



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

March 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, Operations Manager Cor Shaffer, Management Analyst Jessica Parks, Associate Civil Engineer Marissa Potter, General Counsel Paula de Sousa Mills, and members of the public were present. Also present were Bill Knutsen and Kathleen Tiegs, JPIA Executive Committee Members, Peter Kuchinsky, JPIA, and Christy Whalen and Arnold Keene, Rancho Santa Fe Association (RSFA).

**PLEDGE OF ALLEGIANCE**

President Hogan led the Pledge of Allegiance.

**ITEMS TO BE ADDED TO THE AGENDA - None**

**ORAL COMMUNICATIONS - None**

**PRESENTATIONS AND AWARDS**

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

GM Bardin introduced the JPIA representatives in attendance, Mr. Bill Knutsen and Ms. Kathleen Tiegs, Executive Committee members, and Mr. Peter Kuchinsky, JPIA Risk Management.

Mr. Knutsen commented that cost savings are achieved through low or no losses, which not only benefit the District but all the members of the pool. Mr. Knutsen thanked GM Bardin for supporting the JPIA programs which have resulted in reducing the District's risk and losses and thanked the Board for their oversight. He presented the District with a refund check in the amount of \$62,722.

## **ACTION AGENDA CONSENT ITEMS**

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

Director King requested to consider Item 2b, March 1, 2018 Special Board meeting minutes separately from the consent calendar.

Upon a motion by Director Menshek and second by Vice President Dunford, the Board voted unanimously to adopt the Consent Calendar, as amended. (Items 2a, 3)

Director King requested an addition to her Director Comments to state, " She also noted that while the District's Administration and Engineering departments are well represented, there are no women in Operations and Maintenance."

Upon a motion by President Hogan and second by Vice President Dunford, the Board voted unanimously to approve the March 1, 2018 Special Board meeting minutes as amended.

## **ACTION AND DISCUSSION ITEMS**

4. Consider Support for the Association of California Water Agencies' "No Water Tax" Initiative

GM Bardin presented the item and he and General Counsel de Sousa Mills responded to questions from the Board. The Board expressed concern at the amount requested by ACWA, \$10,000, and felt it should be on a sliding scale, similar to the annual dues to ACWA.

After a lengthy discussion, a motion was made by Director Menshek and seconded by Vice President Dunford to approve staff's request to Adopt a Position of Support for the Initiative

and provide a financial contribution of \$5,000 for the campaign. Motion passed 3-2 (Directors King and Petree voting no).

5. Review and Discuss District Strategic Business Plan Update and Related Topics

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

The Board discussed the District's Mission Statement and after discussion, a motion was made by Director King and seconded by Director Petree to revise the Mission Statement to read:

*Santa Fe Irrigation District will provide its customers with safe and reliable water.*

Motion passed 4-1 (Vice President Dunford voting no).

The Board considered the District's Vision Statement and reached consensus on the following updated Vision Statement as follows:

*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.*

The Board then discussed the proposed Strategic Issues and after a lengthy discussion, directed staff to continue work on the issues based on Board dialogue and return the item to the Board at a future meeting for further consideration.

6. Establish Policy for Public Comment at Board Workshops on Cost of Service and Water Rates

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

Christy Whalen, RSFA Manager, distributed a letter to the Board supporting her oral comments. She stated that the Association appreciated the proposed time allotment for organized presentations and requested:

- Clarify that RSFA representatives and members of the public will not be given less than 3 minutes to address the Board;

- Clarify that the RSF A representatives will be allowed 20 minutes per "group presentation," during at least three SFID Board meetings, and that Group presentations will not preclude persons affiliated with RSF A from individually speaking for three minutes during the same meeting; and
- Clarify that the "discretion" retained by the Chair will be exercised reasonably and in good faith, and any reduction of the amount of time authorized under the Policy will not be exercised in a manner that prefers one viewpoint over another.

GM Bardin presented the item and he and General Counsel de Sousa responded to questions from the Board. The Board shared concerns related to the potential number of organized groups desiring to make a presentation and the length of time proposed. GC de Sousa Mills explained these guidelines are exclusively for Board workshops on cost of service and water rates. GM Bardin referred to the published schedule of Board workshops and noted there are 3 workshops scheduled to cost of service and water rates.

After an extensive discussion, a motion was made by Director Menshek and seconded by President Hogan to adopt the policy for public comment at Board Workshops on Cost of Service and Water Rates. Motion passed unanimously.

General Counsel de Sousa noted this language should be posted on each Special Board meeting agenda related to cost of service and water rates.

7. Legislative Update: Proposed Statewide Long-Term Water Use Efficiency

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

Board discussion ensued regarding content of position of support letters, and expressed their desire to receive copies of support letters submitted.

After discussion, the Board reached consensus that the District would continue to submit letters in line with established regional positions.

**DIRECTORS' COMMENTS**

8. Directors' Comments

Vice President Dunford commented on State requirements for agencies to report water use in gallons per capita per day and how he preferred the units be measured on a more equitable basis, such as lot sizes.

Director King expressed her concern that the Automated Metering customer portal is still not available for District customers who have been converted to the automated water meters. She also shared concern for the integrity of the wiring on the new meters and asked the District to more explicitly inform customers of the risks in handling the meter covers should they choose to read their new meter.

9. Directors' Reports on Conferences, Activities, and Events

President Hogan reported he attended the San Diego Chapter of the California Special Districts' Association dinner meeting on February 17, 2018, and the presentation was on San Diego's Current Economic Outlook, by Tom Paolicelli, Chief Deputy Treasurer, filling in for Dan McAlister, County Treasurer.

## 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.

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

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

- The SDCWA is nearing completion of their Cost of Service Study with rate recommendations for two years, noting Carollo completed their study and an electronic copy of the rate model was provided to all member agencies along with training on how to understand the model. He added that part of the SDCWA litigation against MWD included MWD not sharing information on how costs were allocated.
- At the last SDCWA Board meeting, a presentation was given on Pension Funding Strategies.
- The Outreach/Conservation Program budget at MWD is set for \$13M over the next two years, including rebate programs on landscape conversion and turf removal. SDCWA's new slogan, "Brought to You by Water," will include focus on the value of water and the continued need for conservation.
- Water use projections reported in the 2015 SDCWA Urban Water Management Plan, were recently revisited to calculate interim projections based on current data ahead of the scheduled 2020 update.
- The Water Stewardship Rate claimed by the SDCWA to have been illegally collected by MWD was upheld by the appeals court and could return up to \$1M to Santa Fe Irrigation District as part of the approximately \$44M owed to the SDCWA.
- The SDCWA Twin Oaks Water Treatment Facility's recently completed 100-megawatt battery support project could save up to \$100,000 annually by saving solar generated energy for use during off grid hours.

12. Committee Reports

- a. Executive Committee
- b. Administrative and Finance Committee

c. Water Resources Committee

The reports were included in the agenda materials.

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

- An event to dedicate the new San Dieguito Pump Station and celebrate the Centennial of the San Dieguito Dam is scheduled for May 30, 2018.
- Cost of Service Study proposals are being received and consultant interviews are scheduled for March 26, 2018, with a recommendation for Board action in April.

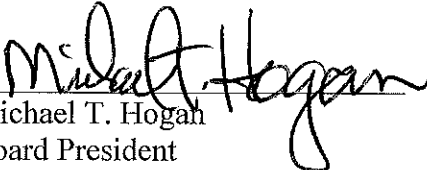
14. General Counsel's Comments - GC de Sousa Mills reported Kelly Salt will attend the March 29, 2018 Special Board Meeting as she will be out of town.

**INFORMATION ITEMS - None**

**CLOSED SESSION - None**

**ADJOURNMENT**

President Hogan adjourned the meeting at 10:49 a.m.

  
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Michael T. Hogan  
Board President

  
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Michael J. Bardin  
Board Secretary/Treasurer