

**MINUTES
REGULAR BOARD MEETING
OF THE SANTA FE IRRIGATION DISTRICT
BOARD OF DIRECTORS**

February 15, 2018
Santa Fe Irrigation District
5920 Linea del Cielo
Rancho Santa Fe, CA 92067

ROLL CALL - CALL MEETING TO ORDER

President Hogan called the meeting to order at 8:30 a.m.

BOARD MEMBERS PRESENT: President Michael Hogan, Vice President Kenneth Dunford, Director Marlene King, Director Andy Menshek, and Director David Petree were present.

STAFF AND OTHERS PRESENT: General Manager Michael J. Bardin, Executive Assistant Kim Johnson, Administrative Services Manager Jeanne Deaver, Engineering Services Manager Bill Hunter, Operations Manager Cor Shaffer, Management Analyst Jessica Parks, General Counsel Paula de Sousa Mills, and members of the public were present. Also present were Christy Whalen and Arnold Keene, Rancho Santa Fe Association (RSFA).

PLEDGE OF ALLEGIANCE

Director King led the Pledge of Allegiance.

ITEMS TO BE ADDED TO THE AGENDA - None

ORAL COMMUNICATIONS - None

PRESENTATIONS AND AWARDS - None

ACTION AGENDA

CONSENT ITEMS

1. Approval of Minutes – January 18, 2018 Regular Board Meeting
2. Receive and File Monthly Finance Reports
 - a. Budget Performance

- b. Disbursements
- c. Monthly Investment Transaction Report
- 3. Waive Full Reading and Adopt Resolution No. 18-01, Amending District Administrative Code - Articles 11, 12, 23, and 28
- 4. Consider San Diego Local Agency Formation Commission Nomination to Consolidated Redevelopment Oversight Board
- 5. Annual Review of Director Compensation

Upon a motion by Director Menshek and second by Vice President Dunford, the Board voted unanimously to adopt the Consent Calendar.

ACTION AND DISCUSSION ITEMS

- 6. FY18 Mid-Year Budget Review

ASM Deaver presented the item and she and OM Shaffer responded to questions from the Board. There were no mid-year adjustments requested by staff.; therefore, there was no action requested or required of the Board.

- 7. Review and Discuss Proposed Board of Directors' Planning Workshop Schedule and Strategic Business Plan Update

President Hogan invited public comment prior to staff presenting the report to the Board.

Christy Whalen, RSFA Manager, thanked the Board for scheduling workshops and reported that the RSFA is very interested in participating in the rate setting process.

GM Bardin presented the item and responded to questions from the Board.

After discussion, a motion was made by Director King and seconded by Vice President Dunford to accept the workshop schedule and topics as presented by staff. Motion passed unanimously.

- 8. Review and Discuss Scope of Work for Request for Proposals for Cost of Service Study

President Hogan invited public comment prior to staff presenting the report to the Board.

Richard Sapp, RSFA Boardmember, reported that the RSFA had sent correspondence to the General Manager regarding the proposed scope of work and requested that the Board review their requests. He also noted the Association's interest in participating in the water rate setting process and that the Association is working with a consultant to help them understand the issues and laws governing water rate setting.

GM Bardin commented on the letter submitted by the RSFA and stated that the District intends to keep the scope very broad and not narrow the focus as the RSFA requested because the Board expressed a desire to explore all possible rate structures and their corresponding customer impacts. GC de Sousa Mills commented that the District is bound by the Government Code

and all other related laws governing water rate setting and that is implicit in the scope of work; therefore, it did not need to be specifically stated as requested by the RSFA.

The Board did not express interest in revising the scope of work proposed by staff. There was no action requested or required of the Board.

DIRECTORS' COMMENTS

9. Directors' Comments

Director Petree noted the Cost of Service Study scope of work was discussed at the February Administrative and Finance Committee and he expressed concern that resources could be spent vetting water rate options that will not affect the District in the near future. He added that legislative action takes time to implement and it would be hard as a Board to anticipate what those requirements might be.

Director King shared an email she received from a customer regarding automated meter installation and the customer expressed concern that the District is not pursuing a reduction in staff for a cost savings as a result of automated meters, but rather reallocating staff resources to other activities. She shared another email from a former customer who reported that Colorado is also suffering from low snow pack this year.

10. Directors' Reports on Conferences, Activities, and Events - None

REPORTS

11. Operations Reports

- a. R.E. Badger Filtration Plant Report
- b. Water Resources Report

These reports were for the Board's information only. No action was requested or required of the Board.

12. San Diego County Water Authority Board Meeting Report – President Hogan

President Hogan provided an update on the "Water Fix" project, noting that a single tunnel project had been recommended; however, the Metropolitan Water District Board agreed to have staff investigate MWD fully funding the original two tunnel project at their Board meeting February 13, 2018.

13. Committee Reports

- a. Executive Committee
- b. Administrative and Finance Committee
- c. Water Resources Committee
- d. Joint Facilities Advisory Committee

The reports were included in the agenda materials.

14. General Manager's Report – GM Bardin reported on the following:

- A regional water quality improvement project set to begin in late Spring/early Summer 2018.
- Legislative session update was given.
- The legendary Lake Hodges monster, nicknamed “Hodgee” by locals, has recently been carved by a local artist.

15. General Counsel's Comments - GC de Sousa Mills reported on the following:

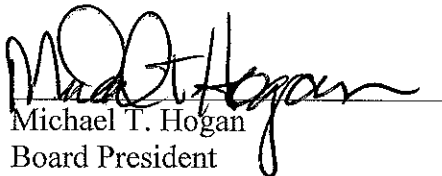
- Legislative update regarding AB 2050, a water agency counterpart to the Monning Bill dealing with water quality issues and disadvantaged communities and SB 998, the “Water Shut Off” bill proposed by Senator Dodd. She reported BB&K is following these bills quite closely.

INFORMATION ITEMS - None

CLOSED SESSION - None

ADJOURNMENT

President Hogan adjourned the meeting at 9:39 a.m.


Michael T. Hogan
Board President


Michael J. Bardin
Board Secretary/Treasurer