

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON DECEMBER 15, 2020
VIA VIDEO CONFERENCE

Vacant, Chair

Kristi Becker, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, December 15, 2020, at 8:30 a.m., via a public web conference.

1. CALL TO ORDER

Vice Chair Becker called the meeting to order at 8:35 a.m.

2. ROLL CALL

Directors Present:

Kristi Becker
Catherine Blakespear
David Zito

Directors Absent:

Kelly Hinze

Others Present:

General Manager	Michael Thornton
Director of Operations	Chris Trees
Director of Finance and Administration	Amy Chang
Administrative Coordinator	Vanessa Hackney
Senior Project Manager	Mike Konicke

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch	Adriana Ochoa
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City of Encinitas:

Assistant City Manager	Mark Delin
Director of Public Works	Carl Quiram
Assistant Director/Assistant General Manager	Isam Hireish

City of Solana Beach:

City Manager	Greg Wade
Director of Engineering/Public Works	Mohammad "Mo" Sammak

City of Del Mar:

Public Works Director	Joe Bride
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3. PLEDGE OF ALLEGIANCE

General Manager Thornton led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None.

5. AWARDS AND RECOGNITION

None.

6. CONSENT CALENDAR

Moved by Vice Chair Becker and seconded by Alternate Board Member Wade to approve the Consent Calendar.

Agenda Item No. 7 Approval of Minutes for the November 17, 2020 Meeting

Agenda Item No. 8 Approval for Payment of Warrants and Monthly Investment Report

Agenda Item No. 9 Wastewater Treatment Report

Agenda Item No. 10 Recycled Water Report

Motion carried with the following vote of approval:

AYES: Becker, Blakespear, Zito

NOES: None

ABSENT: Hinze

ABSTAIN: None

12. 2021 ELECTION OF OFFICERS AND BOARD MEETING SCHEDULE

Item postponed to January Board Meeting.

13. APPROVAL OF SOLAR PHOTOVOLTAIC POWER PURCHASE AGREEMENT AND CONSTRUCTION SUPPORT SERVICES AGREEMENT

Senior Project Manager, Michael Konicke, stated that the San Elijo Joint Powers Authority (SEJPA) is considering the construction of a solar photovoltaic system to stabilize future energy costs, increase the use of renewable energy, and to improve climate change resiliency at the San Elijo Water Campus.

The solar photovoltaic project that staff is recommending will produce approximately 610 kilowatts of solar power, or approximately 25% of the average daily demand of the Campus. The project includes a combination of rooftop, carport, and ground-mounted solar arrays. To fund the project, staff recommends a third-party construction and financing project delivery method known as a Power Purchase Agreement.

Staff was able to reach initial agreement with REC Solar to provide a Power Purchase Agreement for the project and the parties have negotiated a near-final draft of the

contract. In order to ensure the solar photovoltaic system is constructed according to our agreement with REC Solar and coordinated with the overall Water Campus Improvements project, staff recommends a professional services agreement with Sage Energy Consulting, Inc. to provide design review, construction support, and system commissioning.

The project construction cost, valued at approximately \$2.0 million, will be borne by REC Solar and reimbursed through tax incentives and SEJPA energy purchases over the term of the Power Purchase Agreement. The proposed cost for Sage design and construction support services is \$53,600, or approximately 3% of construction costs, and funds are currently available in the SEJPA supplies and services budget.

Moved by Board Member Blakespear and seconded by Board Member Zito to:

1. Approve Resolution 2021-02 of the Board of Directors of the San Elijo Joint Powers Authority authorizing execution of a solar Power Purchase Agreement with REC Solar Commercial Corporation pursuant to Government Code § 4217.12;
2. Authorize the General Manager to execute a solar Power Purchase Agreement with REC Solar Commercial Corporation in a form substantially similar to the draft attached to Resolution 2021-02, subject to final negotiations by the General Manager and final approval of terms by General Counsel;
3. Authorize the General Manager to execute a professional services agreement with Sage Energy Consulting, Inc. for design and construction support for \$53,600; and
4. Discuss and take action as appropriate

Motion carried with the following vote of approval:

AYES: Becker, Blakespear, Zito
NOES: None
ABSENT: Hinze
ABSTAIN: None

14. ACCEPT SOLIDS TREATMENT DEFINITION REPORT AND AWARD OF ENGINEERING DESIGN SERVICES FOR PRELIMINARY DESIGN – SOLIDS DEWATERING SYSTEM

General Manager Thornton stated, Black & Veatch completed the project definition report that provides long-term planning for the replacement and upgrading of the solids treatment facilities. The report developed an analysis of the solids treatment improvement options including estimated cost to construct and operate. The budgetary capital cost range for the six core areas of solids treatment is \$9.6 million to \$14.2 million.

Staff has reviewed the recommendations to identify options to prioritize capital expenditures as well as implemented process optimization improvements that have eliminated or substantially delayed the need for Primary Sludge (PS) Thickening, offsetting an estimated \$1.1 million to \$1.3 million in capital cost.

Black & Veatch has provided an engineering scope and fee proposal for the preliminary design. The negotiated fee for completing the preliminary design for the dewatering facility is \$169,369. The project will be funded by the Wastewater Capital Program which has a fund balance of approximately \$7.01 million.

Moved by Board Member Zito and seconded by Board Member Blakespear to:

1. Accept and file the Solids Treatment definition report;
2. Authorize the General Manager to execute an Engineering Agreement with Black & Veatch for Preliminary Design of the Sludge Dewatering System for an amount not to exceed \$169,369; and
3. Discuss and take action as appropriate.

Motion carried with the following vote of approval:

AYES: Becker, Blakespear, Zito
NOES: None
ABSENT: Hinze
ABSTAIN: None

15. 2020 YEAR IN REVIEW – RECOGNIZING AGENCY ACHIEVEMENTS AND SUCCESSES

General Manager Thornton provided a brief PowerPoint presentation highlighting notable achievements and successes by the agency for calendar year 2020.

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

16. GENERAL MANAGER'S REPORT

General Manager Thornton reported that he had a meeting with Vice Chair Becker to review and prepare for the December Board meeting. General Manager Thornton also reported that he presented to the Encinitas Environmental Commission last week highlighting local sustainability.

17. GENERAL COUNSEL'S REPORT

None.

18. BOARD MEMBER COMMENTS

None.

19. ADJOURNMENT

The meeting adjourned at 9:50 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, January 19, 2021 at 8:30 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Thornton", written over a horizontal line.

Michael T. Thornton, P.E.
General Manager