

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON SEPTEMBER 14, 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, September 14, 2009, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Roberts called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Teresa Barth
Thomas Campbell
Maggie Houlihan
Dave Roberts

Others Present:

General Manager
Director of Finance/Administration
Administrative Assistant
Accounting Tech
HR/Safety Administrator

Michael Thornton
Greg Lewis
Monica Blake
Carrie Cook
Marisa Buckles

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas,
Director of Public Works
City of Encinitas,
Public Works Management Analyst
City of Solana Beach,
City Manager
City of Solana Beach,
Director of Engineering/Public Works
City of Solana Beach,
Finance Director

Larry Watt

Bill Wilson

David Ott

Mohammad "Mo" Sammak

Dennis Coleman

3. PLEDGE OF ALLEGIANCE

Mo Sammak led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Michael Thornton stated the SEJPA has received an incentive grant for \$70,486 from SDG&E for energy savings from the recently completed Performance Optimization of the Activated Sludge System Project.

6. CONSENT CALENDAR

Moved by Board Member Barth and seconded by Board Member Campbell to approve the Consent Calendar. Motion carried with the following vote of approval:

AYES: Barth, Campbell and Roberts
NOES: None
ABSENT: Houlihan
ABSTAIN: None

Consent Calendar:

- | | |
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| Agenda Item No. 7 | Approval of Minutes for the July 13, 2009 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 |
| Agenda Item No. 11 | San Elijo Ocean Outfall 2008-09 Annual Inspection Report |
| Agenda Item No. 12 | San Elijo Joint Powers Authority Vision & Mission Statements |
| Agenda Item No. 13 | 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 |
| Agenda Item No. 14 | Update - Recycled Water Retrofit Loan for the Ocean Knoll Elementary School |

15. ITEMS REMOVED FROM CONSENT CALENDAR

None

Vice Chair Maggie Houlihan and City Manager of Solana Beach David Ott arrived at 9:05 a.m.

16. RECONCILIATION OF MEMBER AGENCY'S INVESTMENT IN THE WATER RECLAMATION PROGRAM

The General Manager reported that SEJPA staff met with staff from both member agencies to reconcile contributions made by each member agency to the water reclamation program. This funding was for the initial construction and for operational costs during the program's startup period. Upon reviewing the financial information, all parties concurred that the contributions made by the member agencies total \$2,288,877.00 per member agency. A member agency repayment schedule was presented for consideration.

Board Member Campbell suggested that the repayment should include interest. Legal Counsel Greg Moser stated the Board could set terms from this point forward, but not retroactively because there was no specificity stated at the time of the investment.

Board Member Campbell requested additional information on legal issues regarding interest charges for the funds. Board Member Campbell also requested a complete hardcopy of the study by Winzler & Kelly on the finances of the Water Reclamation Program.

Board Member Barth stated that her view is that this money was contributions to capital improvements and infrastructure, an investment in the member city's infrastructure.

The General Manager offered to prepare two scenarios that included interest incurring from September 2009. The first scenario would have an interest rate that match the current Local Agency Investment Fund, which is approximately 1.5% and the second scenario with an interest rate of 2.5%, which matches the interest rate of the State Revolving Fund (SRF) loan.

17. SEJPA APPOINTMENT TO THE REGIONAL ADVISORY COMMITTEE (RAC) FOR THE SAN DIEGO INTEGRATED REGIONAL WATER MANAGEMENT PROGRAM

The General Manager serves on the RAC to provide guidance and expertise in the areas of wastewater and recycled water to the Integrated Regional Water Management Program (IRWM). The IRWM requested that all RAC members add an alternate member to ensure adequate continuity and meeting attendance necessary to conduct committee business.

Vice Chair Houlihan volunteered to be the alternate RAC member.

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

1. Appoint a Vice Chair Houlihan to serve as the SEJPA's Alternate Member to the Regional Advisory Committee for the San Diego Integrated Regional Water Management Program.

Motion carried with the following vote of approval.

AYES: Barth, Campbell and Roberts
NOES: None
ABSENT: None
ABSTAIN: Houlihan

18. FACILITY ACCESS AGREEMENT WITH J. CRAIG VENTER INSTITUTE FOR WASTEWATER TREATMENT RESEARCH

J. Craig Venter Institute (JCVI), a not-for-profit institute, conducts scientific research in genomic medicine, infectious disease, environmental genomic analysis, clean energy, and synthetic biology. JCVI desires to develop a facility access agreement with the SEJPA for the purpose of research and development of new wastewater treatment methods. The potential benefit to the SEJPA and its rate-payers is that the new gains in treatment may ultimately reduce treatment and biosolids disposal costs as well as provide a reduction in carbon emissions during treatment processes.

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

1. Authorize the General Manager to execute a facility access agreement with J. Craig Venter Institute for wastewater treatment research.

Motion carried with unanimous vote of approval.

19. GENERAL MANAGER'S REPORT

General Manager Michael Thornton reported that since the April 2009 completion of the Performance Optimization of the Activated Sludge System Project, measurable performance improvements have been gained in both water quality and energy efficiency. Improvement highlights include a projected energy savings of 800,000 kilowatt hours per year, reduced carbon footprint, energy cost savings of roughly \$100,000 annually, improved treated water quality, and reductions in chemical use.

The General Manager noted that the local chapter of the California Water Environment Federation will be touring the facility on October 6, 2009.

The General Manager stated the WaterReuse Association 2010 state conference will be held in San Diego from March 7-9, 2010.

20. GENERAL COUNSEL'S REPORT

General Counsel Greg Moser reported on two state bills going to the Governor. The first is AB1366, which regulates Water Softener to protect water quality. This bill is a modified version of last years AB 2270, and it is expected to be signed. The second bill is SB 802, which is aimed at reducing the maximum construction retention allowance from the typical 10 percent level to a maximum 5 percent of the contract value. Many public agencies oppose this change because that amount may be insufficient to protect the agency if there is a significant performance problem on a public works project.

21. BOARD MEMBER COMMENTS

The Board requested the General Manager present the findings of the Optimization Project at a future City Council meeting for both member agencies.

Vice Chair Houlihan requested that legal counsel provide an explanation of the new water softener bill and how it differed from last year's version (AB 2270).

Board Member Barth thanked the SEJPA staff for the informative tour they conducted for the Minister of Water Security, South Australia.

22. CLOSED SESSION

None

23. ADJOURNMENT

The Board of Directors adjourned at 9:55 a.m. The next Board of Directors meeting will be held on Monday, October 12, 2009.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE
GENERAL MANAGER PERFORMANCE REVIEW
SUBCOMMITTEE MEETING
HELD ON SEPTEMBER 14, 2009
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Dave Roberts, Chair

Teresa Barth, Board Member

A General Manager Performance Review Meeting of the San Elijo Joint Powers Authority (SEJPA) was held Monday, September 14, 2009, at 8:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Roberts called the meeting to order at 8:00 a.m.

2. ROLL CALL

Directors Present:

Teresa Barth
Dave Roberts

Others Present:

General Manager

Michael Thornton

3. CLOSED SESSION

Government Code Section 54957 with respect to Public Employee Performance Evaluation. Title: General Manager.

4. ADJOURNMENT

The Subcommittee members adjourned at 8:50 a.m. with no reportable action. The next scheduled GM Performance Review Subcommittee meeting will be held on Monday, November 9, 2009.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager