

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON FEBRUARY 18, 2025
AT THE SAN ELIJO WATER CAMPUS

Kristi Becker, Chair

Luke Shaffer, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, February 18, 2025, at 8:30 a.m., at the San Elijo Water Campus.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

Kristi Becker
Jim O'Hara (arrived 8:39 a.m.)
David Zito
Luke Shaffer

Others Present:

General Manager	Michael Thornton
Director of Operations	Christopher Trees
Director of Infrastructure and Sustainability	Tom Falk
Director Finance and Administration	Kevin Lang
Senior Project Manager	Michael Konicke
Accounting Technician I	Maria Cruz

SEJPA Counsel:

Snell & Wilmer Tracie Stender

City of Encinitas:

Senior Engineer Daniel Nutter

City of Solana Beach:

Principal Engineer	Dan Goldberg
Senior Civil Engineer	Justin Jung

3. PLEDGE OF ALLEGIANCE

Board Chair Becker led the Pledge of Allegiance.

4. ORAL COMMUNICATION/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

None.

6. CONSENT CALENDAR

Agenda Item No. 7	Approval of Minutes for the January 21, 2025 Board Meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report – January 2025
Agenda Item No. 9	Wastewater Treatment Report – December 2024
Agenda Item No. 10	Recycled Water Report – December 2024
Agenda Item No. 11	Reportable Meetings
Agenda Item No. 12	Approve Change Orders and Accept Wanket Recycled Water Pipeline Project

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

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, Zito
NOES: None
ABSENT: O'Hara
ABSTAIN: None

Note, Board Member O'Hara arrived at 8:39 a.m. after the vote was taken.

14. 2025 ELECTION SEJPA BOARD VICE-CHAIRPERSON

General Manager Michael Thornton introduced the topic of appointing a Vice-Chairperson for the 2026 calendar year. After discussion, the Board of Directors proposed appointing Board Member Luke Shaffer.

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

1. Appoint Vice-Chairperson Shaffer for the 2025 SEJPA Board of Directors; and
2. Discuss and take action as appropriate.

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, Zito
NOES: None
ABSENT: O'Hara
ABSTAIN: None

Note, Board Member O'Hara arrived at 8:39 a.m. after the vote was taken.

15. SAN ELIJO JOINT POWERS AUTHORITY MIDYEAR FINANCIAL REVIEW

Director of Finance and Administration Kevin Lang reported that San Elijo Joint Powers Authority (SEJPA) owns and operates the San Elijo Water Campus, San Elijo Recycled Water Utility and is a co-owner of the San Elijo Ocean Outfall. SEJPA also manages several related service programs to support the cities of Encinitas, Solana Beach, Del Mar, and Escondido, as well as other local government agencies. In summary Mr. Lang reported that for Fiscal Year 2024-25, the total budget is \$16,561,046, comprising \$10,521,442 in operating expenses, \$3,666,000 in capital expenses, and \$2,373,604 in debt service. Mr. Lang also provided a mid-year review of the operating expenses for the 12 programs managed and operated by SEJPA. Total operating expenses across all programs for FY 2024-25 are projected to be \$166,260 (1.6%) under budget. Of the twelve operating programs, eight are currently tracking at or below budget, while four are exceeding budget by 0.5% to 12.1%.

Revenues from the recycled water program are expected to reach \$3,797,465, exceeding budget projections by 2.9%, primarily due to increased irrigation demand driven by dry weather in the first half of the year. As a result of higher water sales, operating expenses—including debt service—are projected to be \$234,321 lower than revenues. This anticipated net operating income will be allocated to the recycled water reserve fund.

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

16. AUTHORIZE CONTRACT CHANGE ORDER NO.1 FOR THE WANKET TANK REFURBISHMENT PROJECT

Thomas Falk, Director of Infrastructure and Sustainability, provided the Board with an update on the status of the Wanket Tank Refurbishment Capital Project. During internal inspections of the tank, SEJPA's contractors identified additional repairs—both required and suggested—that were not previously anticipated during the project's planning phase. The proposed Change Order No. 1 will provide funding to replace the existing wall-to-floor seal to reduce the risk of future leaks, removal of asbestos-containing materials identified in the tank inspection report, and perform recommended concrete spot repairs.

The original construction contract included a \$150,000 allowance for miscellaneous tank repairs. However, the total estimated cost for the newly identified repairs is \$270,000. As a result, a change order will be needed to increase the construction contingency from \$150,000 to \$300,000, which would cover both the required and suggested repairs. After discussing the situation, it was determined that performing these repairs now—while the tank is empty and undergoing maintenance—would be the most cost-effective option. This approach also significantly reduces the likelihood of future seal system failures.

Moved by Board Member Zito and seconded by Vice-Chairperson Shaffer to:

1. Authorize the General Manager to execute Contract Change Order No.1 to increase the Miscellaneous Tank Repair Allowance by \$150,000; and
2. Discuss and take action as appropriate.

Motion carried with the following vote of approval:

AYES: Becker, Shaffer, O'Hara , Zito
NOES None
ABSENT: None
ABSTAIN: None

18. GENERAL MANAGER'S REPORT

General Manager Michael Thornton reported that he will be absent from the March 18, 2025, SEJPA Board meeting as he will be representing SEJPA at a California Sanitation Risk Management Authority (CSRMA) Executive Board meeting.

General Manager Thornton reported that the Bridges Golf Course, located within the Olivenhain Municipal Water District (OMWD) service area, is interested in converting from potable to recycled water. In 2019, SEJPA collaborated with OMWD and other agencies to evaluate the feasibility of serving the golf course with recycled water from SEJPA facilities. This assessment was part of a broader effort to expand recycled water use, including potential potable reuse. Staff plans to engage with OMWD to assess their interest in advancing this project, and an update on these discussions will be provided at a future Board meeting.

19. GENERAL COUNSEL'S REPORT

General Counsel Tracie Stender reported that Adriana Ochoa was attending the California Association of Sanitation Agencies (CASA) attorney's meeting which she will report on at the March 18 Board meeting.

20. BOARD MEMBER COMMENTS

None.

21. CLOSED SESSION

None.

22. ADJOURNMENT

The meeting adjourned at 9:40 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, March 18, 2025, at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager