



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

August 16, 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 8:31 a.m.

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

**STAFF AND OTHERS PRESENT:** General Manager Michael J. Bardin, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Engineering Services Manager Bill Hunter, Chief Plant Operator Elijah Standing Warrior, Management Analyst Jessica Parks, Associate Civil Engineer Marissa Potter, General Counsel Paula de Sousa Mills and Kelly Salt, Best Best & Krieger, and members of the public were present.

Also present were Pierce Rossum and Jennifer Ivey, Carollo Engineers.

**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**

1. Jessica Parks – 10-year Service Award

GM Bardin introduced Ms. Parks and provided brief comments about her service to the District. The Board congratulated Ms. Parks and thanked her for her service.

**ACTION AGENDA**  
**CONSENT ITEMS**

2. Approval of Minutes
  - a. July 19, 2018 Regular Board Meeting
  - b. August 2, 2018 Special Board Meeting
3. Receive and File Monthly Finance Reports
  - a. Budget Performance
  - b. Disbursements
  - c. Monthly Investment Transaction Report

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

**ACTION AND DISCUSSION ITEMS**

4. Public Hearing to Consider Increase in Miscellaneous Fees and Charges for District Services

President Hogan opened the Public Hearing and ASM Gates gave a short PowerPoint presentation summarizing the proposed fees and charges. He and GM Bardin responded to questions from the Board.

Seeing no one present wishing to address the Board, President Hogan closed the Public Hearing

5. Adopt Resolution No. 18-08 Establishing District Miscellaneous Fees and Charges and Amending District Administrative Code

GM Bardin introduced the item and he and ASM Gates responded to questions from the Board. After a brief discussion, a motion was made by Vice President Dunford and seconded by Director Menshek, to adopt Resolution No. 18-08, Establishing District Miscellaneous Fees and Charges and Amending the District Administrative Code, Article 13.

Roll call vote was taken as follows:

Ayes: Dunford, King, Menshek, Petree, and Hogan  
Noes: None  
Abstain: None  
Absent: None

6. Adopt Resolution No. 18-09 Establishing District Meter Capacity Fees and Amending District Administrative Code

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

The Board discussed the proposed capacity fees increases at length and after discussion, a motion was made by Vice President Dunford and seconded by Director King, to adopt Resolution No, 18-09 with a three year phasing schedule for the Meter Capacity Fees.

Roll call vote was taken as follows:

Ayes: Dunford, King, Petree, and Hogan  
Noes: Menshek  
Abstain: None  
Absent: None

7. Review and Discuss Independent Consultant's Water Rate Recommendation

President Hogan provided the opportunity for public comment.

Greg Gruzdownich asked questions for clarification on the water rate recommendations regarding two tiers and two water sources, the abundance of water, and commented that if the proposed two tiers replace the prior four tiers, customers should be eligible for reimbursement.

Al Evans praised District staff and Board for their work on recycled water; stated that if a customer uses more water, they should pay more, and expressed concern that smaller water users could be paying more through a revised rate schedule. He encouraged the Board to keep the current four tier structure in place.

GM Bardin provided introductory comments, including introducing Jennifer Ivey and Pierce Rossum of Carollo Engineers, the Independent Rate Consultants, and Kelly Salt, Best Best & Krieger, District Special Counsel.

Mr. Rossum gave a PowerPoint presentation and he, GM Bardin, and ASM Gates responded to questions from the Board.

***President Hogan called for a recess at 10:54 a.m.***

***President Hogan reconvened the meeting at 11:06 a.m.***

The Board discussed fixed charges versus volumetric based charges, the use of the Rate Stabilization Fund, outdoor water use, capital project funding, alternative tier break points, and renewing a Board pass-through policy whereby wholesale water rate increases are passed through to the customers.

There was no action requested of the Board. The rate setting discussion will continue at the Board's Special Meeting workshop scheduled for August 30, 2018.

***Director Petree left the meeting at 12:33 p.m***

8. 2018 Legislative Update

This item was for the Board's information only. No action was requested or required of the Board.

**DIRECTORS' COMMENTS**

9. Directors' Comments

President Hogan commented on the recent loss of a District staff member's teenaged son and expressed sincere condolences and offered thoughts and prayers to the family on behalf of the Board.

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

The written report was included with the agenda materials.

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:

- There will be no District election in the November General Election as none of the incumbents are being challenged in their Division races.
- The next Board Special meeting workshop is scheduled for August 30, 2018.
- The San Diego CSDA Chapter Newsletter showcased the recent 100 year celebration of San Dieguito Reservoir and a copy of the newsletter was at each Director's seat at the Dais.

15. General Counsel's Comments -- General Counsel de Sousa Mills reported that the substance of SB623, the Water Tax bill, is active again, and in its current iteration proposes a voluntary contribution by rate payers in lieu of a tax, providing customers the opportunity to "opt out" of having to pay the voluntary fee. The legislative session ends at the end of the month and the final outcome will be known by the end of September.

## INFORMATION ITEMS

16. Status Report on Hazard Mitigation Grant Funding Opportunities

This item was for the Board's information only. No action was requested or required of the Board.

## CLOSED SESSION

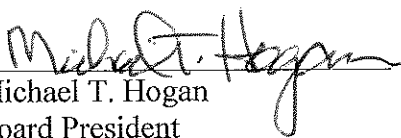
17. Conference with Labor Negotiators  
(Pursuant to Government Code section 54957.6)  
Agency designated representatives: General Manager  
Represented Employees: Santa Fe Irrigation District Employee Association
18. Conference with Legal Counsel- Anticipated Litigation  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9  
One potential case
19. Public Employee Appointment  
(Pursuant To Government Code Section 54957)  
Title: General Manager

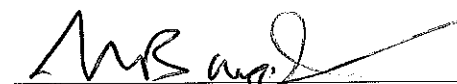
*President Hogan adjourned into Closed Session at 12:37 p.m.*

*President Hogan reconvened into Open Session at 1:52 p.m. and reported that he and Vice President Dunford were appointed to an Ad Hoc Committee for the General Manager Executive Recruitment process.*

## ADJOURNMENT

President Hogan adjourned the meeting at 1:53 p.m.

  
Michael T. Hogan  
Board President

  
Michael J. Bardin  
Board Secretary/Treasurer

