



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

April 16, 2020  
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 and Directors Marlene King, Andy Menshek, and David Petree

**STAFF AND OTHERS PRESENT:** General Manager Albert Lau, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Engineering Services Manager Rania Amen, Distribution System Manager Chris Bozir, Water Treatment Plant Manager Tim Bailey, Associate Civil Engineer Marissa Potter, General Counsel Paula de Sousa, Best Best & Krieger, and members of the public were present.

**PLEDGE OF ALLEGIANCE**

President Hogan led the Pledge of Allegiance.

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

## **ORAL COMMUNICATIONS**

Board Secretary Johnson read public comment received via email from Greg Gruzdownich who expressed concern over the legality of water sold above the actual cost during this rainy season and asked if the Board plans to implement the plan discussed during the cost of service study development which would return the overcharges to customers paying for higher tiers of water.

## **PRESENTATIONS AND AWARDS**

1. Introduction of New Employees:
  - a. Brett Kelley, Water Quality Analyst
  - b. Chase Fidler, Engineering Technician

GM Lau introduced the employees via PowerPoint presentation and provided brief comments on each. The Board welcomed the new employees to the District.

## **ACTION AGENDA CONSENT ITEMS**

2. Approval of Minutes - February 20, 2020 Regular Board Meeting
3. Receive and File Monthly Finance Reports
  - a. Budget Performance
  - b. Disbursements
  - c. Monthly Investment Transaction Report
4. Waive Full Reading and Adopt Resolution No. 20-04, Expressing Appreciation and Commending Kenneth Dunford for His Outstanding Public Service on the Board of Directors of the Santa Fe Irrigation District for fourteen years
5. Authorize the General Manager to Execute Purchase Contract for Modular Buildings Roof Replacement
6. Quarterly Treasurer's Report
7. Quarterly Board Expenses Report
8. Receive and File Actuarial Evaluation
9. Waive Full Reading and Adopt Resolution No. 20-05 Authorizing Declaration of Emergency

President Hogan confirmed there were no members of the public wishing to speak.

President Hogan requested to consider Item 9 separately from the Consent Calendar. Upon a motion by Director Menshek and seconded by Director Petree, the Board voted 3-1 to adopt the Consent Calendar as amended. Roll call vote was taken as follows:

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

9. Waive Full Reading and Adopt Resolution No. 20-05 Authorizing Declaration of Emergency

President Hogan confirmed there were no members of the public wishing to speak.

President Hogan commended GM Lau and staff for their professional response to the COVID-19 pandemic and expressed his appreciation to all.

GM Lau commended staff for their efforts during this challenging time, noting a response plan was developed quickly, the Emergency Operations Center opened just prior to the Governor's Shelter in Place order, and that staff continues to meet the District's mission to provide safe and reliable drinking water.

Director Menshek echoed President Hogan's comments and felt that the District, starting with the Leadership and Counsel, down to the employees scored an A+ in his opinion.

Upon a motion by Director Menshek and second by Director King, the Board unanimously adopted Resolution No. 20-05. Roll call vote was taken as follows:

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

**ACTION AND DISCUSSION ITEMS**

10. Receive Resignation of Director Kenneth Dunford and Consider Actions Related to the Division 1 Vacancy on the Board of Directors

President Hogan confirmed there were no members of the public wishing to speak.

President Hogan noted that the Board may elect to fill the vacancy by appointment and noted that he prefers to defer electing a Vice President and modifying the committee assignments until the vacancy is filled. The Board consensus was to delay those actions.

GC de Sousa provided the legal basis and requirements under which the Board may make an appointment and GM Lau outlined the procedures proposed by staff. Director King requested that because there is adequate time prior to the regular May Board meeting, the notice be posted for more than the required 15 days.

Upon a motion by Director King and second by Director Menshek, the Board unanimously approved the process proposed to fill the Division 1 vacancy. Roll call vote was taken as follows:

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

Director King remarked that public comment regarding Mr. Dunford's residency had been given at prior Board meetings in December, 2019, January, 2020 and February, 2020. Director King requested the specific underlying legal authority be explained which allowed Mr. Dunford to continue to serve on the Board while undecided whether to return residing in his Division 1 home. Director King expressed concern that the District had still not addressed these public comments.

GC de Sousa reported Mr. Dunford's continued service on the Board was permitted under provisions of the California Irrigation District Law and provisions of the Elections Code and its requirement of residency to mean "domicile." GC de Sousa reported a domicile is defined as where one intends to remain or live permanently. A person may have various homes, but only one permanent domicile. Mr. Dunford had not decided to live permanently in Carlsbad until March.

11. Consider Appeal of Water Bill by Ms. Carolyn Cohen

President Hogan confirmed there were no members of the public wishing to speak.

ASM Gates presented the item and responded to questions from the Board. Mr. Gates noted the reasons for denial are based upon the recently adopted Board leak credit policy. Director King requested a notice be placed on customer bills alerting them that if they have an automated meter and are not enrolled in the customer portal, no leak credit will be considered. Mr. Gates replied that with current alerts on the bills, including implementation of the new rate schedule and informing customers with financial impacts resulting from the COVID-19 pandemic to contact customer service, there is not adequate room on the bill. President Hogan commented that future public outreach after 100% AMI conversion will remind customers of the leak credit policy requirements.

After discussion, a motion was made by Director Menshek and seconded by Director Petree to deny the appeal presented by Ms. Cohen. Roll call vote was taken as follows:

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

12. Review Draft FY21 Budget

President Hogan confirmed there were no members of the public wishing to speak.

GM Lau introduced the item and ASM Gates presented the item. Mr. Lau and Mr. Gates responded to questions from the Board.

The Board engaged in an extensive discussion regarding wet vs. dry years and those effects on local water, capital improvement project scheduling, and revenues and expenses.

After a lengthy discussion, President Hogan stated he appreciates staff and Committee effort and realizes the challenge on water demand projections in light of current challenging environment; however, he feels the District is obligated to review the proposed budget again and requested staff develop options with the associated risks for Board consideration at their regular May meeting.

13. Consider Actions Related to and for the Mechanical Dewatering Improvements and the San Dieguito Dam Improvements Projects:
  - a. Award a Construction Contract for Projects J-1752/1753/1754 to the lowest responsive bidder James W. Fowler Corporation, in the amount of \$7,814,987.50 (base bid only); and
  - b. Authorize the General Manager to approve, if necessary, up to \$418,000 for construction contingency for Mechanical Dewatering Project (J-1752) and each of the San Dieguito Dam Improvements Projects (J-1753/1754); and
  - c. Increase the Mechanical Dewatering Project J-1752 total capital budget from \$9,100,000 to \$9,500,729; and
  - d. Authorize the General Manager to Execute Amendment No. 10 of the Professional Services Agreement with Kleinfelder, Inc., for Engineering Services During Construction for Projects J-1752/1753/1754 in the amount of \$332,509; and
  - e. Authorize the General Manager to execute a Professional Services Agreement for Construction Management and Inspection Services to CDM Smith, Inc., for the Projects J-1752/1753/1754 in the amount of \$542,200; and
  - f. Adopt Resolution No. 20-06, Finding the Mechanical Dewatering Improvements and the San Dieguito Dam Improvements Projects (Project J-1752) Categorically Exempt under the California Environmental Quality Act and Approving the Projects
  - g. Adopt Resolution No. 20-07, Finding the Handrail Improvements at the San Dieguito Reservoir Project (Project J-1753) Categorically Exempt under the California Environmental Quality Act and Approving the Project
  - h. Adopt Resolution No. 20-08, Finding the Handrail Improvements at the San Dieguito Reservoir Concrete Refurbishment Project (Project J-1754) Categorically Exempt under the California Environmental Quality Act and Approving the Project

GM Lau introduced the item and ESM Amen presented the item.

Director King wanted to publicly compliment Ms. Amen and ACE Potter for their excellent job in vetting the proposers and recommending the best contractor for the project, not necessarily the lowest bidder.

After discussion, a motion was made by Director Menshek and seconded by Director King to approve the items, a-h. Roll call was taken as follows:

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

## **DIRECTORS' COMMENTS**

### 14. Directors' Comments

Director King referred to her written comments included in the agenda materials, and thanked staff for including the February and March regular monthly reports in this packet.

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

## **REPORTS**

### 16. Operations Reports

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

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

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

In addition to the written report included in the agenda materials, President Hogan reported that the SDCWA had also declared a similar level of emergency resulting from the COVID-19 pandemic, and that Metropolitan Water District will be considering a lower rate increase than previously reported.

### 18. Committee Reports – No meetings held

### 19. General Manager's Report

- Lake Hodges Status Update

GM Lau and ESM Amen provided an update on Lake Hodges and the actions taken to reduce the level of the lake to the level required by the Department of Safety of Dams.

GM Lau commented on the resignation of Director Kenneth Dunford noting his service was appreciated and staff will move forward with actions to fill the vacancy on the Board.

He reported on a new feature on the District's webpage, an Interactive map for customer use to determine their Division and Director. The map is for informational purposes only and the SD County Registrar of Voters is the final determinant for Division residency.

20. General Counsel's Comments – No further comments

**INFORMATION ITEMS**

21. Board Adopted District Customer Leak Credit Policy

This item was an informational item. No action was requested or required of the Board.

**CLOSED SESSION**

22. Conference with Legal Counsel- Existing Litigation  
Pursuant to Government Code Section 54956.9 (d)(1)  
Rancho Santa Fe Association v Santa Fe Irrigation District  
Case No. 37-2018-00064214-CU-MC-NC

23. Conference with Legal Counsel – Existing Litigation  
Pursuant to Government Code Section 54956.9 (d)(1)  
Rancho Del Lago Homeowners' Association v Santa Fe Irrigation District, San Dieguito  
Water District, County of San Diego, San Diego County Flood Control District  
Case No. 37-2019-00047074-CU-OR-NC

24. 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 for a brief recess at 1:24 p.m.*

*President Hogan reconvened the meeting and adjourned into Closed Session at 1:35 p.m.*

*President Hogan reconvened into Open Session at 1:55 p.m. and reported no reportable actions were taken in Closed Session.*

**ADJOURNMENT**

President Hogan adjourned the meeting at 1:55 p.m.

  
Michael T. Hogan  
Board President

  
Albert C. Lau  
Board Secretary/Treasurer

