

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON DECEMBER 13, 2022
AT THE SAN ELIJO WATER CAMPUS

Kellie Hinze, Chair

David Zito, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, December 13, 2022, at 8:30 a.m., at the San Elijo Water Campus

1. CALL TO ORDER

Chair Hinze called the meeting to order at 8:34 a.m.

2. ROLL CALL

Directors Present:

Kellie Hinze
David Zito
Kristi Becker

Others Present:

General Manager	Michael Thornton
Director of Operations	Chris Trees
Director of Infrastructure and Sustainability	Tom Falk
Director of Finance and Administration	Amy Chang
Administrative Assistant I	Tamara Cooper

SEJPA Counsel:

Procopio	Kevin Davis
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City of Solana Beach:

Assistant City Manager	Dan King
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Leaf & Cole, LLP:

Partner, CPA	Michael Zizzi
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3. PLEDGE OF ALLEGIANCE

General Manager, Michael Thornton, led the Pledge of Allegiance.

4. ORAL COMMUNICATION/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

None.

6. CONSENT CALENDAR

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

- Agenda Item No. 7 Approval of Minutes for the November 15, 2022 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
- Agenda Item No. 11 Reportable Meetings

Motion carried with the following vote of approval:

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

13. FY 2021-22 FINANCIAL AUDIT REPORT ACCEPTANCE

Guest Speaker Michael Zizzi, CPA, a Partner for Leaf & Cole, LLP, gave a presentation reporting on the financial audit of SEJPA for Fiscal Year (FY) 2021-22, conducted annually as required by California Government Code and Board policy. The financial audit for FY 2021-22 has been completed and it is the auditor’s opinion that SEJPA’s June 30, 2022 financial statements are presented fairly in all material aspects. Mr. Zizzi also stated that the audit was performed in accordance with auditing standards generally accepted in the United States of America and the State Controller’s Minimum Audit Requirements for California Special Districts. Upon completion of the audit, Leaf & Cole stated that no transactions were noted where there was a lack of authoritative guidance or consensus. In addition, there were no difficulties or disagreements with management in performing and completing the audit.

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

1. Accept and file the FY 2021-22 Audited Financial Statements for San Elijo Joint Powers Authority.
2. Accept and file the FY 2021-22 SAS 114 Letter.

Motion carried with the following vote of approval:

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

14. SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2021-22 OPERATING AND DEBT SERVICE EXPENSES END OF YEAR REVIEW

Director of Finance and Administration, Amy Chang, gave a presentation reviewing the operating and debt service expenses of SEJPA for FY 2021-22, which ended June 30, 2022. The presentation included an overview of expenses of all SEJPA programs. In summary, Wastewater Treatment, Laboratory Services, Pump Stations,

Ocean Outfall, and Storm Drains programs were under budget by \$120,096 or 2.0%. Recycled Water expenditures were \$11,308 or 0.6% under budget. Overall, SEJPA was below budget by \$131,404 or 1.6%, which included a \$185,000 contribution to the pension reserve (PARS trust) to reduce future pension liability. All debt service payments were paid according to the loan agreements, with an outstanding balance of \$23,730,698. Furthermore, SEJPA's Standard & Poor's bond credit rating is AA+.

No action required.

15. GENERAL MANAGER'S REPORT

General Manager, Michael Thornton, stated that public bidding for the Biosolids Dewatering Construction and Construction Management Award will be due on Thursday, December 15, 2022. Staff plans to report on the results of the bid at the next board meeting in January.

16. GENERAL COUNSEL'S REPORT

None.

17. BOARD MEMBER COMMENTS

None.

18. CLOSED SESSION

None.

19. ADJOURNMENT

The meeting adjourned at 9:10 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, January 17, 2023 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager