

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON JULY 13, 2009
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Dave Roberts, Chair

Maggie Houlihan, Vice Chair

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, July 13, 2009, at 5:30 pm., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Vice Chair Houlihan called the meeting to order at 5:30 pm.

2. ROLL CALL

Directors Present:

Teresa Barth
Thomas Campbell
Maggie Houlihan
Dave Roberts — via phone

Others Present:

General Manager
Director of Finance/Administration
Administrative Assistant

Michael Thornton
Greg Lewis
Monica Blake

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch	A. Aiko Osugi
City of Encinitas, Director of Public Works	Larry Watt
City of Solana Beach, Director of Engineering/Public Works	Mohammad "Mo" Sammak
Kennedy/Jenks Consulting	Matt Tebbetts
Winzler & Kelly	Mary Grace Pawson
Surfrider Foundation	Jared Criscuolo

3. PLEDGE OF ALLEGIANCE

Board Member Barth led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

Jared Criscuolo of the San Diego Chapter of the Surfrider Foundation voiced the Surfrider's appreciation for the SEJPA's leadership in recycled water and that the agency is considering advanced water treatment and capturing stormwater for reuse. Mr. Criscuolo stated that the SEJPA is setting the standard for recycled water in the San Diego area.

5. PRESENTATION OF AWARDS

None

6. CONSENT CALENDAR

Moved by Board Member Campbell and seconded by Board Member Barth to approve the Consent Calendar with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the June 8, 2009 meetings
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
Agenda Item No. 11	Authorization for Acceptance and Notice of Completion for Construction of the Cardiff Pump Station Generator and Electrical Improvements Project with Saturn Electric
Agenda Item No. 12	Conceptual Design Report for Flow Equalization and Recycled Water Storage

13. ITEMS REMOVED FROM CONSENT CALENDAR

None

14. SAN ELIJO RECYCLED WATER PROGRAM - 2009 FINANCIAL ASSESSMENT

General Manager Michael Thornton stated that the SEJPA has examined options for improving and expanding its recycled water utility. Various infrastructure improvements were identified to increase the serving capacity and improve water quality and system

reliability. Winzler & Kelly was retained to perform a financial assessment of the program. Four possible expansion scenarios were reviewed with probable financial outcome.

The General Manager stated that treatment improvements are needed for removing salinity from the recycled water to meet requirements of the California Regional Water Quality Control Board (RWQCB).

Board Member Campbell requested further documentation and review of the complete analysis with Member Agency staff. Board Member Campbell also requested memorializing the initial investments/loans by the Member Agencies, and formalizing the pay back terms between the Member Agencies and the SEJPA, including legal counsel review.

Moved by Board Member Campbell and seconded by Board Member Barth to:

1. Accept and file the 2009 Financial Assessment of the Recycled Water Program; and
2. Direct the General Manager to work with the consultants and legal counsel to respond to the issues raised, provide further documentation, and provide the underlying modeling to the member agencies' finance departments for review and with the engineering departments, if they so choose.

Motion carried with unanimous vote of approval.

15. AWARD OF PRELIMINARY DESIGN OF AN ADVANCED WASTEWATER TREATMENT SYSTEM FOR THE SAN ELIJO WATER RECLAMATION FACILITY

In 2008, the SEJPA retained professional engineering services to prepare the conceptual design of new water storage facilities and demineralization treatment improvements at the San Elijo Water Reclamation Facility. It was stated the treatment improvement will address the issues raised by the RWQCB's requirements for salinity control.

General Manager Michael Thornton recommended pursuing a 0.5 million gallon per day (MGD) demineralization facility. Staff budgeted \$910,000 for recycled water capital improvements. This design contract is for preparing the preliminary design and is not to exceed \$136,000.

Moved by Board Member Campbell and seconded by Board Member Barth to:

1. Authorize the Chair to execute an agreement with Kennedy/Jenks Consultants for Preliminary Design of an Advanced Wastewater Treatment System for the San Elijo Water Reclamation Facility.

Motion carried with unanimous vote of approval.

16. MEMORANDUMS OF UNDERSTANDING (MOU's) BETWEEN THE SAN ELIJO JOINT POWERS AUTHORITY AND THE CITY OF ENCINITAS AND THE CITY OF SOLANA BEACH FOR PUMP STATION OPERATION AND MAINTENANCE SERVICES

General Manager Michael Thornton presented an MOU for each participating member agency in which the SEJPA operates and maintains municipal storm water and wastewater utility infrastructure. The staff of each agency worked together to develop the MOU's. The General Manager stated these MOU's will formally document the roles and responsibilities of each party.

Moved by Chair Roberts and seconded by Board Member Barth to:

1. Accept the draft MOU's for review by the SEJPA and Member Agencies.

Motion carried with unanimous vote of approval.

17. RECYCLED WATER RETROFIT LOAN — OCEAN KNOLL ELEMENTARY SCHOOL

General Manager Michael Thornton stated that the Encinitas Union School District (EUSD) and the San Dieguito Water District (SDWD) wish to pursue conversion of the landscape irrigation at Ocean Knoll Elementary School from potable to recycled water with a retrofit loan from the SEJPA to finance the project in an amount not to exceed \$35,000. Additionally, EUSD requested the SEJPA conduct the management and construction of the project.

Moved by Board Member Campbell and seconded by Board Member Barth to:

1. Authorize the Chair to execute a loan with the Encinitas Union School District to convert the Ocean Knoll Elementary School's irrigation system to recycled water; and
2. Authorize the SEJPA to enter into a management and construction agreement to complete the work with full cost recovery.

Motion carried with unanimous vote of approval.

18. GENERAL MANAGER'S REPORT

General Manager, Michael Thornton reported that according to Region Nine Kelp Survey Consortium's *Status of the Kelp Beds 2008*, the kelp off the San Diego coast is stronger and more vibrant than it's been in 50 years.

The General Manager stated the SEJPA would like to go 'paperless' in future board meetings, emailing all agendas to appropriate parties. This process will save the SEJPA money in regard to paper consumption, copier costs, and staff time in printing and delivery. The Board Members agreed to go paperless.

17. GENERAL COUNSEL'S REPORT

None

18. BOARD MEMBER COMMENTS

None

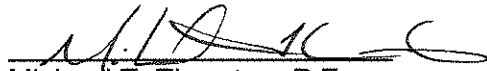
19. CLOSED SESSION

None

20. ADJOURNMENT

The Board of Directors adjourned at 6:40 pm. The next Board of Directors meeting will be held on Monday, September 14, 2009.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager