



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

July 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 Frank Creede, Marlene King, Andy Menshek, and David Petrec were present.

**STAFF AND OTHERS PRESENT:** General Manager Albert Lau, Executive Assistant Kim Johnson, Administrative Services Manager Seth Gates, Engineering Services Manager Rania Amen, Distribution System Manager Chris Bozir, Water Treatment Plant Manager Tim Bailey, Public Communications Officer Teresa Penunuri, 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.

**ADMINISTER OATH OF OFFICE TO NEWLY APPOINTED DIRECTOR – Frank Creede**

President Hogan reported Mr. Creede had been appointed by the San Diego County Board of Supervisors at their June meeting to fill the vacancy for Division 1.

Board Secretary Johnson administered the Oath of Office to Mr. Creede.

Director Creede commented that he felt privileged to serve, thanked the General Manager and staff for a recent tour he was given and noted he was impressed by the District facilities, resources, and team. He looks forward to working with fellow Directors on District issues and stated he will not accept any compensation for his Board service.

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

**ORAL COMMUNICATIONS – None**

**PRESENTATIONS AND AWARDS**

1. City of San Diego County Presentation – Lake Hodges Liquid Oxygenation Project– Jeff Pasek, City of San Diego Public Utilities Department

*President Hogan reported that the City of San Diego staff were unavailable to make this presentation. It will be scheduled for a future Board meeting.*

**ACTION AGENDA**

**CONSENT ITEMS**

2. Approval of Minutes - June 18, 2020 Regular Board Meeting
3. Receive and File Monthly Finance Reports
  - a. Disbursements
  - b. Monthly Investment Transaction Report
4. Waive Full Reading and Adopt Resolution No. 20-16, Establishing an Appropriation Limit for the District for the Fiscal Year Commencing July 1, 2020
5. Quarterly Treasurer's Investment Report
6. Receive and File Annual Report of Reimbursements and Compensation Paid to Directors
7. Waive Full Reading and Adopt Resolution No. 20-17, Adding Unpaid Charges to the 2020-21 Property Tax Roll as Fixed Charge Special Assessments
8. Authorize the General Manager to Execute Sole Source Purchase Agreement for Anionic Polymer
9. Authorize the General Manager to Amend the Professional Services Agreement with Rodney J. Greek for Accounting Services

Director King requested to consider Item 9 separately from the Consent Calendar.

Upon a motion by Director Menshek and second by Director King, the Board adopted the Consent Calendar. Roll call vote was taken as follows:

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

***9. Authorize the General Manager to Amend the Professional Services Agreement with Rodney J. Greek for Accounting Services***

Director King asked General Counsel the extent of the HIPAA rules that govern the employee who resigned from the District after three days. GC de Sousa offered to respond to the Board after further review. Ms. de Sousa continued that because the question is Human Resources related, she cautioned how additional details would be provided. President Hogan requested Counsel follow up and provide information to the Board.

Upon a motion by Director King and second by Director Menshek, the Board approved Item 9, authorizing the General Manager to Amend the Professional Services Agreement with Rodney J. Greek for Accounting Services. Roll call vote was taken as follows:

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

**ACTION AND DISCUSSION ITEMS**

**10. Appointment of Director Frank Creede to the Administrative and Finance Committee**

President Hogan presented the request to formally appoint Director Creede to the Administrative and Finance Committee, replacing former Director Dunford.

Upon a motion by Director Menshek and second by Director King, the Board unanimously approved the appointment of Director Creede to the Administrative and Finance Committee. Roll call vote was taken as follows:

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

**11. Information Item: Water Loss Standards**

GM Lau introduced the item and PCO Penunuri utilized a PowerPoint presentation to report the current activities related to the adoption of Senate Bill 555, and the State Water Resources Control Board recently released proposed water loss performance standards and economic model. Ms. Penunuri responded to questions from the Board.

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

## **DIRECTORS’ COMMENTS**

### 12. Directors’ Comments

Director Menshek welcomed Director Creede to the Board. He stated he supported the appointment by the County Board of Supervisors. Director Menshek commented on a recent article in the Rancho Santa Fe Post which chastised him and President Hogan for not supporting the prior candidate considered by the SFID Board, noting that the Rancho Santa Fe Association did not support that candidate for consideration by the County Board. He added he is happy Director Creede is not suing the District or has a Fair Political Practices Commission violation.

Director Menshek also commented on the robust discussion by the Board on a recent revision to the District’s Administrative Code on Capacity Fees and reported a project on Coast Highway 101 in Solana Beach, which benefitted from the phased approach for payment of fees, has been stalled because the investors pulled out. He asked if the District will recoup the remaining fees due.

Director Petree welcomed Director Creede to the Board.

Director King reported she received an email from a neighbor informing her that as a result of her article on Smart Meters, they enrolled in the customer online portal and was surprised at the level of data it provides. As she commented last month, she continues to look forward to the District Public Communication Officer’s outreach efforts to increase participation on the AMI Smart Meter Customer Portal.

Director Creede commented he knows it will take time to “get up to speed” on District business. He added that he feels no one wins with legal action and he hopes the Rancho Santa Fe Association litigation on water rates can be resolved outside of court. He asked if the AMI Portal can be set to a “zero threshold” because there are times in the day his use should be zero units and he would like to be notified if water is being used.

President Hogan reported he had met recently with Director Creede and it was a pleasure to get to know him better.

### 13. Directors’ Reports on Conferences, Activities, and Events – No report

## **REPORTS**

### 14. 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.

15. 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 MWD Board approved two local water resource project agreements for the San Diego region, where MWD will pay \$350/AF for every acre of new water supply developed. He added this agreement provides a critical element of project funding.

16. Committee Reports – No meetings held

17. General Manager's Report

GM Lau reported that the District's monthly Water Resources Report content will be discussed by the Water Resources Committee as one of the metrics tracked, the required 20% reduction in water use by 2020, has now passed. He added that AB1668 and SB606 provide new performance metrics which must be met, and the manner in which this will be reported to the Board will be discussed by the Committee in August.

GM Lau also reported that the San Diego Local Agency Formation Commission (LAFCO) recently formed a special Ad Hoc Committee for the review process and make recommendations to the full LACFO Committee on the proposed detachment of Fallbrook Public Utility District and Rainbow Municipal Water District from the San Diego County Water Authority. LAFCO has requested comments from SDCWA member agencies by September and an item to consider providing District comments will be brought to the Board for their discussion at the August Board meeting.

18. General Counsel's Comments

GC de Sousa reported that the State Legislation will reconvene after a short summer recess, postponed by two COVID-19 positive Assemblymembers with much work ahead of them. She added that there are loose ends with the budget which will be address. Ms. de Sousa continued that they anticipate meeting 6-7 days a week for the next five weeks.

Ms. de Sousa also reported that the Fair Political Practices Commission adopted a revision regarding required recusals of elected officials on matters of financial conflict of interest. She encouraged Directors to contact her for guidance if they feel they could have a potential conflict of interest on a matter coming before the Board.

**INFORMATION ITEMS – None**

**CLOSED SESSION**

19. 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

20. 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
21. Conference With Labor Negotiators Pursuant To Government Code Section 54957.6  
Agency designated representatives: Board of Directors  
Unrepresented Employee: General Manager
22. Public Employee Performance Evaluation  
Pursuant To Government Code Section 54957  
Title: General Manager

*President Hogan adjourned for a brief recess at 9:37 a.m.*

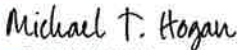
*President Hogan reconvened the meeting and adjourned into Closed Session at 9:50 a.m.*

*President Hogan reconvened into Open Session at 10:58 a.m. and reported no reportable actions were taken in Closed Session.*

*President Hogan reported that the Board recently completed the evaluation for the General Manager. In accordance with the terms of Mr. Lau's employment agreement, with his very satisfactory evaluation, he will receive a 4% increase effective July 1, 2020, for an annual salary of \$223,600.*

## ADJOURNMENT

President Hogan adjourned the meeting at 10:59 a.m.



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Michael T. Hogan  
Board President

  
Albert C. Lau  
Board Secretary/Treasurer