

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
HELD ON MAY 14, 2018  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

---

Tasha Boerner Horvath, Chair

David Zito, Vice Chair

---

A regular meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, May 14, 2018, 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 Boerner Horvath called the meeting to order at 8:32 a.m.

2. ROLL CALL

*Directors Present:*

Tasha Boerner Horvath  
David Zito  
Joe Mosca

*Directors Absent:*

Peter Zahn

*Others Present:*

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

Michael Thornton  
Chris Trees  
Paul Kinkel  
Mike Konicke  
Jennifer Basco

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Traci Stender

*City of Solana Beach:*

City Manager  
Director of Engineering/Public Works

Greg Wade  
Mohammad "Mo" Sammak

*City of Encinitas:*

Public Works Management Analyst

Bill Wilson

*Encinitas Ranch Community Association*

Dick Stern

*Olivenhain Municipal Water District:*

Assistant General Manager

Joseph Randall

*Santa Fe Irrigation District:*

General Manager

Mike Bardin

3. PLEDGE OF ALLEGIANCE

Chair Boerner Horvath led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

None

6. CONSENT CALENDAR

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

- |                    |  |
|--------------------|--|
| Agenda Item No. 7  | Approval of Minutes for the April 9, 2018 Meeting                              |
| 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 Joint Powers Authority Contract for Procurement of Ferric Chloride   |
| Agenda Item No. 12 | San Elijo Joint Powers Authority Fiscal Year 2018-19 Recommended Budget Update |

Motion carried with the following vote of approval:

AYES: Boerner Horvath, Zito, Mosca  
NOES: None  
ABSENT: Zahn  
ABSTAIN: None

- |                   |  |
|-------------------|--|
| Agenda Item No. 8 | Approval for Payment of Warrants and Monthly Investment Report |
|-------------------|--|

Motion carried with the following vote of approval:

AYES: Boerner Horvath, Zito (2 votes)  
NOES: None  
ABSENT: Zahn  
ABSTAIN: Mosca

13. ITEMS REMOVED FROM CONSENT CALENDAR

None

14. RECYCLED WATER COST OF SERVICE AND PROPOSED WHOLESALE RATES FOR 2018, 2019, AND 2020

The General Manager stated that at the April 2018 SEJPA Board meeting, staff presented the Recycled Water Rate Review and Update prepared by Raftelis Financial Consultants (RFC). The report recommends 3.8% annual price increases for the non-interruptible customers through FYE 2021. Staff provided the report to the water purveyors served by the recycled water utility. Mr. Thornton stated that the water purveyors' staff expressed appreciation for the inclusion in the process, and agreed with the 3.8% recommendation. The proposed recycled water rates will result in adequate revenues for the utility in FY 2018-19, FY 2019-20, and FY 2020-21.

Moved by Vice Chair Zito and seconded by Board Member Mosca to:

1. Accept and file the Rafetlis Financial Consultants Recycled Water Rate Review and Update; and
2. Approve 3.8% annual Recycled Water Rate increase to Santa Fe Irrigation District (SFID), San Dieguito Water District (SDWD), Olivenhain Municipal Water District (OMWD), and the City of Del Mar beginning July 1, 2018, July 1, 2019, and again beginning July 1, 2020.

Motion carried with the following vote of approval:

AYES: Boerner Horvath, Zito, Mosca  
NOES: None  
ABSENT: Zahn  
ABSTAIN: None

15. AWARD CONSTRUCTION MANAGEMENT CONTRACT FOR ENCINITAS RANCH RECYCLED WATER EXPANSION PROJECT

General Manager Thornton stated that in 2015, the SEJPA submitted a grant application to the Proposition 84, Round 4, Integrated Regional Water Management program. The project, which included the cities of Encinitas and Solana Beach, San Elijo Lagoon Conservancy, and the Olivenhain Municipal Water District; was selected for a \$2.5 million grant to expand recycled water service, implement urban runoff pollution control, conduct water quality monitoring associated with the San Elijo Lagoon, and provide educational outreach activities. The project includes recycled water pipeline expansion in both the cities of Encinitas and Solana Beach to offset potable water. For the City of Encinitas, expansion of recycled water service is focused within the Encinitas Ranch area and potentially includes extending an existing recycled water pipeline along Requeza Street (Encinitas Ranch Recycled Water Expansion project). The Encinitas project includes approximately 7,000 linear feet of new pipeline and a small booster pump station. In April 2018, staff requested proposals and conducted interviews for construction management services for the Encinitas project. Mr. Thornton stated that

staff determined that Black & Veatch provided the best value. The SEJPA capital program has adequate funding for the recommended construction management services agreement with Black & Veatch.

Moved by Board Member Mosca and seconded by Vice Chair Zito to:

1. Authorize the General Manager to execute a professional services agreement with Black & Veatch for Construction Management Services not to exceed \$166,770.

Motion carried with the following vote of approval:

AYES: Boerner Horvath, Zito, Mosca  
NOES: None  
ABSENT: Zahn  
ABSTAIN: None

16. AGREEMENT AMENDMENT FOR CONSTRUCTION MANAGEMENT & INSPECTION SERVICES FOR LAND OUTFALL REPLACEMENT

General Manager Thornton briefed the Board of Directors on the Land Outfall Replacement Project. Since the completion of the directional drilling and installation of the new Land Outfall pipeline, the contractor encountered further construction challenges at the beach site where the new pipeline connects to the existing ocean outfall pipeline. The General Manager noted that these delays created cost change orders, which will be presented at a future meeting, as well as placed the project at-risk of extending past regulatory permit construction work windows. The unforeseen delays also increased the potential to stall other local infrastructure projects. In consideration of the additional delays and constraints, the contractor was allowed to work overtime in order to expeditiously complete construction in environmentally sensitive areas and to minimize impacts to lagoon restoration and railroad double tracking projects. The SEJPA authorized Black & Veatch to provide inspection and construction management to monitor and inspect construction, and to ensure compliance with permits and design specifications. Funding for this proposed contract amendment is available in the SEJPA capital program.

Moved by Board Member Mosca and seconded by Vice Chair Zito to:

1. Authorize amendment of the professional services agreement with Black & Veatch for an additional amount not to exceed \$174,815.

Motion carried with the following vote of approval:

AYES: Boerner Horvath, Zito, Mosca  
NOES: None  
ABSENT: Zahn  
ABSTAIN: None

17. GENERAL MANAGER'S REPORT

The General Manager briefly described alternative delivery methods for designing and building capital projects. He stated that staff is evaluating the benefits and limitations of using design/build or other alternative methods for delivering upcoming capital projects. More information on this topic will be provided to the Board Members at a future Board meeting. Next, Mr. Thornton updated the Board of Directors on the status of the bike path project with Caltrans. Currently, discussions are focused on project cost reductions and on developing the cost sharing agreement between the SEJPA and Caltrans.

18. GENERAL COUNSEL'S REPORT

Tracie Stender informed the Board of Directors that a closing brief regarding the agency's appeal of CalPERS' determination regarding reporting uniforms as special compensation will be filed this week. Updates will be presented to the Board of Directors as they occur.

19. BOARD MEMBER COMMENTS

Vice Chair Zito stated that City of Solana Beach Councilmember Peter Zahn was appointed to the SEJPA Board of Directors at the May 9, 2018 Solana Beach Council Meeting.

20. CLOSED SESSION

None

21. ADJOURNMENT

The meeting adjourned at 9:15 a.m. The next Board of Directors meeting will be held on June 11, 2018 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager