

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON APRIL 10, 2017
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Ginger Marshall, Chair

Tasha Boerner Horvath, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, April 10, 2017, 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 Marshall called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Ginger Marshall
Tasha Boerner Horvath
David Zito
Joe Mosca

Directors Absent:

None

Others Present:

General Manager
Director of Operations
Director of Finance & Administration
Associate Engineer
Administrative Assistant/Board Clerk

Michael Thornton
Christopher Trees
Paul Kinkel
Mike Konicke
Jennifer Basco

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Adriana Ochoa

City of Solana Beach:

City Manager
Director of Engineering/Public Works

Greg Wade
Mohammad "Mo" Sammak

City of Encinitas:

Public Works Management Analyst

Bill Wilson

3. PLEDGE OF ALLEGIANCE

Chair Marshall led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Thornton informed the Board of Directors that the SEJPA was recognized in Treatment Plant Operator Magazine.

6. CONSENT CALENDAR

Moved by Board Member Zito and seconded by Board Member Boerner Horvath to approve the Consent Calendar.

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| Agenda Item No. 7 | Approval of Minutes for the March 13, 2017 meeting |
| 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 | Authorization for the General Manager to amend Resolution 2016-10 to be in compliance with current employment laws and OSHA requirements |

Motion carried with the following vote of approval:

AYES: Marshall, Boerner Horvath, Zito, Mosca
NOES: None
ABSENT: None
ABSTAIN: None

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| Agenda Item No. 8 | Approval for Payment of Warrants and Monthly Investment Report |
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Motion carried with the following vote of approval:

AYES: Marshall, Boerner Horvath, Zito
NOES: None
ABSENT: None
ABSTAIN: Mosca

12. ITEMS REMOVED FROM CONSENT CALENDAR

None

13. PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2017-18 RECOMMENDED BUDGET

Paul F. Kinkel, Director of Finance and Administration, presented the Fiscal Year (FY) 2017-18 Recommended Budget to the Board of Directors. The budget estimates all expenditures necessary, including capital costs and debt service, to provide wastewater treatment, waste disposal, recycled water, laboratory, ocean outfall, and pump station services. The total FY 2017-18 Recommended Budget is \$11,480,847 consisting of \$6,142,079 of Operating Costs, \$3,158,768 of Debt Service and \$2,180,000 of Capital Costs. The proposed operating budget for all programs will increase by \$1,319,838, primarily due to expansion of the recycled water pipelines and storage. Mr. Kinkel stated that the SEJPA receives revenues from seven primary sources, with the three largest customers being the City of Encinitas, the City of Solana Beach, and the Recycled Water Program, which are expected to provide \$3,029,625, \$2,669,549, and \$2,712,190, respectively.

It was recommended that the Board of Directors take the Recommended Budget to their respective Cities for review and comment. The budget will then be discussed at the next scheduled Board meeting.

No action required. This memorandum was submitted for information only.

14. CAPITAL IMPROVEMENT PROGRAM UPDATE

General Manager Thornton presented an overview of the 17 capital improvement projects recommended by the 2015 Facility Plan. He noted that in addition to these projects was a recycled water project to expand service near Encinitas Ranch Community Association and to homeowner associations along Requeza Road in the City of Encinitas. Mr. Thornton stated that the projects were prioritized using a “triple-bottom line” approach to evaluate and weight each project against the others using three main factors: financial, environmental, and social. In an effort to streamline project delivery, minimize community impacts, and reduce cost through economies of scale, Staff bundled projects that are functionally or spatially-related, and share similar construction delivery techniques. This allowed Staff to organize the capital projects into four groups or phases. Phase I projects are labeled “high priority” and include the Land Outfall Replacement, Preliminary Treatment Upgrades, and Odor Control Improvements. Phase I projects are expected to begin construction in 2017. Phase II projects primarily focus on construction activity at the San Elijo Water Reclamation Facility and include the Building Improvement Program, Site and Security Improvements, Electrical and SCADA Upgrades, and Solar, as well as offsite Recycled Water pipeline construction. The majority of Phase II projects are expected to start construction in 2018. Phase III projects are focused on wastewater treatment improvements. Phase III projects are ready to enter the design phase with construction anticipated to start in 2019. Phase IV projects, which are conceptual and need further development, address resource recovery and reuse opportunities.

Mr. Thornton informed the Board Members that the SEJPA received construction bids for the Land Outfall Replacement Project on March 28, 2017. He noted that the bids

were much higher than the Engineer's Estimate and that a special meeting will be scheduled prior to the May Board of Directors meeting to further discuss the bid submissions and to award construction of the Land Outfall Replacement to the appropriate bidder.

No action required. This memorandum was submitted for information only.

15. GENERAL MANAGER'S REPORT

General Manager Thornton informed the Board of Directors that the North San Diego Water Reuse Coalition (NSDWRC), of which the SEJPA is a member, submitted a Project Feasibility Report to the U.S. Bureau of Reclamation, in an effort to garner support and recognition for its recycled water projects. Also, Mr. Thornton shared that he traveled to Washington, D.C. seeking federal support for Water Infrastructure Improvements for the Nation Act, Title 16 funding, the NSDWRC Project, and protection of Tax Exempt Municipal Bonds.

16. GENERAL COUNSEL'S REPORT

None

18. BOARD MEMBER COMMENTS

None

19. CLOSED SESSION

None

20. ADJOURNMENT

The meeting adjourned at 10:26 a.m. The next Board of Directors meeting will be held on May 8, 2017.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager