



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

July 20, 2023
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, Directors Sandra Johnson, Andy Menshek, and Ron Magnaghi. Vice President Dana Frieauf is absent.

STAFF AND OTHERS PRESENT: General Manager Albert Lau, Board Secretary Celina McDowell, Director of Administrative Services Seth Gates, Director of Distribution System Chris Bozir, Director of Engineering Services Marissa Potter, Director of Water Treatment Plant Tim Bailey, Public Communications Officer Teresa Penunuri, General Counsel Paula de Sousa, Best Best & Krieger, and a member from the public were present.

PLEDGE OF ALLEGIANCE

Director Johnson the Pledge of Allegiance.

ORAL COMMUNICATIONS - None

ITEMS TO BE ADDED TO THE AGENDA – None

PRESENTATIONS AND AWARDS

1. 100th Year Anniversary Event Recap

GM Lau introduced the item and PCO Penunuri utilized a PowerPoint presentation and video highlighting various parts of the event. GM Lau and the Board thanked PCO Penunuri for

putting together a wonderful and successful event. GM Lau and PCO Penunuri also thanked BB&K for sponsoring the event.

2. GFOA Certificate of Achievement for Excellence in Financial Report for Fiscal Year Ended June 30, 2022

GM Lau introduced the item, and DAS Gates provided a brief background to the Board. GM Lau congratulated DAS Gates and Finance staff for achieving excellence in financial reporting and for receiving the Achievement for Excellence seventeen (17) years in a row.

ACTION AGENDA

CONSENT ITEMS

3. Approval of Minutes
 - a. June 15, 2023 Regular Board Meeting
4. Receive and File Monthly Finance Reports
 - a. Budget Graphs
 - b. Disbursements
 - c. Monthly Investment Transaction Report
5. Receive and File Annual Report of Reimbursements and Compensation Paid to Directors and Other Expenses
6. Adopt Resolution No. 23-20 Honoring Vista Irrigation District's 100th Year Anniversary
7. Authorize the General Manager to Execute a Professional Services Agreement with Dexter Wilson Engineering, Inc. for As-Needed Services and Adopt Resolution No. 23-21
8. Adopt Resolution No. 23-22 Establishing an Appropriation Limit for the District for the Fiscal Year Commencing July 1, 2023
9. Adopt Resolution No. 23-23 Adding Unpaid Charges to the 2023-2024 Property Tax Roll as Fixed Charge Special Assessments

Upon a motion by Director Johnson and seconded by Director Menshek, the Board voted unanimously to approve Consent Items Nos. 3-9. Roll call vote was taken as follows:

Ayes: Johnson, Magnaghi, Menshek, and Hogan
Notes: None
Abstain: None
Absent: Friehauf

ACTION AND DISCUSSION ITEMS

10. Quarterly Treasurer's Report

GM Lau introduced the item and informed the Board that this was presented to the Administrative and Finance Committee (AFC). The Committee recommended to present this to the full Board to have a discussion on changes to investment strategy. DAS Gates provided information to the Board and responded to their questions resulting from changing of the investment strategy would yield an additional \$1M interest income for the District and reduce revenue requirements for customers.

DAS Gates reported that the District's investment policy is outdated and will be updated and presented to AFC and the Board next month.

11. Current Customer Bill Payment Options and Potential Charges

GM Lau introduced the item and DAS Gates provided information to the Board and responded to their questions.

The Board concurred with staff's recommendations to eliminate ACH payments on the District's payment portal effective September 1, 2023 and allowing credit card payments with a 2.53 % fee for all transactions.

Upon a motion by Director Menshek and seconded by Director Johnson, the Board voted unanimously to approve staff recommendations on Current Bill Payment Options and Potential Charges. Roll call vote was taken as follows:

Ayes: Johnson, Magnaghi, Menshek, and Hogan
Noes: None
Abstain: None
Absent: Frichauf

12. Legislative Update Report

GM Lau introduced the item and PCO Penunuri presented the item utilizing a PowerPoint presentation and responded to questions from the Board.

REPORTS

13. Operations Reports

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

14. Board Reports

a. San Diego County Water Authority (SDCWA) Board Meeting Report

President Hogan reported that Water Authority approved amendments to consolidate the MOU with the represented employees, compensation plan for both represented and unrepresented employees, classifications, and salary schedule. The Water Authority also adopted the water rates for FY 2024 and FY 2024/25 budget. The Water Authority held a Special Board meeting on July 13, 2023 and discussed 3rd Party Water Transfer Analysis and a closed session relating to Metropolitan Water District's (MWD) and Rainbow-Fallbrook separation from the Water Authority which was approved by LAFCO. There will be further discussion on the Rainbow-Fallbrook Detachment at the next meeting's closed session.

President Hogan also reported that he was forwarded a copy of the "Orange County Grand Jury 2022-20223 Historic Rain, Yet Drought Remains" report and thought it would be good information for other Board members.

b. Other Meetings/Conferences

Director Menshek attended the dedication ceremony for August A. Caires Customer Service Center at the Padre Dam Municipal Water District Board meeting on July 14, 2023.

President Hogan attended the California Special District Association San Diego Chapter, and the guest speaker was LAFCO's Executive Director and gave an overview of LAFCO's activities and briefly discussed the Rainbow-Fallbrook Detachment. He is also attending the Southern California Water Coalition Quarterly Luncheon on July 28, 2023, which will cover Insights into Colorado River Water Management.

DIRECTORS' COMMENTS

15. Directors' Comments

Director Menshek reported about a social media post with kids on kayak and paddleboard fishing at the San Dieguito Reservoir. He is pleased that the District took proactive security measures to limit District liabilities.

16. Future Agenda Items – None

17. General Manager's Report

GM Lau mentioned the flyer for the Employee Recognition Picnic scheduled on August 26, 2023, and invited the Board to the event.

GM Lau reported that CalPers return for this year is 5.8%. He also reported that the EPA is moving forward with the fifth unregulated contaminant monitoring rule for drinking water.

18. General Counsel's Comments – None

INFORMATION ITEMS - None

CLOSED SESSION

19. Public Employee Performance Evaluation
Pursuant to Government Code Section 54957
General Manager
20. Conference With Labor Negotiators Pursuant To Government Code Section 54957.6
Agency designated representatives: Board of Directors
Unrepresented Employee: General Manager
21. Conference with Legal Counsel – Anticipated Litigation
Initiation of litigation pursuant to Government Code Section 54956.9(d)(4)
(1) potential case
22. Conference with Legal Counsel
Existing Litigation pursuant to Government Code Section 54956.9 (d)(1)
Name of Case: *Santa Fe Irrigation District v. All Persons Interested in the Matter of the Proceedings for Resolution No. 23-07, A Resolution of the Board of Directors of the Santa Fe Irrigation District Modifying the District's Rates for Potable and Recycled Water Service Charges*, Superior Court of California, County of San Diego, Case No. 37-2023-00015115-CU-MC-NC

President Hogan adjourned the meeting into Closed Session at 9:45 a.m.

President Hogan reconvened the meeting into Open Session at 11:25 a.m. and there was no reportable action taken in Closed Session.

ADJOURNMENT

President Hogan adjourned the meeting at 11:25 a.m.


Michael T. Hogan
Board President


Albert C. Lau
Board Secretary/Treasurer