

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MAY 11, 2015
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

David Zito, Chair

Catherine S. Blakespear, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, May 11, 2015, 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 Zito called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Catherine S. Blakespear
Ginger Marshall
Mark Muir
David Zito
David Ott (Solana Beach Alternate)

Directors Absent:

None

Others Present:

General Manager
Director of Operations
Director of Finance & Administration
HR/Safety Administrator
Administrative Assistant/Board Clerk

Michael Thornton
Christopher Trees
Paul Kinkel
Marisa Buckles
Jennifer Basco

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Solana Beach

Interim City Manager
Director of Engineering/Public Works

David Ott
Mohammad "Mo" Sammak

City of Encinitas:

Director of Engineering and Public Works
Public Works Management Analyst

Glenn Pruim
Bill Wilson

Roesling Nakamura Terada Architects, Inc.

Joe Mansfield, Principal

3. PLEDGE OF ALLEGIANCE

Chair Zito led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Thornton presented the California Water Environment Association – 2014 Plant of the Year Award (5-20 MGD) to the Board of Directors. Also, the North San Diego Water Reuse Coalition (NSDWRC), of which the SEJPA is a member, was recognized by WaterReuse for Leadership and Generosity in support of the California Direct Potable Reuse Initiative.

6. CONSENT CALENDAR

Moved by Board Member Muir and seconded by Board Member Marshall to approve the Consent Calendar.

Motion carried with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the April 13, 2015 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
Agenda Item No. 11	San Elijo Joint Powers Authority Fiscal Year 2015-16 Recommended Budget Update

12. ITEMS REMOVED FROM CONSENT CALENDAR

None

13. BUILDING UPDGRADE PROJECT

General Manager Thornton gave a brief history on the Administration and Operations Buildings at the SEWRF. The 2015 Facility Plan identified significant building deficiencies including FLS (fire, life, safety), ADA accessibility, and seismic code issues. Mr. Thornton stated that the next step is to develop an Alternatives Analysis to

determine the best course of action for the SEJPA. The General Manager stated that the analysis is expected to be completed within 90 days and results will be presented to the Board of Directors at a future meeting. The Board of Directors requested that the analysis include evaluating the feasibility of co-locating the SEJPA's administrative function with the Encina Wastewater Authority, located in Carlsbad, CA.

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

14. CALPERS UNFUNDED ACTUARIAL LIABILITY UPDATE

Paul Kinkel, Director of Finance/Administration gave a brief background of California Public Employees' Retirement System (CalPERS). SEJPA participates in CalPERS' Miscellaneous Risk Pool for its defined benefit retirement plan, which is currently 74% funded. CalPERS has approved a plan to combine several risk pools and amortize the unfunded liability up to 30 years to help to avoid unnecessary increases. Mr. Kinkel stated that the SEJPA is tracking to complete this fiscal year under budget and that the positive budget variance may be in excess of \$100,000. Staff recommends applying any positive FY 2014-15 Budget variances to the unfunded liability.

Moved by Board Member Muir and seconded by Board Member Marshall to:

1. Authorize the General Manager to apply positive FY 2014-15 Budget variances to the CalPERS Unfunded Actuarial Liability.

Motion carried with unanimous vote of approval.

15. AWARD OF ENGINEERING CONTRACT FOR THE PRELIMINARY TREATMENT UPGRADE PROJECT – PRELIMINARY DESIGN REPORT

General Manager Thornton stated that the 2015 Facility Plan recommended improvements and equipment upgrades to the Preliminary Treatment Process to address system wear and aging equipment. The majority of the equipment and process tanks have more than 20 years of service, and are in need of replacement. The SEJPA requested and received design proposals from three engineering firms, with Dudek being the strongest candidate. The preliminary design report will be the basis of design for the Preliminary Treatment Upgrade Project. The proposed cost for preparing the preliminary design report is \$55,476, which will be funded by the Headworks/Grit Project Capital Funding.

Moved by Vice Chair Blakespear and seconded by Board Member Muir to:

1. Approve the Engineering Service Agreement with Dudek for an amount not to exceed \$55,476.

Motion carried with unanimous vote of approval.

16. GENERAL MANAGER'S REPORT

The General Manager updated the Board of Directors on the following items:

- A public hearing to receive comments on the Programmatic Environmental

Impact Report will be held May 13, 2015 at Olivenhain Municipal Water District.

- Mr. Thornton shared that he spoke at Engage Encinitas Citizens Academy in April, where he highlighted the agency's recycled water program and explained the value of developing a diversified water supply.
- The General Manager's performance review is scheduled for the June Board meeting.
- The SEJPA's service agreement with Rancho Santa Fe Community Services District (RSFCSD) expires in 2020. The RSFCSD is interested in extending the agreement. Staff has been working with their consultant to develop an agreement extension.
- The agreement with Encinitas Ranch Golf Authority (ERGA) expires in one year. The Agreement has a built in option to extend for an additional six years. ERGA has expressed that they would like to exercise the option, as well as to amend/extend the agreement out for an additional ten years.

17. GENERAL COUNSEL'S REPORT

Greg Moser updated the Board of Directors on Proposition 218 litigation. The issue is water pricing – price based on cost of service versus the basic principle of maximizing the beneficial use of water. Several cities, including the City of San Juan Capistrano and the City of Glendale, are currently in litigation for water pricing. On the sewer side, there is a lawsuit in Ramona Water District stating that the EDU method of charging for sewer does not meet Proposition 218 requirements.

18. BOARD MEMBER COMMENTS

None

19. CLOSED SESSION

None

20. ADJOURNMENT

The meeting adjourned at 10:06 a.m. The next Board of Directors meeting will be held on June 8, 2015.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager