



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

February 21, 2019
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 and Directors Marlene King and Andy Menshek were present.

BOARD MEMBER ABSENT: Director David Petree*
**Director Petree arrived at 8:32 a.m.*

STAFF AND OTHERS PRESENT: Interim General Manager William Hunter, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Chief Treatment Operator Elijah Standing Warrior, Associate Civil Engineer Marissa Potter, Senior Accountant Melissa Casarez, General Counsel Paula de Sousa Mills, and members of the public were present.

PLEDGE OF ALLEGIANCE

Vice President Dunford 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 17, 2019 Regular Board Meeting
2. Receive and File Monthly Finance Reports
 - a. Budget Performance
 - b. Disbursements
 - c. Monthly Investment Transaction Report
3. Annual Review of Director Compensation
4. Waive Full Reading and Adopt Resolution No. 19-03, Quitclaiming the District's Rights in an Easement crossing APN 266-330-06 (6380 Paseo Delicias, Rancho Santa Fe)

Upon a motion by Vice President Dunford and second by Director Menshek, the Board voted 4-0 to adopt the Consent Calendar. (Petree absent)

**Director Petree arrived at 8:32 a.m.*

ACTION AND DISCUSSION ITEMS

5. Authorize the General Manager to Execute a Power Purchase and Sale Agreement with SDG&E

IGM Hunter introduced the item, utilized a PowerPoint presentation to provide background information and details regarding the proposed terms, and responded to questions from the Board.

After discussion, a motion was made by Director Menshek and seconded by Director King to authorize the General Manager to execute the purchase and sale agreement. Motion passed unanimously.

6. FY19 Mid-Year Budget Review

IGM Hunter introduced the item and ASM Gates gave a PowerPoint presentation reviewing the District's financial status at midyear. There were no mid-year adjustments requested by staff; therefore, there was no action requested or required of the Board.

7. Review and Discuss Scheduling Board of Directors Special Meeting Workshop

President Hogan introduced the item, requesting Board action for setting the special meeting workshop. The Board discussed areas of concern, previously identified by the Board associated with the proposed rate increases and rate structure recommended at the December 20, 2018 Board meeting. The Board also seeks a summary of the potential rate structure options that were evaluated during the development of the proposed rate structure.

Vice President Dunford commented that the consultant, Carollo, will be available for meetings with individual Directors to address specific concerns prior to the workshop.

After discussion, a motion was made by President Hogan and seconded by Director Petree, to schedule a special meeting workshop to immediately follow the regular March 21, 2019 Board of Directors meeting, at a time certain of 9:30 a.m. Motion passed unanimously.

DIRECTORS' COMMENTS

8. Directors' Comments

Director Petree commented he received an insert with his Olivenhain Municipal Water District water bill that included a chart of water rates comparing 21 area water districts. He noted that Santa Fe Irrigation District is the second lowest of agencies surveyed, and that OMWD has a four tier rate structure.

Director King commented that she had received an email from a customer including a link to an article reporting a recent action by the Helix Water District Board increasing the amount of their Director Per Diem. She reported she also received an email from a customer regarding District procedures regarding backflow devices and required testing. She expressed concern at charges incurred by customers as a result of the District outsourcing program administration. The Board requested this issue be brought back on a future agenda for Board discussion.

President Hogan commented he recently toured the R. E. Badger Filtration Plant with a colleague and it was good to see the planned and completed projects in person. He also thanked Chief Treatment Operator Elijah Standing Warrior and Plant staff for all their hard work. He suggested interested Directors coordinate with staff to tour the Plant.

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

REPORTS

10. 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.

Director King requested staff to separate SFID's storage in Lake Hodges from the current combined total on future reports.

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

In addition to the written report included with the agenda materials, President Hogan reported on the following:

- Dennis Cushman, Assistant General Manager, and Maureen Stapleton, General Manager have each announced their retirement from the SDCWA.
- Governor Newsom does not support the WaterFix as configured; however, does support a single tunnel. The Governor's proposal will require new environmental studies, which will further delay the project.

- DWR increased the 2019 allocation to Southern California to 15%, up from 10%, and could increase again based upon the snow pack.

12. Committee Reports

The Committee Reports were included with the agenda materials.

13. General Manager’s Report – No report

14. General Counsel’s Comments - GC de Sousa Mills reported on the following:

- The National Weather Service reported that California has received 18 trillion gallons of water as of February 18th, the equivalent to 27 Olympic sized swimming pools/ 45% of the volume of Lake Tahoe.
- The deadline for Legislative bills to be introduced is February 22, 2019. The water tax bill was reintroduced both as a standalone piece of legislation (SB 200) and as a budget trailer bill. A water tax bill is likely to pass.
- Assemblyman Mathis has introduced ACA 3, which proposes to set aside 2% of the General Fund annually for water programs, instead of the proposed water tax. A portion is also proposed to pay off the 2014 water bonds.

INFORMATION ITEMS

15. AMI Program Status

IGM Hunter utilized a PowerPoint presentation to provide an update on the AMI program. Also shown was the video that is available on the SFID webpage which walks customers through the step-by-step process of registering for the AMI online customer portal. IGM Hunter also reported that two “Opt Out” requests have been received from customers who do not desire an automated meter be installed.

16. ACWA/JPIA President’s Special Recognition Award – 2017 and 2018

This item was for the Board’s information only. There was no action requested or required of the Board.

CLOSED SESSION

17. Conference with Legal Counsel- Existing Litigation
Pursuant to Government Code Section 54956.9 (d)(1)
Rancho Santa Fe Association v Santa Fe Irrigation District
Case No. 37-2018-00064214-CU-MC-NC

18. Conference with Legal Counsel- Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of

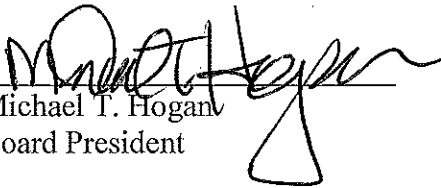
Government Code Section 54956.9
One potential case

President Hogan adjourned into Closed Session at 10:28 a.m.

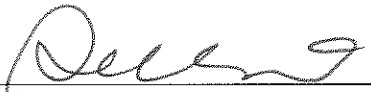
President Hogan reconvened into Open Session at 11:22 a.m. and reported no reportable actions were taken in Closed Session.

ADJOURNMENT

President Hogan adjourned the meeting at 11:22 a.m.



Michael T. Hogan
Board President



Albert C. Lau
Board Secretary/Treasurer

