

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
HELD ON APRIL 15, 2019
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

David Zito, Chair

Jody Hubbard, Vice Chair

A regular meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, April 15, 2019, at 8:30 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 8:30 a.m.

2. ROLL CALL

Directors Present:

David Zito
Jody Hubbard
Kristi Becker
Catherine Blakespear

Directors Absent:

None

Others Present:

General Manager
Director of Finance & Administration
Director of Operations
Project Manager
Administrative Assistant/Board Clerk

Michael Thornton
Paul Kinkel
Chris Trees
Mike Konicke
Jennifer Basco

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Tracie E. Stender

City of Encinitas:

Director of Public Works

Carl Quiram

City of Solana Beach:

City Manager
Director of Engineering/Public Works

Greg Wade
Mohammad "Mo" Sammak

3. PLEDGE OF ALLEGIANCE

Chair Zito led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. AWARDS AND RECOGNITION

None

6. CONSENT CALENDAR

Moved by Board Member Blakespear and seconded by Vice Chair Hubbard to approve the Consent Calendar.

Agenda Item No. 7	Approval of Minutes for the March 11, 2019 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

Motion carried with the following vote of approval:

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

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2019-20 RECOMMENDED BUDGET

Paul Kinkel, Director of Finance and Administration, presented the Fiscal Year (FY) 2019-20 Recommended Budget to the Board of Directors. The budget estimates all expenditures necessary, including capital costs and debt service, to provide wastewater treatment, waste disposal, recycled water, laboratory, ocean outfall, and pump station services. The total FY 2019-20 Recommended Budget is \$11,070,853 consisting of \$6,941,355 of Operating Costs, \$2,457,071 of Debt Service and \$1,672,427 of Capital Costs. The proposed operating budget for all programs will increase by \$504,709. Mr. Kinkel stated that the SEJPA receives revenues from seven primary sources, with the three largest being the City of Encinitas, the City of Solana Beach, and the Recycled Water Program, which are expected to provide \$3,415,946, \$2,814,955, and \$3,161,891, respectively.

It was recommended that the Board of Directors take the Recommended Budget to their respective Cities for review and comment. The budget will then be discussed at the next scheduled Board meeting.

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

Board Member Blakespear left the meeting at 8:48 a.m.

13. CAPITAL IMPROVEMENT PROGRAM UPDATE

Mike Konicke, Project Manager, provided status updates on the various projects in SEJPA's Capital Improvement Program. The Land Outfall Replacement project was completed in 2018. The Preliminary Treatment Upgrades and Odor Control Upgrades project is substantially complete. Construction on the Building and Site Improvements Project is currently in the design and permitting phase. Encinitas Ranch Recycled Water Expansion is expected to be complete in mid-2019. The SCADA upgrade project, which is expected to be complete by late 2019, includes new hardware, software, programming, equipment installation, system testing, and commissioning. The Solids Treatment Project, a Phase III project, is currently in the pre-design phase.

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

14. BUILDING AND SITE IMPROVEMENT PROJECT DISCUSSION

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

15. PROPOSED FY 2019-20 CLASSIFICATION AND SALARY SCHEDULE

General Manager Thornton presented the recommended FY 2019-20 Classification and Salary Schedule to the Board of Directors. Mr. Thornton informed the Board of Directors that the completed classification and compensation analysis included the review of 20 SEJPA employee positions (or classifications) collected from 16 cities and agencies. The review of the base salary data suggests that SEJPA is competitive in the labor market with about 35% of its positions, with the remaining 65% drifting to varying degrees below the median salary data. In preparing the Classification and Salary Schedule, consideration was given to maintaining the agency's competitiveness to attract and retain employees, as well as to effectively manage personnel costs, and to develop a well-designed organizational structure. The proposed adjustments have a potential impact of less than \$70,000.

Moved by Vice Chair Hubbard and seconded by Board Member Becker to:

1. Approve the proposed FY 2019-20 Classification and Compensation Schedule.

Motion carried with the following vote of approval:

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

16. DEVELOPMENT OF NEW LABOR AGREEMENT

General Manager Thornton informed the Board of Directors that the SEJPA and its employees are operating under a 3-year labor agreement that expires on June 30, 2019. The employees are a non-unionized workforce with informal representation. The General Manager, who is working on behalf of the Board of Directors, stated that he has held several meetings with the employees to discuss the process in reaching a mutually acceptable labor agreement and to identify key elements that the employees are seeking. Staff is seeking to extend the current labor agreement by 3 years with proposed salary scale adjustments. The intent of the proposed salary scale adjustments is to increase the top of the range of each classification, which would assist SEJPA in retaining its staff and maintaining its competitiveness in the labor market. The requested salary scale increases are 3% in 2020 and 1% to 3% in 2021 and 2022 based on the Consumer Price Index for urban wage earners in San Diego. The proposed FY 2019-20 Budget could accommodate this labor proposal without modification.

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

17. GENERAL MANAGER'S REPORT

The General Manager informed the Board of Directors that Senate Majority Leader Bob Hertzberg (D-Van Nuys) and Senator Scott Wiener (D-San Francisco) recently introduced Senate Bill 332, the Local Water Reliability Act. SB 332 promotes the development of local water supplies by requiring wastewater treatment facilities to reduce the volume of treated wastewater discharged annually. Mr. Thornton stated that WaterReuse California is planning to engage Hertzberg to propose ideas to strengthen the bill. Next the General Manger stated that the Potable Reuse Study with SEJPA, San Dieguito Water District, Santa Fe Irrigation District, Olivenhain Municipal Water District, and Leucadia Wastewater District, has been completed and will be presented at the next Board meeting. Finally, Mr. Thornton stated that he will be in Washington D.C. at the end of April to meet with congressional representatives for water reuse funding support.

18. GENERAL COUNSEL'S REPORT

None

19. BOARD MEMBER COMMENTS

None

21. CLOSED SESSION

None

21. ADJOURNMENT

The meeting adjourned at 9:51 a.m. The next Board of Directors meeting will be held on Monday, May 13, 2019 at 8:30 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Thornton", written over a horizontal line.

Michael T. Thornton, P.E.
General Manager