



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

July 15, 2021
Santa Fe Irrigation District
5920 Linea del Cielo
Rancho Santa Fe, CA 92067

Due to the COVID-19 State of Emergency and pursuant waivers to certain Brown Act provisions under the Governor's Executive Orders, meetings of the Board and Board Committees will be conducted via Zoom Meeting (webinar/teleconference) and there will be no physical location from which members of the public may participate. Instead, the public may listen and/or view the meeting proceedings and provide public comment and comments on specific agenda items by following the posted instructions, including how to submit written comments for inclusion, instructions for viewing or listening to the meeting, and how to participate via Zoom. Additionally, these public comment procedures supersede the District's standard public comment policies and procedures to the contrary.

ROLL CALL - CALL MEETING TO ORDER

President Hogan called the meeting to order at 8:30 a.m.

BOARD MEMBERS PRESENT: President Hogan, Vice President Frank Creede, and Directors Dana Friehauf, Sandra Johnson, and Andy Menshek were present.

STAFF AND OTHERS PRESENT: General Manager Albert Lau, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Engineering Services Manager Rania Amen, Distribution System Manager Chris Bozir, Water Treatment Plant Manager Tim Bailey, Public Communications Officer Teresa Penunuri, Utility Worker I Ryan Njaa, Utility Worker I Derek Orr, General Counsel Paula de Sousa, Best Best & Krieger, and members of the public were present.

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. Kerri Harrell – 15 years of service to the District
2. Introduction of New Employees:
 - a. Derek Orr, Utility Worker I
 - b. Ryan Njaa, Utility Worker I

GM Lau introduced the employees, and via a PowerPoint presentation, provided an outline of Ms. Harrell’s accomplishments, noting she was the SFID Employee of the Year in 2015. The Board congratulated Kerri and thanked her for her dedicated service to the District.

GM Lau also via the PowerPoint, introduced Derek and Ryan and shared their backgrounds. The Board welcomed Derek and Ryan to the District.

ACTION AGENDA

CONSENT ITEMS

3. Approval of Minutes – June 17, 2021 Regular Meeting Minutes
4. Receive and File Monthly Finance Reports
 - a. Disbursements
 - b. Monthly Investment Transaction Report
5. Waive Full Reading and Adopt Resolution No. 21-16, Establishing an Appropriation Limit for the District for the Fiscal Year Commencing July 1, 2021
6. Quarterly Treasurer’s Investment Report
7. Receive and File Annual Report of Reimbursements and Compensation Paid to Directors
8. Waive Full Reading and Adopt Resolution No. 21-17, Adding Unpaid Charges to the 2021-22 Property Tax Roll as Fixed Charge Special Assessments
9. Authorize the General Manager to Execute Purchase Contract with JCI Jones for Chlorine for the R.E. Badger Filtration Plant
10. Cast the District Ballot for CSDA, Seat A, Southern Network

Vice President Creede requested to consider Items 6 and 8 separately from the Consent Calendar.

Director Frieauf requested to consider Item #3 separately from the Consent Calendar.

Director Johnson requested to consider Item #4a separately from the Consent Calendar.

Upon a motion by Vice President Creede and second by Director Johnson, the Board unanimously adopted the Consent Calendar, as amended. Roll call vote was taken as follows:

Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
Noes: None
Abstain: None

Absent: None

3. Approval of Minutes – June 17, 2021 Regular Meeting Minutes

Director Frieauf requested to correct her comment made on Item 4, stating that she meant to say that customers must apply for the SFID program. Upon a motion by Director Frieauf and second by Director Menshek, the Board unanimously approved the minutes as amended.

Roll call vote was taken as follows:

Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
Noes: None
Abstain: None
Absent: None

4. Disbursements

Director Johnson expressed concern over the amount paid annually to SDG&E and requested the Administrative and Finance Committee receive the list of SDG&E bills paid for FY21 be available at their next meeting. Upon a motion by Director Johnson and seconded by Director Menshek, the Board unanimously approved the Disbursements. Roll call vote was taken as follows:

Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
Noes: None
Abstain: None
Absent: None

6. Quarterly Treasurer’s Investment Report

Vice President Creede questioned how the investments doubled from 2015, \$17 million, to a current \$33 million, and expressed concern that more funds are being sequestered than necessary. ASM Gates shared the impacts of the drought back in 2016, use of Rate Stabilization Funds to ensure continued District operations after reduced local water availability and conservation impacts, drawing reserves down to a policy-based unhealthy level. Additionally, capital projects were drawing down the capital reserves. ASM Gates continued that the improved reserve levels resulted from stronger water sales than anticipated and the delay of capital projects.

Upon a motion by Vice President Creede and second by Director Johnson, the Board unanimously approved the Treasurer’s Report. Roll call vote was taken as follows:

Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
Noes: None
Abstain: None
Absent: None

8. Waive Full Reading and Adopt Resolution No. 21-17, Adding Unpaid Charges to the 2021-22 Property Tax Roll as Fixed Charge Special Assessments

Vice President Creede expressed concern that these property owners may be unaware that an unpaid water bill would be added as an assessment to their property tax bill, and asked how the District was handling water shut offs due to non payment. After discussion, a motion was made by Director Frieauf and seconded by Director Menshek to adopt Resolution No. 21-17 adding unpaid charges to the 2021-22 property tax roll as fixed charge special assessments. Roll call vote was taken as follows:

Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
Noes: None
Abstain: None
Absent: None

ACTION AND DISCUSSION ITEMS

- 11. Notice of Completion for the Automated Metering Program Phase 6 (Final Phase) Project J-2100

Board Secretary Johnson read comments received via email from Marlene King. Ms. King praised former and current SFID staff for their superb quality of service to ensure the success of the District’s Automated Metering project.

ESM Amen utilized a PowerPoint presentation to report the completion of the AMI project and responded to questions from the Board.

The Board thanked staff for all their efforts. After discussion, a motion was made by Director Frieauf and seconded by Director Menshek to authorize the filing of the Notice of Completion. Roll call vote was taken as follows:

Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
Noes: None
Abstain: None
Absent: None

- 12. San Diego County Water Authority Litigation Settlement Refund and Potential Utilization

ASM Gates utilized a PowerPoint presentation to provide background information and possible uses of the refund and responded to questions from the Board.

The Board expressed concern on how to fairly benefit those customers who had paid for imported water during the time period of the refund. The Board suggested staff develop options, i.e, investing in resiliency, outreach efforts, solar/renewable energy, etc., for discussion by the Administrative and Finance Committee at their August meeting.

There was no action requested or required of the Board.

13. Legislative Update

PCO Penunuri provided a legislative update and responded to questions from the Board.

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

DIRECTORS' COMMENTS

14. Directors' Comments

Vice President Creede stated he is anxious to see the new AMI portal and feels an important component is leak detection. He would also like to see financing options regarding solar projects and feels District reserves could be used.

15. Directors' Reports on Conferences, Activities, and Events – No reports

REPORTS

16. Operations Reports

- a. R.E. Badger Filtration Plant Report
- b. Water Resources Report

These reports were provided for the Board's information only. No action was requested or required of the Board.

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

In addition to the written report included with the agenda materials, President Hogan reported that the Shaw Group report investigating EEOC complaints at Metropolitan Water District is due to be released to the public on July 20th with MWD Board discussion at their July 27th meeting.

18. Committee Reports

The Committee reports were included with the agenda materials.

19. General Manager's Report – GM Lau reported the following:

- The supply chain issue for chlorine gas reported last month has stabilized.
- Fifty of California's 58 pcounties are dealing with extreme drought conditions and the Governor has asked Californian's to voluntarily cut their water use by 15%. He added the District will ramp up their outreach to support this request.

- San Diego County has partnered with the SDCWA for Waterscape rebates for unincorporated areas in the County.

20. General Counsel’s Comments - No report

INFORMATION ITEMS

21. Sewer and Water Rates Increasing in San Diego County, 10News

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

CLOSED SESSION

22. Public Employee Performance Evaluation
Pursuant To Government Code Section 54957
Title: General Manager

President Hogan called for a recess at 11:29 a.m.

President Hogan reconvened the meeting and adjourned into Closed Session at 11:40 a.m.

President Hogan reconvened into Open Session at 11:57 a.m. and reported no reportable actions were taken in Closed Session.

ACTION AND DISCUSSION ITEMS

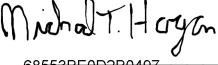
23. Consider Amending Employment Agreement between Santa Fe Irrigation District and General Manager Albert C. Lau Regarding Compensation and Administrative Leave


President Hogan introduced the item. Upon a motion by Vice President Creede and second by Director Menshek, the Board unanimously approved the employment agreement amendments as presented. Roll call vote was taken as follows:

- Ayes: Creede, Frieauf, Johnson, Menshek, and Hogan
- Noes: None
- Abstain: None
- Absent: None

ADJOURNMENT

President Hogan adjourned the meeting at 11:59 a.m.

DocuSigned by:

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 Michael T. Hogan
 Board President

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 Albert C. Lau
 Board Secretary/Treasurer