

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MARCH 16, 2021
VIA VIDEO CONFERENCE

Kristi Becker, Chair

Kellie Hinze, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, March 16, 2021, at 8:30 a.m., via a public web conference.

1. CALL TO ORDER

Chair Becker called the meeting to order at 8:30 a.m.

2. ROLL CALL

Directors Present:

Kristi Becker
Kellie Hinze
Catherine Blakespear
David Zito

Directors Absent:

None

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
Assistant Director/Assistant General Manager	Isam Hireish

City of Solana Beach:

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

3. PLEDGE OF ALLEGIANCE

General Manager Thornton led the Pledge of Allegiance.

4. ORAL COMMUNICATION

None.

5. AWARDS AND RECOGNITION

Scott Best, Operator II, 5 Years of Service
Carrie Cook, Accounting Technician III, 15 Years of Service

6. CONSENT CALENDAR

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

Agenda Item No. 7 Approval of Minutes for the February 16, 2021 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, Hinze, Zito, Blakespear
NOES None
ABSENT: None
ABSTAIN: None

12. RECYCLED WATER COST OF SERVICE AND CAPITAL IMPROVEMENT PLAN (CIP) WORKSHOP

General Manager Thornton stated, SEJPA retained Carollo Engineers (Carollo) to conduct this 2021 Recycled Water Rate Study (Study). The purpose of this Study is to assess SEJPA's current recycled water wholesale rates, financial metrics, and recycled water demands and provide rate recommendations starting with FYE 2022 through 2026.

Based on a review of our water purveyor's reserve policies and in order to establish prudent financial management, staff is considering that reserves be established for Operating, Debt Service, Rate Stabilization, and Capital Improvement and Replacement. Staff is working with our consultant to develop a reserve policy for the Board's consideration at a future meeting.

The budgetary value for the 10-Year CIP is 10.7 million, based on planning level information. As the scope and definition of each project is developed, staff will present the information to the Board for approval consideration. Gaining Board consensus on the 10-Year CIP will help ensure adequate funding is identified in the cost-of-service study as well as within future rate reserves as desired by the Board.

This workshop is intended to provide discussion and direction for staff in the preparation of the draft cost-of-service study and capital planning for the SEJPA recycled water utility. The final cost-of-service study will consider current and future operating expenses, debt, repair, replacement, and other capital expenses, and a recommended program reserve policy in the development of recycled water rates for the next three to five years.

13. GENERAL MANAGER'S REPORT

General Manager Thornton reported that San Elijo has received the first payment from Caltrans for cost reimbursement for the multi-use bike path in the amount of \$1.6 million. General Manager Thornton also stated that staff is near completion on the Recycled Water Cost of Service Study and plan to present the findings at the March Board Meeting.

14. GENERAL COUNSEL'S REPORT

None.

15. BOARD MEMBER COMMENTS

None.

16. CLOSED SESSION

None.

17. ADJOURNMENT

The meeting adjourned at 9:17 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, April 20, 2021 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager