



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

April 30, 2019
Santa Fe Irrigation District
5920 Linea del Cielo
Rancho Santa Fe, CA 92067

CALL MEETING TO ORDER

President Hogan called the meeting to order at 3:01 p.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 3:15 p.m.*

STAFF AND MEMBERS OF THE PUBLIC PRESENT: General Manager Albert C. Lau, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, General Counsel Paula de Sousa Mills and Lutfi Kharuf, Best, Best & Krieger, and members of the public were present. Also present was Jennifer Ivey, Carollo Engineers.

PLEDGE OF ALLEGIANCE

Director Menshek led the Pledge of Allegiance.

ORAL COMMUNICATIONS

Prior to opening the meeting for public comment, President Hogan referred to the Board policy regarding public comment and presentations during special Board workshops on cost of service and water rate setting.

DISCUSSION

1. Board Workshop: Discussion of Cost of Service Recommendations and Related Items
 - a. Review and Provide Staff Direction for Proceeding with District Cost of Service Analysis

GM Lau introduced the item and then introduced Jennifer Ivey, Carollo. Ms. Ivey utilized a PowerPoint to present alternative allocation methodologies for Board consideration and responded to questions from the Board.

President Hogan offered the opportunity for final public comment.

Greg Gruzdowich remarked that the assumptions being considered are still subjective.

After an extensive discussion, a motion was made by Director Menshek and seconded by Vice President Dunford for staff to move forward with Alternative Allocation Methodology #3, Convert to Base-Extra Capacity methodology, with consideration of cost allocations by functions. Motion passed 3-2 (King, Petree voting no).

Staff will work with Carollo to prepare the methodology for Board consideration at a future meeting.

DIRECTORS' COMMENTS

2. Directors' Comments

Director Menshek commented he had just been notified by a former co-worker of an active shooter situation at a university in North Carolina.

Director Petree reported he had a wonderful vacation and commented that large cities in China and Japan, specifically Beijing, have over 25 million citizens and the water is not safe to drink. He is grateful that the District provides safe reliable water supplies.

GM Lau reported that the Governor issued an Executive Order directing several state agencies to work together to develop a Water Resiliency Portfolio, noting that more details are forthcoming.

INFORMATION ITEM – None

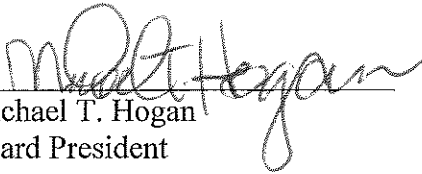
CLOSED SESSION

3. 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
4. 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

Closed Session was not necessary.

ADJOURNMENT

President Hogan adjourned the meeting at 4:23 p.m.



Michael T. Hogan
Board President



Albert C. Lau
Board Secretary/Treasurer

