

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MAY 16, 2023
AT THE SAN ELIJO WATER CAMPUS

David Zito, Chair

Tony Kranz, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, May 16, 2023, at 8:30 a.m., at the San Elijo Water Campus.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

David Zito
Tony Kranz
Kristi Becker
Kellie Hinze

Others Present:

General Manager	Michael Thornton
Director of Operations	Chris Trees
Director of Infrastructure and Sustainability	Tom Falk
Administrative Assistant II	Abby Schlenk

SEJPA Counsel:

Procopio	Kevin Davis
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City of Solana Beach:

City Manager	Greg Wade
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San Dieguito Water District:

Principal Engineer	Habib Hariri
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Rising Tide Partners:

C.E.O.	Neal Bloom
Marketing & Communications Associate	Iris Grootenhuis

Fieldman Rolapp & Associates

Principal	James V. Fabian
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Oppenheimer & Co. Inc.

Managing Director	Rick Brandis
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Jones Hall

Shareholder	James A. Wawrzyniak, Jr.
Shareholder	David T. Fama

3. PLEDGE OF ALLEGIANCE

Board Chair, David Zito, led the Pledge of Allegiance.

4. ORAL COMMUNICATION/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

None.

6. CONSENT CALENDAR

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

Agenda Item No. 7	Approval of Minutes for the April 18, 2023 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
Agenda Item No. 12	Update of Emergency Repairs to Recycled Water Pipeline in Manchester Ave.

Motion carried with the following vote of approval:

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

14. SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2023-24 RECOMMENDED BUDGET UPDATE

As of now, SEJPA has not received any proposed changes or public comments on the recommended budget for FY 2023-24. However, staff have identified one change: adding \$14,832 of Other Revenue to account for laboratory rental revenue that SEJPA is scheduled to receive in FY 2023-24. While significant, this addition did not have a material effect on the overall budget.

The FY 2023-24 budget, along with the investment policy and appointment of SEJPA Treasurer for that year, will be presented to the Board of Directors for adoption at the June meeting.

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

15. APPROVE PRIVATE PLACEMENT LOAN FOR THE RECYCLED WATER CAPITAL IMPROVEMENT PROGRAM PROJECTS

General Manager, Michael Thornton, gave a presentation on the procurement, evaluation, and selection process for a Private Placement Loan Agreement with Webster Bank, National Association to finance the Recycled Water Capital Improvement Program Projects.

The loan will provide approximately \$10 million of funding for the recycled water capital program and approximately \$120,000 for bond counsel, underwriting, and financial advisory services, resulting in a total estimated loan amount of \$10,120,000. Staff have reviewed the recycled water financial model, which indicates that the program can sustain the annual debt payment of this loan.

Moved by Board Chair Kranz and seconded by Board Member Hinze to:

1. Authorize Board Chair and General Manager to execute the Private Placement Loan Agreement with Webster Bank, National Association for an amount not-to-exceed \$10,120,000;
2. Adopt Resolution 2023-01 Authorizing Recycled Water Enterprise Financing Via Execution and Delivery of the Loan Agreement, and Authorizing Official Actions Related Thereto; and
3. Discuss and take action as appropriate.

Motion carried with the following vote of approval:

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

16. GENERAL MANAGER'S REPORT

General Manager, Michael Thornton, continued the topic of recycled water by sharing that staff is working with Encinitas Ranch Golf Authority (ERGA) on an extension of the Surplus Recycled Water Agreement between SEJPA, ERGA, and San Dieguito Water District. The current 7-year agreement expires in 2024 and the parties are interested in extending and updating the agreement. Included in this discussion, is the SEJPA's request to ERGA for a utility easement through the golf course for the connecting pipeline to the Wanket Tank. Staff expects the agreement extension and proposed easement could be ready for the Board of Director's consideration at the June meeting.

17. GENERAL COUNSEL'S REPORT

Procopio Associate Kevin Davis gave a reminder that he and Associate Adriana Ochoa will be attending the next Attorney's Committee Meeting by the California Association of Sanitation Agencies (CASA) hosted on Friday, May 19, 2023. He stated that he may return to the next SEJPA Board Meeting with policy updates and information on any new legislation from the meeting.

18. BOARD MEMBER COMMENTS

None.

19. CLOSED SESSION

None.

20. ADJOURNMENT

The meeting adjourned at 8:57 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, June 20, 2023 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager