

Agenda Item No. 07

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

Kristi Becker, Chair

Luke Shaffer, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Tuesday, December 09, 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 8:33 a.m.

2. ROLL CALL

Directors Present:

Board Chair	Kristi Becker
Vice Chair	Luke Shaffer
Board Member	David Zito
Board Member	Jim O'Hara (arrived 8:43 a.m.)

Others Present:

General Manager	Michael Thornton
Director of Operations	Christopher Trees
Director of Infrastructure and Sustainability	Thomas Falk
Director of Finance and Administration	Kevin Lang
Administrative Coordinator	Vanessa Hackney

SEJPA Counsel:

Snell and Wilmer	Adriana Ochoa
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City of Encinitas/San Dieguito Water District

Senior Management Analyst	Ashlee Stratakis
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City of Solana Beach:

Public Works Director	Orelia DeBraal
City Engineer	Dan Goldberg

3. PLEDGE OF ALLEGIANCE

Board Chair Becker led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

Recognition of Service to SEJPA:

Retirement from San Elijo Joint Powers Authority – Casey Larsen – 17 Years of Service

Recognition of Recent Achievement -

Winston Friedly – Electrical and Instrumentation Certification – Grade II

6. CONSENT CALENDAR

Agenda Item No. 7	Approval of Minutes for the November 18, 2025 Board Meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report – November 2025
Agenda Item No. 9	Wastewater Treatment Report – October 2025
Agenda Item No. 10	Recycled Water Report – October 2025
Agenda Item No. 11	Reportable Meetings
Agenda Item No. 12	Supervisory Control and Data Acquisition (SCADA) Services Contract Amendment
Agenda Item No. 13	Purposely Left Blank
Agenda Item No. 14	Purposely Left Blank

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

Motion carried with the following vote of approval:

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

16. FY 2024-25 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) 2024-25, conducted annually as required by California Government Code and Board policy. The financial audit of SEJPA for FY 2024-25 has been completed and it is the auditor's opinion that SEJPA's June 30,

2025 financial statements are presented fairly in all material respects, as evidenced by their unqualified opinion. 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, LLP 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 Vice Chair Shaffer to:

1. Accept and file the San Elijo Joint Powers Authority, Financial Statements and Independent Auditors' Report for the Year Ended June 30, 2025; and to
2. Accept and file the FY2024-25 SEJPA Audit Conclusion Letter (SAS 114);

Motion carried with the following vote of approval:

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

17. SAN ELIJO JOINT POWERS AUTHORITY FY 2024-25 FINANCIAL PERFORMANCE REVIEW

Director of Finance and Administration Kevin Lang presented an informational report on SEJPA's FY 2024–25 financial performance. Total operating expenses across all programs were approximately \$10.5 million, with overall expenditures ending the fiscal year \$96,973 (1%) under budget despite continued cost pressures related to personnel, materials, and contracted services. Core programs, including Wastewater Treatment, Ocean Outfall, and the Recycled Water Utility, finished the year under budget, reflecting effective cost controls and prudent use of budgeted contingencies. Variances in certain reimbursable pump station and laboratory programs were either offset by additional revenues or fully reimbursed by participating agencies.

The Recycled Water Utility reported strong financial performance, with operating expenses under budget and revenues exceeding projections due to increased water sales, incentive revenues, and higher interest earnings, resulting in a net surplus of \$281,637 retained in reserves. All debt service obligations were met as scheduled, and SEJPA maintained its AA+ credit rating. The Board was also informed of continued progress in addressing pension liabilities, with the PARS Trust balance increasing to approximately \$1.2 million and improving the CalPERS funded ratio from 75% to 81% on a post-PARS basis. No Board action was required.

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

18. GENERAL MANAGER'S REPORT

General Manager, Michael Thornton, presented that in FY 2024-25 SEJPA received \$1,891,978 in grant funding, and is currently in the process of preparing and completing a Single Audit which is a requirement for entities that receive more than \$750,000 of Federal Grant support. Additionally, SEJPA updated and submitted the Title XVI Feasibility Study with our grant partners to leverage a remaining \$6,000,000 in available grant funding.

19. GENERAL COUNSEL'S REPORT

None.

20. BOARD MEMBER COMMENTS

None.

21. CLOSED SESSION

A Closed Session was held PUBLIC EMPLOYEE APPOINTMENT in accordance with Government Code Section 54957 (b)(1), Title: General Manager – Succession Planning.

There was no reportable action for closed session.

22. ADJOURNMENT

The meeting adjourned at 9:55 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, January 20, 2026 at 8:30 a.m.