

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON OCTOBER 11, 2010
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Maggie Houlihan, Chair

Tom Campbell, Vice Chair

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, January 11, 2010, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Houlihan called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Teresa Barth
Maggie Houlihan
Dave Roberts

Directors Absent:

Thomas Campbell

Others Present:

General Manager
Director of Finance/Administration
Director of Operations
Administrative Assistant
Accounting Technician
Safety/HR Administrator

Michael Thornton
Greg Lewis
Christopher Trees
Monica Blake
Carrie Cook
Marisa Buckles

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas,
Director of Public Works
City of Encinitas,
Public Works Management Analyst
City of Solana Beach,
City Manager
City of Solana Beach,
Director of Engineering/Public Works

Larry Watt

Bill Wilson

David Ott

Mohammad "Mo" Sammak

Guests:

Frank Warner & Al Evans
Bud Irvin
Ron Hogan
Michael Bardin
Phil O'Donnell

3. PLEDGE OF ALLEGIANCE

Board Member Roberts led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Michael Thornton presented Gregory Lewis, Director of Finance/Administration, with a certificate of recognition for 10 years of continuous service to the SEJPA. Chair Houlihan presented Michael Thornton with a certificate of recognition for 10 years of continuous service to the SEJPA.

6. CONSENT CALENDAR

Chair Houlihan requested an edit to the September 13, 2010 minutes to clarify her request for a 'Master Plan' map – that it include potable water lines in addition to recycled water lines.

Board Member Roberts asked that the staff be thanked for the great job done in Item No. 11, and for the money savings.

Moved by Board Member Roberts and seconded by Board Member Barth to approve the Consent Calendar with the following vote of approval:

AYES: T. Barth, M. Houlihan, and D. Roberts
NOES: None
ABSENT: T. Campbell
ABSTAIN: None

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the September 13, 2010 meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report
Agenda Item No. 9	San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report
Agenda Item No. 10	San Elijo Joint Powers Authority Recycled Water Program – Monthly Report
Agenda Item No. 11	Digester No. 4 Cleaning Project Report

12. ITEMS REMOVED FROM CONSENT CALENDAR

None

13. THE NORTH SAN DIEGO COUNTY COOPERATIVE DEMINERALIZATION PROJECT

General Manager Michael Thornton reported that in an effort to maximize the regional benefit of the recycled water demineralization project at the San Elijo Water Reclamation Facility, the SEJPA has partnered with the Olivenhain Municipal Water District (OMWD) and the San Elijo Lagoon Conservancy to create the North San Diego County Cooperative Demineralization project. The project goals are to create sustainable and diverse local water supplies, provide salinity and nutrient management to the North County coastal region, address existing high TDS issues in recycled water, divert urban runoff and first flush storm water from both the San Elijo Lagoon and the Seascape storm drain in Solana Beach, and reduce wastewater discharge to the Pacific Ocean.

This project that the SEJPA submitted has been accepted for a grant through the San Diego Integrated Regional Water Management (IRWM) program. This Proposition 84 funding project was rated as one of the highest ranked projects for the region. The San Diego IRWM program recommended that this project receive \$1.05 million grant, of which the SEJPA can expect to receive approximately \$700,000 to be applied to the construction of demineralization treatment.

One requirement for receiving the grant funding is that the SEJPA will need to adopt a resolution stating its endorsement of the San Diego IRWM Plan. The General Manager stated that this resolution will be presented for Board consideration at the November 2010 SEJPA Board meeting.

This was an informational report not requiring Board action.

14. CALIFORNIA STATE REVOLVING FUND (SRF) LOAN APPLICATION AUTHORIZATION FOR RECYCLED WATER DEMINERALIZATION PROJECT

General Manager Michael Thornton stated that the SEJPA has identified high total dissolved solids (TDS) levels in the recycled water as a potential threat to the program. The source of the TDS is a combination of higher TDS levels in the local potable water supply, brackish ground water infiltration into the sanitary sewer collection system, and the use of salt-based water softeners by businesses and residences within the SEJPA service area. To mitigate the risk of further violation to the agency, a recycled water demineralization facility was recommended at an estimated cost of \$5 million and will result in the ability to control TDS levels to below the San Diego Regional Board basin plan requirements.

The State Water Resources Control Board (SWRCB) administers the Clean Water State Revolving Fund loan program that provides low interest loans to public agencies for construction of wastewater and recycled water capital projects. The SEJPA is currently in the design phase of a recycled water demineralization facility, for which this SRF loan is being requested. Currently, this project has received grant funding approval of approximately \$700,000 by the San Diego IRWM program as it is a component of the North San Diego County Cooperative Demineralization Project.

As part of the SRF application process, the SEJPA Board of Directors must approve three resolutions to authorize the application. The General Manager presented these resolutions to the Board of Directors and requested they be reviewed by the Member Agencies.

Moved by Board Member Roberts and seconded by Board Member Barth to:

1. Review resolutions required by the State of California State Water Resources Control Board; and
2. Take resolutions to Member Agencies for review and action.

Motion carried with the following vote of approval:

AYES: T. Barth, M. Houlihan, and D. Roberts
NOES: None
ABSENT: T. Campbell
ABSTAIN: None

15. WHOLESALE PRICING OF RECYCLED WATER BY THE SAN ELIJO JOINT POWERS AUTHORITY

General Manager Michael Thornton presented a letter from Santa Fe Irrigation District (SFID) requesting that the recycled water rate not be increased in calendar year 2011. The SEJPA staff reviewed the request and concluded that it may be feasible for the SEJPA to accept a smaller rate increase over one to two years if this was coupled with a guaranteed purchase volume increase. Staff presented a possible proposal that for FY 2010-11 the new purchase volume be 520 AFY and for FY 2011-12 the purchase volume be 550 AFY, coupled with a possible rate increase of 5% each year.

Michael Bardin, General Manager of SFID, stated that SFID would like to look at long-term agreements for recycled water, and to de-couple the price of recycled water to potable water rates. He also asked for the current price to be held for one year.

Al Evans, from St. Francis HOA, asked the Board of Directors to approve the SEJPA's proposal of a 5% increase for each of the next two years.

Board Member Roberts stated that the number of recycled water customers needs to increase in order to keep costs down and make it a success.

Board Member Barth stated that the potable and recycled water rates need to be de-coupled.

Board Member Roberts asked that the results of the negotiations be reported in next month's Board meeting.

This was an informational report not requiring Board action.

16. GENERAL MANAGER'S REPORT

General Manager Michael Thornton stated that the Encina Wastewater Authority 54-inch diameter influent pipeline failed last week. SEJPA has been active in assisting them on this issue. This incident has put their biological system at risk, so the SEJPA has been providing them with 100,000 gallons of activated biological water each day to ensure that their treatment system doesn't also fail. SEJPA and Encina have been working hand in hand and we plan to do a debriefing on this incident and their emergency response, which was outstanding. SEJPA is currently reviewing the age, material type, physical condition data of the influent lines to the San Elijo Water Reclamation Facility to assess if any are at risk for failing.

17. GENERAL COUNSEL'S REPORT

General Counsel Greg Moser stated SB 918 passed which will require the Department of Public Health to develop water quality standards for indirect potable reuse by 2013 and similar standards for surface water augmentation with recycled water by 2016.

18. BOARD MEMBER COMMENTS

Board Member Roberts reported that he talked to three San Diego County Board of Supervisors about recycled water use by homeowners and they all said the issue just isn't at their level but they are interested. Board Member Roberts wanted to be sure SEJPA was going to submit comments before the deadline on the Draft Environmental Impact Report for the proposed I-5 freeway expansion. Lastly, he stated that he and Board Member Campbell were meeting on Wednesday with the Mayor of Del Mar on the proposed purchase of the Del Mar Fairgrounds.

18. CLOSED SESSION

None

19. ADJOURNMENT

The Board of Directors adjourned at 9:53 a.m. The next Board of Directors meeting will be held on November 8, 2010.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager