

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON JANUARY 10, 2011  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

---

Tom Campbell, Chair

Teresa Barth, Vice Chair

---

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, January 10, 2011, 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:*

Thomas Campbell  
Maggie Houlihan  
Dave Roberts

*Directors Absent:*

Teresa Barth

*Others Present:*

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

Michael Thornton  
Christopher Trees  
Monica Blake  
Carrie Cook  
Marisa Buckles

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas,  
Director of Public Works

Larry Watt

City of Solana Beach,  
Director of Engineering/Public Works

Mohammad "Mo" Sammak

3. PLEDGE OF ALLEGIANCE

Board Member Roberts led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

None

6. CONSENT CALENDAR

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

AYES:	Campbell, Houlihan, Roberts
NOES:	None
ABSTAIN:	None
ABSENT:	Barth

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the December 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

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. ELECTION OF OFFICERS AND SCHEDULE OF BOARD MEETINGS

The General Manager reported that the Member Agencies of the SEJPA have reappointed their existing representatives to the SEJPA Board of Directors. The SEJPA Board needs to now appoint the Chair and Vice Chair of the Board for the 2011 calendar year as well as set the regular meeting schedule.

Moved by Chair Houlihan and seconded by Board Member Roberts that Tom Campbell serve as Chair and Teresa Barth serve as Vice Chair for 2011 and that the regular meeting dates for 2011 will continue on the second Monday of each month, beginning at 9:00 a.m., with no scheduled meeting for August.

Motion carried with the following vote of approval:

AYES:	Campbell, Houlihan, Roberts
NOES:	None
ABSTAIN:	None
ABSENT:	Barth

13. DISCUSSION ON FUNDING OTHER POST EMPLOYMENT BENEFITS

General Manager Michael Thornton provided a brief report on GASB 45, which requires accounting and financial reporting by government employers for postemployment benefits other than pensions. Under GASB 45, the SEJPA is required to perform an actuarial study every three years to calculate the annual required contribution (ARC) liability for the agency's other post employment benefits (OPEB).

The General Manager reported that the SEJPA offers only one benefit that falls under the OPEB criteria. This benefit is for partial medical insurance coverage by the SEJPA for qualifying employees who select CalPERS medical insurance upon retirement. The current cost is approximately \$105 month per retired employee. The total cost paid by the SEJPA last year for this benefit was less than \$4,000.

In June 2008, the SEJPA had an actuarial study performed in accordance with GASB 45 requirements to assess the agency's liability for this benefit. At that time, the estimated unfunded liability was \$98,075, with a projected annual required contribution of \$18,330.

Since the actual costs of the programs are substantially less than the projected cost presented in the first actuarial, staff is recommending a second actuarial be performed to help the Board have clarity on the likely future costs of the program. The next scheduled actuarial is for June 2011.

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

1. Return this item for discussion after the June 30, 2011 actuarial is performed.

Motion carried with the following vote of approval:

AYES:	Campbell, Houlihan, Roberts
NOES:	None
ABSTAIN:	None
ABSENT:	Barth

14. RECOMMENDATION FOR MICROFILTRATION MEMBRANE SYSTEM – RECYCLED WATER DEMINERALIZATION PROJECT

General Manager Michael Thornton reported that the three microfiltration (MF) equipment manufacturers (Pall Corporation, Siemens, and GE) were contacted and proposals were requested from them for the proposed recycled water demineralization project. The proposals were reviewed and evaluated by the SEJPA's consultant, Trussell Technologies. Based on the lowest anticipated capital and operating costs over a 10-year period, Trussell Technologies recommend Pall Corporation as the preferred membrane manufacturer.

SEJPA staff is finalizing the language of the Lease Purchase Agreement that will be brought to the Board for consideration at a future Board meeting.

General Manager Michael Thornton stated that he owns 150 shares of Pall Corporation stock. Legal Counsel Greg Moser was asked to review and advise if there is a conflict of interest.

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

1. Award Microfiltration Membrane Selection for the San Elijo Water Reclamation Demineralization Project to Pall Corporation.

Motion carried with the following vote of approval:

AYES:	Campbell, Houlihan, Roberts
NOES:	None
ABSTAIN:	None
ABSENT:	Barth

15. GENERAL MANAGER'S REPORT

The General Manager Michael Thornton reported on the status of the Marine Life Protection Act (MLPA) initiative and noted that the regulations are expected to take effect in mid 2011.

The General Manager stated that he has been in discussions with the San Dieguito Water District (SDWD) regarding an amendment to the existing recycled water purchase agreement between the districts. Discussions are focusing on changes to the rate structure and on strategies for increasing recycled water use by customers.

The SEJPA is participating in the North San Diego County Regional Recycled Water Project. This is a regional study involving 11 agencies within the north San Diego County focused on expanding recycled water use in the region. A grant for \$1.5 million has been approved for this effort. The group is also proposing to use the Furman Group to pursue the Bureau of Reclamation Title 16 funding for the construction of recycled water infrastructure. Staff will provide more information on this at a future Board meeting.

The General Manager reported that the design and construction documents for the Electrical Upgrade Project are expected to be completed this month. The final design will be presented to the Board in February 2011 for acceptance and authorization to move the project into the construction phase. SEJPA has identified one of the electrical systems is at the end of its life-cycle, thus the project is gaining urgency to move forward quickly.

The General Manager presented a letter to be sent to the City of Escondido from the SEJPA Board of Directors regarding recent peak flows from the City to the San Elijo Ocean Outfall.

16. GENERAL COUNSEL'S REPORT

None

17. BOARD MEMBER COMMENTS

Board Member Roberts inquired about AB 1234 and Form 700 filing as it applies to the SEJPA. Greg Moser advised that AB 1234 does apply, so Board Members need to provide SEJPA with evidence they have completed their biennial training. Additionally, Board Members are required to file Form 700 by April 1<sup>st</sup> each year in accordance with the conflict of interest code adopted by the SEJPA.

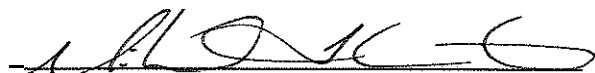
18. CLOSED SESSION

None

19. ADJOURNMENT

The Board of Directors adjourned at 9:32 a.m. The next Board of Directors meeting will be held on February 14, 2011.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager