



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

January 20, 2022
Santa Fe Irrigation District
5920 Linea del Cielo
Rancho Santa Fe, CA 92067

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

ROLL CALL - CALL MEETING TO ORDER

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

BOARD MEMBERS PRESENT: President Michael Hogan, Vice President Sandra Johnson, and Directors Dana Frieauf 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, Engineering Services Manager Marissa Potter, Water Treatment Plant Manager Tim Bailey, Public Communications Officer Teresa Penunuri, General Counsel Paula de Sousa, Best Best & Krieger, and members of the public were present. Also present was Stephanie Smith, Best Best & Krieger.

PLEDGE OF ALLEGIANCE

President Hogan led the Pledge of Allegiance.

ORAL COMMUNICATIONS - None

PRESENTATIONS AND AWARDS:

1. Employee Recognition
 - a. Lamont Foster, Utility Worker II, 2021 SFID Employee of the Year
 - b. Jeff Nightingale, 15 years with the District

GM Lau introduced Mr. Foster, provided brief comments on the Employee of the Year selection process, and provided details on Mr. Foster’s duties and service to the District. The Board congratulated Mr. Foster and thanked him for his dedication and exemplary service. Mr. Foster thanked the Board and stated he is humbled by the honor and is blessed to work at the District.

GM Lau introduced Mr. Nightingale and provided details on Mr. Nightingale’s duties and varied roles at the District during his 15 years. Mr. Nightingale thanked the Board and his coworkers and appreciates the support.

CONSENT ITEMS

2. Approval of Minutes – December 16, 2021 Regular Board Meeting
3. Receive and File Monthly Finance Reports
 - a. Budget Graphs
 - b. Disbursements
 - c. Monthly Investment Transaction Report
4. Quarterly Treasurer’s Report
5. Quarterly Board Expenses Report
6. Waive the Full Reading and Adopt Resolution No. 22-01 Expressing Appreciation to Frank Creede for his Public Service on the Board of Directors of the Santa Fe Irrigation District from July 16, 2020 to December 31, 2022
7. Notice of Completion for the Clearwell and Washwater Tanks Seismic Improvements Projects (J-1750/1751)
8. Approve an Encroachment Permit across District Easement located on APN 265-231-01
9. Authorize the General Manager to Execute Purchase Contract for THM Analyzer
10. Findings to Continue Holding Remote/Teleconference Meetings Pursuant to Assembly Bill 361

GM Lau pulled Item 9 to be considered separately from the Consent Calendar.

President Hogan pulled Item 7 and Director Frieauf pulled Item 3a from the Consent Calendar. Upon a motion by Vice President Johnson and second by Director Frieauf, the Board unanimously adopted the Consent Calendar as amended. Roll call vote was taken as follows:

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

Item 3a. Budget Graphs

Director Frieauf questioned why there have been no expenses from the Capital Acquisition budget in the first six months of the fiscal year. GM Lau responded that supply chain issues have created delays in getting equipment quotes, which may require the items being budgeted in FY23.

Upon a motion by Director Frieauf and second by Vice President Johnson, the Board unanimously approved Item 3a, Budget Graphs. Roll call vote was taken as follows:

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

Item 7. Notice of Completion for the Clearwell and Washwater Tanks Seismic Improvements Projects (J-1750/1751)

President Hogan stated he pulled the item to express his appreciation to staff for their efforts to ensure a good outcome on such a complicated project. Director Frieauf mirrored President Hogan's comments. Upon a motion by President Hogan and second by Director Menshek, the Board unanimously approved Item 7, Notice of Completion for the Clearwell and Washwater Tanks Seismic Improvement Projects. Roll call vote was taken as follows:

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

Item 9. Authorize the General Manager to Execute Purchase Contract for THM Analyzer

GM Lau apologized for the last minute change; however, the price requested for Board authorization did not include sales tax. WTPM Bailey presented the changes, increasing the requested amount from \$72,494 to \$78,070, and responded to questions from the Board. The Board appreciated receiving the information ahead of the meeting. Upon a motion by Vice President Johnson and second by Director Frieauf, the Board unanimously approved Item 9, Authorizing the General Manager to execute Purchase Contract for THM Analyzer. Roll call vote was taken as follows:

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

PUBLIC HEARING

11. Public Hearing on the Proposed Revisions to District Miscellaneous Fees and Charges

President Hogan introduced the item and after a briefing by GC de Sousa, President Hogan opened the Public Hearing.

ASM Gates utilized a PowerPoint presentation to provide an overview of the proposed revisions and responded to questions from the Board.

As no member of the public wished to comment, President Hogan closed the Public Hearing.

ACTION AND DISCUSSION ITEMS

12. Adopt Ordinance No. 22-01, Establishing District Miscellaneous Fees and Charges for District Services

ASM Gates presented the item. Vice President Johnson and Director Frieauf commented that there was a thorough discussion at the January Administrative and Finance Committee meeting and the Committee concurred with staff's recommendations.

Upon a motion by Director Frieauf and second by Vice President Johnson, the Board unanimously adopted Ordinance No. 22-01, Establishing District Miscellaneous Fees and Charges for District Services. Roll call vote was taken as follows:

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

13. Review Preliminary Redistricting Options

GM Lau introduced the item and then introduced Stephanie Smith, Best Best & Krieger Demographer, who utilized a PowerPoint presentation to provide preliminary options for Board review and comment.

The Board discussed the proposed redistricting options and provided feedback to staff for inclusion in draft maps to be considered at Public Hearings set for the February and March regular Board meetings.

President Hogan called for a recess at 10:27 a.m.

President Hogan reconvened the meeting at 10:34 a.m.

14. Receive Resignation of Director Frank Creede and Consider Actions Related to the Division 1 Vacancy on the Board of Directors

Board Secretary Johnson read comments received from Frank Creede. Mr. Creede commented on the attributes he felt helpful for a new Board member, that the District is well managed, and again thanked the Board and staff.

GM Lau introduced the item and responded to questions from the Board.

After a brief discussion, a motion was made by Vice President Johnson and seconded by Director Menshek to receive Mr. Creede's resignation and direct staff to take actions to fill the vacancy via Board appointment following the proposed schedule. Roll call vote was taken as follows:

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

15. Annual District Investment Policy Review and Update

ASM Gates presented the item and responded to questions from the Board, noting there are no revisions proposed for the District Investment Policy.

Upon a motion by Director Frieauf and second by Vice President Johnson, the Board unanimously approved the Investment Policy as presented. Roll call vote was taken as follows:

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

16. Water Supply Update

PCO Penunuri provided an update on State and local water supply conditions and responded to questions from the Board. This item was for the Board's information only. No action was requested or required of the Board.

REPORTS

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

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

18. Board Reports

a. San Diego County Water Authority Board Meeting Report –*No December meeting* -

President Hogan reported that at their November meeting, the Metropolitan Water District approved to allocate Water Stewardship Costs to Supply Costs, which resulted from terms in the SDCWA litigation settlement.

b. Other Meetings/Conferences

Director Friehauf reported she attended the January 11, 2022 Council of Water Utilities meeting which featured New Funding Opportunities, presented by Danielle Blacet-Hyden, Deputy Executive Director, California Municipal Utilities Association.

DIRECTORS' COMMENTS

19. Directors' Comments – No comments

20. Future Agenda Items

President Hogan requested that the Board be informed of activities related to the legislative effort initiated by the San Diego Local Area Formation Commission (LAFCO) and their local jurisdiction associated with the Rainbow MWD and Fallbrook PUD issue. GC de Sousa commented that this issue is separate from the detachment issue and deals with out of service area agreements only.

Director Friehauf requested a briefing from the San Diego County Water Authority on their regional infrastructure funding efforts to ensure the District's interests are being heard.

21. General Manager's Report - GM Lau reported on the following:

- the District continues to be impacted by the surge in COVID cases and while some departments are short staffed, no outbreak protocol has been launched.
- the Supply Chain challenges continue, impacting overall procurement.
- He wished all a happy new year.

22. General Counsel's Comments - No comments

INFORMATION ITEMS – None

CLOSED SESSION

23. Conference with Legal Counsel- Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9
One (1) potential case

President Hogan adjourned into Closed Session at 11:15 a.m.

President Hogan reconvened into Open Session at 11:29 a.m. and reported no reportable actions were taken in Closed Session.

ADJOURNMENT

President Hogan adjourned the meeting at 11:13 a.m.

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Michael Hogan

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Michael T. Hogan
Board President

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Albert C. Lau

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Albert C. Lau
Board Secretary/Treasurer