

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON JANUARY 9, 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, January 9, 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

Vice Chair Marshall called the meeting to order at 9:01 a.m.

2. ROLL CALL

Directors Present:

Ginger Marshall
Tasha Boerner Horvath
David Zito

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

San Dieguito Water District:

General Manager

Bill O'Donnell

3. PLEDGE OF ALLEGIANCE

Vice Chair Marshall led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

None

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 December 12, 2016 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 |

Motion carried with unanimous vote of approval.

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. ELECTION OF OFFICERS AND SCHEDULE OF BOARD MEETINGS

Paul Kinkel, Director of Finance & Administration, stated that in accordance with Article 3 of the San Elijo Joint Powers Authority (SEJPA) Restatement Agreement, the SEJPA Board is required to appoint a chairperson and vice chairperson and establish the time and place for its regular meeting by the second meeting of each calendar year.

Moved by Board Member Zito and seconded by Board Member Boerner Horvath to:

1. Appoint Ginger Marshall as Chairperson for the 2017 SEJPA Board of Directors.

Motion carried with the unanimous vote of approval.

Moved by Chair Marshall and seconded by Board Member Zito to:

2. Appoint Tasha Boerner Horvath as Vice Chair for the 2017 SEJPA Board of Directors.

Motion carried with the unanimous vote of approval.

Moved by Vice Chair Boerner Horvath and seconded by Chair Marshall to:

3. Establish the SEJPA regular meeting schedule for 2017 as the second Monday of each month, with no planned meeting for August, with the meeting location as the San Elijo Water Reclamation Facility.

Motion carried with unanimous vote of approval.

13. CAPITAL PROGRAM FINANCING UPDATE

General Manager Thornton briefed the Board Members on the 2015 Facility Plan, which recommended 17 capital projects, totaling \$37.9 million. Of these projects, Staff selected 11 projects, totaling \$22.4 million, to be completed first. In addition, staff identified \$4.8 million in recycled water projects to be completed during this same time period. In July 2015, the Board authorized the General Manager to request proposals from underwriters to pursue municipal bond financing of approximately \$22.4 million for wastewater projects and \$4.8 million for recycled water projects.

The General Manager reported that in addition to municipal bond financing, Staff also investigated financing through the California State Revolving Fund (SRF). SRF staff informed SEJPA that it does not have adequate funds for all applications received, and that the recycled water loan has the greatest probability for funding. SEJPA is continuing its pursuit of the SRF recycled water loan, and is now seeking municipal bond financing for wastewater related projects. The General Manager stated that the SEJPA is pursuing a bond financing strategy that is consistent with the member agencies' current sewer rate schedule and that will not cause unplanned rate increases. The General Manager reported that the next step is to assemble a financial team for the Bond issuance, which will be presented at a future meeting for Board approval.

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

14. CLOSED SESSION

The Board of Directors adjourned to closed session at 9:30 a.m., per Government Code Section 54956.9(d)(2) – one potential case.

The Board of Directors came out of closed session at 9:55 a.m. with no reportable action.

15. RECYCLED WATER PIPELINE RELOCATION – CALTRANS UTILITY AGREEMENT NO. 11-UT-33677

General Manager Thornton stated that the SEJPA owns recycled water pipelines that are located within Caltrans right-of-way, and that require relocation due to construction improvements associated with the North Coast Corridor (NCC) Program. The NCC program is a 40-year multi-phase project designed to provide transportation, environmental, and coastal access improvement. Two sections of SEJPA recycled

water pipelines have been identified for relocation. The design of the first segment is approximately 1,010 linear feet, and the cost for relocating the pipeline is estimated at \$850,973. Mr. Thornton stated that Utility Agreement No. 11-UT-33677 provides the legal agreement between Caltrans and SEJPA for the completion of the relocation work associated with the first segment of pipeline. Caltrans and SEJPA are of different opinions regarding which party is responsible for the relocation costs. The Utility Agreement states that liability for cost of work is under dispute. Ultimately, the determination may require a court decision. The second segment of pipeline that requires relocation is currently in design. Upon completion of design, a second Utility Agreement will be prepared and presented at a future Board meeting for approval consideration.

Moved by Board Member Zito and seconded by Chair Marshall to:

1. Authorize the General Manager to execute the Caltrans Utility Agreement.

Motion carried with unanimous vote of approval.

16. GENERAL MANAGER'S REPORT

General Manager Thornton informed the Board of Directors that the SEJPA completed 2016 with no missed workdays due to injuries. Also, Mr. Thornton stated that construction is nearly complete on the connecting pipes that will send wastewater from Del Mar to the SEJPA through the Solana Beach sewer system. Testing of the system began last week.

17. GENERAL COUNSEL'S REPORT

None

18. BOARD MEMBER COMMENTS

None

19. ADJOURNMENT

The meeting adjourned at 10:00 a.m. The next Board of Directors meeting will be held on February 13, 2017.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager