on the proposed Valve Maintenance and Replacement Program.

9. GENERAL MANAGER'S REPORT

GM Bardin reported on the District's Pump Station Dedication and San Dieguito Reservoir Centennial celebration scheduled for May 30, 2018, and invited the Committee members to the event.

10. COMMITTEE MEMBERS' COMMENTS – None

INFORMATION ITEMS – None

ADJOURN

Chairman Dunford adjourned the meeting at 11:30 a.m.

Kenneth Dunford, Chairman

DATE: June 7, 2018
TO: Water Resources Committee
FROM: General Manager
SUBJECT: **Consider Adoption of Amended Local Guidelines for Implementing the California Environmental Quality Act**

RECOMMENDATION:

It is the Staff recommendation that the Water Resources Committee:

1. Review and discuss amending and adopting Local Guidelines for Implementing the California Environmental Quality Act; and
2. Recommend the Board adopt a resolution amending and adopting Local Guidelines for implementing the California Environmental Quality Act (2018 Revision); and
3. Take other action as appropriate.

DISCUSSION:

The California Environmental Quality Act (CEQA), as contained in Public Resources Code sections 21000 et seq. requires all public agencies within the state to evaluate the environmental effects of their actions. CEQA also aims to prevent significant environmental effects from occurring as a result of agency actions by requiring agencies to avoid or reduce, when feasible, the significant environmental impacts of their decisions.

Best, Best & Krieger, LLP (BB&K) has prepared the 2018 update to the *Local Guidelines for Implementing the California Environmental Quality Act* (Local Guidelines). The Local Guidelines are designed to assist the District in assessing the environmental implications of a project prior to its approval, as mandated by CEQA. These Guidelines have been revised to reflect recent changes in the Public Resources Code, the State CEQA Guidelines and relevant court opinions. These Local CEQA Guidelines also provide instructions and forms for preparing all environmental documents required under CEQA. In summary, the changes relate to modifications to the section relating to pipelines which deletes reference to natural gas pipelines and modifies the definition of "Pipeline"; deletion of the definition of "Pipeline" as it relates to biogas pipelines in Fresno, Kern, Kings, and Tulare counties; removal of requirement to provide a water supply assessment for certain renewable energy projects; addition of a new section related to streamlining affordable housing projects in response to Senate Bill 35 and Assembly Bill 73; additional administration record requirement for a lead agency to respond to a request for concurrent preparation record within 10 business days from receipt of written request; and, modifications to filing fees

established by the Department of Fish and Wildlife. A memo from BB&K summarizes these changes to the local guidelines (Attachment A). These Local CEQA Guidelines provide instruction and forms for preparing all environmental documents required under CEQA. The District currently follows the 2017 version of the Local Guidelines prepared by BB&K and typically updates the document annually to incorporate any applicable changes in the law.

The revisions do not appear to pose any significant changes for typical District projects. District staff will consult with legal counsel, as necessary, for projects that may relate to the changes. The change in fees for filing CEQA documents could impact the District on future projects. A full copy of the proposed 2018 Local Guidelines for Implementing the California Environmental Quality Act is available at the District Office front counter, and may be accessed on the District website by clicking the link below:

www.sfidwater.org/CEQA

CEQA requires all public agencies to adopt specific objectives, criteria, and procedures for the evaluation of public and private projects undertaken or approved by such public agencies. Board adoption of a Resolution (Attachment B) will achieve this requirement.

FISCAL IMPACT:

No direct fiscal impact as a result of the review of this item.

Attachment A: 2018 Summary of Changes to Local CEQA Guidelines

Attachment B: Draft Resolution Amending and Adopting Local Guidelines for Implementing the California Environmental Quality Act

Prepared by: Marissa Potter, Associate Civil Engineer

Approved by: Michael J. Bardin, General Manager

ATTACHMENT "A"

Memorandum

TO: Project 5 Clients (District)
FROM: Best Best & Krieger LLP
DATE: March 12, 2018
RE: 2018 Summary of Changes to Local CEQA Guidelines

Important changes in the law have been incorporated into the 2018 Update to your Local Guidelines for Implementing the California Environmental Quality Act (“Local Guidelines”). For easy reproduction and access to these Local Guidelines, as well as the California Environmental Quality Act (“CEQA”) forms your District will need, and other important legal alerts, please access Best Best & Krieger LLP’s (“BB&K”) CEQA client portal at www.bbklaw.net/CEQA. For technical support, please contact Gar House at Gar.House@bbklaw.com.

Public agencies are required to adopt implementing procedures for administering their responsibilities under CEQA. These procedures include provisions governing how the District will process environmental documents and provide for adequate comment, time periods for review, and lists of permits that are ministerial actions and projects that are considered categorically exempt. The District’s procedures should be updated within 120 days after the State CEQA Guidelines are revised. To date, the State CEQA Guidelines have not been revised but there were changes made to the Public Resources Code that became effective on January 1, 2018 as well as clarifications to the law that came about as a result of 2017 CEQA litigation. Your Local Guidelines have been updated to reflect those changes and we recommend that your District adopt the updated Local Guidelines within a month of receiving them from BB&K.

This memorandum summarizes the substantive amendments to your Local Guidelines made in response to regulations, legislation and legal cases that changed or impacted certain aspects of CEQA between January 2017 and December 2017. Your Local Guidelines and this memorandum are designed to assist in assessing the environmental implications of a project prior to its approval, as mandated by CEQA. We still recommend, however, that you consult with an attorney when you have specific questions on major, controversial, or unusual projects or activities.

Revisions to Local CEQA Guidelines.

Revised Sections.

1. SECTION 3.11 PIPELINES WITHIN A PUBLIC RIGHT-OF-WAY AND LESS THAN ONE MILE IN LENGTH

Local Guidelines section 3.11 was changed pursuant to former Public Resources Code section 21080.21 that was repealed on by sunset date January 1, 2018 and replaced with a new Public Resources Code section 21080.21 regarding Pipelines within a public right-of-way and less than one mile in length.

2. SECTION 3.12 PIPELINES OF LESS THAN EIGHT MILES IN LENGTH

Local Guidelines section 3.12(b) was amended pursuant to Public Resources Code section 21080.23.5 which repealed the exclusion of biogas pipeline in the counties of Fresno, Kern, Kings and Tulare. Therefore, the definition of “Pipeline” in subsection (b) was deleted.

3. SECTION 3.20 OTHER SPECIFIC EXEMPTIONS

Pursuant to AB 1218, the sunset date established by Public Resources Code sections 21080.20 and 21080.20.5 statutory exemption for the approval of a bicycle transportation plan was extended through January 1, 2021.

4. SECTION 5.15 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS

Local Guidelines section 5.15 was amended to delete subsection (c) Water Supply Assessment Not Required for Certain Renewable Energy Projects because pursuant to Assembly Bill 2561, a portion of Water Code section 10912 expired on January 1, 2018 and was not renewed. Therefore, the exemption from preparing a water supply assessment for photovoltaic or wind energy generation facilities no longer applies.

5. SECTION 9 AFFORDABLE HOUSING

In response to Senate Bill 35 and Assembly Bill 73, a new section 9 was added regarding affordable housing. Section 9.01 was added pursuant to Senate Bill 35 regarding the streamlined, ministerial approval process for affordable housing projects. Lastly, Section 9.02 was added regarding housing sustainability districts and the Public Resources Code sections 21155.10 and 21155.11 pursuant to Assembly Bill 73.

6. SECTION 10.03 ADMINISTRATIVE RECORD

Local Guidelines section 10.03.C. was changed to include the requirement of a lead agency to respond to a request for concurrent preparation of the administrative record by the project applicant within 10 business days from receipt of the written request or the request will automatically be deemed denied.

Other Changes.

Department of Fish and Wildlife. Effective January 1, 2018, the Department of Fish and Wildlife has increased some of its fees. For a Negative Declaration or a Mitigated Negative Declaration, the new filing fee is \$2,280.75. For an Environmental Impact Report, the new filing fee is \$3,168.00. For an environmental document pursuant to a Certified Regulatory Program, the filing fee has been increased to \$1,077.00.

Conclusion.

As always, CEQA remains complicated and, at times, challenging to apply. The only constant in this area of law is how quickly the rules change. Should you have questions about

any of the provisions discussed above, or about the environmental review of any of your District's projects, please contact a BB&K attorney for assistance.

BEST BEST & KRIEGER LLP

RESOLUTION NO. _____

**RESOLUTION OF THE SANTA FE IRRIGATION DISTRICT
AMENDING AND ADOPTING LOCAL GUIDELINES FOR
IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT (PUB. RESOURCES CODE §§ 21000 ET SEQ.)**

WHEREAS, the California Legislature has amended the California Environmental Quality Act (“CEQA”) (Pub. Resources Code §§ 21000 et seq.), the Natural Resources Agency has amended portions of the State CEQA Guidelines (Cal. Code Regs, tit. 14, §§ 15000 et seq.), and the California courts have interpreted specific provisions of CEQA and the State CEQA Guidelines; and

WHEREAS, Section 21082 of the Public Resources Code requires all public agencies to adopt objectives, criteria and procedures for the evaluation of public and private projects undertaken or approved by such public agencies, and the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

WHEREAS, the Santa Fe Irrigation District must revise its local guidelines for implementing CEQA to make them consistent with the current provisions and interpretations of CEQA and the State CEQA Guidelines.

NOW, THEREFORE, the Santa Fe Irrigation District (“District”) hereby resolves as follows:

SECTION 1. The District hereby adopts the “Local Guidelines for Implementing the California Environmental Quality Act (2018 Revision),” a copy of which is on file at the offices of the District and is available for inspection by the public.

SECTION 2. All prior actions of the District enacting earlier guidelines are hereby repealed.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Santa Fe Irrigation District at a regular meeting held this 21st day of June 2018 by the following vote, to wit:

- AYES:**
- NOES:**
- ABSTAIN:**
- ABSENT:**

Michael T. Hogan, Board President

ATTEST:

Michael J. Bardin, Secretary

APPROVED AS TO FORM:

General Counsel, Santa Fe Irrigation District

DATE: June 7, 2018
TO: Water Resources Committee
FROM: General Manager
SUBJECT: Recycled Water Expansion Plan Progress Update

RECOMMENDATION:

It is the Staff recommendation that the Water Resources Committee:

1. Review a progress update for the Recycled Water Expansion Plan; and
2. Discuss and take other action as appropriate.

DISCUSSION:

In 2016, the Santa Fe Irrigation District (SFID) partnered with San Dieguito Water District (SDWD) and San Elijo Joint Powers Authority (SEJPA) to prepare a Potable Reuse Feasibility Study (PRFS). The PRFS evaluated the feasibility of a future potable reuse project, including potential opportunities and challenges associated with the project. The primary conclusion of the PRFS was that a potable reuse project utilizing surface water augmentation at San Dieguito Reservoir appeared feasible and could be permitted with the State Division of Drinking Water.

The PRFS also identified several project constraints or challenges associated with developing a potable reuse project. Two very significant project constraints that were identified, and that required further assessment, include:

- Wastewater supply: additional wastewater flows need to be identified to provide adequate source water to meet the ultimate project potable reuse goals.
- Modification of San Dieguito Reservoir operation: To maximize the benefit of San Dieguito Reservoir for potable reuse, modifications of the current reservoir operation will be needed.

In addition, the findings of the 2016 PRFS were based on draft surface water augmentation regulations that were still in the review and approval process.

At the August 30, 2017 Special Board of Directors meeting, the Board received a presentation on the Santa Fe Irrigation District's Integrated Water Resources Plan (IWRP) and alternative water supply development activities. As was discussed at that time, several alternative water supply have been or are currently being evaluated. These alternatives can be summarized as followed:

1. No project option

2. Potable Reuse (as described in the Potable Reuse Feasibility Study)
3. Non-Potable Reuse (large and small projects)

At its October 19, 2017 meeting, the Board of Directors authorized the General Manager to execute an agreement with Woodard & Curran to develop a Recycled Water Expansion Plan (Plan) to further define the constraints of a Surface Water Augmentation Potable Reuse Project (SWA) and its associated costs. In addition, the Board of Directors approved a Cost Sharing Agreement with San Dieguito Water District, San Elijo Joint Powers Authority, Leucadia Wastewater District, and Olivenhain Municipal Water District to jointly fund the Evaluation.

BACKGROUND

The purpose of the Plan is to build upon the 2016 PRFS to address some of the remaining areas of concern, and to compare, and potentially combine, the SWA project with various Non-Potable Reuse (NPR) alternatives. The scope of work for the Plan was structured to answer the following key questions:

1. How do the final surface water augmentation regulations impact the viability and assumed size of the proposed SWA Project?
2. Is there a sufficient volume of wastewater available to accommodate the projected SWA and NPR demands?
3. What are the improvements required at the R.E. Badger Filtration Plant to accommodate a SWA Project?
4. Based on the answers to the above questions, what are the updated capital, O&M, and unit cost for various SWA, NPR, and combined SWA/NPR scenarios?
5. What is the institutional complexity and regulatory compatibility for each project objective?
6. What is the preferred project alternative along with next steps for implementation?

The scope of work and schedule requires completion of the surface water regulation review, and SWA/NPR supply availability determination, before moving forward on any other tasks.

Regulatory review and supply water availability Technical Memorandums have been completed. The key findings of the Technical Memorandums are as follows:

Technical Memorandum No. 1 – Surface Water Augmentation Regulatory Evaluation

- The final Surface Water Augmentation Regulations have been adopted by the State Water Resources Control Board.

- The final regulations limit the size of the SWA project to 3.1 million gallons per day (mgd), or approximately 3,500 Acre Feet Per Year (AFY). The 2016 PRFS had assumed the full scale project could be as large as 4.0 mgd, or approximately 4,500 AFY.
- The final regulations require strict source control programs be in place for wastewater agencies supplying water to SWA projects.

Technical Memorandum No. 2 – Evaluation of SWA/NPR Supplies

- Based on the findings of Technical Memorandum No. 1, the required supply for an SWA project has been substantially reduced from 4 mgd (4,500 AFY) to 3.1 mgd (3,500 AFY).
- A 3.1 mgd project project requires a supply of approximately 3.7 mgd to account for the removal of concentrate during the treatment process.
- Supply availability must accommodate peak monthly demands NPR demands 2.4 mgd as well as SWA demands.
- Sufficient supply appears to be available to accommodate existing 2.4 mgd NPR demands, plus a future 3.1 mgd SWA Project, plus the additional 0.6 mgd associated with treatment concentrate, using multiple supply scenarios.
- Stringent source control requirements may limit some of the available supply options available.
- The incremental cost associated with obtaining supplemental supplies appears to be reasonable. The full impact of the incremental cost will be known when the overall project costs are updated in subsequent tasks.

SFID is serving as the lead agency for this project. Based on the results of the regulatory and water supply evaluation, SFID Staff will be recommending that we and our partners authorize Woodard and Curran to move forward with the remaining scope of work and complete the Plan. The next steps will include the determination of any improvements at R.E. Badger required to accommodate a SWA project, and an update of the overall project costs considering the reduction in size and other factors.

Assuming the consultant begins their work on the remaining tasks by July 1, 2018, the final Plan is scheduled to be completed in November 2018. Staff will be providing an update of the progress of the Plan at the June 7, 2018 Water Resources Committee Meeting.

FISCAL IMPACT:

There is no fiscal impact associated with this item. The total cost for the Plan is \$287,529. Per the Cost Sharing Agreement, SFID, SDWD and SEJPA each shares 25% of the total costs, or \$71,882 respectively to each agency. The OMWD share is 18.8%, or \$53,934, and LWD share is 6% or \$17,948. Therefore, SFID's total cost for the project is \$71,882. To date, the work is approximately 45% complete. The FY18 District Budget includes funding for this work.

Prepared by: Michael J. Bardin, General Manager

DATE: June 7, 2018
TO: Water Resources Committee
FROM: General Manager
SUBJECT: Consider Canceling July Water Resources Committee Meeting

RECOMMENDATION

It is the Staff recommendation that the Water Resources Committee:

1. Discuss and consider canceling the July 5, 2018, Water Resources Committee meeting; and
2. Take other action as appropriate.

DISCUSSION

Director Menshek will not be available for the July 5, 2018 Water Resources Committee meeting. Because a quorum is required for a Committee meeting, staff is suggesting the Committee discuss and consider canceling the July meeting. At this time, there are no items anticipated for Committee discussion in July.

FISCAL IMPACT

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

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