



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

October 26, 2018  
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 9:00 a.m.

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

*\*Vice President Dunford participated via teleconference.*

*Pursuant to Government Code 54593, all teleconferencing requirements were met, attendance was taken by roll call, and all votes were taken by roll call.*

**STAFF AND MEMBERS OF THE PUBLIC PRESENT:** General Manager Michael J. Bardin, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Operations Manager Cor Shaffer, Associate Civil Engineer Marissa Potter, General Counsel Paula de Sousa Mills, Best, Best & Krieger, and members of the public were present.

**PLEDGE OF ALLEGIANCE**

Director Menshek led the Pledge of Allegiance.

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

**ORAL COMMUNICATIONS**

Christy Whalen, Rancho Santa Fe Association Manager, thanked the Board for the opportunity to share the Association's concerns regarding the proposed rates, that Tier 2 is subsidizing Tier 1, and that the Association believes that a flat rate is most fair. Ms. Whalen suggested the District work with the Association to jointly develop a two tier structure with different tier break points. She also submitted a letter to the Board on behalf of the Association.

**CLOSED SESSION**

1. Public Employee Appointment

(Pursuant To Government Code Section 54957)  
Title: General Manager

2. Conference with Legal Counsel- Anticipated Litigation  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9  
Two potential cases

***President Hogan adjourned into Closed Session at 9:07 a.m.***

***President Hogan reconvened into Open Session at 10:32 a.m. and reported no reportable actions were taken during Closed Session.***

### **ACTION AND DISCUSSION ITEMS**

3. Consider Actions Relating to the Rancho Santa Fe Association October 11, 2018 Correspondence including:
  - a. Cancel the Scheduled November 15, 2018 Public Hearing on Water Rates
  - b. Authorize Staff to Issue a Revised Proposition 218 Notice (to include the District's P.O. Box Mailing Address, and Make Additional Clarifications)
  - c. Schedule a Public Hearing Tentatively for December 20, 2018, but not less than 45 days after mailing of the Revised Proposition 218 Notice; and
  - d. Review and Take Action Regarding Allegations of Brown Act Violations Allegedly Taken by the Board at its September 20, 2018 Regular Board Meeting; and
  - e. Discuss and take other action as appropriate.

President Hogan invited public comment prior to Board consideration of the item.

Jeremy Jungreis, Rutan & Tucker, LLP, asked if the rate protests already submitted would be counted or would they require resubmission. GC de Sousa Mills replied the agenda memo confirms the protests already received would be counted. He commented that agenda materials prepared for the September 20, 2018 Board meeting were clear that Board approval was sought; however, the agenda did not include specific items upon which the Board would act. He added that the agenda materials for today's meeting also do not include the Proposition 218 notice, the Cost of Service Study, nor is the hearing date noted.

Janet Danola, representing the Rancho Santa Fe Golf Club, expressed concern that their recalculation of a water bill using the proposed rate increase resulted in a \$19,000 increase for the most recent billing period.

Greg Gruzdownich commented on the cost of service analysis performed and felt that wet years versus dry years and the difference in cost create a subsidy funded by the larger users and felt the subsidy would be eliminated if the District adopted a uniform rate.

President Hogan asked why the public hearing date was tentative and GC de Sousa Mills explained the possible delays and confirmed the 45 day noticing requirement would be met. She added that the Proposition 218 notice would include the actual public hearing date, proposed for December 20, 2018.

Director King requested that a prominent font be used on the new Proposition 218 notice to inform customers why it was distributed.

A motion was made by Director Menshek, seconded by Director Petree to approve the actions in Item 3a-3d. Roll call vote was taken as follows:

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

GC de Sousa Mills recommended the Board take action to send a response letter to the RSFA of the Board's decision to not cure the alleged Brown Act violations, as none occurred.

*Vice President Dunford left the meeting at 10:50 a.m.*

A motion was made by Director Menshek and seconded by Director Petree, to direct staff to send the response letter to the RSFA. Roll call vote was taken as follows:

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

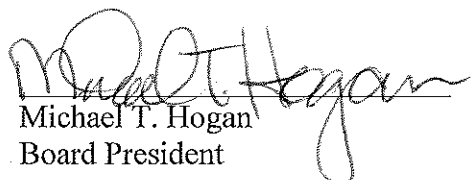
## **DIRECTORS' COMMENTS**

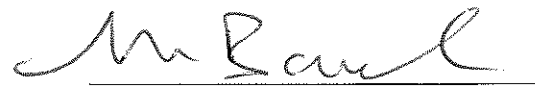
### 4. Directors' Comments

President Hogan reported that the San Diego County Water Authority has issued a statement regarding their settlement offer in their current litigation with Metropolitan Water District.

## **ADJOURNMENT**

President Hogan adjourned the meeting at 10:51 a.m.

  
Michael T. Hogan  
Board President

  
Michael J. Bardin  
Board Secretary/Treasurer

