



## **SANTA FE IRRIGATION DISTRICT BOARD OF DIRECTORS MEETING**

Santa Fe Irrigation District  
5920 Linea del Cielo, Rancho Santa Fe, California 92067  
*Safety Center*

**THURSDAY, SEPTEMBER 16, 2021  
8:30 a.m.**

### **Instructions for Listening to the Meeting:**

Please click the link below to listen to the meeting:

<https://bit.ly/SFIDLIVE>

### **Instructions for Members of the Public Who Wish to Address the Board of Directors:**

Individuals may address the Board of Directors during Oral Communications (for items not appearing on the posted agenda which are within the subject matter jurisdiction of the District) and regarding items listed on the posted agenda during the deliberation of the agenda item, as follows:

#### **Making Public Comment for Those Not Attending In-Person:**

Members of the public who wish to address the Board of Directors under Oral Communications or on specific agenda items **who are not in attendance at the meeting** may do so as instructed below:

You may send **written comments** to the Board Secretary for receipt **no later than 7:30 am on September 16, 2021** to be read during the appropriate portion of the meeting. Written comments must be limited to 300 words/ have a reading limit of 3 minutes for each comment and emailed to [kjohnson@sfidwater.org](mailto:kjohnson@sfidwater.org), mailed to the attention of Kim Johnson, Board Secretary, SFID, P. O. Box 409, Rancho Santa Fe, CA 92067, or physically deposited in the District's payment drop box located in the public parking lot at the District's Administrative Office at 5920 Linea del Cielo, Rancho Santa Fe, California 92067.

If you wish to make verbal comments telephonically, please provide the agenda item number(s) you wish to speak to and the telephone number where you may be reached to the Board Secretary receipt **no later than 7:30 am on September 16, 2021**. You will be called at the introduction of the item where you may make verbal comments telephonically with a limit of 3 minutes. Your request to make verbal comments telephonically must be received in one of the following ways of receipt no later than 7:30 a.m. on September 16, 2021: emailed to [kjohnson@sfidwater.org](mailto:kjohnson@sfidwater.org), mailed to the attention of Kim Johnson, Board Secretary, SFID, P. O. Box 409, Rancho Santa Fe, CA 92067, or physically deposited in the District's payment drop box located in the public parking lot at the District's Administrative Office at 5920 Linea del Cielo, Rancho Santa Fe, California 92067.

**Instructions for Making Public Comment for Those Attending In-Person:**

Members of the public desiring to address the Board of Directors in-person for either items appearing on the posted agenda or during Oral Communications (for items not appearing on the posted agenda which are within the subject matter jurisdiction of the District) are asked to complete a speaker’s card, available at the table near the entrance and present it to the Board Secretary prior to the start of the meeting. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each.

**ROLL CALL - CALL MEETING TO ORDER**

**PLEDGE OF ALLEGIANCE – Director Friehauf**

**ITEMS TO BE ADDED TO THE AGENDA**

*(Government Code Section 54954.2)*

**ORAL COMMUNICATIONS ON ITEMS NOT APPEARING ON THE AGENDA**

*Opportunity for members of the public to address the Board of Directors on items not appearing on the posted agenda, pursuant to Government Code Section 54954.3.*

**PRESENTATIONS AND AWARDS**

**ACTION AGENDA**

*The following items on the Action Agenda call for discussion and action by the Board of Directors. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined.*

**CONSENT ITEMS**

*The following listed items on the consent calendar are routine matters and there will be no discussion unless the Board of Directors removes an item. Items removed by the Board or public will be heard following approval of the remaining items on the Consent Calendar.*

1. Approval of Minutes – August 19, 2021 (pages 5-10)
2. Receive and File Monthly Finance Reports (pages 11-21)
  - a. Budget Graphs
  - b. Disbursements
  - c. Monthly Investment Transaction Report
3. Cast District Vote for ACWA 2022-2023, Region 10 Officers and Board Members Election (pages 22-24)

**PUBLIC HEARING**

*Opportunity for members of the public to address the Board (Government Code Section 54954.3)*

4. Public Hearing on the Proposed Revisions to District Administrative Code Article 17, Water Shortage Response Policies and Procedures (pages 25-55)

## **ACTION AND DISCUSSION ITEMS**

5. Adopt Resolution No. 21-20, Amending the District's Administrative Code, Article 17, Water Shortage Response Policies and Procedures (pages 56-86)
6. Consider Declaring a Water Shortage Level 1 Condition Within the Santa Fe Irrigation District (pages 87-90)
7. Final Water System and Capital Improvement Program Master Plan (pages 91-94)
8. Adoption of Pension Funding Policy (pages 95-101)
9. Review Proposed Pension Contributions (pages 102-118)
10. Adoption of Legislative Advocacy Policy (pages 119-123)
11. Legislative Update (verbal)

## **DIRECTORS' COMMENTS**

*Director's comments are comments by Directors concerning District business, which may be of interest to the Board. They are placed on the Agenda to enable the individual Board members to convey information to the Board and the public. No action is to be taken on comments made by the Board members.*

12. Directors' Comments (verbal)
13. Directors' Reports on Conferences, Activities, and Events (verbal)

## **REPORTS**

*The following reports are placed on the Agenda to provide information to the Board and the public. There is no action called for on these items. The Board may engage in discussion of any report upon which specific subject matter is identified in the Agenda, but may not take any action other than to place the matter on a future Agenda.*

14. Operations Reports (pages 124-127)
  - a. R.E. Badger Filtration Plant Report
  - b. Water Resources Report
15. San Diego County Water Authority Board Meeting Report –President Hogan (pages 128-129)
16. Committee Reports (page 130)
17. General Manager's Report (verbal)
18. General Counsel's Comments (verbal)

## **INFORMATION ITEMS**

## CLOSED SESSION

*At any time during the Regular Session, the Board may adjourn to Closed Session to consider litigation, or discuss with Legal Counsel matters within the Attorney/Client Privilege, subject to the appropriate disclosures. Discussion of litigation is within the Attorney/Client Privilege and may be held in Closed Session. (Pursuant to Government Code Section 54956.9)*

19. Conference with Labor Negotiators  
(Pursuant to Government Code section 54957.6)  
Agency designated representatives: Albert C. Lau, General Manager  
Joseph Sanchez, Legal Counsel  
Represented Employees: Santa Fe Irrigation District Employees' Association
20. Conference with Labor Negotiators  
(Pursuant to Government Code section 54957.6)  
Agency Designated Representatives: Albert C. Lau, General Manager  
Joseph Sanchez, Legal Counsel  
Unrepresented Employees: Administrative Services Manager  
Distribution System Manager  
Engineering Services Manager  
Water Treatment Plant Manager
21. Public Employee Performance Evaluation  
Pursuant To Government Code Section 54957  
Title: General Counsel

## ADJOURNMENT

Any writings or documents provided to a majority of the Board of Directors for any item on this agenda will be made available for public inspection on the District's website at [www.sfidwater.org](http://www.sfidwater.org)

**Assistance for the disabled:** *If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Board Secretary at (858) 756-2424 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.*



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

August 19, 2021  
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, Vice President Frank Creede, and Directors Dana Frieauf, Sandra Johnson, and Andy Menshek were present.

**STAFF AND OTHERS PRESENT:** General Manager Albert Lau, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Distribution System Manager Chris Bozir, Water Treatment Plant Manager Tim Bailey, Public Communications Officer Teresa Penunuri, IT Administrator Roma Kogan, General Counsel Paula de Sousa, Best Best & Krieger, and members of the public were present.

Also present were San Diego County Water Authority General Manager Sandy Kerl, SDCWA Assistant General Manager Tish Berge, Julio Morales, Urban Futures, Inc., Don King, DHK Engineers, Inc., and Martin Rauch, Rauch Communication Consultants, Inc.

**PLEDGE OF ALLEGIANCE**

Vice President Creede led the Pledge of Allegiance.

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

## ORAL COMMUNICATIONS ON ITEMS NOT APPEARING ON THE AGENDA

Rory Kendall encouraged the Board to pursue infrastructure improvement grants through the State and Federal governments for Lake Hodges Dam improvements.

## PRESENTATIONS AND AWARDS

1. Introduction of New Employee – Roma Kogan, IT Administrator

GM Lau introduced Mr. Kogan, sharing his background prior to joining the District. The Board welcomed Mr. Kogan to SFID.

2. Presentation of the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the District's FY 2020 Annual Financial Report

GM Lau congratulated ASM Gates and his team for the 14<sup>th</sup> consecutive year of this achievement. ASM Gates thanked his Finance staff, Erica Saenz and Robert Masterson, and thanked the Board for their support.

3. San Diego County Water Authority, Sandy Kerl, General Manager and Tish Berge, Assistant General Manager: Regional Collaboration for a Resilient Future

GM Lau introduced Ms. Kerl and Ms. Berge who utilized a PowerPoint presentation to share the efforts by the SDCWA to improve regional collaboration with the member agencies and responded to questions from the Board. The Board discussed the regional drought challenges and the shared issues with Lake Hodges Dam.

The Board thanked them for taking the time to be present and for the valuable information.

## ACTION AGENDA

## CONSENT ITEMS

4. Approval of Minutes
  - a. July 15, 2021 Regular Meeting Minutes
  - b. July 20, 2021 Special Meeting Minutes
5. Receive and File Monthly Finance Reports
  - a. Budget Graphs
  - b. Disbursements
  - c. Monthly Investment Transaction Report
6. Waive Full Reading and Adopt Resolution No. 21-18, Amending the District's Administrative Code, Articles 19, 20, 21, and 25
7. Authorize the General Manager to Execute Amendment No. 1 to the Professional Services Agreement with Rauch Communications Consultants, Inc., for Strategic Plan Development

8. Authorize the General Manager to Execute Purchase Contract for Installation of Six Filter Surface Wash Valves and Actuators
9. Authorize the General Manager to Execute Purchase Contract for Maintenance Equipment

Vice President Creede requested to consider Item 5b, Disbursements, separately from the Consent Items.

Upon a motion by Director Menshek and second by Director Johnson, the Board unanimously adopted the Consent Calendar, as amended.

#### ***5b. Disbursements***

Vice President Creede questioned the \$1 million payment to CalPERS and asked if this was a routine payment, not directed at the unfunded liability. ASM Gates responded yes, it is the District's annual payment and it does pay down the unfunded liability amount.

After discussion, a motion was made by Vice President Creede and seconded by Director Johnson to approve Item 5b, Disbursements. Motion carried unanimously.

### **ACTION AND DISCUSSION ITEMS**

10. Pension Presentation by Urban Futures, Inc.

ASM Gates introduced Julio Morales with Urban Futures, Inc., who utilized a PowerPoint presentation to provide an overview to the Board of options to address the District's unfunded pension liability. He and ASM Gates responded to questions from the Board. The Board directed staff to provide options for discussion by the Administrative and Finance Committee, prior to returning to the Board for action.

The Board thanked Mr. Morales for the information.

11. Energy Efficient Management Plan Overview

GM Lau introduced ACE Potter and Mr. King, DHK Engineering, the consulting firm who completed the Energy Efficiency Management Plan. She and the consultants utilized a PowerPoint presentation to report the findings and recommendations and answered questions from the Board.

ACE Potter reported the proposed projects will be incorporated in the updated 10-year Capital Improvement Projects plan for Board discussion at a future meeting.

12. Consider Adoption of District Strategic Plan (*continued from June 17, 2021*)

Board Secretary Johnson read comments received from Ken Hicks, Fairbanks Ranch Association General Manager. Mr. Hicks shared concerns from FBRA of the District's rising pension costs and rate equity.

Board Secretary Johnson read comments received from Marlene King. Ms. King expressed concern with the lack of community outreach and community engagement prior to the Board adopting the Strategic Business Plan.

GM Lau utilized a PowerPoint presentation to provide a high level review of the revisions made since the Board last considered the Strategic Business Plan and responded to questions from the Board.

After lengthy discussion on the Plan, a motion was made by Director Johnson and seconded by Vice President Creede to approve the Plan as presented; however, staff was directed to conduct outreach efforts and return to the Board no later than the December regular meeting to report input received for Board consideration. Motion passed unanimously.

#### ***ITEM TAKEN OUT OF ORDER***

##### ***14. Approve San Diego County Water Authority Refund for Designation in Capital Improvement and Replacement and Local Water Funds***

ASM Gates utilized a PowerPoint presentation to present the options for designation of the refund and responded to questions from the Board.

After a lengthy discussion, a motion was made by Director Menshek and seconded by Director Frieauf to continue the item until a determination is made regarding potential pension funding and proposed energy projects are developed for Board consideration.

***Director Menshek left the meeting at 11:57 a.m.***

13. Authorize the General Manager to Execute a Professional Services Agreement with Carollo Engineers, Inc.

Upon a motion by Director Frieauf and second by Director Johnson, the Board voted 4-0 to authorize the General Manager to execute an agreement with Carollo Engineers, Inc., (Menshek absent)

14. Approve San Diego County Water Authority Refund for Designation in Capital Improvement and Replacement and Local Water Funds

***Item taken out of order. Please see minutes on Page 4.***

15. Adopt Resolution No. 21-19, Approving the Form of the PSAWR Agreement Between the Program Participant and the District

ASM Gates utilized a PowerPoint presentation to provide an overview of the PSAWR program and District requirements, and responded to questions from the Board.



After discussion, a motion was made by Vice President Creede and seconded by Director Johnson to adopt Resolution No. 21-19 approving the form of the PSAWR agreement between the program participant and the District. Roll call vote was taken as follows:

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

16. Legislative Update

There was no update provided.

**DIRECTORS' COMMENTS**

17. Directors' Comments - No comments

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

**REPORTS**

19. 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.

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

The report was included with the agenda materials.

21. Committee Reports

The Committee reports were included with the agenda materials.

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

- An employee recognition event is set for August 28<sup>th</sup> at San Dieguito Park and he invited the Board to attend.
- The San Diego Chapter of the California Special Districts' Association is set for later this evening at the 94<sup>th</sup> Aero Squadron.

23. General Counsel's Comments - GC de Sousa reported the following:

- Legislative deadline ahead, September 10<sup>th</sup>, as the last day for any bills to be passed.

- She will attending the State Water Board's webinar on August 19 regarding the California Water and Wastewater Arrearage Payment Program established by AB 148. The State Board has launched a survey to collect information from community water systems and develop guidelines for applications. The money budgeted for this program is to be applied to arrearages between March 4, 2020 and June 15, 2021. Legislation requires the State Board to start disbursements by November 1, 2021 and finish by January 31, 2022.
- The 2020 Census results that the District needs to consider the redistricting of divisions will not be available until the end of September 2021 and there is legislation that may extend the deadline for completing the redistricting process.

## **INFORMATION ITEMS**

24. Letters to City of Solana Beach, Fairbanks Ranch Association, and Rancho Santa Fe Association, dated August 11, 2021

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

## **CLOSED SESSION**

## **ADJOURNMENT**

President Hogan adjourned the meeting at 12:31 p.m.

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Michael T. Hogan  
Board President

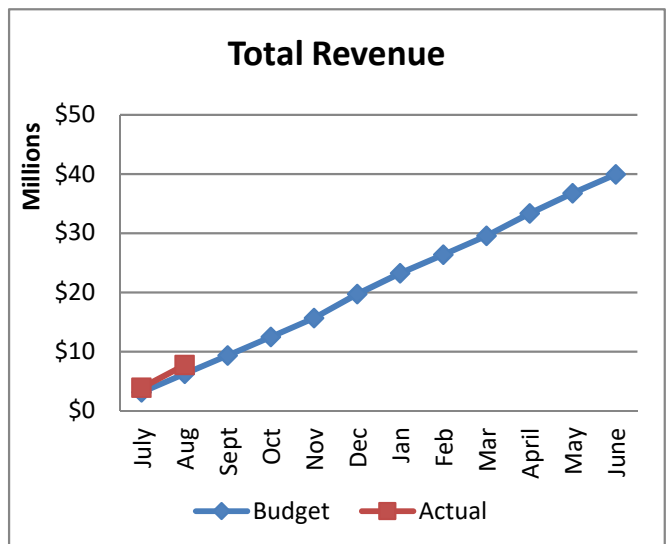
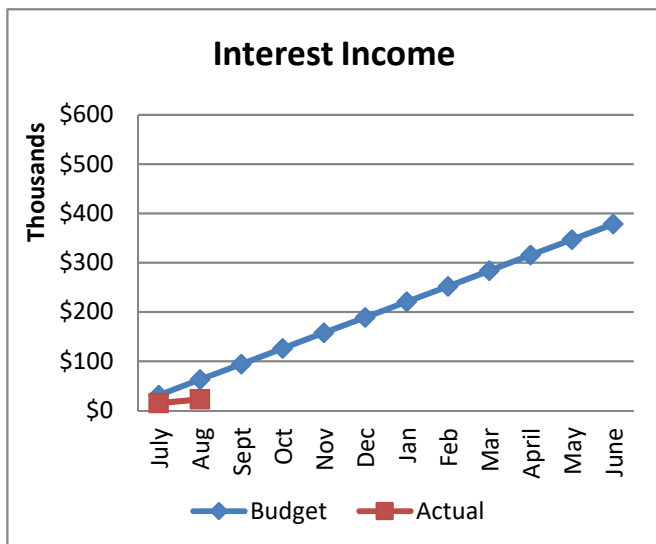
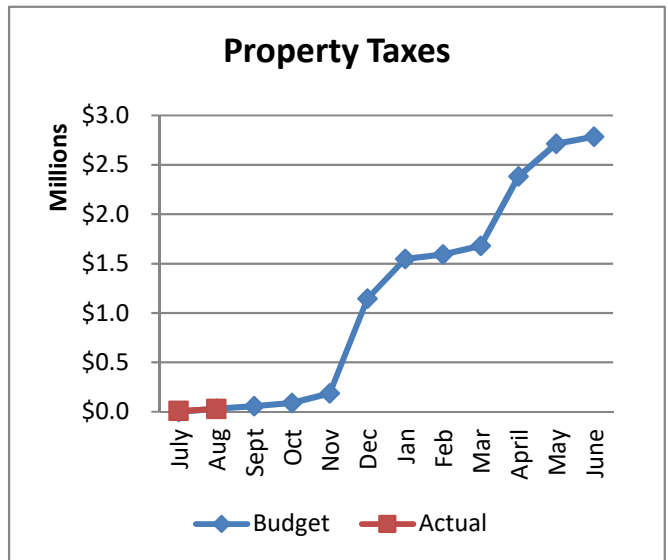
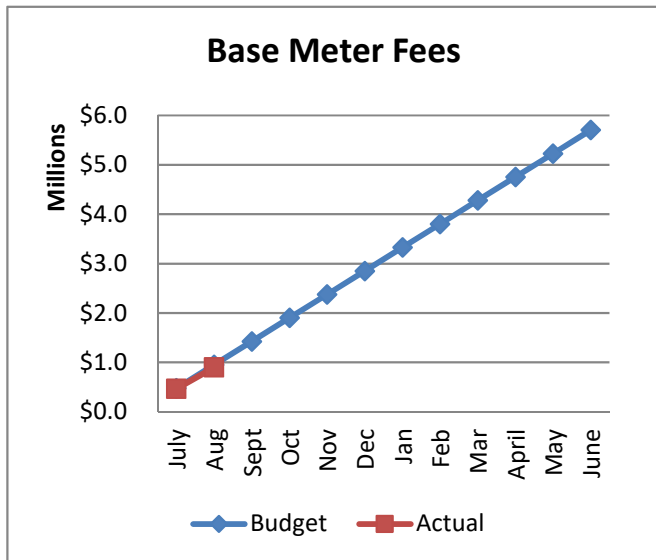
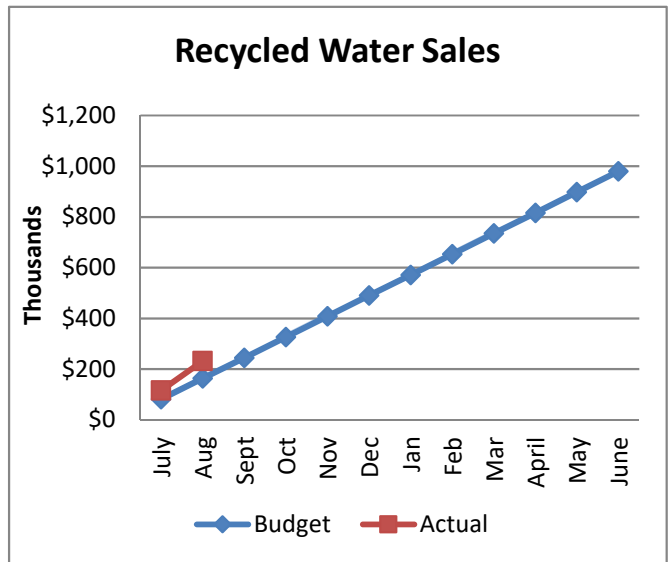
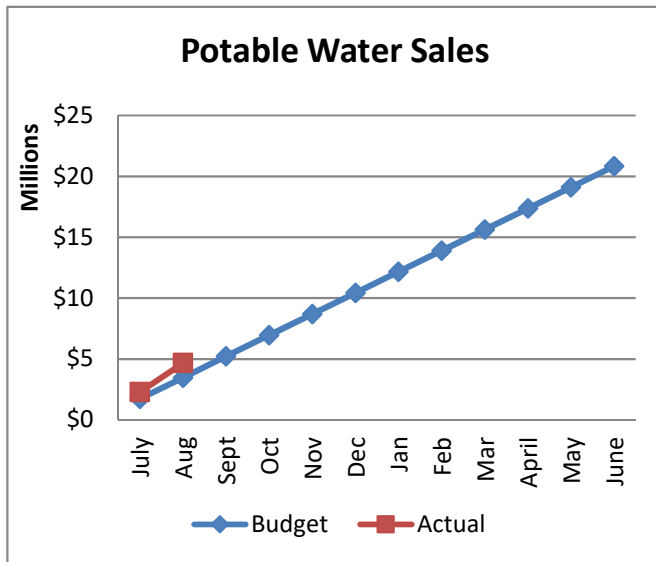
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Albert C. Lau  
Board Secretary/Treasurer

# SFID Budget to Actual Performance Report

FY 2021-22 Cumulative Revenue

As of August 31, 2021

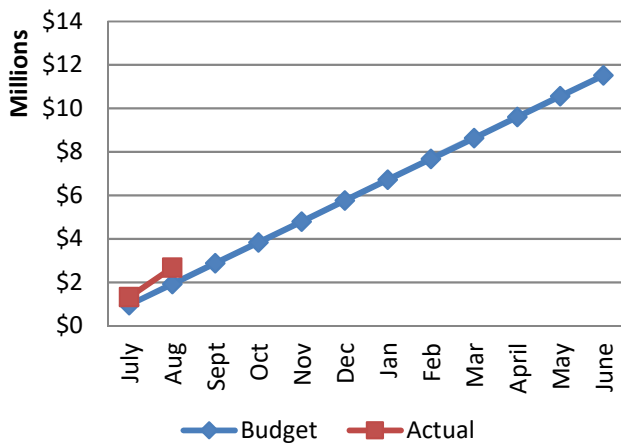


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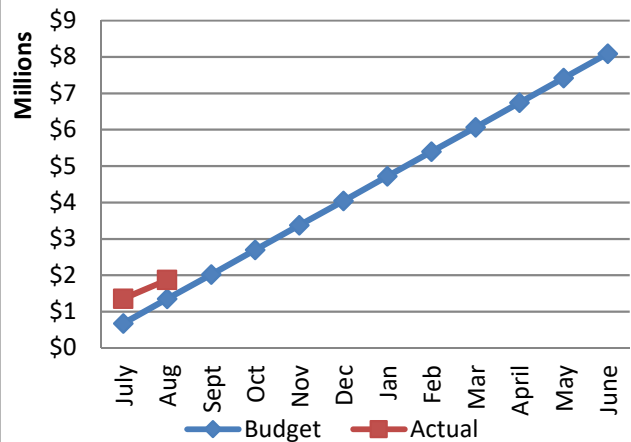
FY 2021-22 Cumulative Expenses (excluding depreciation expense & debt service)

As of August 31, 2021

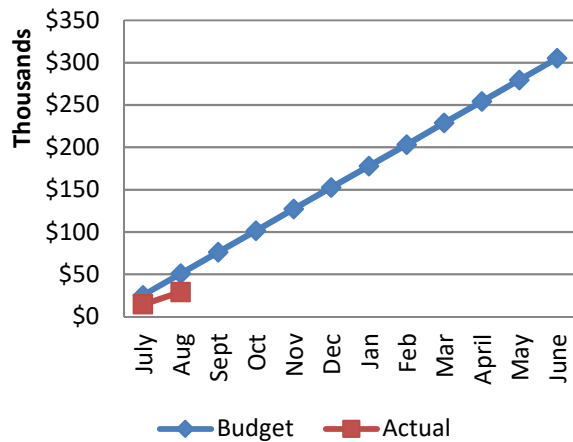
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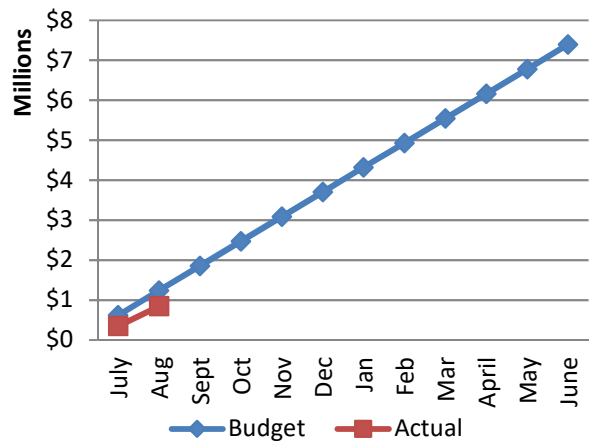
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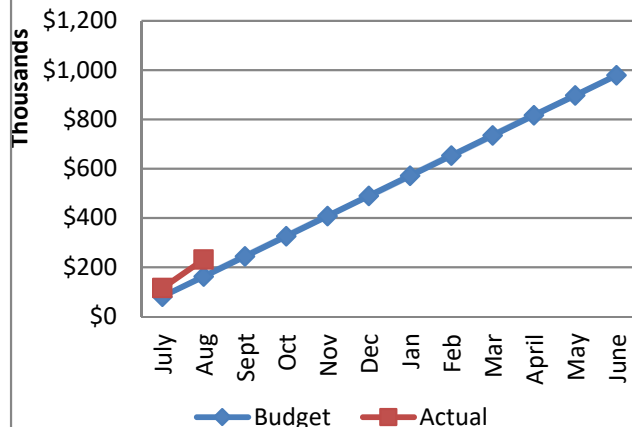
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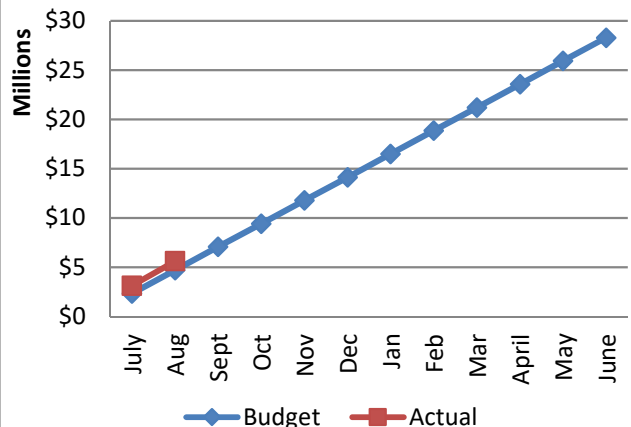
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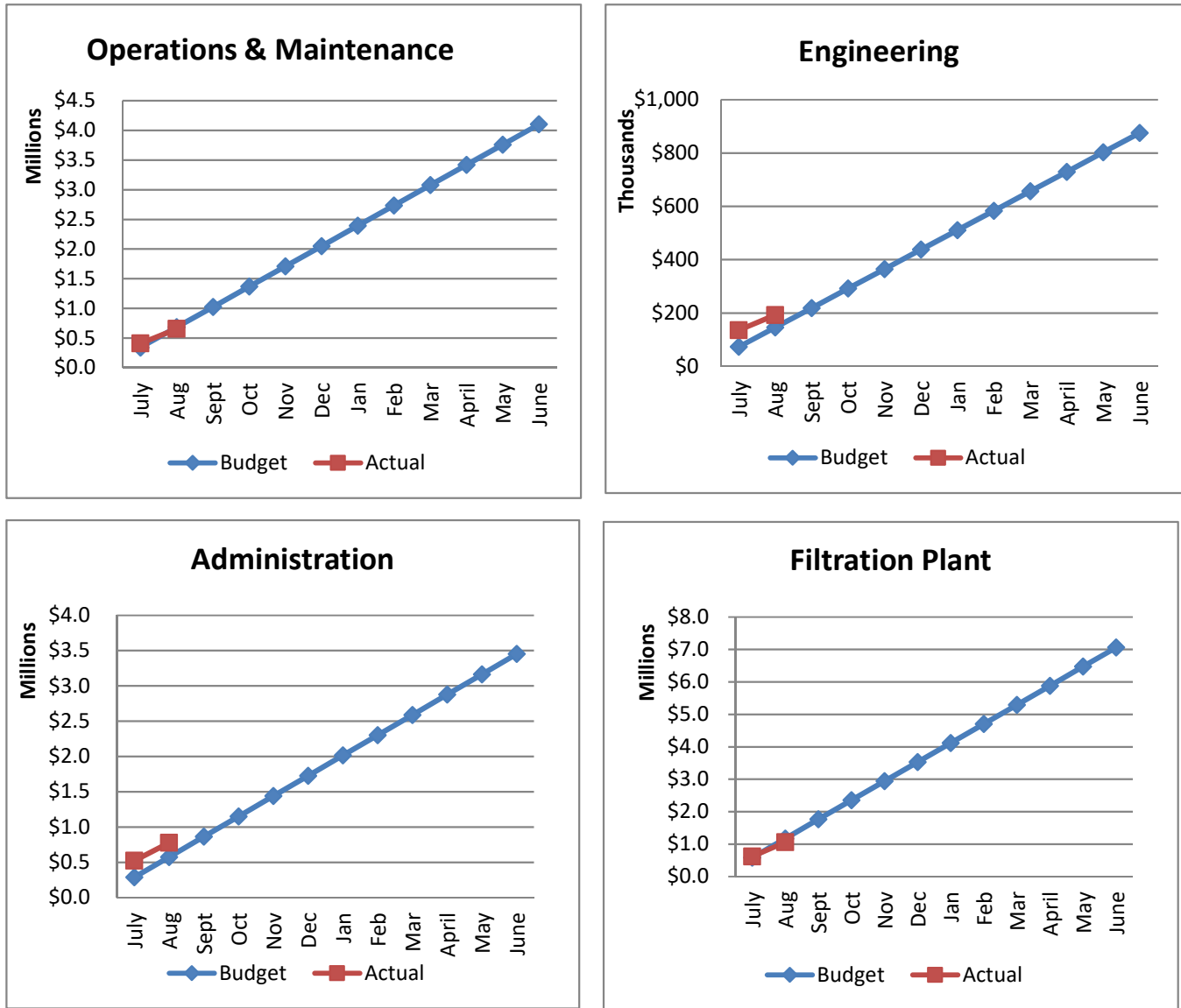


# SFID Budget to Actual Performance Report

FY 2021-22 Cumulative Expenses (excluding depreciation expense & debt service)

As of August 31, 2021

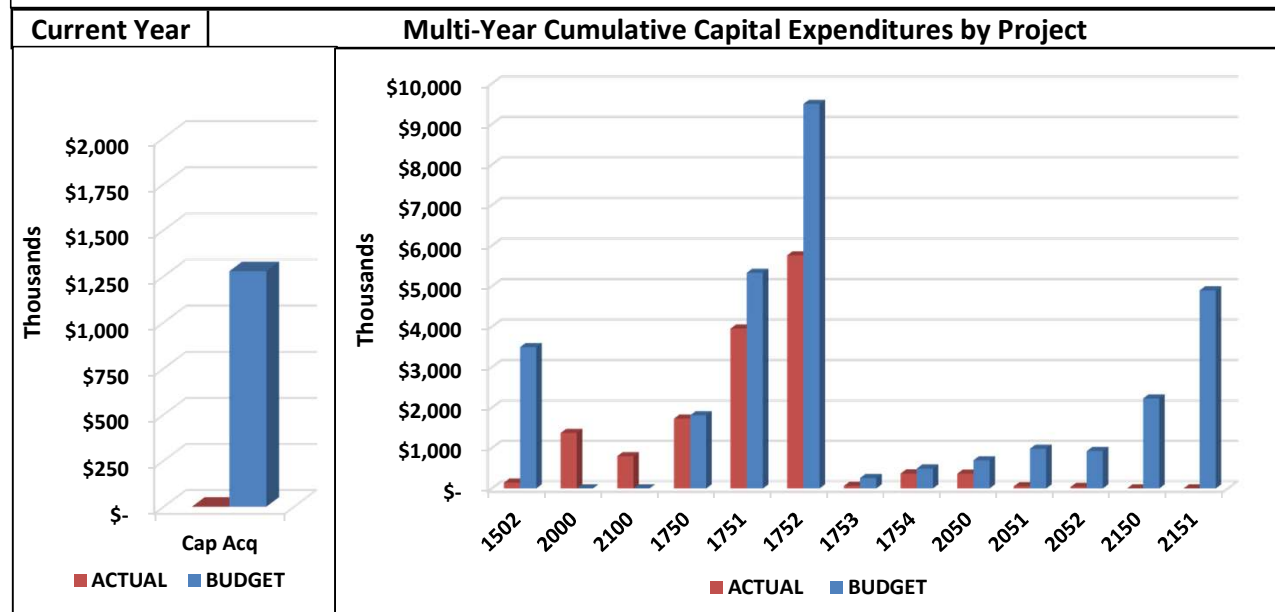
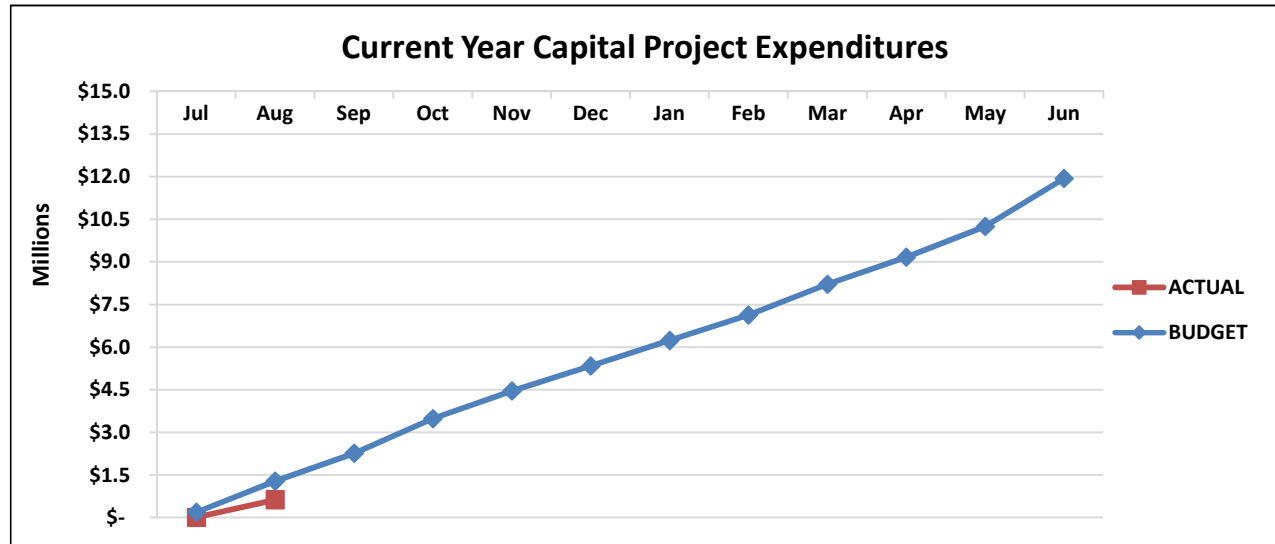
## Operating Expenses by Department



# SFID Budget to Actual Performance Report

FY 2021-22 Capital Projects & Acquisitions

As of August 31, 2021



Project Legend			
No.	Description (PLANT)	No.	Description (DISTRICT)
1750	Clearwell Seismic Improvements	1502	Government Road Pipeline
1751	Washwater Tank Seismic Improvements	2000	Automated Metering Program Phase 5
1752	Mechanical Dewatering & Filter Washwater Improvements	2100	Automated Metering Program Phase 6
1753	Handrail Improvement at San Dieguito Reservoir	2150	Reline or Replace 15-in Drain Line to SDR
1754	San Dieguito Dam Concrete Refurbishment	2151	Reline or Replace Existing 30-in SDPS Forcemain to Plant
2050	R.E. Badger Operation Building Roofing Replacement Project		
2051	R.E. Badger Filters and Sedimentation Basins Concrete Repair		
2052	Cielo Pump Station Valve Replacement Project		
No.	Description (PLANT & DISTRICT)		
CA	Capital Acquisitions		

**SANTA FE IRRIGATION DISTRICT  
DISBURSEMENT LIST - AUGUST 2021**

CK DATE	CK #	PAYEE	DESCRIPTION	AMOUNT
08/05/2021	41841	ACWA / JPIA	FY22 DISTRICT PROPERTY INSURANCE	15,241.93
08/13/2021	41865	AIRGAS USA LLC	CYLINDER RENTAL	95.36
08/27/2021	41965	AQUA METRIC SALES CO	ANNUAL FEE COVERAGE FROM 2021-09-23 TO 2022	9,290.91
08/13/2021	41866	AT&T	COMMUNICATIONS	153.72
08/13/2021	41866	AT&T	COMMUNICATIONS	465.79
08/13/2021	41867	BEARCOM COMPANY	AUG 2021 RADIO SERVICE	263.50
08/19/2021	41921	BEST, BEST & KRIEGER LLP	LEGAL SERVICES THROUGH JUN 30, 2021	921.00
08/19/2021	41932	BEST, BEST & KRIEGER LLP	LEGAL SERVICES THROUGH JUL 31, 2021	1,473.60
08/27/2021	41966	BOOT WORLD, INC	UNIFORMS	387.86
08/19/2021	41934	CALIFORNIA COMMERCIAL ASPHALT ENTERPRISES LLC	COLD MIX	554.91
08/03/2021	0	CALPERS	RETIREE HEALTH INSURANCE	4,494.25
08/03/2021	0	CALPERS	ADMIN FEE	6.60
08/27/2021	0	CALPERS	HEALTH INS	2,607.54
08/27/2021	0	CALPERS	ADMIN FEE	0.88
08/19/2021	0	CALPERS FISCAL SERVICES DIV	GASB 68 REPORTS AND SCHEDULES	1,050.00
08/05/2021	41844	CANON FINANCIAL SERVICES	COPY MACHINE LEASE	530.12
08/05/2021	41845	CAROLLO ENGINEERS	PSAWR PROGRAM RATES & FEE CALCULATION	3,770.00
08/05/2021	41846	CECILIA'S SAFETY SERVICE	FY22 TRAFFIC CONTROL SERVICES	2,793.00
08/05/2021	41846	CECILIA'S SAFETY SERVICE	FY22 TRAFFIC CONTROL SERVICES	2,728.00
08/27/2021	41968	CECILIA'S SAFETY SERVICE	FY22 TRAFFIC CONTROL SERVICES	7,405.00
08/27/2021	41968	CECILIA'S SAFETY SERVICE	FY22 TRAFFIC CONTROL SERVICES	18,900.00
08/19/2021	41935	CITY OF ENCINITAS	SDWD ANNUAL RADIO CHARGES	2,736.00
08/19/2021	41922	CITY OF SOLANA BEACH	PERMIT #ENC20-0098 ENCROACHMENT PERMIT	2,111.91
08/19/2021	41922	CITY OF SOLANA BEACH	PERMIT #ENC20-0156 ENCROACHMENT PERMIT	30,802.98
08/13/2021	41870	CLEANLOT MAINTENANCE SERVICES	JUL 2021 STREET SWEEPING FOR CONSTRUCTION SITE	400.00
08/13/2021	41871	CORELOGIC INFO SOLUTIONS INC	JUL 2021 PROPERTY DETAIL REPORTS	273.18
08/19/2021	41936	COUNTY OF SAN DIEGO	FY21-22 BILLING OF LOCAL AGENCY FORMATION (LAFCO) COST	16,954.25
08/19/2021	41937	COUNTY OF SAN DIEGO - DEH	6/30/21 - 6/30/22 UNIFIED PROGRAM FACILITY PERMIT #DEH2002-HUPFP	1,302.00
08/13/2021	41872	CRAYON SOFTWARE EXPERTS	2021-2022 MICROSOFT ANNUAL RENEWAL	16,881.54
08/19/2021	41938	CSDA, SAN DIEGO CHAPTER	CSDA DINNER MEETING REGISTRATION	120.00
08/27/2021	41970	DICK AMBLER TRUCKING	BULK MATERIAL TRUCKING	250.00
08/13/2021	41874	DIGITECH SYSTEMS LLC	JUL 2021 DOC IMAGING	195.00
08/05/2021	41849	DIRECTV	COMMUNICATIONS	92.49
08/05/2021	41831	DUDEK	PROFESSIONAL SERVICES 5.29.21 - 6.25.21	19,560.00
08/13/2021	41875	EDCO WASTE & RECYCLING SERVICE	JUL 2021 TRASH HAULING SERVICE	3,455.48
08/19/2021	41923	ENGINEERED MECHANICAL SERVS	HVAC GENERAL PREVENTIVE MAINTENANCE SERVICE	1,130.58
08/27/2021	41971	ENGINEERED MECHANICAL SERVS	HVAC MAINTENANCE SERVICE	405.00
08/27/2021	41973	FERGUSON WATERWORKS	MAINTENANCE SUPPLIES	105.06
08/19/2021	41925	FIRST CHOICE COFFEE SERVICES	COFFEE SERVICE	203.80
08/13/2021	41877	GRAINGER	MAINTENANCE SUPPLIES	44.61
08/19/2021	41943	GRAINGER	MAINTENANCE SUPPLIES	2,054.60

**SANTA FE IRRIGATION DISTRICT**  
**DISBURSEMENT LIST - AUGUST 2021**

CK DATE	CK #	PAYEE	DESCRIPTION	AMOUNT
08/05/2021	41832	HAZEN AND SAWYER	JUN 2021 PROFESSIONAL SERVICE	3,735.00
08/13/2021	41881	HOME DEPOT CREDIT SERVICES	MAINTENANCE SUPPLIES	1,229.98
08/27/2021	41977	HUMANA DENTAL INS CO	DENTAL INS	752.00
08/27/2021	41977	HUMANA DENTAL INS CO	COBRA DENTAL INS	-45.96
08/05/2021	41853	HUNTINGTON & ASSOCIATES INC	MAINTENANCE SUPPLIES	5,571.97
08/13/2021	41883	INFOSEND	JUL 2021 E-BILLING	2,761.80
08/13/2021	41886	JOHN AMBLER TRUCKING	BULK MATERIAL TRUCKING	500.00
08/19/2021	41946	JOHN AMBLER TRUCKING	BULK MATERIAL TRUCKING	250.00
08/13/2021	41887	KERRI HARRELL - PETTY CASH	MILEAGE	87.47
08/19/2021	41947	KNOWBE4 INC	PHISHER SITE SUBSCRIPTION	450.00
08/13/2021	41888	L.C. PAVING & SEALING, INC	FY22 ASPHALT PAVING SERVICES	12,232.00
08/19/2021	41926	LANDCARE	JUN 2021 LANDSCAPING SERVICE	968.00
08/27/2021	41978	LANDCARE	AUG 2021 LANDSCAPING SERVICE	429.00
08/19/2021	41949	MARTINEZ LANDSCAPE & DESIGN	LANDSCAPE CLEAN-UP AT LARRICK RESERVOIR PROPOERTY	5,200.00
08/27/2021	41980	MARTINEZ LANDSCAPE & DESIGN	EASMENT PROPPERTY - ADDITIONAL CLEAN UP	1,500.00
08/27/2021	41982	METLIFE SMALL BUSINESS CENTER	LIFE INS ADJ	-102.56
08/05/2021	41855	MISSION LINEN & UNIFORM SVC	CLEANING SERVICE	66.76
08/13/2021	41892	MUNSCH HOMES	AR REFUND	16,961.66
08/13/2021	41894	NFINIT	AUG 2021 INTERNET SERVICE	1,314.20
08/19/2021	41927	NIC PARTNERS INC	ENGINEERING SERVICES	815.62
08/27/2021	41983	OCCU-MED LTD	PRE-EMPLOYMENT EXAMS	409.00
08/19/2021	41928	OLIVENHAIN M W D	GRANT ADMIN SHARE FY2021	1,470.06
08/05/2021	41856	ONESOURCE DISTRIBUTORS INC	SAFETY T-SHIRTS	189.31
08/13/2021	41896	ONESOURCE DISTRIBUTORS INC	MAINTENANCE SUPPLIES	101.84
08/13/2021	41898	PACIFIC PIPELINE SUPPLY	MAINTENANCE SUPPLIES	430.92
08/19/2021	41951	PACIFIC PIPELINE SUPPLY	MAINTENANCE SUPPLIES	8,737.02
08/19/2021	41951	PACIFIC PIPELINE SUPPLY	MAINTENANCE SUPPLIES	1,697.50
08/27/2021	41984	PACIFIC PIPELINE SUPPLY	MAINTENANCE SUPPLIES	560.12
08/13/2021	41899	PAYNE PEST MANAGEMENT	JUL 2021 PEST CONTROL SERVICE	125.00
08/27/2021	41985	PAYNE PEST MANAGEMENT	AUG 2021 PEST CONTROL SERVICE	125.00
08/05/2021	41835	POLLUTION SOLUTION INC	MAINTENANCE SUPPLIES	607.92
08/13/2021	41902	PROBUILD	MAINTENANCE SUPPLIES	127.43
08/13/2021	41903	PROFESSIONAL EXCHANGE SERVICE	AUG 2021 ANSWERING SERVICE	160.00
08/13/2021	41904	QUADIENT LEASING USA, INC.	POSTAGE MACHINE LEASE	999.52
08/27/2021	41986	R E BADGER FILTRATION PLANT	JUL 2021 PLANT OPERATIONS/ LOCAL WATER COSTS	1,413,532.51
08/13/2021	41906	RACE COMMUNICATIONS	COMMUNICATIONS	851.60
08/19/2021	41929	RAUCH COMMUNICATION CONSULTANTS INC	SERVICES THROUGH APR 30, 2021	24,613.40
08/13/2021	41907	RDO EQUIPMENT CO	AUTO PARTS	109.46
08/19/2021	41952	RDO EQUIPMENT CO	AUTO PARTS	881.68
08/19/2021	41953	RUDY'S TACO SHOP	EMPLOYEE RECOGNITION	661.02
08/05/2021	41837	RUSH TRUCK CENTERS OF CALIFORNIA	2021 TRUCK	55,098.42



**SANTA FE IRRIGATION DISTRICT  
DISBURSEMENT LIST - AUGUST 2021**

<b>CK DATE</b>	<b>CK #</b>	<b>PAYEE</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
08/13/2021	41909	SAN DIEGO GAS & ELECTRIC	ELECTRIC SERVICE	3,345.03
08/13/2021	41909	SAN DIEGO GAS & ELECTRIC	ELECTRIC SERVICE	3,226.92
08/19/2021	41955	SAN ELIJO JOINT POWERS AUTH	JUL 2021 RECYCLED WATER PURCHASES	115,701.60
08/27/2021	41990	SAN MARCOS TROPHY	NAME PLATES/WOODEN DESK NAME PLATE HOLDERS	113.14
08/05/2021	41858	SOCAL FLEET SERVICES, INC	UNIT #10: INSTALL TAIL GATE LATCH WITH CAMERA	361.28
08/27/2021	41991	SOCAL FLEET SERVICES, INC	UNIT 17: BIT INSPECTION	1,706.00
08/27/2021	41992	STERLING TALENT SOLUTIONS - AISS	PRE-EMPLOYMENT BACKGROUND CHECK	36.89
08/19/2021	41956	SUPERIOR READY MIX CONCRETE LP	#2211 CLASS II BASE	1,377.69
08/05/2021	41838	SYNCB/ AMAZON	COMPUTER SUPPLIES	634.65
08/13/2021	41912	T S INDUSTRIAL SUPPLY	MAINTENANCE SUPPLIES	772.88
08/19/2021	41957	T S INDUSTRIAL SUPPLY	MAINTENANCE SUPPLIES	4,050.97
08/19/2021	41930	THE SAN DIEGO UNION TRIBUNE PUBLISHING CO	RFP FEES AND CHARGES AD PUBLICATION	637.00
08/05/2021	41861	TIME WARNER CABLE	COMMUNICATIONS	1,029.98
08/13/2021	41914	TIME WARNER CABLE	COMMUNICATIONS	683.96
08/19/2021	41958	TOOLSHED EQUIPMENT RENTAL	EQUIPMENT RENTAL	418.01
08/27/2021	41993	TOOLSHED EQUIPMENT RENTAL	EQUIPMENT RENTAL	213.29
08/13/2021	41915	UNDERGROUND SERVICE ALERT OF SOUTHERN CA	95 SFI01 NEW TICKET CHARGES	258.62
08/13/2021	41916	UNIFIRST FIRST AID CORP	FIRST AID SUPPLIES	159.15
08/05/2021	41840	UNION BANK	JUN 2021 BANK FEES	291.67
08/05/2021	41862	UNITED SITE SERVICES	7.08.21 - 8.04.21 PORTABLE SERVICE	620.05
08/13/2021	41918	US BANK	RECRUITMENT	1,887.17
08/13/2021	41918	US BANK	OFFICE SUPPLIES	220.84
08/13/2021	41918	US BANK	TOOLS	1,961.84
08/13/2021	41918	US BANK	VEHICLES	400.00
08/27/2021	41995	VERIZON WIRELESS	COMMUNICATIONS	2,087.37
08/27/2021	41995	VERIZON WIRELESS	COMMUNICATIONS	164.92
08/27/2021	41995	VERIZON WIRELESS	COMMUNICATIONS	1,787.36
08/13/2021	41919	VISTA PAINT CORPORATION	PAINT	191.59
08/05/2021	41864	WAXIE SANITARY SUPPLY	OFFICE SUPPLIES	892.63
08/27/2021	41998	WOODARD & CURRAN INC - RMC WATER AND ENVIRONMEN	PROFESSIONAL SERVICE THROUGH 12.25.20	6,075.00
<b>TOTAL DISBURSEMENTS</b>				<b>\$ 1,889,685.62</b>

**SANTA FE IRRIGATION DISTRICT**  
**JOINT FACILITIES DISBURSEMENT LIST - AUGUST 2021**

CK DATE	CK #	PAYEE	DESCRIPTION	AMOUNT
08/05/2021	41841	ACWA / JPIA	FY22 JOINT FACILITIES PROPERTY INSURANCE	54,917.93
08/27/2021	41964	AMERICAN BATTERY SUPPLY	BATTERIES	101.04
08/19/2021	41931	AQUA METROLOGY SYSTEMS LIMITED	DATA QUALITY ASSURANCE PROGRAM	18,263.63
08/05/2021	41842	AT&T	COMMUNICATIONS	285.60
08/13/2021	41866	AT&T	COMMUNICATIONS	1,171.28
08/05/2021	41827	BANNER BANK	ESCROW #1759: C1752 JUN 2021 PROGRESS PYMT #13	27,308.45
08/05/2021	41828	BANNER BANK	ESCROW #1783: C1751 JUN 2021 PROGRESS PYMT #11	37,958.56
08/05/2021	41829	BARRETT ENGINEERED PUMPS	MAINTENANCE SUPPLIES	6,991.90
08/05/2021	41843	BARRETT ENGINEERED PUMPS	MAINTENANCE SUPPLIES	1,280.07
08/13/2021	41868	BOOT WORLD, INC	UNIFORMS	200.00
08/27/2021	41966	BOOT WORLD, INC	UNIFORMS	345.44
08/03/2021	0	CALPERS	RETIREE HEALTH INS ADMIN FEE	1,597.51
08/27/2021	0	CALPERS	RETIREE HEALTH INSURANCE	1,597.96
08/05/2021	41844	CANON FINANCIAL SERVICES	COPY MACHINE LEASE	530.12
08/05/2021	41830	CDM SMITH	C1752 JUN 2021 PROFESSIONAL SERVICE	43,977.13
08/27/2021	41967	CDW GOVERNMENT INC	COMPUTER SUPPLIES	115.07
08/13/2021	41889	CHEZ MADRID	CERTIFICATION FEES	300.00
08/27/2021	41979	CHEZ MADRID	CERTIFICATION FEES	380.00
08/13/2021	41869	CITY TREASURER	JUL 2021 LAKE HODGES O/M COSTS	22,292.00
08/05/2021	41847	COAST WASTE MGMT INC	JUL 2021 TRASH SERVICE	1,049.56
08/05/2021	41848	COMPLETE OFFICE OF CALIF INC	OFFICE SUPPLIES	756.54
08/19/2021	41937	COUNTY OF SAN DIEGO - DEH	7/31/21 - 7/31/22 UNIFIED PROGRAM FACILITY PERMIT #DEH2002-HUPFP	2,050.00
08/13/2021	41872	CRAYON SOFTWARE EXPERTS	2021-2022 MICROSOFT ANNUAL RENEWAL	16,881.53
08/13/2021	41873	D & H WATER SYSTEMS	MAINTENANCE SUPPLIES	1,766.27
08/27/2021	41969	D & R CRANE INC	INSPECTION & MAINTENANCE CONTRACT	1,010.00
08/19/2021	41933	DANNY BURNS	TRI-STATE SEMINAR EXPENSE REIMBURSEMENT	1,113.33
08/05/2021	41849	DIRECTV	COMMUNICATIONS	92.49
08/05/2021	41831	DUDEK	C1750 PROFESSIONAL SERVICES 5.29.21 - 6.25.21	983.34
08/05/2021	41831	DUDEK	PROFESSIONAL SERVICES 5.29.21 - 6.25.21	91,834.00
08/13/2021	41875	EDCO WASTE & RECYCLING SERVICE	JUL 2021 TRASH HAULING SERVICE	835.97
08/19/2021	41939	ENVIRONMENTAL RESOURCE ASSOC - ERA	LAB SUPPLIES	1,740.63
08/19/2021	41924	EUROFINS EATON ANALYTICAL INC	SAMPLE: ALGAE ENUMERATION	350.00
08/19/2021	41940	EUROFINS EATON ANALYTICAL INC	SAMPLE: SDWD STAGE II	10,243.00
08/27/2021	41972	EUROFINS EATON ANALYTICAL INC	SAMPLE: ALUMINUM	370.00
08/05/2021	41850	EVOQUA WATER TECHNOLOGIES LLC	SODIUM CHLORITE	30,514.57
08/19/2021	41941	FEDEX	DELIVERY SERVICE	487.04
08/05/2021	41851	FIRE ETC	MAINTENANCE SUPPLIES	469.79
08/13/2021	41876	FISHER SCIENTIFIC COMPANY, LLC	LAB SUPPLIES	214.41
08/19/2021	41942	FISHER SCIENTIFIC COMPANY, LLC	LAB SUPPLIES	261.45
08/27/2021	41974	FISHER SCIENTIFIC COMPANY, LLC	LAB SUPPLIES	460.86
08/13/2021	41877	GRAINGER	MAINTENANCE SUPPLIES	342.71

**SANTA FE IRRIGATION DISTRICT**  
**JOINT FACILITIES DISBURSEMENT LIST - AUGUST 2021**

CK DATE	CK #	PAYEE	DESCRIPTION	AMOUNT
08/27/2021	41975	GRAINGER	MAINTENANCE SUPPLIES	1,253.70
08/13/2021	41878	GRANGETTO'S FARM & GARDEN	MAINTENANCE SUPPLIES	123.80
08/05/2021	41852	HACH COMPANY	LAB SUPPLIES	456.33
08/13/2021	41879	HACH COMPANY	LAB SUPPLIES	801.83
08/19/2021	41944	HACH COMPANY	LAB SUPPLIES	1,644.85
08/27/2021	41976	HACH COMPANY	LAB SUPPLIES	269.17
08/27/2021	41976	HACH COMPANY	LAB SUPPLIES	622.74
08/13/2021	41880	HARRINGTON INDUSTRIAL PLASTICS	MAINTENANCE SUPPLIES	161.74
08/13/2021	41882	HOME DEPOT CREDIT SERVICES	MAINTENANCE SUPPLIES	119.56
08/13/2021	41881	HOME DEPOT CREDIT SERVICES	MAINTENANCE SUPPLIES	450.93
08/13/2021	41882	HOME DEPOT CREDIT SERVICES	MAINTENANCE SUPPLIES	1,636.81
08/19/2021	41945	IDEXX DISTRIBUTION CORPORATION	LAB SUPPLIES	7,022.72
08/13/2021	41884	INTERNATIONAL DIOXIDE INC	TECHNICAL SERVICES	2,300.00
08/05/2021	41833	JAMES W FOWLER CO	C1752 JUN 2021 PROGRESS PAYMENT #13	518,860.55
08/05/2021	41854	JCI JONES CHEMICALS, INC	CAUSTIC SODA	7,538.58
08/13/2021	41885	JCI JONES CHEMICALS, INC	CHLORINE	9,495.30
08/13/2021	41887	KERRI HARRELL - PETTY CASH	MILEAGE	49.06
08/05/2021	41834	KLEINFELDER	C1751 5.17.21 - 6.30.21 PROFESSIONAL SERVICE	26,935.00
08/19/2021	41947	KNOWBE4 INC	PHISHER SITE SUBSCRIPTION	450.00
08/13/2021	41890	MAIN ELECTRIC SUPPLY CO	ELECTRICAL SUPPLIES	319.71
08/19/2021	41948	MAIN ELECTRIC SUPPLY CO	ELECTRICAL SUPPLIES	100.09
08/27/2021	41981	MBN GROUP, INC	C2050 SERVICES 6.18.21 - 6.30.21	21,115.00
08/13/2021	41891	MCMaster-CARR SUPPLY CO	MAINTENANCE SUPPLIES	349.27
08/05/2021	41855	MISSION LINEN & UNIFORM SVC	CLEANING SERVICE	159.37
08/13/2021	41893	NAPA AUTO PARTS	AUTO PARTS	152.99
08/19/2021	41927	NIC PARTNERS INC	ENGINEERING SERVICES	815.63
08/13/2021	41895	OLIVENHAIN M.W.D.	PUMP STATION WATER	53.63
08/05/2021	41856	ONESOURCE DISTRIBUTORS INC	SAFETY T-SHIRTS	189.31
08/13/2021	41896	ONESOURCE DISTRIBUTORS INC	MAINTENANCE SUPPLIES	101.83
08/19/2021	41950	ONESOURCE DISTRIBUTORS INC	SAFETY SUPPLIES	345.34
08/13/2021	41897	PACIFIC COAST CONCRETE CUTTING	CORE DRILLING	250.00
08/13/2021	41899	PAYNE PEST MANAGEMENT	JUL 2021 PEST CONTROL SERVICE	266.00
08/13/2021	41900	POLYDYNE INC	CLARIFLOC	5,799.11
08/13/2021	41901	PRAXAIR DISTRIBUTION INC	CYLINDER RENTAL	193.26
08/13/2021	41905	R E BADGER & SON INC	RETURN CHECK CHARGE	9.00
08/13/2021	41908	ROSEMOUNT INC.	MAINTENANCE SUPPLIES	3,092.81
08/27/2021	41987	ROSEMOUNT INC.	MAINTENANCE SUPPLIES	2,383.53
08/05/2021	41836	RSH CONSTRUCTION SERVICES	C1750 JUN 2021 PROGRESS PAYMENT #11	721,212.64
08/19/2021	41953	RUDY'S TACO SHOP	EMPLOYEE RECOGNITION	330.52
08/05/2021	41857	SAN DIEGO BUILDING MAINTENANCE	JUL 2021 JANITORIAL SERVICE	750.00
08/27/2021	41988	SAN DIEGO BUILDING MAINTENANCE	AUG 2021 JANITORIAL SERVICE	750.00

**SANTA FE IRRIGATION DISTRICT**  
**JOINT FACILITIES DISBURSEMENT LIST - AUGUST 2021**

<b>CK DATE</b>	<b>CK #</b>	<b>PAYEE</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
08/13/2021	41909	SAN DIEGO GAS & ELECTRIC	ELECTRIC SERVICE	1,402.84
08/13/2021	41909	SAN DIEGO GAS & ELECTRIC	ELECTRIC SERVICE	182.25
08/13/2021	41910	SAN DIEGO GAS & ELECTRIC	JUL 2021 ELECTRIC SERVICE	20,349.33
08/13/2021	41909	SAN DIEGO GAS & ELECTRIC	COGENERATION FACILITIES CHARGES	117.94
08/19/2021	41954	SAN DIEGO GAS & ELECTRIC	JUL 2021 ELECTRIC SERVICE	12,090.58
08/27/2021	41989	SAN DIEGO GAS & ELECTRIC	JUL 2021 ELECTRIC SERVICE	21,139.33
08/05/2021	41859	SPOK INC	RETURNED CHECK FEE	26.16
08/05/2021	41860	STB ELECTRICAL TEST EQUIP INC	ELECTRICAL SUPPLIES	92.09
08/13/2021	41911	STB ELECTRICAL TEST EQUIP INC	MAINTENANCE SUPPLIES	77.53
08/13/2021	41913	TFORCE LOGISTICS	DELIVERY SERVICE	267.15
08/05/2021	41839	THE SAN DIEGO UNION TRIBUNE PUBLISHING CO	CHLORINE BID 2021 CLASSIFIED LISTINGS	340.00
08/05/2021	41861	TIME WARNER CABLE	COMMUNICATIONS	253.32
08/13/2021	41914	TIME WARNER CABLE	COMMUNICATIONS	1,215.94
08/13/2021	41916	UNIFIRST FIRST AID CORP	FIRST AID SUPPLIES	263.32
08/19/2021	41959	UNIFIRST FIRST AID CORP	FIRST AID SUPPLIES	306.61
08/05/2021	41862	UNITED SITE SERVICES	7.02.21 - 7.29.21 PORTABLE SERVICE	462.87
08/13/2021	41917	UNITED SITE SERVICES	PORTABLE SERVICE	717.85
08/19/2021	41960	UNLIMITED ACTIVE WEAR	UNIFORM EXPENSE	600.00
08/13/2021	41918	US BANK	TRAINING	1,590.80
08/19/2021	41961	USALCO MODESTO PLANT, LLC	ALUMINUM CHLOROHYDRATE	27,266.44
08/27/2021	41994	USALCO MODESTO PLANT, LLC	ALUMINUM CHLOROHYDRATE	27,180.15
08/05/2021	41863	VERIZON WIRELESS	COMMUNICATIONS	1,159.60
08/27/2021	41995	VERIZON WIRELESS	COMMUNICATIONS	466.76
08/13/2021	41920	VWR INTERNATIONAL	LAB SUPPLIES	174.85
08/19/2021	41962	VWR INTERNATIONAL	LAB SUPPLIES	5,275.59
08/27/2021	41996	VWR INTERNATIONAL	LAB SUPPLIES	1,008.83
08/27/2021	41997	WESTAIR GASES & EQUIPMENT INC	CYLINDER RENTAL	115.14
<b>TOTAL JOINT FACILITIES DISBURSEMENTS</b>				<b>\$ 1,846,516.16</b>

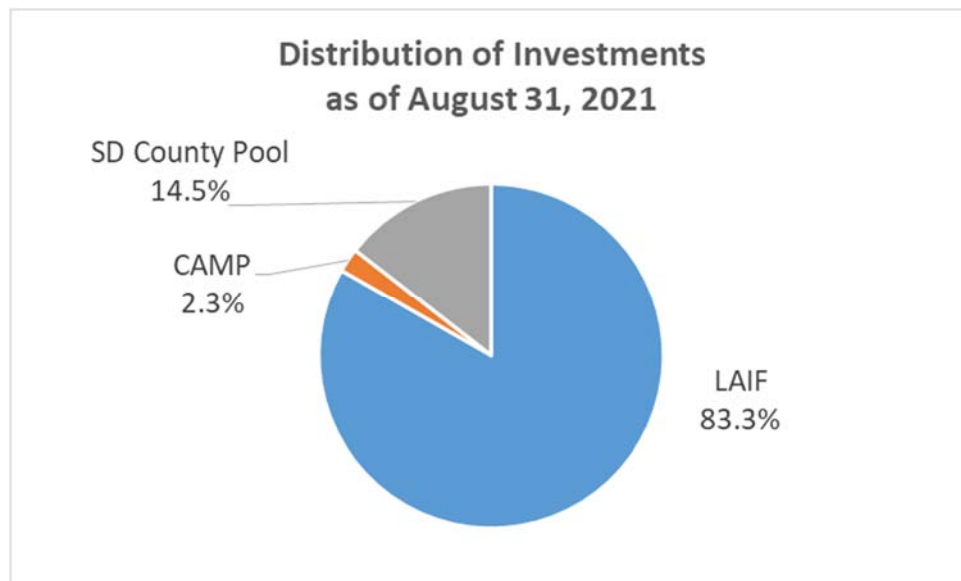
## Investment Transaction Report for August 2021

The following is a list of the month's investment activity

Security/Investment Pool	Settlement Date	Activity	Yield to Maturity	Maturity Date	Principal Amount
LAIF	8/6/2021				(\$2,250,000)
LAIF	8/24/2021				\$1,000,000
<b>Net Activity</b>					(\$1,250,000)

### Investment Funds\*

	<u>As of 7/31/21</u>	<u>As of 8/31/21</u>
Local Agency Investment Fund (LAIF)	27,278,109	26,028,109
San Diego County Treasurer's Pool	4,522,501	4,522,501
<u>California Asset Management Program (CAMP)</u>	<u>710,210</u>	<u>710,241</u>
<b>Total</b>	<b>\$32,510,820</b>	<b>\$31,260,851</b>



\*May include accrued interest not available currently for withdrawal

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Cast District Vote for ACWA 2022-2023, Region 10 Officers and Board Members Election**

---

**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Cast the District vote for ACWA 2022-2023, Region 10 Officers and Board Members Election Ballot as recommended by the Region 10 Nominating Committee; and
2. Take other action as appropriate.

**DISCUSSION:**

The District has received the ballot for the ACWA 2022-2023, Region 10 Officers and Board Members Election. The District is asked to vote for the slate of officers and board members as recommended by the Region 10 Nominating Committee or cast its vote for a Region 10 chair, vice chair, and three to five board members. The ballots are due by September 30, 2021.

The ACWA Region 10 election information and ballot are included as Attachment A.

The Board nominated Director Dana Frieauf for consideration on the Region 10 ballot in June. Staff recommends the Board cast the District ballot as recommended by the Nominating Committee:

**Nominating Committee's Recommended Slate**

**CHAIR:** Cathy Green, First Vice President, Orange County Water District (OC)

**VICE CHAIR:** Dana Frieauf, Director, Santa Fe Irrigation District (SD)

**BOARD MEMBERS:**

- Charles T. Gibson, Director, Santa Margarita Water District (OC)
- Shauna Lorance, Public Utilities Director, City of San Diego (SD)
- George Murdoch, Director, East Orange County Water District (OC)
- Richard L. Vasquez, Vice President, Vista Irrigation District (SD)
- DeAna Verbeke, Board Member, Helix Water District (SD)

**COMMITTEE ACTION:**

This item was not considered at the Committee level.

**FISCAL IMPACT:**

There is no fiscal impact resulting from the consideration of this item.

Attachment A: ACWA 2022-2023 - Region 10 Ballot

Prepared by: Kim Johnson, Executive Assistant

Approved by: Albert C. Lau, P. E., General Manager



**Please return completed  
ballot by Sept. 30, 2021**

E-mail: [regionelections@acwa.com](mailto:regionelections@acwa.com)  
Mail: ACWA  
980 9th Street, Suite 1000  
Sacramento, CA 95814

### General Voting Instructions:

- 1 You may either vote for the slate recommended by the Region 10 Nominating Committee, or vote for individual candidates to serve as chair, vice chair, and board members for each county (please note rules & regulations for specific qualifications). Mark the appropriate box to indicate your decision.
- 2 Complete your agency information. The authorized representative is determined by your agency in accordance with your agency's policies and procedures.

### Region 10 Rules & Regulations:

The chair and vice chair shall be from different counties. The 2022-'23 term shall consist of a chair and 2 board members from Orange County and a vice chair and 3 board members from San Diego County.

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### Nominating Committee's Recommended Slate

☐ I concur with the Region 10 Nominating Committee's recommended slate below.

#### CHAIR:

- **Cathy Green**, First Vice President, Orange County Water District (OC)

#### VICE CHAIR:

- **Dana Frieauf**, Director, Santa Fe Irrigation District (SD)

#### BOARD MEMBERS:

- **Charles T. Gibson**, Director, Santa Margarita Water District (OC)
- **Shauna Lorange**, Public Utilities Director, City of San Diego (SD)
- **George Murdoch**, Director, East Orange County Water District (OC)
- **Richard L. Vasquez**, Vice President, Vista Irrigation District (SD)
- **DeAna Verbeke**, Board Member, Helix Water District (SD)

OR

### Individual Board Candidate Nominations

(See Rules & Regulations before selecting)

☐ I do not concur with the Region 10 Nominating Committee's recommended slate. I will vote for individual candidates below as indicated.

#### CANDIDATES FOR CHAIR: (CHOOSE ONE)

- ☐ **Cathy Green**, First Vice President, Orange County Water District (OC)

#### CANDIDATES FOR VICE CHAIR: (CHOOSE ONE)

- ☐ **Dana Frieauf**, Director, Santa Fe Irrigation District (SD)

#### SAN DIEGO COUNTY CANDIDATES FOR BOARD MEMBERS: (MAX OF 3 CHOICES)

- ☐ **Dana Frieauf**, Director, Santa Fe Irrigation District (SD)
- ☐ **Shauna Lorange**, Public Utilities Director, City of San Diego (SD)
- ☐ **Richard L. Vasquez**, Vice President, Vista Irrigation District (SD)
- ☐ **DeAna Verbeke**, Board Member, Helix Water District (SD)

#### ORANGE COUNTY CANDIDATES FOR BOARD MEMBERS: (MAX OF 2 CHOICES)

- ☐ **Charles T. Gibson**, Director, Santa Margarita Water District (OC)
- ☐ **Mark Lewis**, Chairman, Laguna Beach County Water District (OC)
- ☐ **George Murdoch**, Director, East Orange County Water District (OC)

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AGENCY NAME

AUTHORIZED REPRESENTATIVE

DATE



DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Public Hearing on the Proposed Revisions to District Administrative Code Article 17, Water Shortage Response Policies and Procedures**

---

The purpose of this public hearing of the Board of Directors of the Santa Fe Irrigation District is to receive and consider public comment and any other input at the time of this hearing regarding:

Proposed Revisions to District Administrative Code Article 17,  
Water Shortage Response Policies and Procedures

Notice of this Public Hearing was posted at the District office beginning on September 7, 2021, and the required legal notice was posted in the local newspaper. The public hearing was advertised in the San Diego Union-Tribune on Thursday, September 9, 2021. A copy of the recommended revisions to the District Administrative Code Article 17 has been available for public review at the District Administration Office and on the District website since August 27, 2021, and is included as Attachment A to this memo.

#### **PUBLIC HEARING:**

The Board of Directors will open the public hearing to receive public testimony regarding the Proposed Revisions to District Administrative Code Article 17, Water Shortage Response Policies and Procedures. At the time this memo was prepared, the District had received no written or oral Public comment, protest, or objection regarding this proposal.

After receiving public comment, the Board of Directors will close the Public Hearing and may consider action on District Administrative Code Article 17, Water Shortage Response Policies and Procedures (WSRPP) during the regular meeting immediately following this Public Hearing.

#### **DISCUSSION:**

In June 2021, the District adopted its 2020 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP) that include water use efficiency and conservation measures to address shorter-term supply shortfalls. The proposed updates to the WSRPP are to comply with new 2018 legislation that was adopted in response to the recent severe drought and for consistency with the recently adopted WSCP. The updates also reflect the six shortage levels and the associated actions included in the WSCP. The WSRPP is designed to establish priorities and restrictions during various types of water shortages, including 10% to greater than 50% reductions in water supply.

Other revisions included in Attachment A include:

- Update the reference to the County Water Authority's Water Shortage Contingency plan (CWA's WSCP) since the previously referenced Drought Management Plan has evolved into the CWA's WSCP.
- Inclusion of reference of water-use reduction goals/ measures in addition to conservation throughout the document
- Addition of WSCP to the "Definitions" section
- Revision to references to "Santa Fe Irrigation District" to just "District" throughout the document, given that District is a defined term
- Update to the list of water use reduction and conservation measures for level 1 through level 4 to correspond with "Table 7-3: Restrictions and Prohibitions" of the 2020 UWMP and WSCP adopted in June 2021.
- Addition of supplementary sections for Level 5 and Level 6 along with the applicable water use reduction and restriction measures
- Addition of the "District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors" in the water use reduction/ restriction and conservation measures for all six levels
- Update to the "Conservation Measures and Target" table to correspond with the current WSCP's six stages
- Minor cleanup items either for clarification or for added flexibility.

One additional item that was discussed at the September 2, 2021, Water Resources Committee that has been addressed in the redlined version provided here as an Attachment A. Additional clarifying language was added to sections 17.4.3, 17.4.4 and 17.4.5. regarding the applicability of the Article 17 policies and procedures.

Attachment A: Redlined Article 17 – Water Shortage Response Policies and Procedures

Prepared by: Rania Amen, Engineering Services Manager

Approved by: Albert C. Lau, P. E., General Manager

## ARTICLE 17. - WATER SHORTAGE RESPONSE POLICIES AND PROCEDURES

### SEC. 17.1 DECLARATION OF POLICIES

Article 10, section 2 of the California Constitution declares that the water resources of the State are to be put to beneficial use, that the waste, unreasonable use, or unreasonable method of use of water be prevented, and that water be conserved for the public welfare. Conservation of current water supplies and minimization of the effects of water supply shortages that are the result of a water shortage are essential to the public health, safety, and welfare.

Regulation of the time of certain water use, manner of certain water use, design of rates, method of application of water for certain uses, and installation and use of water-saving devices, provide an effective and immediately available means of conserving water. California Water Code sections 375 et seq. authorize water suppliers to adopt and enforce a comprehensive water conservation program.

Adoption and enforcement of Water Shortage Response Policies and Procedures ([policies and Procedures](#)) allow the Santa Fe Irrigation District ([District](#)) to delay or avoid implementing measures such as water rationing or more restrictive water use regulations pursuant to a declared water shortage emergency as authorized by California Water Code section 350 et seq.

San Diego County is a semi-arid region and local water resources are scarce. The region is primarily dependent upon imported water supplies provided by the San Diego County Water Authority ("Water Authority"), which obtains a substantial portion of its supplies from the Metropolitan Water District of Southern California. Because the region is highly dependent upon imported water supplies, weather and other conditions in other portions of this State and of the Southwestern United States affect the availability of water for use in San Diego County.

The Water Authority has adopted an Urban Water Management Plan (UWMP) that includes water conservation as a necessary and effective component of the Water Authority's programs to provide a reliable supply of water to meet the needs of the Water Authority's 24 member public agencies, including the Santa Fe Irrigation District. The Water Authority's UWMP also includes a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the Water Authority's UWMP.

~~As anticipated by its UWMP, the Water Authority, in cooperation and consultation with its member public agencies, has adopted a Drought Management Plan (DMP), which establishes a progressive program for responding to water supply limitations resulting from water shortage conditions. These Policies and Procedures are intended to be consistent with and to implement the Water Authority's DMP.~~

The Water Authority, in cooperation and consultation with its member public agencies has adopted a new Water Shortage Contingency Plan (Water Authority's WSCP) in 2021. These Policies and Procedures are intended to be consistent with and to implement the Water Authority's WSCP.

~~The Water Authority's DMP has three stages containing regional actions to be taken to lessen or avoid supply shortages. These Policies and Procedures contain water shortage response levels that correspond with the DMP stages.~~

The Water Authority's WSCP has six stages containing regional actions to be taken to lessen or avoid supply shortages. These Policies and Procedures contain water shortage response levels that correspond with the Water Authority's WSCP stages.

The Santa Fe Irrigation District, due to the geographic and climatic conditions within its territory and its dependence upon water imported and provided by the Water Authority, may experience shortages due to drought conditions, regulatory restrictions governing the use of water, local water usage, and other factors. The ~~Santa Fe Irrigation District District~~ has adopted an UWMP and Water Shortage Contingency Plan (WSCP) that includes water use reduction and conservation as a necessary and effective component of its programs to provide a reliable supply of water to meet the needs of the public within its service territory. The ~~Santa Fe Irrigation District District~~ UWMP and WSCP also includes a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the UWMP and WSCP adopted in June 2021 by the Santa Fe Irrigation District.

The water use reduction and conservation measures and progressive restrictions on water use and the method of use identified by these Policies and Procedures provide certainty to water users and enable ~~Santa Fe Irrigation District District~~ to control water use, provide water supplies, and plan and implement water management measures in a fair and orderly manner for the benefit of the public.

## SEC. 17.2 DECLARATION OF NECESSITY AND INTENT

The ~~Santa Fe Irrigation District District~~ in this Declaration of Necessity and Intent finds and determines the following:

### Sec. 17.2.1.

These Policies and Procedures establish water management requirements necessary to conserve and use water efficiently, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, and prevent unreasonable method of use of water within the ~~Santa Fe Irrigation District District~~ to assure adequate supplies of water to meet the needs of the public, and further the public health, safety, and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of water shortage, but at all times.

### Sec. 17.2.2

These Policies and Procedures establish regulations to be implemented during times of declared water shortages, or declared water shortage emergencies. They establish ~~four~~ six (6) levels of

water shortage response actions to be implemented in times of shortage, with increasing restrictions on water use in response to worsening water shortage conditions and decreasing available supplies.

### **Sec. 17.2.3**

Level 1 condition water shortage response measures are voluntary and will be reinforced through local and regional public education and awareness measures that may be funded in part by Santa Fe Irrigation District. During water shortage response condition Levels 2 through ~~46~~, all conservation measures and water-use restrictions are mandatory and become increasingly restrictive to attain escalating [water use-reduction and](#) conservation goals.

### **Sec. 17.2.4**

During a Water Shortage Response Level 2 condition or higher, the water conservation measures and water use restrictions established by these Policies and Procedures are mandatory and violations are subject to criminal, civil, and administrative fines, penalties and remedies specified in these Policies and Procedures.

## **SEC. 17.3 DEFINITIONS**

The following words and phrases whenever used in these Policies and Procedures shall have the meaning defined in this section:

### **Sec. 17.3.1**

“Grower” refers to those engaged in the growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produce: (1) for human consumption or for the market; or (2) for the feeding of fowl or livestock produced for human consumption or for the market; or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. “Grower” does not refer to customers who purchase water subject to the Water Authority Special Agricultural Rate programs.

### **Sec. 17.3.2**

“Water Authority” means the San Diego County Water Authority.

### **Sec. 17.3.3**

~~“DMP” means the Water Authority’s Drought Management Plan in existence on the effective date of these Policies and Procedures and as readopted or amended from time to time, or an equivalent plan of the Water Authority to manage or allocate supplies during shortages.~~

“WSCP” means the District’s Water Shortage Contingency Plan in existence on the effective date of these Policies and Procedures and as readopted or amended from time to time. It corresponds or an equivalent plan of the Water Authority ( Water Authority’s WSCP) to manage or allocate supplies during shortages.

### **Sec. 17.3.4**

“General Manager” means the Santa Fe Irrigation District’s General Manager or the general manager’s designee.

### **Sec. 17.3.5**

“District” <sup>2</sup> means the Santa Fe Irrigation District.

### **Sec. 17.3.6**

“Person” means any natural person, corporation, public or private entity, public or private association, public or private agency, government agency or institution, school district, college, university, or any other user of water provided by the ~~Santa Fe Irrigation District~~District.

### **Sec. 17.3.7**

“Water shortage emergency” means a condition existing within the District in which the ordinary water demands and requirements of persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency includes both an immediate emergency, in which the District is unable to meet current water needs of persons within the District, as well as a threatened water shortage, in which the District determines that its supply cannot meet an increased future demand.

### **Sec. 17.3.8**

“Recycled Water” means wastewater that has been treated to a level that allows for its reuse for a beneficial purpose.

## **SEC. 17.4 APPLICATION**

### **Sec. 17.4.1**

The provisions of these Policies and Procedures apply to any person in the use of any water provided by the Santa Fe Irrigation District.

### **Sec. 17.4.2**

These Policies and Procedures are intended solely to further the conservation and efficiency of water use. They are not intended to implement any provision of federal, state, or local statutes, resolutions, or regulations relating to protection of water quality or control of drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on any stormwater resolutions and stormwater management plans.

### **Sec. 17.4.3**

~~Nothing in t~~These Policies and Procedures are established to provide legal authority and enforcement measures for the District to implement its Water Shortage Contingency Plan in compliance with the State Water Conservation Program under Water Code section 375 et seq. Aside from these Policies and Procedures, the District has the authority to declare water supply emergency if it is necessary to respond to is intended to affect or limit the ability of the Santa Fe Irrigation District to declare and respond to an emergency, including, but not limited to

an operational emergency that affects the ability of the Santa Fe Irrigation District to supply water.

#### **Sec. 17.4.4**

The provisions of these Policies and Procedures do not apply to the use of water from private wells, ~~or recycled water~~ or the use of water that is subject to a special supply program, such as the Water Authority Permanent Special Agricultural Rate (PSWAR) program. The use of water subject to a special supply program shall be subject to the use requirements and restrictions of any such special supply program, and violations of the conditions of any such special supply programs are subject to the penalties established under the applicable program. A person using both water subject to a special supply program and other water provided by the District is shall be subject to these Policies and Procedures in the use of the other water.-

#### **Sec. 17.4.5**

~~Nothing in these Policies and Procedures shall apply to the use of water that is subject to a special supply program, such as the Water Authority Special Agricultural Rate programs. Violations of the conditions of special supply programs are subject to the penalties established under the applicable program. A person using water subject to a special supply program and other water provided by the Santa Fe Irrigation District is~~ District is subject to these Policies and Procedures in the use of the other water.

### **SEC. 17.5 WATER SHORTAGE RESPONSE LEVEL 1**

#### **Sec. 17.5.1**

A Water Shortage Response Level 1 condition may apply when, due to a water shortage or other water supply reductions, there is a reasonable probability there will be water supply shortages and that a consumer demand reduction of up to 10 percent is required in order to ensure that water sufficient water supplies will be available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The General Manager shall declare the existence of a Water Shortage Response Level 1 and take action to implement the Level 1 water use reduction and conservation measures identified in these Policies and Procedures.

During a Level 1 condition, ~~Santa Fe Irrigation District will~~ District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement the following water use reduction and conservation measures:

- a) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- b) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- c) Irrigate residential and commercial landscape before 8-10 a.m. and after 6 p.m. only.

- d) Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used to water landscaped areas, including trees and shrubs located on residential and commercial properties that are not irrigated by a landscape irrigation system.
- e) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- f) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
- g) Serve and refill water in restaurants and other food service establishments only upon request.
- h) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- i) Repair all water leaks within five (5) days of detection, or within five (5) days of notification by the Santa Fe Irrigation District, unless other arrangements are made with the General Manager.
- j) Use recycled or non-potable water for construction purposes when available.
- k) Comply with any mandatory regulations established by any State agency governing the use of water.
- l) Use recirculated water in ornamental fountains.
- m) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

## **Sec. 17.5.2**

During a Water Shortage Response Level 2 condition or higher, all persons shall be required to implement the water use reduction and conservation measures established in a Water Shortage Response Level 1 condition.

## **Sec. 17.6 WATER SHORTAGE RESPONSE LEVEL 2**

### **Sec. 17.6.1**

A Water Shortage Response Level 2 condition may apply when, due to cutbacks caused by water



shortage or other reduction in water supplies, a consumer demand reduction of up to 20 percent is required in order to have sufficient water supplies available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The ~~Santa Fe Irrigation District~~ District Board of Directors may declare the existence of a Water Shortage Response Level 2 condition and implement the mandatory Level 2 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the ~~Santa Fe Irrigation District~~ District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

## Sec. 17.6.2

All persons using ~~Santa Fe Irrigation District~~ District water during a Water Shortage Response Level 2 condition shall comply with the following water use reduction and conservation measures:

- ~~a) Limit residential and commercial landscape irrigation to assigned days per week on a schedule established by the General Manager and posted by the District.~~
- ~~b) Limit lawn watering and landscape irrigation using sprinklers to time limits per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather based controllers, drip/micro irrigation systems and stream rotor sprinklers.~~
- ea) Repair all leaks within ~~seventy-two (72) hours~~ 5 days of detection, or within ~~seventy-two (72) hours~~ 5 days of notification by the ~~Santa Fe Irrigation District~~ District, unless other arrangements are made with the General Manager.
- b) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- dc) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 8-10 a.m. and after 6 p.m. only.
- g) Watering is permitted anytime with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 4-6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-

off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.

- i) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Stop operating ornamental fountains unless recycled water is used.
- o) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.6.3**

The following shall apply if the ~~Santa Fe Irrigation District~~ District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 2 condition:

- a) If the District Board of Directors declares a Water Shortage Emergency during a Water Shortage Response Level 2 condition, no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  - 1. A valid, unexpired building permit has been issued for the project; or
  - 2. The project is necessary to protect the public's health, safety, and welfare; or
  - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Santa Fe Irrigation District.

This Section 17.6.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

## **SEC. 17.7 WATER SHORTAGE RESPONSE LEVEL 3**

### **Sec. 17.7.1**

A Water Shortage Response Level 3 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to ~~40-30~~ percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 3, the District may implement the applicable Level 3 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the ~~Santa Fe Irrigation District-District~~ Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

### **Sec. 17.7.2**

All persons using ~~Santa Fe Irrigation District-District~~ water during a Water Shortage Response Level 3 condition shall comply with the following mandatory water use reduction and conservation measures:

- a) Limit residential and commercial landscape irrigation to three (3) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ~~time limit~~ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
- c) Repair all leaks within ~~forty-eight (48)~~seventy-two (72) hours of detection, or within ~~forty-eight (48)~~seventy-two (72) hours of notification by the Santa Fe Irrigation District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 8-10 a.m. and after 6 p.m. only.

- g) Watering is permitted anytime with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 4:30 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### Sec. 17.7.3

The following shall apply if the ~~Santa Fe Irrigation District~~ District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 3 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  - 1. A valid, unexpired building permit has been issued for the project; or

2. The project is necessary to protect the public's health, safety, and welfare; or
3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Santa Fe Irrigation District.

This Section 17.7.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

#### **Sec. 17.7.4**

~~Upon the declaration of a Water Shortage Response Level 3 condition, Santa Fe Irrigation District may suspend consideration of annexations to its service area.~~

#### **Sec. 17.7.5**

~~The Santa Fe Irrigation District may establish a water allocation for any property served by the Santa Fe Irrigation District. If the Santa Fe Irrigation District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the Santa Fe Irrigation District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The Santa Fe Irrigation District Board of Directors, by resolution or ordinance, shall establish the amount of the volumetric penalty in accordance with applicable law.~~

### **SEC. 17.8 WATER SHORTAGE RESPONSE LEVEL 4**

#### **Sec. 17.8.1**

A Water Shortage Response Level 4 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 40 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 4, the District may implement the applicable Level 4 water use reduction measures identified in these Policies and Procedures. Additionally, the Santa Fe Irrigation District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

#### **Sec. 17.8.2**

All persons using Santa Fe Irrigation District water during a Water Shortage Response Level 4 condition shall comply with the following mandatory use reduction measures:

- a) Limit residential and commercial landscape irrigation to two (2) assigned days per week

from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.

- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
- c) Repair all leaks within forty-eight (48) hours of detection, or within forty-eight (48) hours of notification by the ~~Santa Fe Irrigation District~~, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within forty-eight (48) hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) Watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.

- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.8.3**

The following shall apply if the ~~Santa Fe Irrigation~~ District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 4 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  - 1. A valid, unexpired building permit has been issued for the project; or
  - 2. The project is necessary to protect the public's health, safety, and welfare; or
  - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of ~~Santa Fe Irrigation~~ District.

This Section 17.8.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

### **Sec. 17.8.4**

The ~~Santa Fe Irrigation~~ District may establish a water allocation for any property served by the ~~Santa Fe Irrigation~~ District. If the ~~Santa Fe Irrigation~~ District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the ~~Santa Fe Irrigation~~ District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies



and Procedures. The ~~Santa Fe Irrigation District~~ Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

## **SEC. 17.8—9 WATER SHORTAGE RESPONSE LEVEL 45**

### **Sec. 17.89.1**

A Water Shortage Response Level 45 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 4 requires a demand reduction of more than 40-50 percent in order for the ~~Santa Fe Irrigation District~~ District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the ~~Santa Fe Irrigation District~~ District in its reasonable discretion. During a Level 45, the District may implement the applicable Level 4-5 water ~~conservation-use reduction~~ measures identified in these Policies and Procedures. Additionally, the ~~Santa Fe Irrigation District~~ District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

### **Sec. 17.89.2**

All persons using ~~Santa Fe Irrigation District~~ District water during a Water Shortage Response Level 4 shall comply with the following mandatory water ~~conservation-use reduction and restriction~~ measures:

#### **Sec. 17.8.2.1**

- a) Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
  1. a) —Maintenance of trees and shrubs that are watered on a schedule established by the General Manager and posted by the District, using a bucket, hand-held hose with a positive shut-off nozzle.
  2. b) —Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
  3. c) —Maintenance of existing landscaping for erosion control.
  4. d) —Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
  5. e) —Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed ~~the schedule established by the General Manager and posted by the District. Two (2) days per week.~~



6. f)—Watering of livestock.

7. g)—Public works projects and actively irrigated environmental mitigation projects.

8. h)—Operation of fountains and water features that do not use recycled water are prohibited.

**Sec. 17.8.2.2**

b) Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the Santa Fe Irrigation District, unless other arrangements are made with the General Manager.

c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.

d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.

e) When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.

f) When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.

g) When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.

h) When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.

i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.

j) Serve and refill water in restaurants and other food service establishments only upon request.

- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.89.3**

The following shall apply if the ~~Santa Fe Irrigation District~~ District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level ~~4-5~~ condition:

- a) Upon the declaration of a Water Shortage ~~Emergency pursuant to California Water Code section 350 et seq~~ Level 5., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  - 1. A valid, unexpired building permit has been issued for the project; or
  - 2. The project is necessary to protect the public's health, safety, and welfare; or
  - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Santa Fe Irrigation District.

This Section 17.89.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

### **Sec. 17.89.4**

Upon the declaration of a Water Shortage Response Level ~~4-5~~ condition, ~~Santa Fe Irrigation~~

~~District~~District may suspend consideration of annexations to its service area.

## **Sec. 17.89.5**

The ~~Santa Fe Irrigation District~~District shall establish a water allocation for any property served by the Santa Fe Irrigation District. If the ~~Santa Fe Irrigation District~~District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the ~~Santa Fe Irrigation District~~District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The ~~Santa Fe Irrigation District~~District Board of Directors, by resolution ~~or ordinance~~, shall establish the amount of the volumetric penalty in accordance with applicable law.

## **SEC. 17.10 WATER SHORTAGE RESPONSE LEVEL 6**

### **Sec. 17.10.1**

A Water Shortage Response Level 6 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 6 requires a demand reduction of greater than 50 percent in order for the ~~Santa Fe Irrigation District~~ to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the ~~Santa Fe Irrigation District~~ in its reasonable discretion. During a Level 6, the District may implement the applicable Level 6 water use reduction measures identified in these Policies and Procedures. Additionally, the ~~Santa Fe Irrigation District~~ Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

### **Sec. 17.10.2**

All persons using ~~Santa Fe Irrigation District~~ water during a Water Shortage Response Level 6 shall comply with the following mandatory water use reduction and restriction measures:

a) Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:

1. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
2. Maintenance of existing landscaping for erosion control.
3. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.

4. Watering of livestock.

5. Public works projects and actively irrigated environmental mitigation projects.

b) Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the ~~Santa Fe Irrigation~~ District, unless other arrangements are made with the General Manager.

c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.

d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.

e) When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.

f) When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.

g) When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.

h) When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.

i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.

j) Serve and refill water in restaurants and other food service establishments only upon request.

k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.

l) Use recycled or non-potable water for construction purposes when available.

m) Comply with any mandatory regulations established by any State agency governing the use of water.

n) Operation of fountains and water features that do not use recycled water are prohibited.

o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.

p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life

q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.10.3**

The following shall apply if the ~~Santa Fe Irrigation~~ District Board of Directors declares a Water Shortage Response Level 6:

a) Upon the declaration of a Water Shortage Response Level 6 pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:

1. A valid, unexpired building permit has been issued for the project; or

2. The project is necessary to protect the public's health, safety, and welfare; or

3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of ~~Santa Fe Irrigation~~ District.

This Section 17.10.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

### **Sec. 17.10.4**

Upon the declaration of a Water Shortage Response Level 6 condition, the District may suspend consideration of annexations to its service area.

### **Sec. 17.10.5**

The District shall establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the

District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution or ordinance, shall establish the amount of the volumetric penalty in accordance with applicable law.

## **SEC. 17.9—11 CORRELATION BETWEEN WATER SHORTAGE MANAGEMENT PLAN AND WATER SHORTAGE RESPONSE LEVELS**

### **Sec. 17.911.1**

The correlation between the Water Authority's DMPWSCP stages and the Santa Fe Irrigation District's water shortage response levels identified in these Policies and Procedures is described herein. Under DMPWSCP Stage 1, the Santa Fe Irrigation District District may implement Water Shortage Response Level 1 actions. Under DMPWSCP Stage 2, the Santa Fe Irrigation District District may implement Water Shortage Response Level 1 or Level 2 actions. Under DMPWSCP Stage 3, the Santa Fe Irrigation District District may implement Water Shortage Response Level 2, Level 3, or Level 4-3 actions. —Under WSCP Stage 4, the District may implement Water Shortage Response Level 4 actions. Under WSCP Stage 5, the District may implement Water Shortage Response Level 5 actions. Under WSCP Stage 6, the District may implement Water Shortage Response Level 6 actions.

### **Sec. 17.911.2**

The water shortage response levels identified in these Policies and Procedures correspond with the Water Authority's DMPWSCP as identified in the following table:

<b>Water Shortage Response Levels</b>	<b>Conservation Measures</b>	<b>Conservation Target</b>	<b>Water Allocations</b>	<b><u>DMPWSCP</u> Stage</b>
1	Voluntary	Up to 10%	No	Stage 1 <del>or 2</del>
2	Mandatory	Up to 20%	No	Stage 2 <del>or 3</del>
3	Mandatory	Up to <del>40</del> 30%	<del>Possible</del> No	Stage 3
4	Mandatory	<del>Up to Above</del> 40%	<del>Yes</del> Possible	Stage <del>4</del> 3
<del>5</del>	<del>Mandatory</del>	Up to 50%	Possible	Stage <del>5</del>
<del>6</del>	<del>Mandatory</del>	Above 50%	Possible	Stage <del>6</del>

## **SECTION 17.10—12 PROCEDURES FOR DETERMINATION AND NOTIFICATION OF WATER SHORTAGE RESPONSE**



## LEVEL

### Sec. 17.~~10~~12.1

The existence of a Water Shortage Response Level 1 condition may be declared by the General Manager upon a written determination of the existence of the facts and circumstances supporting the determination. A copy of the written determination shall be filed with the Clerk or Secretary of the ~~Santa Fe Irrigation District District~~ and provided to the ~~Santa Fe Irrigation District District~~ Board of Directors. The General Manager may publish a notice of the determination of existence of Water Shortage Response Level 1 condition in one or more newspapers, including a newspaper of general circulation within the Santa Fe Irrigation District. The ~~Santa Fe Irrigation District District~~ may also post notice of the condition on its website.

### Sec. 17.~~10~~12.2

~~The existence of Water Shortage Response Level 2 condition may be declared by a resolution of the Santa Fe Irrigation District District Board of Directors, adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation measures applicable to Water Shortage Response Level 2 condition shall take effect on the tenth day after the date the response level is declared. Within five (5) days following the declaration of the response level, the Santa Fe Irrigation District District shall publish a copy or summary of the resolution in a newspaper used for publication of official notices.~~

~~Additionally, the Board may declare a Water Shortage Emergency in accordance with the procedures specified in California Water Code section 350 et seq. Following at least a seven (7) day notice of the meeting at which the declaration will be made, the District Board of Directors may declare the existence of a Water Shortage Emergency during a Water Shortage Response Level 2 condition by the adoption of a resolution at any regular or special meeting held in accordance with State law. The restrictions applicable during a Water Shortage Emergency shall take effect on the tenth day after the declaration. Within (5) days following the declaration of the Water Shortage Emergency, the Santa Fe Irrigation District District shall publish a copy or summary of the resolution at least one time in a newspaper used for publication of official notices.~~

### Sec. 17.~~10~~12.23

The existence of a Water Shortage Response Level 2, Level 3, or Level 4, Level 5 or Level 6 condition may be declared by resolution of the ~~Santa Fe Irrigation District District~~ Board of Directors, adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation and reduction measures applicable to a Water Shortage Response Level 2, Level 3, or Level 4, Level 5 or Level 6 condition shall take effect on the tenth day after the date the response level is declared. Within five (5) days following the declaration of the response level, the ~~Santa Fe Irrigation District District~~ shall publish a copy or summary of the resolution in a newspaper used for publication of official notices. If the ~~Santa Fe Irrigation District District~~ establishes a water allocation which may be only applicable to Level 4, 5 and 6, it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the ~~Santa Fe Irrigation District District~~ customarily mails the billing statement for fees or charges for on-going water service. The water

allocation shall be effective on the fifth day following the date of mailing or at such later date as specified in the notice.

Additionally, the Board may declare a Water Shortage Emergency in accordance with the procedures specified in California Water Code section 350 et seq. during a Water Shortage Response Level 2, [Level 3](#), ~~or Level 4~~, [Level 5 or Level 6](#) condition. Following at least a seven (7) day notice of the meeting at which the declaration will be made, the District Board of Directors may declare the existence of a Water Shortage Emergency during a Water Shortage Response [Level 2](#), Level 3, ~~or Level 4~~, [Level 5 or Level 6](#) condition by the adoption of a resolution at any regular or special meeting held in accordance with State law. The restrictions applicable during a Water Shortage Emergency shall take effect on the tenth day after the declaration. Within (5) days following the declaration of the Water Shortage Emergency, the ~~Santa Fe Irrigation District~~ [District](#) shall publish a copy or summary of the resolution at least one time in a newspaper used for publication of official notices.

#### **Sec. 17.~~10~~[12.34](#)**

Notwithstanding anything herein to the contrary, the District, or the General Manager as authorized herein, may declare any Water Shortage Response Level as set forth in Article 17 when it determines under the then existing facts and circumstances that it is necessary to implement the specific water conservation [and reduction](#) measures of such Water Shortage Response Level to protect the water supplies of the District.

#### **Sec. 17.~~10~~[12.45](#)**

The ~~Santa Fe Irrigation District~~ [District](#) Board of Directors may declare an end to a Water Shortage Response Level and/or Water Shortage Emergency by the adoption of a resolution at any regular or special meeting held in accordance with State law.

### **SECTION 17.~~11~~[13](#) HARDSHIP VARIANCE**

#### **Sec. 17.~~11~~[13.1](#)**

If, due to unique circumstances, a specific requirement of these Policies and Procedures or any water allocation established by the District would result in undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to ~~Santa Fe Irrigation District~~ [District](#) water users generally or to similar property or classes of water uses, then the person may apply for a variance to the requirements as provided in this section.

#### **Sec. 17.~~11~~[13.2](#)**

The variance may be granted or conditionally granted, only upon a written finding of the existence of facts demonstrating an undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to ~~Santa Fe Irrigation District~~ [District](#) water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.



### Sec. 17.~~11~~13.3

**Application.** Application for a variance shall be made on a form prescribed by the ~~Santa Fe Irrigation District~~ District and shall be accompanied by a non-refundable processing fee in an amount set by resolution of the ~~Santa Fe Irrigation District~~ District Board of Directors.

### Sec. 17.~~11~~13.4

**Supporting Documentation.** The application shall be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.

### Sec. 17.~~11~~13.5

**Required Findings for Variance.** An application for a variance shall be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the Santa Fe Irrigation District, all of the following:

- a) That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other ~~Santa Fe Irrigation District~~ District customers.
- b) That because of special circumstances applicable to the property or its use, the strict application of these Policies and Procedures would have a disproportionate impact on the property or use that exceeds the impacts to customers generally.
- c) That the authorization of such variance will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the ~~Santa Fe Irrigation District~~ District to effectuate the purpose of these Policies and Procedures and will not be detrimental to the public interest. Substantial detriment does not include diminution of property value.
- d) That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

Additionally a variance may be granted, if the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the Santa Fe Irrigation District, that the subject property had been destroyed by a natural disaster, either entirely, or partially.

### Sec. 17.~~11~~13.6

**Approval Authority.** The Administrative Services Manager shall exercise approval authority and act upon any completed application no later than ten (10) business days after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance shall be promptly notified in writing of any action taken. Unless specified otherwise at the time a variance is approved, the variance applies to the subject property during the term of the mandatory water shortage response level then in effect.

## **Sec. 17.~~11~~13.7**

Filing an Appeal on Variance Decisions or Conditions (“Variance Appeals”). Any person (a “Variance Appellant”) who wishes to appeal a decision or condition of the District’s Administrative Services Manager on a variance application shall submit a Variance Appeal Request form to the District’s General Manager no later than fifteen (15) days from the date of the decision on the variance application. During the Variance Appeal process, all decisions or conditions under appeal shall remain in full effect until the conclusion of the Variance Appeal process. The Variance Appellant may request to provide evidence in writing or in person in support of his or her Variance Appeal to the General Manager. The decision of the District’s General Manager on a Variance Appeal shall be final, and shall be mailed to the Variance Appellant within ten (10) calendar days of such determination and shall indicate whether the Variance Appeal has been granted in whole or in part and set forth the terms and conditions of the decision, if any. If the Variance Appeal is denied, the Variance Appellant shall comply with all terms and conditions of the order or notice.

## **SECTION 17.~~12~~14 VIOLATIONS AND PENALTIES**

### **Sec. 17.~~12~~14.1**

Any person, who uses, causes to be used, or permits the use of water in violation of these Policies and Procedures is guilty of an offense punishable as provided herein.

### **Sec. 17.~~12~~14.2**

Each day that a violation of these Policies and Procedures occurs is a separate offense.

### **Sec. 17.~~12~~14.3**

A first violation of the water conservation [and reduction](#) measures set forth in these Policies and Procedures, and reported to the District, will result in a letter [or a door hanger](#) generated by the Customer Services department, notifying the customer of the violation with a weblink to, or a hard copy of the [Santa Fe Irrigation District District](#) Water Shortage Response Policies and Procedures. The violation and notification will be recorded on that customer account.

### **Sec. 17.~~12~~14.4**

Civil penalties may be imposed by issuance of a Citation and Complaint for each violation of a provision of these Policies and Procedures and as follows:

- a) Two hundred and fifty dollars (\$250.00) for a second violation.
- b) Five hundred dollars (\$500.00) for a third violation of any provision of these Policies and Procedures within one year.
- c) One thousand dollars (\$1,000.00) for a fourth violation of any provision of these Policies and Procedures within one year.

The above civil penalties are independent of, and are in addition to, any volumetric penalties imposed in accordance with any allocation program adopted by the Santa Fe Irrigation District, and which volumetric penalties shall be subject to any and all procedures, including appeal procedures, set forth in any such program.

The Citation and Complaint must state the basis for the proposed civil penalty. Unless an appeal and/or hearing is requested pursuant to the provisions of Section 17.15 of these Policies and Procedures, on the 31st day following issuance of the Citation and Complaint, the District's General Manager or his or her authorized designee, shall issue a final order setting the civil penalty. Within ten (10) days after issuance of a final order, any civil penalty(ies) imposed by the District shall be due and payable.

#### **Sec. 17.~~12~~14.5**

Violation of a provision of these Policies and Procedures is subject to enforcement through installation of a flow-restricting device in the meter.

#### **Sec. 17.~~12~~14.6**

Each violation of these Policies and Procedures may be prosecuted as a misdemeanor, punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding \$1,000, or by both as provided in California Water Code section 377.

#### **Sec. 17.~~12~~14.7**

Willful violations of the mandatory conservation and reduction measures and water use restrictions as set forth in the Water Shortage Response Policies and Procedures may be enforced by discontinuing service to the property at which the violation occurs as provided by California Water Code section 356.

#### **Sec. 17.~~12~~14.8**

All remedies provided for herein shall be cumulative and not exclusive.

### **SECTION 17.~~13-15~~ NOTICES OF VIOLATION/ CITATION AND COMPLAINT**

#### **Sec. 17.~~13~~15.1**

Any notice of violation, which shall be issued as a Citation and Complaint in accordance with Water Code section 377 and Section 17.~~12-14~~ herein, shall be served pursuant to the requirements of these Policies and Procedures and shall:

- a) identify the provision(s) of these Policies and Procedures and any State law, if applicable, alleged to have been violated; and

- b) state that continued noncompliance may result in civil, criminal, or administrative enforcement actions against the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- c) state a compliance date that must be met by the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- d) order remediation work, where applicable, that must be taken by the property owner and/or occupant of the property; and
- e) state that the recipient has a right to appeal the matter as set forth in these Policies and Procedures; and
- f) include the address of the affected property and be addressed to the property owner as shown on the most recently issued equalized assessment roll or as may otherwise appear in the current records of the Santa Fe Irrigation District. If the order applies to a responsible party who is not the property owner, or if the event is not related to a specific property, the notice may be sent to the last known address of the responsible party; and
- g) be deemed served ten (10) business days after posting on the property, if the property owner or occupant of the affected property cannot be located after the reasonable efforts of the General Manager.

## Sec. 17.~~13~~15.2

Any Citation and Complaint may be sent by regular mail. Service by regular mail is effective on the date of mailing.

The Citation and Complaint, may include, where deemed applicable by the General Manager, the following terms and conditions:

- a) specific steps or actions and time schedules for compliance as reasonably necessary to prevent future violations of these Policies and Procedures; and
- b) any other terms, conditions, or requirements reasonably calculated to prevent continued or threatened future violations of these Policies and Procedures, including, but not limited to, discontinuing or limiting water service with the installation of a flow restricting device.

## Sec. 17.~~13~~15.3

In addition to or in conjunction with a Citation and Complaint for a first violation of any provision of these Policies and Procedures, within two (2) weeks of the violation:

- a) the ~~Santa Fe Irrigation District~~ District may provide notice to the property owner or occupant of the property where the violation occurred to advise such person of:
  - 1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
  - 2. water ~~conservation-reduction~~ and water shortage response measures that are

required and may be implemented pursuant to these Policies and Procedures;

3. possible consequences and actions which may be taken by the ~~Santa Fe Irrigation District~~ District for future violations of these Policies and Procedures, including discontinuance of water service;
  4. penalties that may be imposed for the specific violation and any future violations of these Policies and Procedures; and
- b) if the General Manager deems it to be appropriate, the ~~Santa Fe Irrigation District~~ District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures.

#### **Sec. 17.~~13~~15.4**

In addition to or in conjunction with the Citation and Complaint for a second or any subsequent violation of these Policies and Procedures, within two (2) weeks of the violation:

- a) the ~~Santa Fe Irrigation District~~ District may provide notice to the property where the violation occurred to notify the property owner or occupant of the property where the violation occurred to advise such person of:
  1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
  2. the water conservation and water shortage response measures that are required and may be implemented by such person;
  3. possible consequences which may occur in the event of any future violations of these Policies and Procedures; and
- b) if the General Manager deems it to be appropriate, the ~~Santa Fe Irrigation District~~ District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures; and
- c) if the General Manager deems it to be appropriate, the ~~Santa Fe Irrigation District~~ District may discontinue water service at the location where the violation occurred.

#### **Sec. 17.~~13~~15.5**

~~Santa Fe Irrigation District~~ District may, after one (1) Citation and Complaint, order that a special meter reading or readings be made in order to ascertain whether wasteful or unreasonable use of water is occurring. The District may impose a meter reading fee for each meter reading it conducts pursuant to these Policies and Procedures.

### **SECTION 17.~~14~~—16 RECOVERY OF COSTS SEC. 17.14.1**

The General Manager shall serve an invoice for costs upon the property owner and/or occupant of any property, or any other responsible person who is subject to a Citation and Complaint. An invoice for costs shall be immediately due and payable to the Santa Fe Irrigation District. If any property owner or person fails to either pay the invoice for costs or appeal successfully the invoice

for costs in accordance with these Policies and Procedures, then the ~~Santa Fe Irrigation District~~ District may institute collection proceedings. The invoice for costs may include reasonable attorneys' fees.

- a) The ~~Santa Fe Irrigation District~~ District may impose any other penalties or regulatory fees, as fixed from time to time by the Board of Directors, for a violation or enforcement of these Policies and Procedures.
  1. In order to recover the costs of the water conservation and reduction regulatory program set forth in these Policies and Procedures, the Board of Directors may, from time to time, fix and impose fees and charges. The ~~Santa Fe Irrigation District~~ District fees and charges may include, but are not limited to fees and charges for:
    - a. any visits of a enforcement officer or other ~~Santa Fe Irrigation District~~ District staff for time incurred for meter reading, follow-up visits, or the installation or removal of a flow-restricting device;
    - b. monitoring, inspection, and surveillance procedures pertaining to enforcement of these Policies and Procedures;
    - c. enforcing compliance with any term or provision of these Policies and Procedures;
    - d. reinitiating service at a property where service has been discontinued pursuant to these Policies and Procedures;
    - e. processing any fees necessary to carry out the provisions of these Policies and Procedures.

## SECTION 17.~~15~~—17 APPEALS

- a) **Filing an Appeal.** Any person (an "Appellant") who wishes to appeal the imposition of a civil penalty imposed by the District pursuant to this Article 17 shall comply with the following procedures:
  1. The Appellant shall pay all amounts due and owing on his or her water bill, except for any disputed fine(s) imposed by the District pursuant to this Article 17.
  2. The Appellant shall submit an appeal in writing to the District's Administration Department no later than fifteen (15) days from the date of the Citation and Complaint or staff decision being appealed. Additional documentation may be requested at the discretion of the District.
- b) **District Response.** A response to the appeal request shall be provided by the District within thirty (30) days from receipt of the written appeal.
- c) **Review or Denial of Appeal Request.** If an appeal request is denied, the appellant may request a hearing before the District's General Manager or his or her authorized designee.

1. Any hearing request shall be submitted no later than fifteen (15) days from the denial of the appeal. The hearing shall not be held sooner than 30 days after the Citation and Complaint was issued.
2. At the hearing the Appellant shall be given a reasonable opportunity to be heard and a chance provide evidence in writing or in person in support of his or her appeal to the District's General Manager, or his or her authorized designee.
3. When a pre-established civil penalty pursuant to these Policies and Procedures is not applicable, the District's General Manager, or his or her authorized designee, shall when determining the amount of civil penalty to assess, take into consideration all relevant circumstances, including but not limited to:
  - a. The nature and persistence of the violation.
  - b. The extent of the harm caused by the violation.
  - c. The length of time over which the violation occurs.
  - d. Any corrective action taken by the violator.
4. The decision by the District's General Manager, or authorized designee shall be final and shall be memorialized in a final order.
5. Within ten (10) days after issuance of a final order, the Appellant shall pay any disputed civil penalty(ies) imposed by the District.
6. The provisions of Section 1094.5 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the final order.

## **SECTION 17.~~16~~—18 SEVERABILITY**

If any provision, section, subsection, sentence, clause or phrase or sections of these Policies and Procedures, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the invalidity of the remaining portions of sections of ~~this ordinance~~ these Policies and Procedures shall not be affected, it being the intent of the Board of Directors in adopting these Policies and Procedures that no portions, provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision hereof, and all provisions of these Policies and Procedures are declared to be severable for that purpose.

## **SECTION 17.~~17~~—19 EFFECTIVE DATE**

These Policies and Procedures are effective immediately upon adoption or as otherwise established by state law for the ~~Santa Fe Irrigation~~ District.

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Adopt Resolution No. 21-20, Amending the District Administrative Code, Article 17, Water Shortage Response Policies and Procedures**

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**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Adopt Resolution No. 21-20 amending Article 17 of the District's Administrative Code; and
2. Discuss and take other action as appropriate.

**BACKGROUND:**

In 1992, the District adopted a Water Conservation Program (Resolution No. 92-06) for use in times of declared water shortages. The District's Water Shortage Contingency Plan (WSCP) is incorporated in the District's Administrative Code, Article 17, Water Shortage Response Policies and Procedures (WSRPP). Article 17 was last updated and adopted by the District in July 2015 to enforce a water allocation program to reduce the District's overall water use to comply with state regulations. Additional revisions included water waste prohibitions and the establishment of penalties for violation of implemented water allocations during higher levels of drought conditions.

**DISCUSSION:**

In June 2021, the District adopted its 2020 Urban Water Management Plan (UWMP) and WSCP that include water use efficiency and conservation measures to address shorter-term supply shortfalls. The proposed updates to the WSRPP are to comply with new 2018 legislation that was adopted in response to the recent severe drought and for consistency with the recently adopted WSCP. The updates also reflect the six shortage levels and the associated actions included in the WSCP. The WSRPP is designed to establish priorities and restrictions during various types of water shortages, including 10% to greater than 50% reductions in water supply.

Provided as Exhibit A to Resolution No. 21-20, is the final version of Article 17, Water Shortage Response Policies and Procedures the District Administrative Code.

All of the proposed revisions were reviewed by General Counsel.

As all updates to the Administrative Code must be adopted by Resolution, Resolution No. 21-20 is included as Attachment A.



**COMMITTEE ACTION:**

The Water Resources Committee considered this item at their September 2, 2021 meeting, concurred with Staff's recommendations, and directed staff to move the item forward for full Board consideration at their regular September meeting with additional clarifying language to sections 17.4.3, 17.4.4 and 17.4.5. regarding the applicability of the Article 17 policies and procedures.

**FISCAL IMPACT:**

There is no direct fiscal impact resulting from the review of this item.

Attachment A: Resolution No. 21-20 Adopting an Amendment to the District Administrative Code – Article 17 (w/Exhibit A)

Prepared by: Rania Amen, Engineering Services Manager

Approved by: Albert C. Lau, P. E., General Manager

# ATTACHMENT "A"

## RESOLUTION NO. 21-20

### RESOLUTION OF THE BOARD OF DIRECTORS OF SANTA FE IRRIGATION DISTRICT ADOPTING AMENDMENTS TO THE DISTRICT ADMINISTRATIVE CODE – ARTICLE 17

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**WHEREAS**, the Santa Fe Irrigation District (“District”) is an irrigation district organized and existing pursuant to the Irrigation District Law, commencing with Section 20500 of the California Water Code; and

**WHEREAS**, pursuant to Water Code section 22075, the District may do any act necessary to furnish sufficient water in the District for any beneficial use; and

**WHEREAS**, to facilitate the District’s ability to furnish sufficient water for beneficial use, the District has, from time to time, adopted rules and regulations regarding the operation and administration of the District; and

**WHEREAS**, the District has compiled the rules and regulations in an Administrative Code; and

**WHEREAS**, the District has revised the Administrative Code on numerous occasions; and

**WHEREAS**, the District desires to revise Article 17 of the Administrative Code to update the Water Shortage Response Policies and Procedures.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Santa Fe Irrigation District as follows:

1. The matters set forth in the recitals to this Resolution are true and correct statements.
2. The amendment of the Administrative Code is not subject to the California Environmental Quality Act.
3. The Santa Fe Irrigation District Administrative Code, Article 17, is amended as set forth in Exhibit “A,” attached hereto and incorporated herein.
4. This Resolution shall take effect immediately.

**PASSED, ADOPTED, AND APPROVED** at a regular meeting of the Board of Directors of the Santa Fe Irrigation District held on the 16<sup>th</sup> day of September 2021, by the following vote, to wit:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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Michael T. Hogan, President

ATTEST:

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Albert C. Lau, P. E., Secretary

Seal:

# **EXHIBIT "A"**

## **ARTICLE 17. - WATER SHORTAGE RESPONSE POLICIES AND PROCEDURES**

### **SEC. 17.1 DECLARATION OF POLICIES**

Article 10, section 2 of the California Constitution declares that the water resources of the State are to be put to beneficial use, that the waste, unreasonable use, or unreasonable method of use of water be prevented, and that water be conserved for the public welfare. Conservation of current water supplies and minimization of the effects of water supply shortages that are the result of a water shortage are essential to the public health, safety, and welfare.

Regulation of the time of certain water use, manner of certain water use, design of rates, method of application of water for certain uses, and installation and use of water-saving devices, provide an effective and immediately available means of conserving water. California Water Code sections 375 et seq. authorize water suppliers to adopt and enforce a comprehensive water conservation program.

Adoption and enforcement of Water Shortage Response Policies and Procedures (policies and Procedures) allow the Santa Fe Irrigation District (District) to delay or avoid implementing measures such as water rationing or more restrictive water use regulations pursuant to a declared water shortage emergency as authorized by California Water Code section 350 et seq.

San Diego County is a semi-arid region and local water resources are scarce. The region is primarily dependent upon imported water supplies provided by the San Diego County Water Authority ("Water Authority"), which obtains a substantial portion of its supplies from the Metropolitan Water District of Southern California. Because the region is highly dependent upon imported water supplies, weather and other conditions in other portions of this State and of the Southwestern United States affect the availability of water for use in San Diego County.

The Water Authority has adopted an Urban Water Management Plan (UWMP) that includes water conservation as a necessary and effective component of the Water Authority's programs to provide a reliable supply of water to meet the needs of the Water Authority's 24 member public agencies, including the Santa Fe Irrigation District. The Water Authority's UWMP also includes a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the Water Authority's UWMP.

The Water Authority, in cooperation and consultation with its member public agencies has adopted a new Water Shortage Contingency Plan (Water Authority's WSCP) in 2021. These Policies and Procedures are intended to be consistent with and to implement the Water Authority's WSCP.

The Water Authority's WSCP has six stages containing regional actions to be taken to lessen or avoid supply shortages. These Policies and Procedures contain water shortage response levels that correspond with the Water Authority's WSCP stages.

The Santa Fe Irrigation District, due to the geographic and climatic conditions within its territory and its dependence upon water imported and provided by the Water Authority, may experience shortages due to drought conditions, regulatory restrictions governing the use of water, local water usage, and other factors. The District has adopted an UWMP and Water Shortage Contingency Plan (WSCP) that include water use reduction and conservation as a necessary and effective component of its programs to provide a reliable supply of water to meet the needs of the public within its service territory. The District UWMP and WSCP also include a contingency analysis of actions to be taken in response to water supply shortages. These Water Shortage Response Policies and Procedures are consistent with the UWMP and WSCP adopted in June 2021 by the Santa Fe Irrigation District.

The water use reduction and conservation measures and progressive restrictions on water use and the method of use identified by these Policies and Procedures provide certainty to water users and enable District to control water use, provide water supplies, and plan and implement water management measures in a fair and orderly manner for the benefit of the public.

## **SEC. 17.2 DECLARATION OF NECESSITY AND INTENT**

The District in this Declaration of Necessity and Intent finds and determines the following:

### **Sec. 17.2.1.**

These Policies and Procedures establish water management requirements necessary to conserve and use water efficiently, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, and prevent unreasonable method of use of water within the District to assure adequate supplies of water to meet the needs of the public, and further the public health, safety, and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of water shortage, but at all times.

### **Sec. 17.2.2**

These Policies and Procedures establish regulations to be implemented during times of declared water shortages, or declared water shortage emergencies. They establish six (6) levels of water shortage response actions to be implemented in times of shortage, with increasing restrictions on water use in response to worsening water shortage conditions and decreasing available supplies.

### **Sec. 17.2.3**

Level 1 condition water shortage response measures are voluntary and will be reinforced through local and regional public education and awareness measures that may be funded in part by Santa Fe Irrigation District. During water shortage response condition Levels 2 through 6, all conservation measures and water-use restrictions are mandatory and become increasingly restrictive to attain escalating water use-reduction and conservation goals.

### **Sec. 17.2.4**

During a Water Shortage Response Level 2 condition or higher, the water conservation measures and water use restrictions established by these Policies and Procedures are mandatory and

violations are subject to criminal, civil, and administrative fines, penalties and remedies specified in these Policies and Procedures.

## **SEC. 17.3 DEFINITIONS**

The following words and phrases whenever used in these Policies and Procedures shall have the meaning defined in this section:

### **Sec. 17.3.1**

“Grower” refers to those engaged in the growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural, or floricultural products, and produce: (1) for human consumption or for the market; or (2) for the feeding of fowl or livestock produced for human consumption or for the market; or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. “Grower” does not refer to customers who purchase water subject to the Water Authority Special Agricultural Rate programs.

### **Sec. 17.3.2**

“Water Authority” means the San Diego County Water Authority.

### **Sec. 17.3.3**

“WSCP” means the District’s Water Shortage Contingency Plan in existence on the effective date of these Policies and Procedures and as readopted or amended from time to time. It corresponds or an equivalent plan of the Water Authority ( Water Authority’s WSCP) to manage or allocate supplies during shortages.

### **Sec. 17.3.4**

“General Manager” means the Santa Fe Irrigation District’s General Manager or the general manager’s designee.

### **Sec. 17.3.5**

“District” means the Santa Fe Irrigation District.

### **Sec. 17.3.6**

“Person” means any natural person, corporation, public or private entity, public or private association, public or private agency, government agency or institution, school district, college, university, or any other user of water provided by the District.

### **Sec. 17.3.7**

“Water shortage emergency” means a condition existing within the District in which the ordinary water demands and requirements of persons within the District cannot be satisfied without depleting the water supply of the District to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. A water shortage emergency includes both an immediate emergency, in which the District is unable to meet current water needs of persons within the District, as well as a threatened water shortage, in which the District determines that its

supply cannot meet an increased future demand.

#### **Sec. 17.3.8**

“Recycled Water” means wastewater that has been treated to a level that allows for its reuse for a beneficial purpose.

### **SEC. 17.4 APPLICATION**

#### **Sec. 17.4.1**

The provisions of these Policies and Procedures apply to any person in the use of any water provided by the Santa Fe Irrigation District.

#### **Sec. 17.4.2**

These Policies and Procedures are intended solely to further the conservation and efficiency of water use. They are not intended to implement any provision of federal, state, or local statutes, resolutions, or regulations relating to protection of water quality or control of drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on any stormwater resolutions and stormwater management plans.

#### **Sec. 17.4.3**

These Policies and Procedures are established to provide legal authority and enforcement measures for the District to implement its Water Shortage Contingency Plan in compliance with the State Water Conservation Program under Water Code section 375 et seq. Aside from these Policies and Procedures, the District has the authority to declare water supply emergency if it is necessary to respond to an emergency, including, but not limited to an operational emergency that affects the ability of the Santa Fe Irrigation District to supply water.

#### **Sec. 17.4.4**

The provisions of these Policies and Procedures do not apply to the use of water from private wells, recycled water or the use of water that is subject to a special supply program, such as the Water Authority Permanent Special Agricultural Rate (PSWAR) program. The use of water subject to a special supply program shall be subject to the use requirements and restrictions of any such special supply program, and violations of the conditions of any such special supply programs are subject to the penalties established under the applicable program. A person using both water subject to a special supply program and other water provided by the District is shall be subject to these Policies and Procedures in the use of the other water.

### **SEC. 17.5 WATER SHORTAGE RESPONSE LEVEL 1**

#### **Sec. 17.5.1**

A Water Shortage Response Level 1 condition may apply when, due to a water shortage or other water supply reductions, there is a reasonable probability there will be water supply shortages and that a consumer demand reduction of up to 10 percent is required in order to ensure that sufficient water supplies will be available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The General Manager shall declare the existence of a Water

Shortage Response Level 1 and take action to implement the Level 1 water use reduction and conservation measures identified in these Policies and Procedures.

During a Level 1 condition, District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement the following water use reduction and conservation measures:

- a) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- b) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- c) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- d) Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used to water landscaped areas, including trees and shrubs located on residential and commercial properties that are not irrigated by a landscape irrigation system.
- e) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- f) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
- g) Serve and refill water in restaurants and other food service establishments only upon request.
- h) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- i) Repair all water leaks within five (5) days of detection, or within five (5) days of notification by the Santa Fe Irrigation District, unless other arrangements are made with the General Manager.
- j) Use recycled or non-potable water for construction purposes when available.
- k) Comply with any mandatory regulations established by any State agency governing the



use of water.

- l) Use recirculated water in ornamental fountains.
- m) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.5.2**

During a Water Shortage Response Level 2 condition or higher, all persons shall be required to implement the water use reduction and conservation measures established in a Water Shortage Response Level 1 condition.

## **Sec. 17.6 WATER SHORTAGE RESPONSE LEVEL 2**

### **Sec. 17.6.1**

A Water Shortage Response Level 2 condition may apply when, due to cutbacks caused by water shortage or other reduction in water supplies, a consumer demand reduction of up to 20 percent is required in order to have sufficient water supplies available to meet anticipated demands, or as otherwise determined by the District in its reasonable discretion. The District Board of Directors may declare the existence of a Water Shortage Response Level 2 condition and implement the mandatory Level 2 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

### **Sec. 17.6.2**

All persons using District water during a Water Shortage Response Level 2 condition shall comply with the following water use reduction and conservation measures:

- a) Repair all leaks within 5 days of detection, or within 5 days of notification by the District, unless other arrangements are made with the General Manager.
- b) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications
- c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.

- f) Watering is permitted anytime with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- g) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- h) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site.
- i) Serve and refill water in restaurants and other food service establishments only upon request.
- j) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- k) Use recycled or non-potable water for construction purposes when available.
- l) Comply with any mandatory regulations established by any State agency governing the use of water.
- m) Stop operating ornamental fountains unless recycled water is used.
- n) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.6.3**

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 2 condition:

- a) If the District Board of Directors declares a Water Shortage Emergency during a Water Shortage Response Level 2 condition, no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  - 1. A valid, unexpired building permit has been issued for the project; or
  - 2. The project is necessary to protect the public's health, safety, and welfare; or

3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Santa Fe Irrigation District.

This Section 17.6.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

## **SEC. 17.7 WATER SHORTAGE RESPONSE LEVEL 3**

### **Sec. 17.7.1**

A Water Shortage Response Level 3 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 30 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 3, the District may implement the applicable Level 3 water use reduction and conservation measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

### **Sec. 17.7.2**

All persons using District water during a Water Shortage Response Level 3 condition shall comply with the following mandatory water use reduction and conservation measures:

- a) Limit residential and commercial landscape irrigation to three (3) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
- c) Repair all leaks within seventy-two (72) hours of detection, or within seventy-two (72) hours of notification by the Santa Fe Irrigation District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.

- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) Watering is permitted anytime with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. .
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.7.3**

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 3 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:

1. A valid, unexpired building permit has been issued for the project; or
2. The project is necessary to protect the public's health, safety, and welfare; or
3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Santa Fe Irrigation District.

This Section 17.7.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

## **SEC. 17.8 WATER SHORTAGE RESPONSE LEVEL 4**

### **Sec. 17.8.1**

A Water Shortage Response Level 4 condition may apply when, due to increasing cutbacks caused by a water shortage or other reduction of water supplies a consumer demand reduction of up to 40 percent is required, to have sufficient supplies available to meet anticipated water demands, or as otherwise deemed by the District in its reasonable discretion. During a Level 4, the District may implement the applicable Level 4 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

### **Sec. 17.8.2**

All persons using District water during a Water Shortage Response Level 4 condition shall comply with the following mandatory use reduction measures:

- a) Limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- b) Limit lawn watering and landscape irrigation using sprinklers to ten (10) minutes per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using water efficient devices, including, but not limited to: weather based controllers, drip/micro-irrigation systems and stream rotor sprinklers.
- c) Repair all leaks within forty-eight (48) hours of detection, or within forty-eight (48) hours of notification by the District, unless other arrangements are made with the General Manager.
- d) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.

- e) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within forty-eight (48) hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- f) Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) Watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.8.3**

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 4 condition:

- a) Upon the declaration of a Water Shortage Emergency pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  1. A valid, unexpired building permit has been issued for the project; or
  2. The project is necessary to protect the public's health, safety, and welfare; or
  3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of District.

This Section 17.8.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

#### **Sec. 17.8.4**

The District may establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

### **SEC. 17.9 WATER SHORTAGE RESPONSE LEVEL 5**

#### **Sec. 17.9.1**

A Water Shortage Response Level 5 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 4 requires a demand reduction of more than 50 percent in order for the District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the District in its reasonable discretion. During a Level 5, the District may implement the applicable Level 5 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

#### **Sec. 17.9.2**

All persons using District water during a Water Shortage Response Level 4 shall comply with the

following mandatory water use reduction and restriction measures:

- a) Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
  - 1. Maintenance of trees and shrubs that are watered on a schedule established by the General Manager and posted by the District, using a bucket, hand-held hose with a positive shut-off nozzle.
  - 2. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
  - 3. Maintenance of existing landscaping for erosion control.
  - 4. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
  - 5. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed Two (2) days per week.
  - 6. Watering of livestock.
  - 7. Public works projects and actively irrigated environmental mitigation projects.
  - 8. Operation of fountains and water features that do not use recycled water are prohibited.
- b) Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the Santa Fe Irrigation District, unless other arrangements are made with the General Manager.
- c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e) When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- f) When applicable per measure “a)” of this section, irrigate residential and commercial



landscape before 10 a.m. and after 6 p.m. only.

- g) When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) When applicable per measure “a)” of this section, irrigate nursery and commercial grower’s products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.9.3**

The following shall apply if the District Board of Directors declares a Water Shortage Emergency in the manner and on the grounds provided in California Water Code section 350 et seq., during a Water Shortage Response Level 5 condition:

- a) Upon the declaration of a Water Shortage Level 5., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will

serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:

1. A valid, unexpired building permit has been issued for the project; or
2. The project is necessary to protect the public's health, safety, and welfare; or
3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Santa Fe Irrigation District.

This Section 17.9.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

#### **Sec. 17.9.4**

Upon the declaration of a Water Shortage Response Level 5 condition, District may suspend consideration of annexations to its service area.

#### **Sec. 17.9.5**

The District shall establish a water allocation for any property served by the Santa Fe Irrigation District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution, shall establish the amount of the volumetric penalty in accordance with applicable law.

### **SEC. 17.10 WATER SHORTAGE RESPONSE LEVEL 6**

#### **Sec. 17.10.1**

A Water Shortage Response Level 6 condition may apply when the Water Authority Board of Directors declares a Water Shortage Emergency pursuant to California Water Code section 350 et seq. and notifies its member agencies that Level 6 requires a demand reduction of greater than 50 percent in order for the District to have maximum water supplies available to meet anticipated water demands, or as otherwise determined by the District in its reasonable discretion. During a Level 6, the District may implement the applicable Level 6 water use reduction measures identified in these Policies and Procedures. Additionally, the District Board of Directors may declare a Water Shortage Emergency, upon adopting findings supporting a Water Shortage Emergency, pursuant to California Water Code section 350 et seq.

## Sec. 17.10.2

All persons using District water during a Water Shortage Response Level 6 shall comply with the following mandatory water use reduction and restriction measures:

- a) Stop all landscape irrigation, except crops and landscape products of commercial growers and nurseries. This restriction shall not apply to the following categories of use:
  - 1. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated.
  - 2. Maintenance of existing landscaping for erosion control.
  - 3. Maintenance of plant materials identified to be rare or essential to the well-being of rare animals.
  - 4. Watering of livestock.
  - 5. Public works projects and actively irrigated environmental mitigation projects.
- b) Repair all water leaks within twenty-four (24) hours of detection, or within twenty-four (24) hours of notification by the District, unless other arrangements are made with the General Manager.
- c) Stop washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
- d) Stop water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, overspray, irrigating during and within 48 hours of a measurable rain event, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
- e) When applicable per measure “a)” of this section, limit residential and commercial landscape irrigation to two (2) assigned days per week from June through October, and one (1) assigned day per week November through May, on a schedule established by the General Manager and posted by the District.
- f) When applicable per measure “a)” of this section, irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only.
- g) When applicable per measure “a)” of this section, watering is only permitted before 10 a.m. and after 6 p.m., and only with a bucket or a hand-held hose equipped with a positive shut-off nozzle to water landscaped areas, including trees and shrubs located on residential and commercial properties.
- h) When applicable per measure “a)” of this section, irrigate nursery and commercial

grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.

- i) Stop washing vehicles except at commercial car washes that re-circulate water, or by commercial high pressure/low volume wash systems.
- j) Serve and refill water in restaurants and other food service establishments only upon request.
- k) Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily. Hotels or motels shall prominently display notice of this option in each guest room using clear and easily understood language.
- l) Use recycled or non-potable water for construction purposes when available.
- m) Comply with any mandatory regulations established by any State agency governing the use of water.
- n) Operation of fountains and water features that do not use recycled water are prohibited.
- o) Customers must sign up for the Automated Metering Infrastructure (AMI) Customer Portal, including alerts and leak notifications.
- p) Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life
- q) District may implement drought rate structure, if deemed appropriate at this stage by the Board of Directors.

### **Sec. 17.10.3**

The following shall apply if the District Board of Directors declares a Water Shortage Response Level 6:

- a) Upon the declaration of a Water Shortage Response Level 6 pursuant to California Water Code section 350 et seq., no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:
  - 1. A valid, unexpired building permit has been issued for the project; or
  - 2. The project is necessary to protect the public's health, safety, and welfare; or
  - 3. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water

meter(s) to the satisfaction of District.

This Section 17.10.3 shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

#### **Sec. 17.10.4**

Upon the declaration of a Water Shortage Response Level 6 condition, the District may suspend consideration of annexations to its service area.

#### **Sec. 17.10.5**

The District shall establish a water allocation for any property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for ongoing water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a volumetric penalty for each billing unit of water in excess of the allocation. The volumetric penalty for excess water usage shall be cumulative to any other remedy or penalty that may be imposed for violation of these Policies and Procedures. The District Board of Directors, by resolution or ordinance, shall establish the amount of the volumetric penalty in accordance with applicable law.

### **SEC. 17.11 CORRELATION BETWEEN WATER SHORTAGE MANAGEMENT PLAN AND WATER SHORTAGE RESPONSE LEVELS**

#### **Sec. 17.11.1**

The correlation between the Water Authority's WSCP stages and the District's water shortage response levels identified in these Policies and Procedures is described herein. Under WSCP Stage 1, the District may implement Water Shortage Response Level 1 actions. Under WSCP Stage 2, the District may implement Water Shortage Response Level 2 actions. Under WSCP Stage 3, the District may implement Water Shortage Response Level Level 3 actions. Under WSCP Stage 4, the District may implement Water Shortage Response Level 4 actions. Under WSCP Stage 5, the District may implement Water Shortage Response Level 5 actions. Under WSCP Stage 6, the District may implement Water Shortage Response Level 6 actions.

## **Sec. 17.11.2**

The water shortage response levels identified in these Policies and Procedures correspond with the Water Authority's WSCP as identified in the following table:

<b>Water Shortage Response Levels</b>	<b>Conservation Measures</b>	<b>Conservation Target</b>	<b>Water Allocations</b>	<b>WSCP Stage</b>
1	Voluntary	Up to 10%	No	Stage 1
2	Mandatory	Up to 20%	No	Stage 2
3	Mandatory	Up to 30%	No	Stage 3
4	Mandatory	Up to 40%	Possible	Stage 4
5	Mandatory	Up to 50%	Possible	Stage 5
6	Mandatory	Above 50%	Possible	Stage 6

## **SECTION 17.12 PROCEDURES FOR DETERMINATION AND NOTIFICATION OF WATER SHORTAGE RESPONSE LEVEL**

### **Sec. 17.12.1**

The existence of a Water Shortage Response Level 1 condition may be declared by the General Manager upon a written determination of the existence of the facts and circumstances supporting the determination. A copy of the written determination shall be filed with the Clerk or Secretary of the District and provided to the District Board of Directors. The General Manager may publish a notice of the determination of existence of Water Shortage Response Level 1 condition in one or more newspapers, including a newspaper of general circulation within the Santa Fe Irrigation District. The District may also post notice of the condition on its website.

### **Sec. 17.12.2**

The existence of a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition may be declared by resolution of the District Board of Directors, adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation and reduction measures applicable to a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition shall take effect on the tenth day after the date the response level is declared. Within five (5) days following the declaration of the response level, the District shall publish a copy or summary of the resolution in a newspaper used for publication of official notices. If the District establishes a water allocation which may be only applicable to Level 4, 5 and 6, it shall provide notice of the allocation by including it in the regular billing statement for water service fees or charges or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. The water allocation shall be effective on the fifth day following the date of mailing or at such later date as specified in the notice.

Additionally, the Board may declare a Water Shortage Emergency in accordance with the procedures specified in California Water Code section 350 et seq. during a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition. Following at least a seven (7) day notice of the meeting at which the declaration will be made, the District Board of Directors may declare the existence of a Water Shortage Emergency during a Water Shortage Response Level 2, Level 3, Level 4, Level 5 or Level 6 condition by the adoption of a resolution at any regular or special meeting held in accordance with State law. The restrictions applicable during a Water Shortage Emergency shall take effect on the tenth day after the declaration. Within (5) days following the declaration of the Water Shortage Emergency, the District shall publish a copy or summary of the resolution at least one time in a newspaper used for publication of official notices.

### **Sec. 17.12.3**

Notwithstanding anything herein to the contrary, the District, or the General Manager as authorized herein, may declare any Water Shortage Response Level as set forth in Article 17 when it determines under the then existing facts and circumstances that it is necessary to implement the specific water conservation and reduction measures of such Water Shortage Response Level to protect the water supplies of the District.

### **Sec. 17.12.4**

The District Board of Directors may declare an end to a Water Shortage Response Level and/or Water Shortage Emergency by the adoption of a resolution at any regular or special meeting held in accordance with State law.

## **SECTION 17.13   HARDSHIP VARIANCE**

### **Sec. 17.13.1**

If, due to unique circumstances, a specific requirement of these Policies and Procedures or any water allocation established by the District would result in undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to District water users generally or to similar property or classes of water uses, then the person may apply for a variance to the requirements as provided in this section.

### **Sec. 17.13.2**

The variance may be granted or conditionally granted, only upon a written finding of the existence of facts demonstrating an undue hardship to a person using District water or to property upon which District water is used, that is disproportionate to the impacts to District water users generally or to similar property or classes of water use due to specific and unique circumstances of the user or the user's property.

### **Sec. 17.13.3**

**Application.** Application for a variance shall be made on a form prescribed by the District and shall be accompanied by a non-refundable processing fee in an amount set by resolution of the District Board of Directors.

#### **Sec. 17.13.4**

**Supporting Documentation.** The application shall be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.

#### **Sec. 17.13.5**

**Required Findings for Variance.** An application for a variance shall be denied unless the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the Santa Fe Irrigation District, all of the following:

- a) That the variance does not constitute a grant of special privilege inconsistent with the limitations upon other District customers.
- b) That because of special circumstances applicable to the property or its use, the strict application of these Policies and Procedures would have a disproportionate impact on the property or use that exceeds the impacts to customers generally.
- c) That the authorization of such variance will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the District to effectuate the purpose of these Policies and Procedures and will not be detrimental to the public interest. Substantial detriment does not include diminution of property value.
- d) That the condition or situation of the subject property or the intended use of the property for which the variance is sought is not common, recurrent or general in nature.

Additionally a variance may be granted, if the approving authority finds, based on the information provided in the application, supporting documents, or such additional information as may be requested, and on water use information for the property as shown by the records of the Santa Fe Irrigation District, that the subject property had been destroyed by a natural disaster, either entirely, or partially.

#### **Sec. 17.13.6**

**Approval Authority.** The Administrative Services Manager shall exercise approval authority and act upon any completed application no later than ten (10) business days after submittal and may approve, conditionally approve, or deny the variance. The applicant requesting the variance shall be promptly notified in writing of any action taken. Unless specified otherwise at the time a variance is approved, the variance applies to the subject property during the term of the mandatory water shortage response level then in effect.

#### **Sec. 17.13.7**

Filing an Appeal on Variance Decisions or Conditions (“Variance Appeals”). Any person (a “Variance Appellant”) who wishes to appeal a decision or condition of the District’s Administrative Services Manager on a variance application shall submit a Variance Appeal Request form to the District’s General Manager no later than fifteen (15) days from the date of the



decision on the variance application. During the Variance Appeal process, all decisions or conditions under appeal shall remain in full effect until the conclusion of the Variance Appeal process. The Variance Appellant may request to provide evidence in writing or in person in support of his or her Variance Appeal to the General Manager. The decision of the District's General Manager on a Variance Appeal shall be final, and shall be mailed to the Variance Appellant within ten (10) calendar days of such determination and shall indicate whether the Variance Appeal has been granted in whole or in part and set forth the terms and conditions of the decision, if any. If the Variance Appeal is denied, the Variance Appellant shall comply with all terms and conditions of the order or notice.

## **SECTION 17.14 VIOLATIONS AND PENALTIES**

### **Sec. 17.14.1**

Any person, who uses, causes to be used, or permits the use of water in violation of these Policies and Procedures is guilty of an offense punishable as provided herein.

### **Sec. 17.14.2**

Each day that a violation of these Policies and Procedures occurs is a separate offense.

### **Sec. 17.14.3**

A first violation of the water conservation and reduction measures set forth in these Policies and Procedures, and reported to the District, will result in a letter or a door hanger generated by the Customer Services department, notifying the customer of the violation with a weblink to, or a hard copy of the District Water Shortage Response Policies and Procedures. The violation and notification will be recorded on that customer account.

### **Sec. 17.14.4**

Civil penalties may be imposed by issuance of a Citation and Complaint for each violation of a provision of these Policies and Procedures and as follows:

- a) Two hundred and fifty dollars (\$250.00) for a second violation.
- b) Five hundred dollars (\$500.00) for a third violation of any provision of these Policies and Procedures within one year.
- c) One thousand dollars (\$1,000.00) for a fourth violation of any provision of these Policies and Procedures within one year.

The above civil penalties are independent of, and are in addition to, any volumetric penalties imposed in accordance with any allocation program adopted by the Santa Fe Irrigation District, and which volumetric penalties shall be subject to any and all procedures, including appeal procedures, set forth in any such program.

The Citation and Complaint must state the basis for the proposed civil penalty. Unless an appeal

and/or hearing is requested pursuant to the provisions of Section 17.15 of these Policies and Procedures, on the 31st day following issuance of the Citation and Complaint, the District's General Manager or his or her authorized designee, shall issue a final order setting the civil penalty. Within ten (10) days after issuance of a final order, any civil penalty(ies) imposed by the District shall be due and payable.

#### **Sec. 17.14.5**

Violation of a provision of these Policies and Procedures is subject to enforcement through installation of a flow-restricting device in the meter.

#### **Sec. 17.14.6**

Each violation of these Policies and Procedures may be prosecuted as a misdemeanor, punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding \$1,000, or by both as provided in California Water Code section 377.

#### **Sec. 17.14.7**

Willful violations of the mandatory conservation and reduction measures and water use restrictions as set forth in the Water Shortage Response Policies and Procedures may be enforced by discontinuing service to the property at which the violation occurs as provided by California Water Code section 356.

#### **Sec. 17.14.8**

All remedies provided for herein shall be cumulative and not exclusive.

### **SECTION 17.15 NOTICES OF VIOLATION/ CITATION AND COMPLAINT**

#### **Sec. 17.15.1**

Any notice of violation, which shall be issued as a Citation and Complaint in accordance with Water Code section 377 and Section 17.14 herein, shall be served pursuant to the requirements of these Policies and Procedures and shall:

- a) identify the provision(s) of these Policies and Procedures and any State law, if applicable, alleged to have been violated; and
- b) state that continued noncompliance may result in civil, criminal, or administrative enforcement actions against the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- c) state a compliance date that must be met by the person who committed the violation, or the property owner and/or occupant of the property where the violation occurred; and
- d) order remediation work, where applicable, that must be taken by the property owner and/or occupant of the property; and

- e) state that the recipient has a right to appeal the matter as set forth in these Policies and Procedures; and
- f) include the address of the affected property and be addressed to the property owner as shown on the most recently issued equalized assessment roll or as may otherwise appear in the current records of the Santa Fe Irrigation District. If the order applies to a responsible party who is not the property owner, or if the event is not related to a specific property, the notice may be sent to the last known address of the responsible party; and
- g) be deemed served ten (10) business days after posting on the property, if the property owner or occupant of the affected property cannot be located after the reasonable efforts of the General Manager.

### **Sec. 17.15.2**

Any Citation and Complaint may be sent by regular mail. Service by regular mail is effective on the date of mailing.

The Citation and Complaint, may include, where deemed applicable by the General Manager, the following terms and conditions:

- a) specific steps or actions and time schedules for compliance as reasonably necessary to prevent future violations of these Policies and Procedures; and
- b) any other terms, conditions, or requirements reasonably calculated to prevent continued or threatened future violations of these Policies and Procedures, including, but not limited to, discontinuing or limiting water service with the installation of a flow restricting device.

### **Sec. 17.15.3**

In addition to or in conjunction with a Citation and Complaint for a first violation of any provision of these Policies and Procedures, within two (2) weeks of the violation:

- a) the District may provide notice to the property owner or occupant of the property where the violation occurred to advise such person of:
  1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
  2. water reduction and water shortage response measures that are required and may be implemented pursuant to these Policies and Procedures;
  3. possible consequences and actions which may be taken by the District for future violations of these Policies and Procedures, including discontinuance of water service;
  4. penalties that may be imposed for the specific violation and any future violations of these Policies and Procedures; and
- b) if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or

provision of these Policies and Procedures.

#### **Sec. 17.15.4**

In addition to or in conjunction with the Citation and Complaint for a second or any subsequent violation of these Policies and Procedures, within two (2) weeks of the violation:

- a) the District may provide notice to the property where the violation occurred to notify the property owner or occupant of the property where the violation occurred to advise such person of:
  - 1. the water shortage response level then in effect and the provisions of these Policies and Procedures relating thereto;
  - 2. the water conservation and water shortage response measures that are required and may be implemented by such person;
  - 3. possible consequences which may occur in the event of any future violations of these Policies and Procedures; and
- b) if the General Manager deems it to be appropriate, the District may order the installation of a flow-restricting device on the service line for any person who violates any term or provision of these Policies and Procedures; and
- c) if the General Manager deems it to be appropriate, the District may discontinue water service at the location where the violation occurred.

#### **Sec. 17.15.5**

District may, after one (1) Citation and Complaint, order that a special meter reading or readings be made in order to ascertain whether wasteful or unreasonable use of water is occurring. The District may impose a meter reading fee for each meter reading it conducts pursuant to these Policies and Procedures.

### **SECTION 17.16 RECOVERY OF COSTS SEC. 17.14.1**

The General Manager shall serve an invoice for costs upon the property owner and/or occupant of any property, or any other responsible person who is subject to a Citation and Complaint. An invoice for costs shall be immediately due and payable to the Santa Fe Irrigation District. If any property owner or person fails to either pay the invoice for costs or appeal successfully the invoice for costs in accordance with these Policies and Procedures, then the District may institute collection proceedings. The invoice for costs may include reasonable attorneys' fees.

- a) The District may impose any other penalties or regulatory fees, as fixed from time to time by the Board of Directors, for a violation or enforcement of these Policies and Procedures.
  - 1. In order to recover the costs of the water conservation and reduction regulatory program set forth in these Policies and Procedures, the Board of Directors may, from time to time, fix and impose fees and charges. The District fees and charges may include, but are not limited to fees and charges for:

- a. any visits of a enforcement officer or other District staff for time incurred for meter reading, follow-up visits, or the installation or removal of a flow-restricting device;
- b. monitoring, inspection, and surveillance procedures pertaining to enforcement of these Policies and Procedures;
- c. enforcing compliance with any term or provision of these Policies and Procedures;
- d. reinitiating service at a property where service has been discontinued pursuant to these Policies and Procedures;
- e. processing any fees necessary to carry out the provisions of these Policies and Procedures.

## SECTION 17.17 APPEALS

- a) **Filing an Appeal.** Any person (an “Appellant”) who wishes to appeal the imposition of a civil penalty imposed by the District pursuant to this Article 17 shall comply with the following procedures:
  - 1. The Appellant shall pay all amounts due and owing on his or her water bill, except for any disputed fine(s) imposed by the District pursuant to this Article 17.
  - 2. The Appellant shall submit an appeal in writing to the District’s Administration Department no later than fifteen (15) days from the date of the Citation and Complaint or staff decision being appealed. Additional documentation may be requested at the discretion of the District.
- b) **District Response.** A response to the appeal request shall be provided by the District within thirty (30) days from receipt of the written appeal.
- c) **Review or Denial of Appeal Request.** If an appeal request is denied, the appellant may request a hearing before the District’s General Manager or his or her authorized designee.
  - 1. Any hearing request shall be submitted no later than fifteen (15) days from the denial of the appeal. The hearing shall not be held sooner than 30 days after the Citation and Complaint was issued.
  - 2. At the hearing the Appellant shall be given a reasonable opportunity to be heard and a chance provide evidence in writing or in person in support of his or her appeal to the District’s General Manager, or his or her authorized designee.
  - 3. When a pre-established civil penalty pursuant to these Policies and Procedures is not applicable, the District’s General Manager, or his or her authorized designee, shall when determining the amount of civil penalty to assess, take into consideration all relevant circumstances, including but not limited to:

- a. The nature and persistence of the violation.
  - b. The extent of the harm caused by the violation.
  - c. The length of time over which the violation occurs.
  - d. Any corrective action taken by the violator.
4. The decision by the District's General Manager, or authorized designee shall be final and shall be memorialized in a final order.
5. Within ten (10) days after issuance of a final order, the Appellant shall pay any disputed civil penalty(ies) imposed by the District.
6. The provisions of Section 1094.5 of the Code of Civil Procedure of the State of California shall be applicable to judicial review of the final order.

## **SECTION 17.18 SEVERABILITY**

If any provision, section, subsection, sentence, clause or phrase or sections of these Policies and Procedures, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the invalidity of the remaining portions of sections of these Policies and Procedures shall not be affected, it being the intent of the Board of Directors in adopting these Policies and Procedures that no portions, provisions, or regulations contained herein shall become inoperative, or fail by reason of the unconstitutionality of any other provision hereof, and all provisions of these Policies and Procedures are declared to be severable for that purpose.

## **SECTION 17.19 EFFECTIVE DATE**

These Policies and Procedures are effective immediately upon adoption or as otherwise established by state law for the District.

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Consider Declaring a Water Shortage Response Level 1 Condition Within the Santa Fe Irrigation District**

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**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Consider the General Manager declaration of a Water Shortage Response Level 1 Condition; and
2. Discuss and take other action as appropriate.

**BACKGROUND:**

California is in its second consecutive dry year. Worsening conditions led to a State Water Project Allocation for 2021 at 5%, which followed an allocation of 20% in 2020. The increasing severity of drought conditions throughout the state prompted Governor Newsom to declare three sets of expanding drought emergencies throughout the state.

- On April 21, Governor Newsom proclaimed a drought emergency in Mendocino and Sonoma counties.
- On May 10, a second proclamation expanded the drought emergency to an additional 39 counties.
- On June 9, multiple state agencies, including the State Water Resources Control Board, called on local and regional water suppliers to increase their conservation efforts, to develop a contingency plan in the event of water supply problems, and to urge Californians to conserve water amid ongoing dry conditions and in anticipation of another dry year in 2022.
- On July 8, Governor Newsom expanded the drought state of emergency again, which applied to a total of 50 of 58 counties covering 42 percent of the state's population. San Diego County was not included in the emergency declaration. On the same day, the governor also issued Executive Order N-10-21, calling for all Californians to voluntarily reduce their water use by 15 percent, with 2020 as a baseline. Reporting on this request by individual suppliers began in July and will be reported out by the state beginning this month.

San Diego County, along with the majority of Southern California, was not included in the drought declaration in part due to the supply and storage investments by Metropolitan Water District of Southern California (MWD) and the San Diego County Water Authority (SDCWA) and its

affiliated agencies. Both agencies have been recognized for their proactive approach to improve regional capacity to endure dry conditions.

However, in recognition of the need for coordinated drought response and in support of the governor's statewide call, MWD and SDCWA have ramped up their public outreach and launched regional campaigns to encourage residents and businesses to reduce their water use and eliminate waste when possible.

In addition, on August 17, 2021, MWD declared a "Condition 2- Water Supply Alert", which is the third in a four-step water supply condition. Condition 2 acknowledges the heightened urgency of the supply situation, the potential for rapidly changing conditions, and provides a launching point for outreach and collaboration with local agencies. MWD's Water Supply Condition Framework was established in 2008 and is consistent with their Water Supply and Drought Management Plan. The Framework communicates and encourages proactive steps that water agencies and consumers could take to reduce the region's water demand and mitigate the need for more severe actions. MWD has been in Condition 1: Water Supply Watch since April 2017.

## **DISCUSSION:**

On June 17, 2021 the Board approved Resolution 21-14 adopting the Water Shortage Contingency Plan (WSCP) and Resolution 21-15 adopting the 2020 Urban Water Management Plan (UWMP). These documents are state mandated documents that provide water suppliers with a reliable water management action plan that can be referred to continuously as conditions change and management decisions arise.

The WSCP is comprised of six stages of actions that are both voluntary and mandatory to meet established supply reductions from 10 up to 50 percent, as noted in Figure 1. Staff is recommending the Board establish Level 1, which would establish a voluntary reduction of 10% by customers. The parameters and actions for Level 1 is explained in the WSCP as follows:

"Level 1 may apply when there is a reasonable probability that there will be water supply shortages and that a consumer demand reduction of up to 10% is required. At this stage restrictions are voluntary, and the District would increase its public education and outreach efforts to encourage customers to take actions to encourage water conservation. A Level 1 condition is declared by the General Manager upon a written determination of the existence of the facts and circumstances supporting the determination. Some voluntary measures under Level 1 include stop hosing down paved surfaces, stop runoff from landscape irrigation, wash vehicles with a hand-held hose/shut-off nozzle or at a commercial site with recirculated water, require restaurant water refills only upon request, provide hotel laundering only upon request, and use non-potable water for construction purposes when available."



Figure 1: Stages of Water Shortage Contingency Plan

DWR Table 8-1: Stages of Water Shortage Contingency Plan		
Stage	Percent Supply Reduction	Shortage Response Actions
1	Up to 10%	Includes voluntary water shortage actions to achieve demand reductions, such as providing refills at restaurants and laundering at hotels upon request only.
2	Up to 20%	Mandates the voluntary actions included under Level 1 and additional measures focused on reducing outdoor water use such as requiring customers to sign up for an AMI Customer Portal (including alerts and leak notifications).
3	Up to 30%	Includes mandatory Level 1 and 2 actions and additional actions focused on reducing outdoor water use such as limiting landscape irrigation for residential and commercial properties to assigned days per week and imposing time limits for lawn watering with sprinklers.
4	Up to 40%	Includes mandatory Level 1, 2, and 3 actions and additional actions focused on reducing outdoor water use such as further limiting the number of assigned days per for residential and commercial landscape irrigation and preventing filling/refilling of ornamental lakes or ponds (except to sustain aquatic life). The District may also establish a water allocation policy for properties served.
5	Up to 50%	Includes mandatory Level 1, 2, 3, and 4 actions and additional actions focused on reducing outdoor water use such as prohibiting all landscape irrigation (with exceptions for commercial growers, nurseries, and other listed uses). The District will also suspend new potable water services, new temporary and permanent meters, and considerations of annexation to the service area (with noted exceptions).
6	Above 50%	Includes mandatory Level 1, 2, 3, 4, and 5 actions and additional actions focused on reducing outdoor water use such as expanding prohibitions on all landscape irrigation by removing several exclusions permitted under Level 5.

The establishment of Stage 1 will signal to customers the seriousness of the existing dry conditions throughout the State and potential for worsening conditions and communicate the District's commitment to water use efficiency and its impact to the community and region. It also acknowledges the importance of the governor's call to reduce water use and the need for both regional and statewide collaboration and participation to keep our communities and economies sustainable and prepared for a potential third dry year.

#### Drought Messaging and Outreach

Public outreach will be increased with specific tips on how to eliminate water waste, reduce water use, rebates, classes, and incentives available. Outreach will indicate that the request is voluntary, but that the potential for increased, mandatory reduction exists in the coming year. Outreach will consist of social media posts, website updates, email news flashes, bill inserts and messages. Staff will also attend any available community events and meetings to provide information to residents, businesses, and community and business organizations.

As the year progresses, water demand will be monitored closely, and staff will report to the Board on water demands and supply conditions.

**COMMITTEE ACTION:**

This item was not reviewed at the Committee level.

**FISCAL IMPACT:**

There is no direct fiscal impact at this time. Fiscal impacts resulting from reduced water sales will be monitored.

Prepared by: Teresa Penunuri, Public Communications Officer

Approved by: Albert C. Lau, P.E., General Manager

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Final Water System and Capital Improvement Program Master Plan**

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**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Review and discuss the Recommended Final Water System and Capital Improvement Program Master Plan (2021 Master Plan) Document; and
2. Receive and file the Recommended Final Water System and Capital Improvement Program Master Plan (2021 Master Plan) Document; and
3. Take other action as appropriate.

**DISCUSSION:**

In February 2021, the Board approved an agreement with Dudek to assist the District with updating the Water System and Capital Improvement Program Master Plan. This effort is to support the District with its mission to ensure the reliability of the water system and maximize infrastructure asset value. The 2021 Master Plan serves as a blueprint for the future needs of the District's next 10-year Capital Improvement Program for its Distribution and Joint Facilities systems, given that the Santa Fe Irrigation District's (District) current Capital Improvement Program (CIP) was developed over 10 years ago based on the 2009 Asset Management Master Plan (AMMP) and the 2012 Joint Facilities Master Plan (JFMP).

The program is based on recent asset condition assessment data for the joint facilities and local water supply. The goals of the 2021 Master Plan are:

- Document existing facilities and systems performance and detect deficiencies based on current demands, future growth, and emergency situations.
- Reassess the capabilities of existing facilities to achieve current and projected distribution and joint facilities process performance (regulatory) and physical integrity requirements.
- Define specific capital projects to achieve the distribution and joint facilities needs to ensure system reliability and resiliency at the lowest possible capital, operating and life cycle costs.
- Prioritize projects and update the 10-year Distribution System and Joint Facilities CIP.

Following several workshops conducted between Dudek and Staff (District and SDWD), Staff and Dudek provided an overview of the 90% Draft 2021 Master Plan to the Water Resources Committee at its August 5<sup>th</sup> meeting. The overview included a discussion of the project

prioritization process and the drivers for each of the recommended 10-year Distribution and Joint Facilities CIP projects. A similar discussion took place at the August 12, 2021 Joint Facilities Advisory Committee concerning all Joint Facilities system and recommended projects.

Following the Committees' discussions, a Final Draft Master Plan was completed which incorporated comments received at the Committee meetings. The Final Draft Master Plan along with all the incorporated changes was once again reviewed and discussed at the September 2, 2021 Water Resources Committee Meeting where no additional revisions were suggested.

The Recommended Final Master Plan is a comprehensive document that was structured in two parts in order to accommodate District's Distribution System or "District Only" components, and the Joint Facilities that are owned by both District and SDWD. The Final Master Plan includes a Table of Contents that enables the reader to quickly locate the portion of the document that they are most interested in, an overall Executive Summary that covers both District's distribution system and the facilities that are jointly owned with San Dieguito Water District (SDWD) and Summary Sheets for each proposed CIP Project.

The developed Final 10-Year CIP list, provided as Attachment A, includes projects that were initiated in prior years and are significantly underway in the current fiscal year (FY22) where 3 of these projects will carry over into future fiscal years (FY23 through FY25). The total estimated capital cost for the projects included in the Final 10-year CIP (FY23 through FY32 expenditures) is approximately \$87 million (\$63.7 million for the District's distribution system and joint facilities portion, and \$23.3 million for SDWD's portion) based on 2022 dollars.

In addition to the projects shown in the Final 10-year CIP, three additional projects that were identified in the recently completed Energy Management Study are discussed in the Master Plan but are not accounted for in the 10-Year CIP projected budget. Additional on-going assessments of these projects are currently underway to confirm project costs, financial viability, and the appropriate timing for project implementation. The three projects are part of the joint facilities CIP. One is a hydroelectric facility replacement project, and the other two are solar array projects to be located at the R.E. Badger (large-scale array) and San Dieguito Reservoir (small-scale array) sites.

The identified 10- Year CIP budget will be reviewed and approved on an annual basis as part of the District's budget process. In addition, staff will prepare a Programmatic EIR to analyze the proposed projects' environmental consequences and determine whether any of the construction activities will have any major environmental impacts.

Staff recommends the Board of Directors receive and file the Final 2021 Master Plan and the proposed 10-year CIP list.

The Final Draft submittal of the 2021 Master Plan may be accessed by clicking the link below:

<https://www.sfidwater.org/DocumentCenter/View/997/FINAL -MASTER-PLAN->

**COMMITTEE ACTION:**

The Water Resources Committee considered this item at their August 5, 2021 and September 2, 2021 meetings, concurred with staff's recommendations, and directed staff to move the item forward for full Board consideration at their regular September meeting.

**FISCAL IMPACT:**

There is no fiscal impact associated with this review of this report.

Prepared by: Rania Amen, Engineering Services Manager

Approved by: Albert C. Lau, P.E., General Manager

Attachment A: Final 10-Year Capital Improvement Program (Distribution and Joint Facilities)

ATTACHMENT A

FINAL 10-YEAR CAPITAL IMPROVEMENT PROGRAM (FY 2023 - FY 2032)															
PROJECT NUMBER	ESTIMATED TOTAL CAPITAL PROJECT COST	CAPTIAL PROJECT DESCRIPTION	ESTIMATED EXPENDITURES PER FISCAL YEAR (YR)												TOTAL FY23-FY32
			EXPENDED PRIOR TO FY22	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	
SFID DISTRIBUTION (DISTRICT ONLY) PROJECTS															
1502	\$ 3,500,000	Government Road Pipeline Relocation Project	\$ 180,000	\$ 1,840,000	\$ 1,480,000										\$ 1,480,000
TBD	\$ 400,000	District Yard Small-Scale Solar Array		\$ 400,000											\$ -
TBD	\$ 23,700,000	District Corporate Yard Building Program			\$ 500,000										\$ 500,000
TBD	\$ 3,040,000	La Granada Pipeline Replacement and PRS Elimination Project			\$ 814,723	\$ 2,220,104									\$ 3,040,000
TBD	\$ 4,380,000	Larrick Reservoir and Pump Station Upgrades Project			\$ 1,053,271	\$ 2,358,780	\$ 958,780								\$ 4,380,000
TBD	\$ 5,330,000	24-inch Pipeline Realignment and Replacement Between El Camino Real and Santa Luisa					\$ 552,069	\$ 2,385,727	\$ 2,385,727						\$ 5,330,000
TBD	\$ 1,080,000	Group A: Lago Lindo, Castro St, San Elijo, Linea Del Cielo, Via Del Alba, and El Arco Iris						\$ 107,245	\$ 965,208						\$ 1,080,000
TBD	\$ 1,820,000	PRS Replacement 406-A2 and A3							\$ 188,692	\$ 1,630,838					\$ 1,820,000
TBD	\$ 3,770,000	Southlane to Sun Valley Cross Country Pipeline Upgrades Project								\$ 390,296	\$ 3,373,274				\$ 3,770,000
TBD	\$ 1,820,000	PRS Replacement 202-2 and 202-3									\$ 188,692	\$ 1,630,838			\$ 1,820,000
TBD	\$ 3,090,000	Lago Lindo Pipeline Relocation Project									\$ 319,835	\$ 2,764,284			\$ 3,090,000
TBD	\$ 1,570,000	Isolation Valve Replacement Project Group 1										\$ 161,967	\$ 1,399,861		\$ 1,570,000
TBD	\$ 250,000	El Montevideo at San Elijo Ave isolation Improvement Project										\$ 250,000			\$ 250,000
TBD	\$ 2,980,000	Zone 406 Consolidation and Las Planideras Pipeline Upgrade Project											\$ 308,415	\$ 2,671,585	\$ 2,980,000
TBD	\$ 1,570,000	Isolation Valve Replacement Project Group 2											\$ 162,715	\$ 1,407,285	\$ 1,570,000
Subtotal SFID Distribution (District Only) Projects			\$ 180,000	\$ 2,240,000	\$ 3,850,000	\$ 4,580,000	\$ 1,520,000	\$ 2,500,000	\$ 3,540,000	\$ 2,030,000	\$ 3,890,000	\$ 4,810,000	\$ 1,880,000	\$ 4,080,000	\$ 32,680,000
JOINT FACILITIES PROJECTS (SFID PORTION + SDWD PORTION)															
1750	\$ 1,810,000	Clearwell Seismic Improvements Project	\$ 1,450,000	\$ 360,000											\$ -
1751	\$ 5,340,000	Washwater Tank Seismic Improvements Project	\$ 2,850,000	\$ 2,483,700											\$ -
1752	\$ 9,510,000	Mechanical Dewatering Improvements Project	\$ 4,650,000	\$ 4,850,700											\$ -
1753	\$ 270,000	Handrail Improvements at San Dieguito Reservoir Project	\$ 20,000	\$ 240,200											\$ -
1754	\$ 500,000	San Dieguito Dam Concrete Refurbishment Project	\$ 400,000	\$ 92,600											\$ -
2050	\$ 700,000	R.E. Badger Operations Building Roofing Replacement Project	\$ 400,000	\$ 296,300											\$ -
2051	\$ 990,000	R.E. Badger Sedimentation Basin and Filters Concrete Repairs	\$ 10,000	\$ 640,300	\$ 335,000										\$ 340,000
2052	\$ 930,000	Cielo Pump Station Valve Replacement Project	\$ 40,000	\$ 885,000											\$ -
2150/2151	\$ 7,130,000	Rehabilitation of 15-inch Drainline and SDPS 30-inch Force Main Project	\$ 10,000	\$ 250,000	\$ 569,300	\$ 2,315,000	\$ 3,985,000								\$ 6,870,000
TBD	\$ 5,790,000	Parallel 30-inch Raw Water Pipeline to SDR			\$ 299,943	\$ 299,943	\$ 1,297,528	\$ 2,595,057	\$ 1,297,528						\$ 5,790,000
TBD	\$ 570,000	R.E. Badger Septic Tank and Leach Field Replacement			\$ 570,000										\$ 570,000
TBD	\$ 410,000	Chlorine Scrubber Replacement			\$ 410,000										\$ 410,000
TBD	\$ 6,800,000	Ozone Generation			\$ 352,188	\$ 352,188	\$ 1,523,906	\$ 3,047,813	\$ 1,523,906						\$ 6,800,000
TBD	\$ 490,000	Filter Surface Washwater Header and Associated Piping		\$ 80,500	\$ 204,750	\$ 204,750									\$ 410,000
TBD	\$ 940,000	Flocculator Replacement Project					\$ 96,600	\$ 843,400							\$ 940,000
TBD	\$ 2,140,000	Filter Washwater Solids Removal and Gravity Thickener Supernatant Return						\$ 221,375	\$ 1,918,625						\$ 2,140,000
TBD	\$ 3,940,000	Sedimentation Basin Solids Removal Equipment Replacement							\$ 483,000	\$ 3,457,000					\$ 3,940,000
TBD	\$ 410,000	Hydroelectric Decommissioning			\$ 410,000										\$ 410,000
TBD	\$ 1,560,000	San Dieguito Reservoir Inlet Channel Improvements									\$ 161,000	\$ 1,399,000			\$ 1,560,000
TBD	\$ 8,970,000	Filter Granular Activated Carbon Upgrade and Concrete Launderers and Underdrains Replacement Project								\$ 929,775	\$ 4,020,113	\$ 4,020,113			\$ 8,970,000
TBD	\$ 12,580,000	Old 54-inch Treated Water Pipeline Relining										\$ 1,304,100	\$ 5,637,950	\$ 5,637,950	\$ 12,580,000
TBD	\$ 2,570,000	Redundant Gravity Thickener										\$ 265,650	\$ 2,304,350		\$ 2,570,000
Subtotal Joint Facilities (SFID Portion + SDWD Portion)			\$ 9,830,000	\$ 10,180,000	\$ 3,160,000	\$ 3,180,000	\$ 6,910,000	\$ 6,710,000	\$ 5,230,000	\$ 4,390,000	\$ 4,190,000	\$ 6,990,000	\$ 7,950,000	\$ 5,640,000	\$ 54,300,000
Total Capital Projects (SFID Distribution + Joint Facilities)			\$ 10,010,000	\$ 12,420,000	\$ 7,010,000	\$ 7,760,000	\$ 8,430,000	\$ 9,210,000	\$ 8,770,000	\$ 6,420,000	\$ 8,080,000	\$ 11,800,000	\$ 9,830,000	\$ 9,720,000	\$ 86,980,000
Total SFID Capital Projects (SFID Distribution + SFID Joint Facilities)			\$ 5,810,000	\$ 7,920,000	\$ 5,600,000	\$ 6,350,000	\$ 5,390,000	\$ 6,324,000	\$ 6,480,000	\$ 4,442,000	\$ 6,193,000	\$ 8,740,000	\$ 6,599,000	\$ 7,532,000	\$ 63,650,000
	= Projects Previously Budgeted														

ADDITIONAL PROJECTS (FY 2023 - FY 2032)															
PROJECT NUMBER	ESTIMATED TOTAL PROJECT COST	ADDITIONAL PROJECT DESCRIPTION	ESTIMATED EXPENDITURES PER FISCAL YEAR (YR)												TOTAL FY23-FY32
			EXPENDED PRIOR TO FY22	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	
ENERGY PROJECTS															
TBD	\$ 3,850,000	PAT Renewable Hydropower facility			\$ 50,000	\$ 150,000	\$ 2,050,000	\$ 1,600,000							\$ 3,850,000
TBD	\$ 4,780,000	Large-scale Solar Field			\$ 75,000	\$ 200,000	\$ 3,000,000	\$ 1,500,000							\$ 4,780,000
TBD	\$ 750,000	San Dieguito Reservoir Small -scale Solar Field			\$ 50,000	\$ 200,000	\$ 500,000								\$ 750,000
Subtotal Energy Projects (SFID+SDWD)			\$ -	\$ -	\$ 180,000	\$ 550,000	\$ 5,550,000	\$ 3,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,380,000
Subtotal SFID Energy Projects			\$ -	\$ -	\$ 99,000	\$ 302,500	\$ 3,052,500	\$ 1,705,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,159,000
HODGES DAM															
O&M	\$ 2,800,000*	Hodges Dam Near Term Structural Refurbishment		\$ 70,000	\$ 175,000	\$ 455,000									\$ 630,000
O&M	\$ 700,000*	Hodges Spillway Undercutting Apron Repairs		\$ 52,500	\$ 122,500										\$ 130,000
TBD	\$ 150,000,000*	Hodges Dam Long Term Structural Repair/ Dam Replacement		\$ 50,000	\$ 375,000	\$ 125,000	\$ 250,000	\$ 2,000,000	\$ 2,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 1,500,000	\$ 1,500,000	\$ 37,750,000
Subtotal Hodges Dam Projects (SFID+SDWD)				\$ 180,000	\$ 680,000	\$ 580,000	\$ 250,000	\$ 2,000,000	\$ 2,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 1,500,000	\$ 1,500,000	\$ 38,510,000
Subtotal SFID Hodges Dam Projects				\$ 103,140	\$ 389,640	\$ 332,340	\$ 143,250	\$ 1,146,000	\$ 1,146,000	\$ 5,730,000	\$ 5,730,000	\$ 5,730,000	\$ 859,500	\$ 859,500	\$ 22,066,230
Total SFID Capital (D+JF), Energy and Hodges Projects			\$ 5,810,000	\$ 8,023,140	\$ 6,088,640	\$ 6,984,840	\$ 8,585,750	\$ 9,175,000	\$ 7,626,000	\$ 10,172,000	\$ 11,923,000	\$ 14,470,000	\$ 7,458,500	\$ 8,391,500	\$ 90,875,230

\* Estimated total Dam repair cost for all involved agencies  
The proposed 10- Year CIP budget to be approved on an annual basis as part of the District's budget process

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Adoption of Proposed Pension Funding Policy**

---

**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Adopt the proposed Pension Funding Policy; and
2. Take other action as appropriate.

**DISCUSSION:**

Adoption of a Pension Funding Policy (Policy) has become a best practice as noted by subject matter experts and others including the Government Finance Officers Association, International City / County Management Association, and major rating agencies (Fitch, Standard & Poor's, etc.). Adoption of a Policy clearly communicates the District's intention and the manner in which defined benefit retirement plan liabilities will be addressed to rate-payers and other stakeholders.

Every Policy is unique to the district / city / county, etc. based on their specific level of liabilities (current funding percentage, closed / open plans, demographics, etc.), financial outlook and revenue generating capabilities (i.e., water rates versus tax revenues), and specific state and local laws that may dictate how pensions should be funded, among others. In developing the proposed Policy, Staff incorporated pension funding best practices, feedback received by the Board at their August 19, 2021 meeting, and at the Administrative & Finance Committee of September 7, 2021.

The best practices include ensuring that the annual required payment to CalPERS is made and in one lump sum each July to save 3.5%. Additionally, the Policy outlines three main objectives:

1. Creating a flat annual required payment for the District's unfunded liability to CalPERS through an additional discretionary payment from District fund balance. This creates greater fiscal stability through better financial planning and allows the District to not continue to place a burden of increase required payments to CalPERS on water rates.
2. Ensuring the maintenance of this flat annual payment through the establishment of a Pension Stabilization Fund / Section 115 Trust, which is to be utilized to offset any negative investment performance and / or demographic changes, while potentially achieving a higher rate of return than currently allowed under California Government Code.

3. Continued exploration of tax-exempt debt issuance to reduce the District's unfunded liability.

Evaluation of the District's current funded status and potential resources to address the unfunded liability is to occur each fiscal year in conjunction with the Annual Report, which determines total fund balance, Board designated reserves, and any potential undesignated fund balance that may be applied to objective 1 or 2.

**COMMITTEE ACTION:**

The Administrative and Finance Committee provided input at their September 7, 2021 meeting and recommended the Board adopt the proposed Pension Funding Policy.

**FISCAL IMPACT:**

Though there is no direct fiscal impact from the adoption of the Policy, adoption requires the Board to consider making certain financial decisions on an ongoing basis to ensure that the Policy goal of a fully funded pension is achieved.

Prepared by: Seth M. Gates, Administrative Services Manager

Approved by: Albert C. Lau, P.E., General Manager

Attachment A: Proposed Pension Funding Policy



**ATTACHMENT "A"**



**SANTA FE IRRIGATION DISTRICT**

**PENSION FUNDING POLICY**

**September 2021**

## SANTA FE IRRIGATION DISTRICT PENSION FUNDING POLICY

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### **Definitions**

UAL – “unfunded actuarial liability” or the total actuarial determined benefits promised to retirees less the amount of contributions made to the plan;

UAL Contribution - annual contribution to CalPERS to reduce the UAL (does not include “pay-go” or annual required contributions as a percentage of payroll)

ADP - ”additional discretionary payment” or an amount greater than the ADC to reduce the UAL

CalPERS – “California Public Employees’ Retirement System”

Section 115 Trust- irrevocable trust to allow investment of funds dedicated to pension outside of investment constraints imposed by California Government Code (<https://www.treasurer.ca.gov/cdiac/laig/guideline.pdf>)

### **1. Policy Statement**

Adoption of a Pension Funding Policy (Policy) is a critical component in Santa Fe Irrigation District’s (District) Strategic Business Plan goal of achieving sustainable and effectively managed finances. This Policy is adopted by the Board of Directors (Board) to:

- Create the goal of reaching and maintaining a funded ratio of 100% in a timeline and manner that the Board determines is appropriate and sustainable;
- Provide guidance in making annual budget decisions and in developing long-range projections;
- Demonstrate prudent financial management practices to rate payers, rating agencies, and those who have vested benefits in a retirement plan;
- Aim to create more stability in potable water rates.

The District will continually monitor changes to pension funding best practices, as well as any additional guidance provided by subject matter experts, such as the Government Finance Officers Association. Additionally, funding defined benefit plans require a long-term horizon. In light of these factors, the Board will review this policy at least every two years to determine if changes are needed to be made to achieve the stated goal of achieving a 100% funded level.

## 2. **Background**

The District provides an ongoing pension plan through a defined benefit system administered by CalPERS. The District has three different pension plans that employees currently have vested pension benefits in:

1. Classic Plan – accounts for over 95% of District pension liability, closed to new or reciprocal employees after December 2012;
2. Second Tier – created in for all CalPERS reciprocal members effective January 2013;
3. Public Employee Pension Reform Act (PEPRA) – enacted by California legislation for new CalPERS entrants beginning in January 2013.

The District has taken steps to mitigate the level of unfunded liability growth including the elimination of the Classic Plan for new employees, implementation of PEPRA, and reducing the unfunded liability through one-time payments. The adoption of this Policy continues these positive steps taken by the District to address the unfunded pension liability.

## 3. **Pension Funding Objectives**

At minimum, the District has committed to ensuring that the full required annual UAL Contribution is pre-paid to CalPERS each July to receive a 3.5% discount each year from CalPERS. Additionally, the District has established the goal to reach 100% funded status in a manner consistent with the Policy Statement; which will be accomplished through these regular full payment of the ADC (generated through water rates and budgeted) in addition to the potential utilization of District fund balance. The timeline to reach 100% funded status is dependent on available resources and how they are applied.

District fund balance amounts are generated through revenue requirements included in the rate setting process or through positive operating performance above levels anticipated in the rate setting process (increased revenues and / or decreased expenditures). Fund balance available for potential utilization to address the UAL are the amounts above Board appropriated reserve levels in accordance with the District's Reserve Policy (<https://www.sfidwater.org/DocumentCenter/View/883/Reserve-Funds-Policy-PDF>).

Per the Reserve Policy, the total fund balance and amounts appropriated in each reserve are reconciled on an annual basis in conjunction with the review and acceptance of the annual audit. At that time (or any other as determined appropriate by the Board), the Board will also decide what, if any, fund balance amounts are available above the appropriated reserve levels and if they should be utilized for the benefit of reducing the UAL. Amounts determined by the Board to be available and to utilize to reduce the UAL should be utilized in the following manner:

### Objective 1: Level annual UAL Contribution through Additional Discretionary Payment

The District will create a consistent annual UAL Contribution from year-to-year without extending the District's anticipated payoff time period for the UAL. This consistency will aid in a more predictable financial outlook in addition to not placing an undue burden on water rates to continually generate more revenue to pay a higher UAL Contribution. This will be accomplished through the contribution of ADP to CalPERS to reduce the District's various amortization bases in a manner consistent with the Board's direction.

The timeline to achieving the stated goal of 100% funded status is dependent upon the level of ADP determined appropriate and what amortization base(s) it is applied to. An ADP may be made to reduce the consistent year-to-year UAL Contribution, but not decrease the time to being 100% funded; or, conversely, made to reduce the time to being 100% funded without reducing the UAL Contribution. The Board will determine any available ADP and how it is to be applied during the annual reconciliation of District reserves.

### Objective 2: Section 115 Trust / Pension Stabilization Fund

The District will also establish a Section 115 pension trust, which:

- a. Will be established as a Pension Stabilization Fund, which will be a mechanism to offset any increase in the District's UAL due to CalPERS negative variance from their projected rate-of-return and / or change in demographics.

Any negative variance or change in demographics may increase the UAL Contribution through the addition of a new amortization base when CalPERS publishes the District's updated annual valuation report. The General Manager will offset this new amortization base with any available contribution(s) from the Pension Stabilization Fund to maintain the level UAL Contribution. This Pension Stabilization Fund will be reconciled annually in conjunction with the completion of the annual audit and Reserve Fund Policy reconciliation.

Based on any negative variance that cannot be accommodated by the Pension Stabilization Fund due to insufficient balance, Staff will bring forward a proposal to the Board on option(s) to replenish this fund or to make an additional ADP to CalPERS to maintain the consistent UAL Contribution, including the timeframe to do so;

- b. Whose funds will be deposited with a qualified administrator in fund(s) that have the appropriate investment objective(s) as determined by the Board.

### Objective 3: Leveraged Funding and Other Options

Staff will continue to review the benefits of utilizing debt to achieve the stated goals of this Policy. This includes the analysis of a tax-exempt exchange for the District, utilizing debt proceeds from typical pay-go capital improvement projects to apply to the UAL. Any tax-

exempt exchange should be reviewed holistically with the District's 10-year capital improvement program, debt capacity, covenants, cost-of-service, and other relevant information.

This Policy does not allow for the issuance of pension obligation bonds due to potential negative arbitrage and other potential negative impacts.

4. **Authority**

The Board of the Santa Fe Irrigation District has sole authority to amend or revise the District's Reserve Funds Policy. Management responsibility for the Reserve Funds Policy is hereby delegated to the General Manager, who through approval of this Policy has established written procedures for the management of the District's Funds.

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Review Proposed Pension Contributions**

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**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Review proposed pension discretionary payment of \$3.0 million to CalPERS and \$1.0 million contribution to a Section 115 Trust utilizing District unassigned fund balance; and
2. Direct Staff to begin process of establishing a Section 115 Trust for pension obligations in anticipation of funding recommendation in conjunction with review of Annual Report; and
3. Direct Staff to return to the Board, in conjunction with review of Annual Report, with finalized recommendations for:
  - a. Undesignated fund balance appropriation and expenditure for payment to CalPERS;
  - b. Section 115 Trustee & proposed investment objective;
  - c. Contribution amount to be deposited into the Section 115 Trust; and
4. Discuss and take other action as appropriate.

**BACKGROUND:**

As outlined at the August 19, 2021 Board of Director's meeting, the District's current unfunded pension liability (as determined by CalPERS) is \$15.5 million. Objective 5.2 of the District's Strategic Plan is to "explore all sustainable long-term options for effectively managing pension liabilities and post-employment benefits". Staff has been engaging the Board on the potential utilization of all or a portion of the District's undesignated fund balance to aid in addressing this liability. Addressing this liability through the utilization of available District resources and adoption of a District Pension Funding Policy (also included in this agenda) continues to advance Objective 5.2.

Staff provided scenarios to the Administrative and Finance Committee on potential utilization of \$3 / \$4 / \$5 million of undesignated fund balance, applied as a lump sum payment to CalPERS. Committee discussion revolved around the preference to not expend all the undesignated fund balance based on the potential need for utilization in a renewable energy project and / or contribution to reserve(s) to aid in any possible negative impact from any future water conservation requirements. Based on this, the following objectives were recommended by the Committee to be presented to the Board for discussion and potential future action(s):

1. Maintain a level unfunded actuarial liability (UAL) payment as close to the \$1.1 million level expended in FY22 for future UAL payments;
2. Accomplish this through an additional discretionary payment of \$3.0 - \$3.5 million;
3. Structure a “soft fresh start” with an amortization period between 15 – 18 years, with a preference for the shorter amortization period;
4. Contribute \$1.0 million to a Section 115 Trust dedicated for pension obligations as a Pension Stabilization Fund.
5. Provide an overview of renewable energy projects identified in the District’s Energy Efficiency Management Plan. This would provide the Board a better understanding of other potential investment possibilities using undesignated funding that may yield a higher level of return on investment.

Staff is recommending that the Board review the proposed contribution to CalPERS and the Section 115 Trust and direct Staff to finalize all details for appropriation and expenditure approval during the Annual Report review and reserve fund reconciliation. Additionally, Staff will begin compiling information on Section 115 Trusts (providers, fees, investments, etc.) for Administrative and Finance Committee review and recommendation to the Board based on approval of Staff recommendation.

## DISCUSSION:

### Availability of Undesignated Fund Balance

The Board of Directors adopted a revised District Reserve Fund Policy (Policy) in November 2020 and designated reserves in accordance with the Policy. Based on the FY20 Annual Report, the District had a current fund balance of approximately \$30.7 million and designated funds totaling \$24.9 million. This left approximately \$5.9 million in undesignated fund balance available for the Board to appropriate for the determined best use(s). These funds have been discussed for potential utilization to pay-down the District pension liability, which has formed the basis for the previous presentations to the Board and the potential impact on the District’s liability utilizing some or all of these undesignated funds.

To give the Board of Directors a general understanding if these undesignated funds are still available after the completion of FY21, Staff has prepared the following estimates. **This is only given as an estimate based on unaudited and preliminary information.** This item is not intended to review each designated funding source, but for the potential application of the undesignated amount towards the District’s unfunded pension liability

	RESERVE FUND					
	Total Fund Balance	Capital Impr. & Replace	Rate Stabilization	Operating	Local Water	Undesignated
FY20 End	\$ 30,717,179	14,332,050	4,334,595	5,798,436	385,362	\$ 5,866,736
FY21 End *	\$ 32,337,068	14,222,835	4,745,925	6,315,754	948,884	\$ 6,103,670

The designated fund balance estimates are as follows: 1.) the capital improvement and replacement fund is kept at the Policy minimum and based on the new 10-year CIP; 2.) the rate stabilization fund is kept at 100% replacement of the 2,500 AF of local water included in the FY22 Budget, 5% of variable water sales, and the SDCWA refund; 3.) the operating fund is maintained at 90 days of operating expenditures; and 4.) the local water fund is based on FY22 Budget projections. Based on these preliminary estimates, the undesignated fund balance is still available for utilization at the levels recommended by the Committee.

District Staff will present the annual reserve reconciliation and proposed designated fund amounts in conjunction with the presentation of the Annual Report, estimated in November. This will allow Staff and the Board to have a full discussion on reserve levels based on updated information (financial, potential drought impacts, adopted capital plan, etc.) and finalize any potential contribution(s) to CalPERS and to a Section 115 Trust.

#### Additional Discretionary Payment (ADP)

Urban Future Institute’s Julio Morales will present an overview of the proposed ADP to CalPERS and resulting “soft fresh start” structure to achieve a consistent year-to-year payment on the UAL. To achieve the Committee’s objectives, a proposed \$3.0 million ADP and 15 year amortization term is recommended, which yields a \$1.1 million payment.

Included in the analysis is the potential impact on the annual payment on the UAL based on the net effect of the 21.3% investment return CalPERS experienced in FY21, offset by their potential reduction in their discount rate from 7.0% to 6.5%. The decision on the reduction in discount rate is anticipated to be known in November, as CalPERS retains the additional option of only reducing the discount rate to 6.8%. The following shows the District’s current UAL, the impact of the discount rate change / 21.3% return, a \$3 million ADP (and the **estimated** remaining undesignated fund balance after ADP), and percent plan funded ratio. Contribution of \$3 million would leave an **estimated** \$3.1 million in undesignated fund balance for Section 115 Trust contribution, designation to other reserves, investment in a renewable energy project, etc.

	Undesignated Fund Balance ***	18 Yr. Short Base	15 Yr. Short Base	Remaining UAL \$	% Funded
<b>Current</b>	\$6.1M	N/A	N/A	\$15.5M	69%
<b>Discount Rate Change**</b>	\$6.1M	N/A	N/A	\$13.7M	73%
<b>\$3 million ADP</b>	\$3.1M	\$1.2M	\$1.3M	\$10.7M	79%
<b>\$1 million 115 Contr.</b>	\$2.1M	\$1.2M	\$1.3M	\$10.7M	79%

\* Current payoff is 25 years. FY22 Payment for UAL was \$1.1 million

\*\* Based on assumed 6.5% discount rate change

\*\*\* Estimates based on current information - available for Pension Stabilization Fund / 115 Trust contribution or use(s)

Attachment A also outlines the positive impacts on the District’s UAL if CalPERS were to select a 6.8% discount rate; where a \$1.0 million annual payment toward the UAL could be accomplished with only a \$2.0 million ADP.



Staff is recommending that any ADP made to CalPERS be done before calendar year-end but after the review of the Annual Report. The purpose is to get an exact accounting for total District fund balance, the Board to set the appropriated reserves, determine the exact amount of undesignated fund balance available to be utilized for an ADP or other purposes, and the finalized discount rate selected by CalPERS.

#### Section 115 Trust / Pension Stabilization Fund

Contributions to a Section 115 Trust (also called Pension Stabilization Fund in the proposed Pension Funding Policy), are intended to ensure stability in the annual required UAL payment if CalPERS investment returns do not meet their project discount rate and / or changes in plan demographics. Additionally, contributions to a 115 Trust have the ability to achieve a level of return greater than those available to regular District funds based on investment constraints imposed by California Government Code.

The Staff proposal is for a \$1.0 million contribution to a Trust, which would leave an **estimated** \$2.1 million in undesignated fund balance. Though any contribution to the Trust is irrevocable and may only be used for pension purposes, these funds are not entirely off limits to the District if needed for other purposes. Contributions to a Section 115 Trust may be withdrawn in an amount equal to the District's annual required contribution to the UAL in addition to regular pay-go portions from the District's employer contribution. These two amounts total approximately \$1.7 million annually, so the proposed \$1.0 million may be available if needed for purposes beyond pension based upon Board action.

Based on the Board's decision to fund the Section 115 Trust / Pension Stabilization Fund, Staff will return at future Committee / Board meetings with proposal(s) from investment advisors and potential investment objectives for selection.

#### Tax-Exempt Exchange

Issuing debt proceeds via a tax-exempt exchange (as pension obligations bonds are not recommended) are a potential solution to achieving the difference between the percent of funding in the previous table and the Policy goal of 100%. Analysis and discussions on this potential vehicle will continue at future Committee / Board meetings.

#### Renewable Energy Project(s)

The Committee also requested that Staff include the portion from the District's Energy Management Plan that outlined renewable energy projects and their return for a comparison of investment potential for use of undesignated funds versus a contribution to CalPERS. Based on the assumption of CalPERS reducing their discount as previously mentioned, any ADP would generate a return on investment of 6.5% (or 6.8%) for future valuations, though actual performance may vary. Additionally, contributions to a Section 115 Trust will be dependent on the investment objective selected and performance of each asset close; though it can be estimated that the return would be similar to an ADP.

However, the following table from the Energy Management Plan outlines each proposed renewable energy project and their estimated savings and payback. The project identified as the

shortest payback is a new hydroelectric facility at the R.E. Badger Filtration Plant, which is estimated at 13 years - with an estimated cost of \$3.8 million and an estimated annual savings of \$300,000.

ID	Report Section	Location/ Facility	Recommended ECO	Estimated Cost	Estimated Savings	Estimated Payback
<b>Capital Improvement Program ECOs</b>						
16	3.3.1	Badger Plant	New Hydroelectric Facility	\$3,800,000	\$300,000 / yr	13 yrs
17	3.3.2	Badger Plant Administration Building	Large-Scale Solar Array	\$4,775,000	\$120,000 / yr	40 yrs
18	3.3.3	Larrick Reservoir	Small-Scale Solar Array	\$25,000	\$500 / yr	50 yrs
19	3.3.4	SDR Reservoir	Small-Scale Solar Array	\$750,000	\$19,000 / yr	40 yrs
20	3.3.4	District Yard	Small-Scale Solar Array	\$400,000	\$8,000 / yr	50 yrs

The estimated net present value of this investment, as compared to as similar sized contribution to CalPERS is as follows:

	Initial Investment	Annual Cash Flow	# Years	Cash Flow / Investment Growth*	Residual Value	NPV**
<b>Hydro-Electric Facility</b>	\$ 3,800,000	\$ 300,000	25	5.0%	\$ -	\$ 9,260,130
<b>Contribution to CalPERS</b>	\$ 3,800,000	N/A	25	6.5%	\$ 3,800,000	\$ 13,291,208

\* Assumed SDG&E price growth rate for hydro & long-run investment return % for CalPERS

\*\* NPV based on an estimated annual long-run inflation rate of 3%

The hydro-facility assumptions shown in this analysis only include capital costs and no other non-capital costs, like maintenance and staffing costs. To match the net present value (NPV) of the contribution to CalPERS, the SDG&E annual price growth rate would need to equal approximately 8%.

It should be noted that the scope of the project will need to be developed and vetted considering current utility rules and requirements for renewable energy and the potential to offset SDG&E commodity power costs. Additionally, San Dieguito Water District's (SDWD) current inability to include this investment in their capital spending plan is another impediment to undertaking the project.

District Staff has worked with SDWD Staff to determine their ability to contribute their required \$1.7 million capital investment in this project. Based on current projects included in the updated 10-year capital plan for repair & replacement of core functions and the amount of funding that SDWD has available in their current cost-of-service for capital spending, SDWD Staff have informed us that they would not be able to fund this project until approximately FY25, subject to their next cost-of-service.

However, Staff believes this hydroelectric project to be a worthwhile project and are continuing to work with SDWD Staff on trying to advance this timeline if possible and what other renewable energy projects at joint facilities may be undertaken in the near future.

**FISCAL IMPACT:**

The proposed ADP to CalPERS and funding of a Section 115 Trust will reduce the District's undesignated fund balance and will not impact the level of current reserves designated by the Board. However, Staff is recommending final appropriation and expenditure of these undesignated balances for these purposes to not occur until review of the Annual Report.

Utilization of undesignated fund balance for contribution to CalPERS and / or contribution to a Section 115 Trust currently is the best currently identified return on investment for the District to undertake.

Prepared by: Seth M. Gates, Administrative Services Manager

Approved by: Albert C. Lau, P.E., General Manager

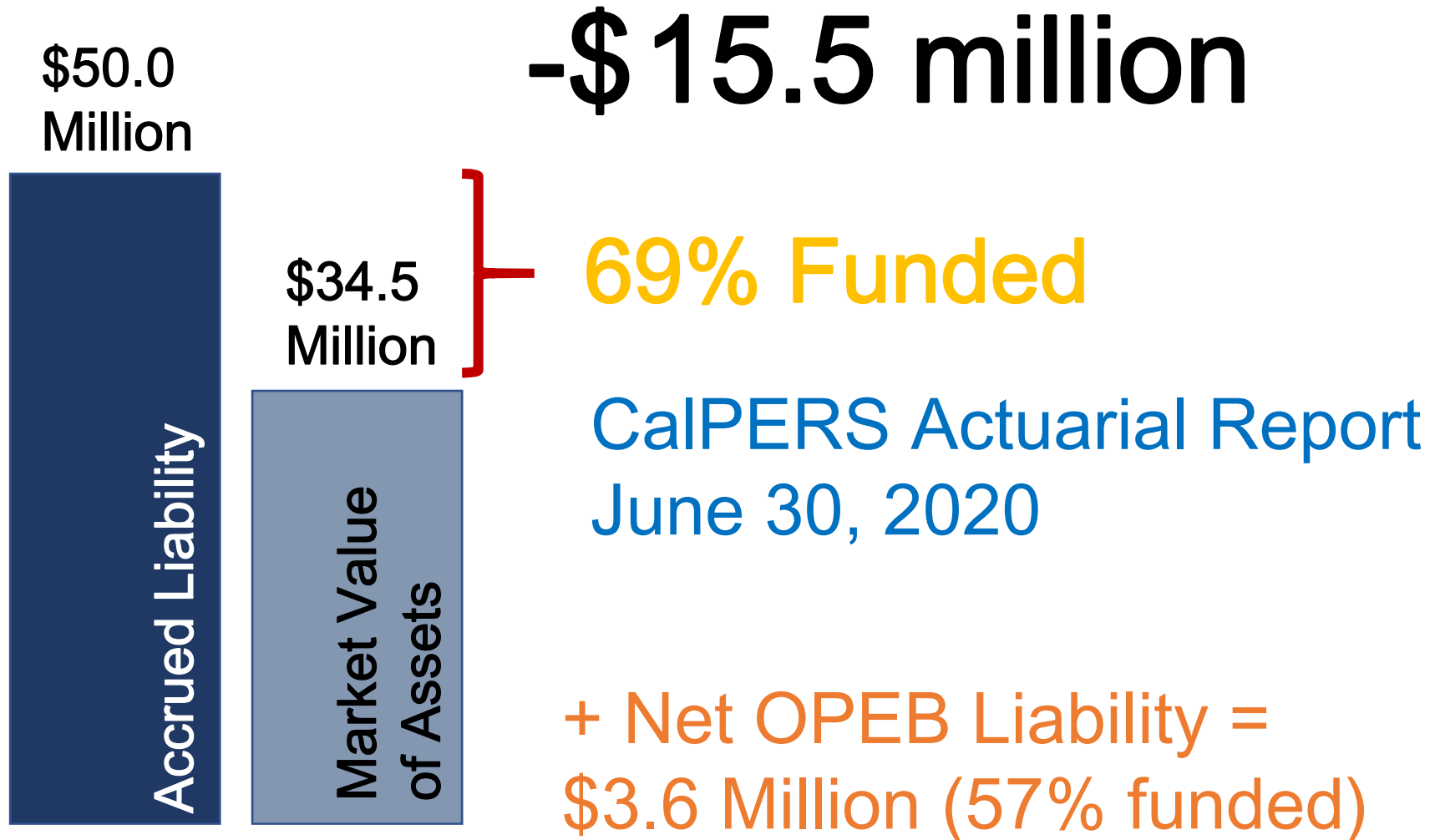
Attachment A: UFI Presentation

# ATTACHMENT A

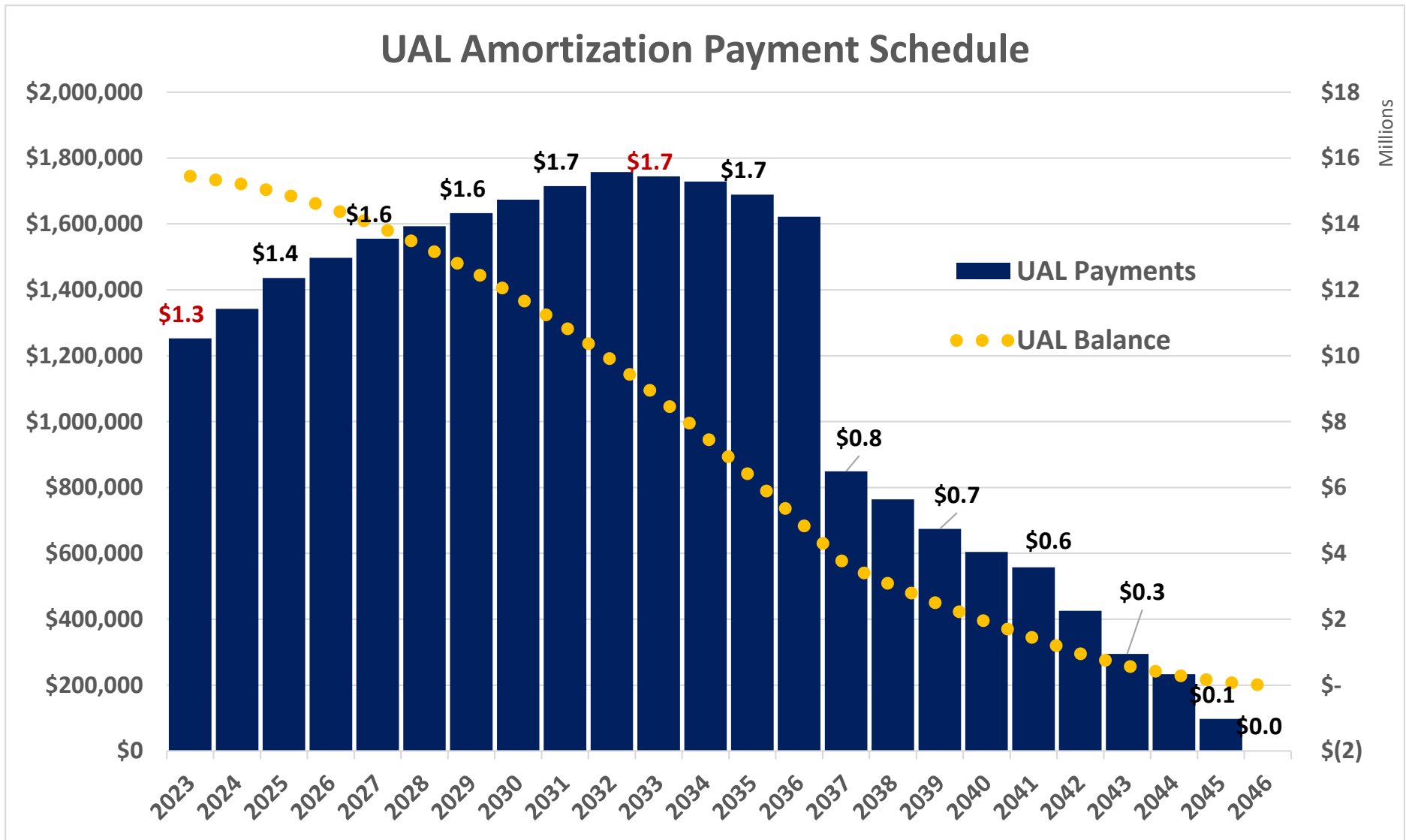


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# Unfunded Accrued Liability (UAL)



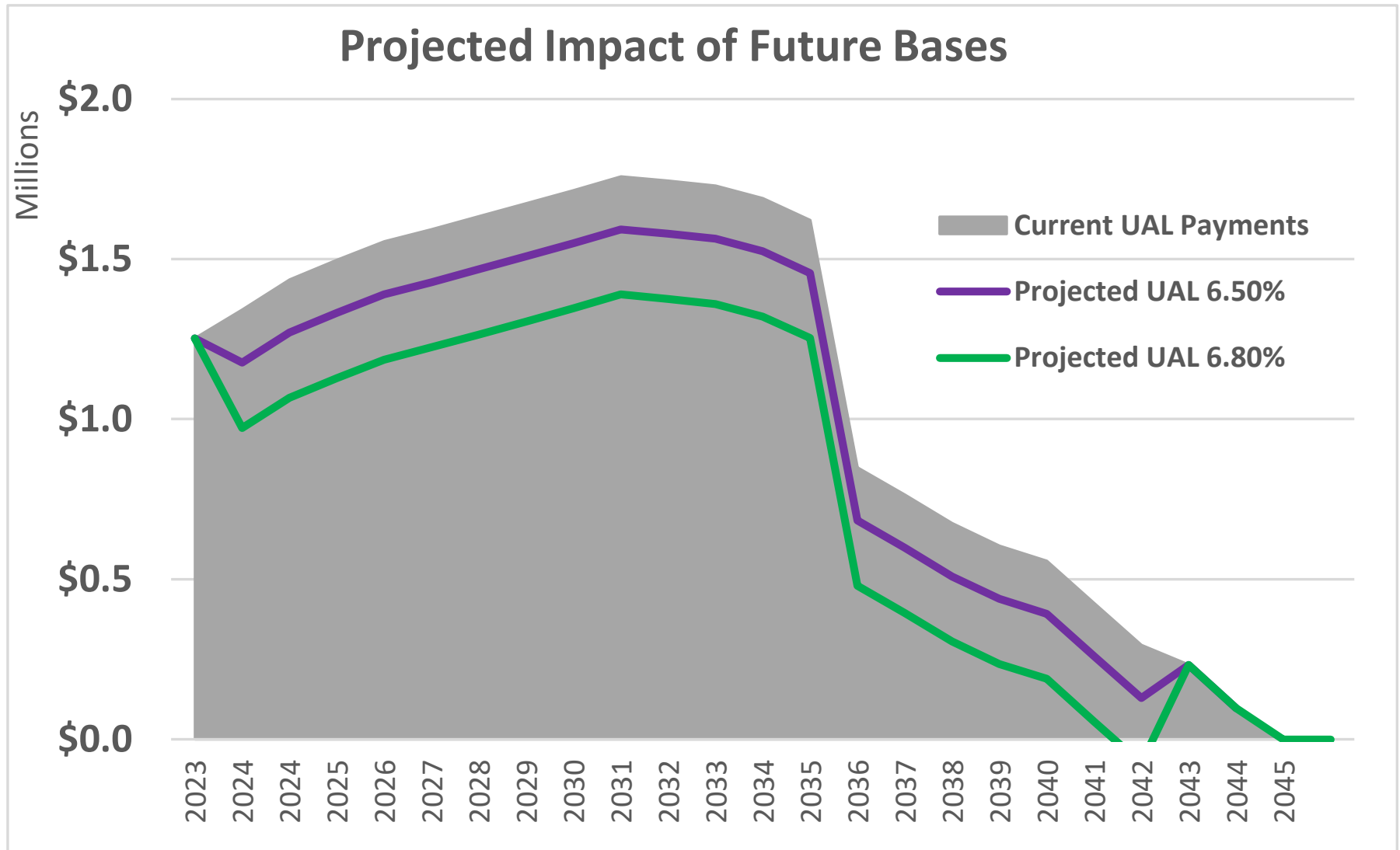
# UAL Payment Schedule



# Dynamic Liability



# Comparison: 6.50% vs 6.80%





# Projected FY21 Impact – 6.80%

**FY21  
Return  
21.10%  
(\$4.9)  
Million**

**Discount  
Rate  
6.80%  
\$1.3  
Million**

**Projected  
Net  
Impact  
~ (\$3.6)  
Million**

		Current UAL Payments	Discount Rate 6.80%	FY21 Return 21.15%	Net Impact	Projected UAL
1	2023	\$ 1,252,430	\$ -	\$ -	\$ -	\$ 1,252,430
2	2024	1,342,064	132,842	(501,759)	(368,917)	973,147
3	2024	1,436,213	132,842	(501,759)	(368,917)	1,067,296
4	2025	1,497,182	132,842	(501,759)	(368,917)	1,128,265
5	2026	1,555,005	132,842	(501,759)	(368,917)	1,186,088
6	2027	1,593,404	132,842	(501,759)	(368,917)	1,224,487
7	2028	1,632,860	132,842	(501,759)	(368,917)	1,263,942
8	2029	1,673,400	132,842	(501,759)	(368,917)	1,304,483
9	2030	1,715,055	132,842	(501,759)	(368,917)	1,346,138
10	2031	1,757,855	132,842	(501,759)	(368,917)	1,388,938
11	2032	1,744,225	132,842	(501,759)	(368,917)	1,375,308
12	2033	1,728,635	132,842	(501,759)	(368,917)	1,359,718
13	2034	1,689,438	132,842	(501,759)	(368,917)	1,320,521
14	2035	1,622,091	132,842	(501,759)	(368,917)	1,253,174
15	2036	848,794	132,842	(501,759)	(368,917)	479,877
16	2037	764,248	132,842	(501,759)	(368,917)	395,331
17	2038	674,531	132,842	(501,759)	(368,917)	305,614
18	2039	604,102	132,842	(501,759)	(368,917)	235,185
19	2040	557,821	132,842	(501,759)	(368,917)	188,904
20	2041	425,609	132,842	(501,759)	(368,917)	56,692
21	2042	294,720	132,842	(501,759)	(368,917)	(74,197)
22	2043	233,123	-	-	-	233,123
23	2044	97,962	-	-	-	97,962
24	2045	-	-	-	-	-
25	2046	-	-	-	-	-
		<b>\$ 26,740,766</b>	<b>\$ 2,656,835</b>	<b>\$ (10,035,176)</b>	<b>\$ (7,378,341)</b>	<b>\$ 19,362,425</b>
		<b>\$ 15,452,854</b>	<b>\$ 1,253,237</b>	<b>\$ (4,891,917)</b>	<b>\$ (3,638,680)</b>	<b>\$ 11,814,174</b>



# Projected FY21 Impact – 6.50%

**FY21  
Return  
21.10%  
(\$4.9)  
Million**

**Discount  
Rate  
6.50%  
\$3.1  
Million**

**Projected  
Net  
Impact  
~ (\$1.7)  
Million**

		Current UAL Payments	Discount Rate 6.50%	FY21 Return 21.15%	Net Impact	Projected UAL
1	2023	\$ 1,252,430	\$ -	\$ -	\$ -	\$ 1,252,430
2	2024	1,342,064	322,515	(487,985)	(165,471)	1,176,593
3	2024	1,436,213	322,515	(487,985)	(165,471)	1,270,742
4	2025	1,497,182	322,515	(487,985)	(165,471)	1,331,711
5	2026	1,555,005	322,515	(487,985)	(165,471)	1,389,534
6	2027	1,593,404	322,515	(487,985)	(165,471)	1,427,934
7	2028	1,632,860	322,515	(487,985)	(165,471)	1,467,389
8	2029	1,673,400	322,515	(487,985)	(165,471)	1,507,929
9	2030	1,715,055	322,515	(487,985)	(165,471)	1,549,584
10	2031	1,757,855	322,515	(487,985)	(165,471)	1,592,385
11	2032	1,744,225	322,515	(487,985)	(165,471)	1,578,754
12	2033	1,728,635	322,515	(487,985)	(165,471)	1,563,164
13	2034	1,689,438	322,515	(487,985)	(165,471)	1,523,968
14	2035	1,622,091	322,515	(487,985)	(165,471)	1,456,620
15	2036	848,794	322,515	(487,985)	(165,471)	683,323
16	2037	764,248	322,515	(487,985)	(165,471)	598,777
17	2038	674,531	322,515	(487,985)	(165,471)	509,060
18	2039	604,102	322,515	(487,985)	(165,471)	438,631
19	2040	557,821	322,515	(487,985)	(165,471)	392,350
20	2041	425,609	322,515	(487,985)	(165,471)	260,138
21	2042	294,720	322,515	(487,985)	(165,471)	129,249
22	2043	233,123	-	-	-	233,123
23	2044	97,962	-	-	-	97,962
24	2045	-	-	-	-	-
25	2046	-	-	-	-	-
		<b>\$ 26,740,766</b>	<b>\$ 6,450,294</b>	<b>\$ (9,759,709)</b>	<b>\$ (3,309,415)</b>	<b>\$ 23,431,351</b>
		<b>\$ 15,452,854</b>	<b>\$ 3,133,092</b>	<b>\$ (4,891,917)</b>	<b>\$ (1,758,825)</b>	<b>\$ 13,694,029</b>



# Impact of \$2/\$3/\$4 Million ADPs



# UAL Net of FY21 Credit

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*Projected Impact: 21.3% Return & Lower Discount Rate*

	UAL	Net Credit	FY21 UAL	Total UAL Payments
<b>7.00%</b>	<b>\$ 15,452,854</b>	<b>\$ -</b>	<b>\$ 15,452,854</b>	<b>\$ 26,740,766</b>
<b>6.50%</b>	\$ 15,452,854	<b>\$ (1,758,825)</b>	<b>\$ 13,694,029</b>	\$ 23,302,102
<b>6.80%</b>	\$ 15,452,854	<b>\$ (3,638,680)</b>	<b>\$ 11,814,174</b>	\$ 19,436,621



# Annual UAL Payments

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Discount Rate = 6.50%			FRESH START	
FY21 UAL	ADP	UAL After ADP	15-Year	18-Year
\$ 13,694,029	\$ 4,000,000	\$ 9,694,029	\$ 1,028,948	\$ 931,652
\$ 13,694,029	\$ 3,000,000	\$ 10,694,029	<b>\$ 1,135,091</b>	\$ 1,027,758
\$ 13,694,029	\$ 2,000,000	\$ 11,694,029	\$ 1,241,233	<b>\$ 1,123,864</b>

Discount Rate = 6.80%			FRESH START	
FY21 UAL	ADP	UAL After ADP	15-Year	18-Year
\$ 11,814,174	\$ 4,000,000	\$ 7,814,174	\$ 829,416	\$ 750,987
\$ 11,814,174	\$ 3,000,000	\$ 8,814,174	\$ 935,558	\$ 847,093
\$ 11,814,174	\$ 2,000,000	\$ 9,814,174	<b>\$ 1,041,701</b>	\$ 943,199



# Regulatory Disclosure

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**Disclosure of Conflicts of Interest and Legal or Disciplinary Events.** Pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients and potential clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary events of Urban Futures, Inc. (“UFI”) and its associated persons.

**Conflicts of Interest. Compensation.** UFI represents that in connection with the issuance of municipal securities, UFI may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, UFI hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding UFI’s ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair UFI’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer. It should be noted that other forms of compensation (i.e. hourly or fixed fee based) may also present a potential conflict of interest regarding UFI’s ability to provide advice regarding a municipal security transaction. These other potential conflicts of interest will not impair UFI’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

**Other Municipal Advisor Relationships.** UFI serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another UFI client. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, UFI could potentially face a conflict of interest arising from these competing client interests. UFI fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with its clients. If UFI becomes aware of any additional potential or actual conflict of interest after this disclosure, UFI will disclose the detailed information in writing to the issuer or obligated person in a timely manner.

**Legal or Disciplinary Events.** UFI does not have any legal events or disciplinary history on UFI’s Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Issuer may electronically access UFI’s most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: [www.sec.gov/edgar/searchedgar/companysearch.html](http://www.sec.gov/edgar/searchedgar/companysearch.html).

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against UFI, UFI will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate UFI, its management and personnel.

DATE: September 16, 2021

TO: Board of Directors

FROM: General Manager

**SUBJECT: Adoption of Legislative Advocacy Policy**

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**RECOMMENDATION:**

It is the Staff recommendation that the Board of Directors:

1. Adopt the District Legislative Advocacy Policy; and
2. Discuss and take other action, as appropriate.

**DISCUSSION:**

Santa Fe Irrigation District tracks local, state, and federal legislation to determine impact on the district and customers. District staff works closely with other water agencies to evaluate whether engagement on various bills and bonds is in the best interests of the District and determines endorsement for Board review and approval. Legislative issues move quickly and in the past staff has had to evaluate and provide determination of support for coalition letters and District endorsement within a tight timeframe of days or occasionally, hours. Staff makes every effort to inform Board members of legislation for their review and potential approval, but short turnarounds has resulted in the District not being able to engage or provide support on legislative actions that will impact the District.

Staff presented this item to the Board of Directors at their April 15, 2021 meeting. The Board directed staff to revisit the proposed Policy after adoption of the District Strategic Business Plan so legislative activities could be directly tied to the mission, vision, values, and goals of the District as outlined in the Plan. As the Strategic Business Plan was adopted by the Board at their July 15, 2021 meeting, staff felt consideration of this item was appropriate at this time. Verbiage has been added to tie this policy to the Strategic Business Plan.

**COMMITTEE ACTION:**

The Executive Committee reviewed this item at their March and April, 2021 meetings prior to Board consideration of this item in April.

**FISCAL IMPACT:**

There is no direct fiscal impact associated with the review of this item.

Attachment A: Legislative Advocacy Policy

Prepared by: Teresa Penunuri, Public Communications Officer

Approved by: Albert C. Lau, P. E., General Manager



# ATTACHMENT "A"

## **Santa Fe Irrigation District Legislative Advocacy Policy**

The purpose of the policy is to guide Santa Fe Irrigation District (SFID) staff in considering legislative or regulatory proposals that are likely to have an impact on SFID and to allow for a timely response to important legislative issues. Although the expenditure of public funds for the purpose of supporting or opposing a ballot measure or candidate is prohibited<sup>1</sup>, the expenditure of public funds is allowed to advocate for or against proposed legislation or regulatory actions which will affect the public agency expending the funds<sup>2</sup>.

The purpose for identifying Legislative Advocacy Policy is to provide clear direction to SFID staff with regard to monitoring and acting upon bills during state and federal legislative sessions. Adherence to Legislative Advocacy Policy will ensure that legislative inquiries and responses will be administered consistently with “one voice” as to the identified Advocacy Policy adopted by the Board of Directors. The Legislative Advocacy Policy will provide the SFID General Manager, or other designee, discretion to advocate in SFID best interests in a manner consistent with the goals and priorities adopted by the Board of Directors. This policy is intended to be manageable, consistent, and tailored to the specific needs and culture of SFID. Staff will return to the Board on an annual basis to discuss the legislative calendar and specific topics and bills of interest.

While the title of this document suggests these policy guidelines are applicable solely to state and federal legislative issues reviewed by SFID, increasingly state and federal regulatory and administrative bodies are developing rules, guidelines, white papers, and regulations that can significantly affect SFID. Staff will utilize this Legislative Advocacy Policy to provide guidance on emerging and active regulatory and administrative issues.

### Policy Goals

- Advocate the SFID legislative interests at the State, County, and Federal levels.
- Inform and provide information to the Board of Directors and district staff on the legislative and regulatory process and key issues and legislation that could have a potential impact on the district.
- Serve as a participant with other local water agencies and government and associations such as, but not limited to; the California Special Districts Association, Association of California Water Agencies, American Water Works Association, and local government associations on legislative and regulatory issues that are important to the district and the region.
- Seek grant and funding assistance for SFID projects, services, and programs to enhance services for the community.
- Align with, and support goals and objectives of the Board approved Strategic Business Plan.

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<sup>1</sup> Cal. Gov. Code § 54964.

<sup>2</sup> Cal. Gov. Code § 53060.5; *Stanson v. Mott* (1976) 17 Cal. 3d 206.

This policy provides SFID General Manager, or other designee, the flexibility to adopt positions on legislation in a timely manner, while allowing the Board of Directors to set Advocacy Priorities to provide policy guidance.

Whenever an applicable Advocacy Priority does not exist pertaining to legislation affecting SFID, the matter shall be brought before the Board of Directors at a regularly scheduled board meeting or the Executive Committee, whichever is first, for formal direction.

Generally, SFID will not address matters that are not pertinent to the district's local government services, such as social issues or international relations issues.

### Legislative Advocacy Procedures

It is the policy of SFID to proactively monitor and advocate for legislation as directed by the Advocacy Priorities and by the specific direction of the Board of Directors. This process involves interaction with local, state, and federal government entities both in regard to specific items of legislation, regulatory and administrative issues. Accordingly, involvement and participation in regional, state, and national organizations is encouraged and supported by SFID.

The General Manager, or other designee, will act on legislation utilizing the following procedures:

1. The General Manager or other designee shall review and analyze requests that SFID take a position on legislative issues to determine if the legislation aligns with the district's current approved Advocacy Priorities.
2. If the matter aligns with the approved priorities, SFID response shall be supplied in the form of a letter to the legislative body reviewing the bill or measure. Advocacy methods utilized on behalf of the district, including but not limited to letters, phone calls, emails, and prepared forms, will be communicated through the General Manager or designee. The General Manager or designee shall advise staff to administer the form of advocacy, typically via letters signed by the General Manager, or designee, on behalf of the Board of Directors.
3. All draft legislative position letters initiated by the General Manager or designee shall state whether the district is requesting "support", "support if amended", "oppose", or "oppose unless amended" action on the issue and shall include adequate justification for the recommended action. If possible, the letter should include examples of how a bill would specifically affect the district, e.g. "the funding the district will lose due to this bill could pay for X capital improvements."
  - a. **SUPPORT:** This position reflects SFID's unconditional interests to see the legislation become law. SFID staff will work for passage of the bill in its present form.
  - b. **SUPPORT IF AMENDED:** This is an affirmative position that connotes conditional support for a measure, but only if it is amended to incorporate specific amendments approved by SFID Board. SFID staff will not advocate in support of the legislation unless it is amended as requested.

c. OPPOSE: This position reflects SFID's unconditional interests to defeat the legislation.

d. OPPOSE UNLESS AMENDED: This is a position that connotes conditional opposition to a measure, unless it is amended to incorporate specific amendments approved by SFID Board.

4. The General Manager may also provide a letter of concern or interest regarding a legislative or regulatory issue or rule formation without taking a formal position on a piece of legislation. Letters of concern or interest are to be administered through the General Manager or designee.

5. A position may be adopted by the General Manager or designee if any of the following criteria is met:

- a. The position is consistent with the adopted Advocacy Priorities;
- b. The position is approved by the Board of Directors or the Executive Committee.

6. All legislative positions adopted via a process outside of a regularly scheduled Board Meeting shall be communicated to the Board of Directors at the next regularly scheduled Board Meeting. When appropriate, the General Manager or other designee will submit a report (either written or verbal) summarizing activity on legislative measures to the Board of Directors.

#### Advocacy Priorities

Priorities for commenting on, supporting, or opposing any regulatory or legislative issues will cover the five categories and align with the mission, vision, and goals of the approved Strategic Business Plan. These priorities will align with the concepts of:

- Providing, efficiently using, and managing water resources cost-effectively to meet long-term needs.
- Planning, improving, and managing facilities to cost-effectively meet customer needs.
- Maintaining creative, forward-thinking staff in an inclusive, team-oriented environment
- Continually improving operations to efficiently deliver quality services
- Communicating and engaging with customers, considering their interests
- Adapting to climate change and decreasing SFID's environmental impact
- Planning and preparing for potentially significant events and threats

These categories include:

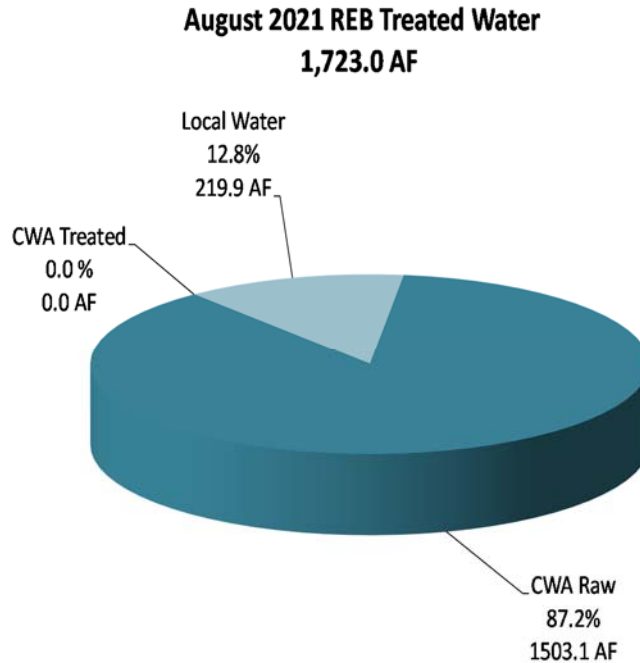
Revenue, Finances, and Taxation  
Governance and Accountability  
Human Resources and Personnel  
Infrastructure, Innovation, and Investment  
Water Supply, Water Use Efficiency and Water Reuse

**R.E. Badger Water Treatment Plant (REB)  
Monthly Operations Report  
August 2021**

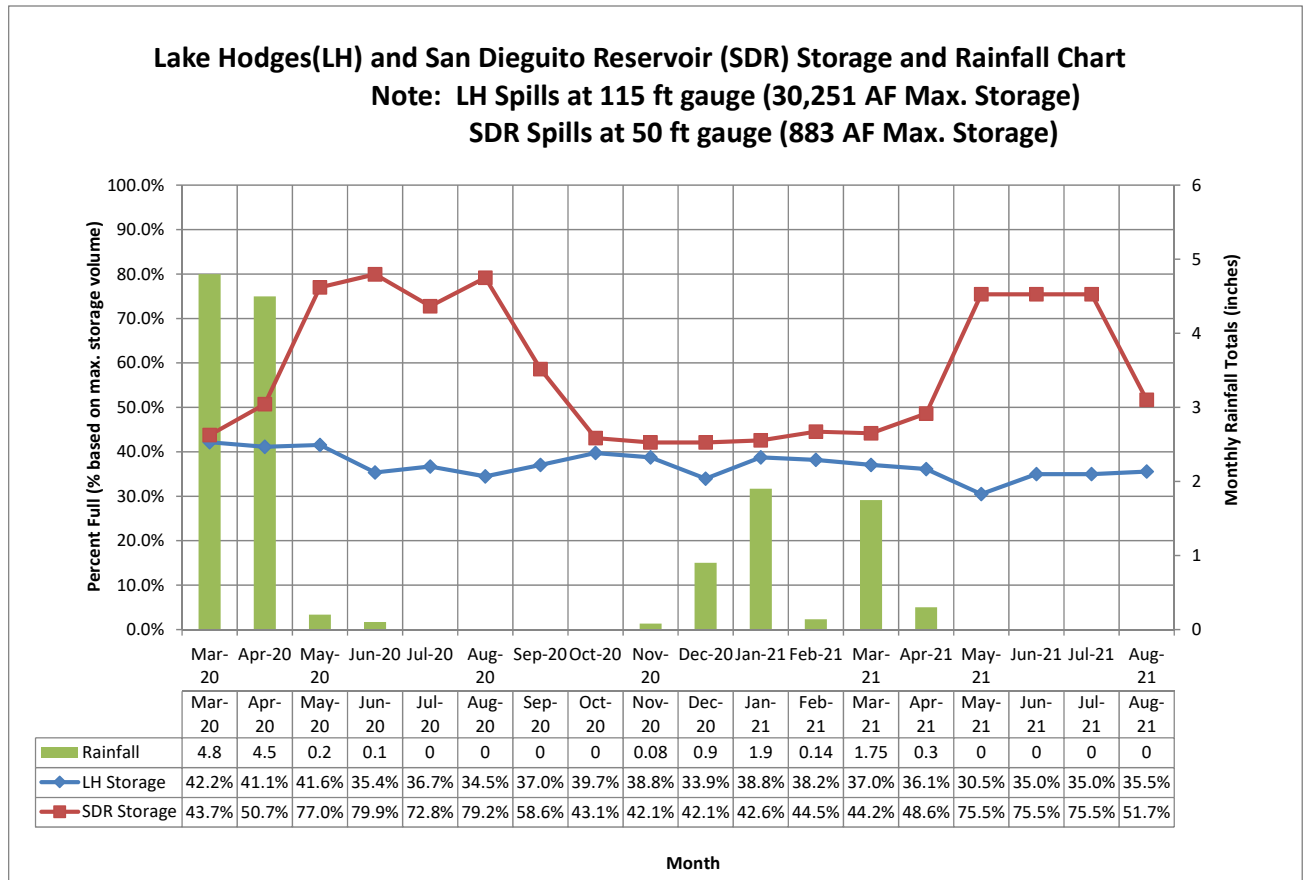
**Treated Water Deliveries and Local Water Supplies:**

During August 2021, REB treated 1,723.0 Acre Feet (AF) or 561.2 million gallons (MG) of drinking water for the Santa Fe Irrigation District (SFID) and San Dieguito Water District (SDWD) customers.

Peak daily flows treated at the plant reached 20.4 million gallons per day (MGD). SFID received 65.3% (1125.7 AF) of the monthly plant production and SDWD received 34.7% (597.3 AF).



2020 to 2021 Fiscal Year REB Production Totals - (SFID and SDWD)			
REB Water Deliveries to Districts Thru August 1, 2021	<u>Total Deliveries (AF)</u> 3,423.7		<u>% Total Water Deliveries</u> SFID 65.3 % 2,234.1 AF
			SDWD 34.7% 1,189.6 AF
Total FY Water Treated By Source:	<u>Flow (AF)</u>	<u>% Total Water Deliveries</u>	
SDCWA Raw - State Project/Colorado	2,957.7	86.39%	} 100.00% Treated Water Supplied By REB
Local Water (LH and SDR)	466.0	13.61%	
SDCWA Treated (Skinner/Twin Oaks/Desal)	0.0	0.0%	
End of the Month Local Water Balances and Monthly Water Transfers Out of San Diego County Water Authority’s Emergency Storage Project (ESP)			
End of the Month Balances Thru August 1, 2021	Olivenhain Reservoir		Lake Hodges
SFID and SDWD Combined Storage	0 AF		129.03 AF
SFID Storage	0 AF		73.97 AF
City of San Diego	0 AF		1,213.90 AF
San Diego County Water Authority	18,678 AF		11,487.6 AF



### Treated Water Quality:

SFID had three water quality calls in August 2021, two regarding taste and odor and one regarding color. Samples were brought to the R.E. Badger Water Quality Analyst for testing and the customers will be notified of the results. SDWD had no water quality complaints during August 2021. All treated water supplied to SFID and SDWD customers during August 2021 complied with state and federal drinking water standards.

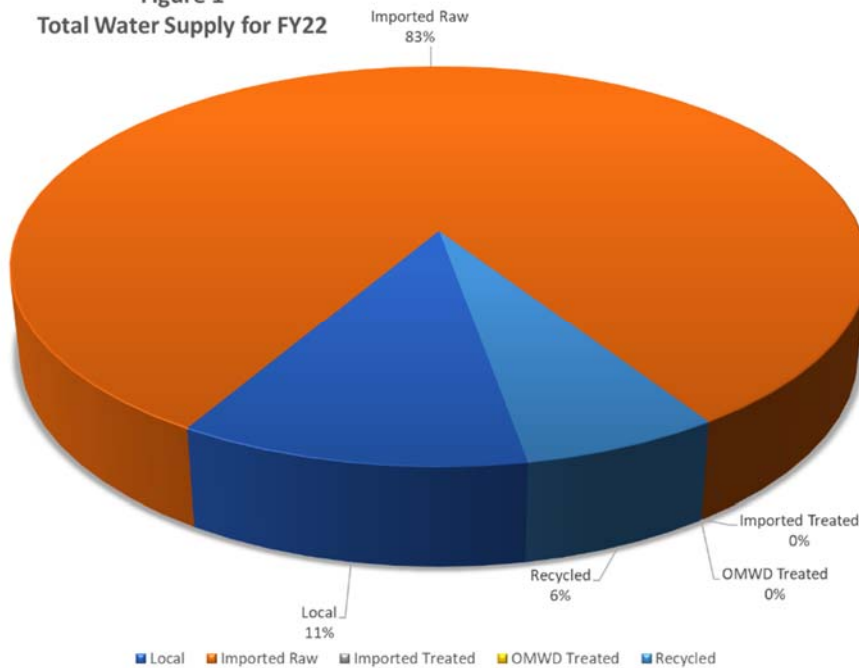
Submitted By: Elijah Standing Warrior, Chief Plant Operator  
 Reviewed By: Timothy Bailey, Water Treatment Plant Manager  
 Approved By: Albert C. Lau, P.E., General Manager



# WATER RESOURCES AND CONSERVATION REPORT

## August 2021

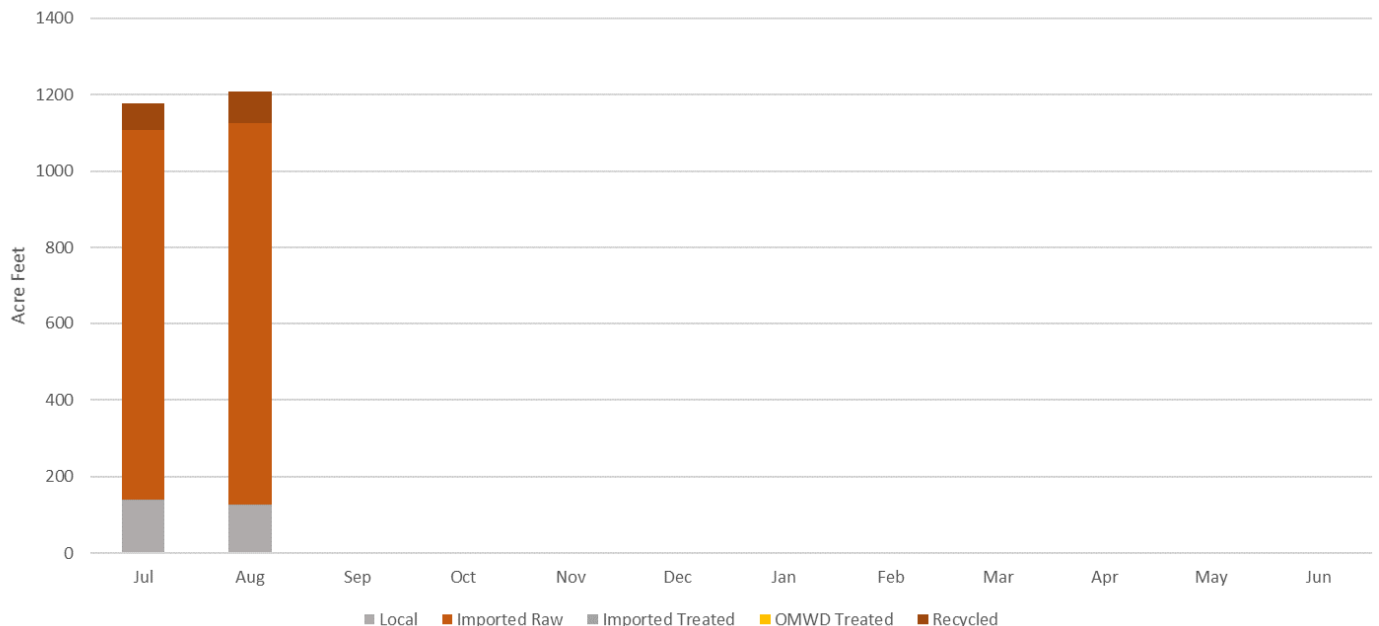
Figure 1  
Total Water Supply for FY22



**Figure 1** is a cumulative FY 2021 source water detail in acre feet. Fiscal year to date, Imported Raw Water accounts for 83% of the SFID's total water supply. Local Water accounts for 11% of SFID's total water supply, Imported Treated accounts for 0%, and Recycled Water accounts for the remaining 6%.

**Figure 2** provides a monthly detail of FY 2022 source water in acre feet. The total District water deliveries for the month of August were 1,209. Acre Feet (AF). The District's residential gallons-per-capita-per-day (r-gpcd) for the month was 501.

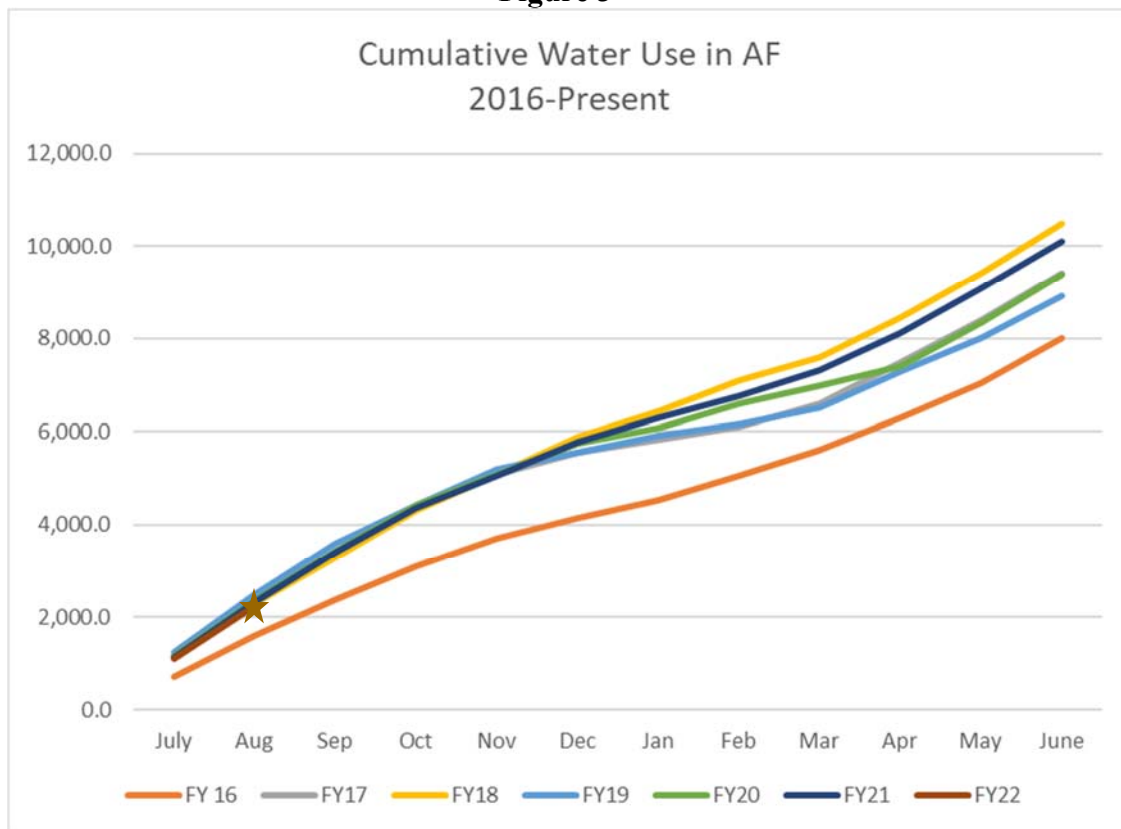
Figure 2  
FY 22 SFID Monthly Water Supply



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Local	141.1	126.1	-	-	-	-	-	-	-	-	-	-	267.2
Imported Raw	967.3	999.6	-	-	-	-	-	-	-	-	-	-	1,966.9
Imported Treated	-	-	-	-	-	-	-	-	-	-	-	-	-
OMWD Treated	-	-	-	-	-	-	-	-	-	-	-	-	-
Recycled	68.8	83.2	-	-	-	-	-	-	-	-	-	-	152.0
<b>TOTAL</b>	<b>1,177.2</b>	<b>1,208.9</b>	-	-	-	-	-	-	-	-	-	-	<b>2,386.1</b>

**Figure 3** illustrates the District's potable water demands for fiscal years 2016 through 2021. Potable use is down 3% from last year at this time.

**Figure 3**



	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 16	713.2	1,599.3	2,377.5	3,081.1	3,688.4	4,153.3	4,519.1	5,051.3	5,608.5	6,294.3	7,052.9	8,008.5
FY17	1,168.1	2,346.9	3,368.6	4,350.8	5,078.1	5,551.0	5,832.9	6,094.2	6,599.2	7,472.5	8,397.0	9,421.5
FY18	1,167.8	2,279.2	3,294.9	4,299.2	5,084.8	5,874.3	6,440.4	7,086.5	7,579.3	8,441.3	9,413.0	10,481.9
FY19	1,229.7	2,486.3	3,577.7	4,411.8	5,184.9	5,553.0	5,895.3	6,156.9	6,519.0	7,284.8	8,003.3	8,926.1
FY20	1,155.7	2,345.1	3,420.7	4,403.5	5,076.3	5,749.1	6,062.9	6,593.9	6,993.9	7,411.0	8,347.0	9,378.8
FY21	1,133.6	2,310.9	3,385.0	4,374.0	5,046.0	5,782.0	6,286.0	6,772.5	7,312.5	8,119.9	9,070.9	10,110.2
FY22	1,108.4	2,233.7										



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**San Diego County Water Authority**

## SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING AUGUST 26, 2021

- 8.1 Monthly Treasurer's Report on Investments and Cash Flow.  
The Board noted and filed the Treasurer's report.
- 8.2 Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for Fiscal Year 2022.  
The Board adopted Resolution 2021-19 establishing an amount due of \$2,601,556.11 from the City of San Diego for the In-Lieu charge for Fiscal Year 2022.
- 8.3 Amendment to Professional Services Contract with Ace Janitorial Services, Inc. for Routine Janitorial Services.  
The Board approved an amendment to the professional services contract with Ace Janitorial Services, Inc. for continued janitorial services to the Water Authority through August 31, 2022, for a period of 12 additional months, and increasing total contract funding by \$78,600, to an amount not to exceed \$157,200.
- 8.4 Approve Capacity Fee Refund to CornerStone Communities.  
The Board authorized the General Manager to issue a capacity charges refund in the amount of \$154,500 to CornerStone Communities.
- 8.5 Coachella Mid-Canal Storage Project Cost-Sharing Agreement - Phase 1.  
The Board authorize the General Manager to execute an agreement between the San Diego County Water Authority, the Coachella Valley Water District (CVWD), and the San Luis Rey River Indian Water Authority (SLR) for cost-sharing of activities related to the design and environmental review of the potential Coachella Mid-Canal Storage Project – Phase 1 for an amount not to exceed \$305,000.
- 8.6 Consideration to Approve 24-month Regional Communications and Outreach Service Contracts to Katz & Associates for \$360,000 and Southwest Strategies for \$120,000.  
The Board authorized the General Manager to execute two 24-month contracts (from September 1, 2021 through September 30, 2023) for Regional Communications and Outreach Services with Katz & Associates for a total compensable contract amount of \$360,000 (exclusive of reimbursable expense allowance) over the contract term and a contract with Southwest Strategies for a total compensable contract amount of \$120,000 (exclusive of reimbursable expense allowance) over the contract term.
- 8.7 Approval of Minutes.  
The Board approved minutes of the Special Administrative and Finance Committee Budget Workshops of June 8, 2021, June 10, 2021, and June 15, 2021 and the Formal Board of Directors' meeting of June 24, 2021.





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**San Diego County Water Authority**

8.8 Adopt resolution supporting candidates for President and Vice-President of the Association of California Water Agencies.

The Board adopted Resolution No. 2021-20 supporting Pam Tobin for President of the Association of California Water Agencies; Resolution No. 2021-21 supporting Cathy Green for Vice-President of the Association of California Water Agencies; and Resolution No. 2021-22 supporting Dana Frieauf for Vice-Chair of Region 10 for the Association of California Water Agencies.

### **REPORT OF EXECUTIVE COMMITTEE – Meeting of September 8, 2021**

- Reviewed and discussed General Counsel Evaluation Process
- Reviewed and discussed revising Executive Committee meeting times – meeting time changed to 8:30 a.m., same days
- Reviewed and discussed August 19, 2021 Board Meeting Broadcast
- Reviewed Draft September 16, 2021 Board of Directors Regular Meeting Agenda
- Reviewed Future Agenda Items

### **REPORT OF ADMINISTRATIVE & FINANCE COMMITTEE – Meeting of September 7, 2021**

- Reviewed Monthly Directors' Expense Report
- Reviewed Monthly General Manager Credit Card Statement
- Reviewed and discussed Pension Obligation Scenarios
- Reviewed and discussed Proposed Pension Policy
- Reviewed Future Agenda Items

### **REPORT OF WATER RESOURCES COMMITTEE – Meeting of September 2, 2021**

- Reviewed and discussed Final Draft Water System and Capital Improvement Program Master Plan
- Considered a Resolution Adopting an Amendment to the District Administrative Code, Article 17, Water Shortage Response Policies and Procedures
- Reviewed Future Agenda Items