

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MAY 14, 2012
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Teresa Barth, Chair

David Roberts, Vice Chair

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, May 14, 2012, 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 Barth called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Teresa Barth
Mark Muir
David W. Roberts

Directors Absent:

Thomas M. Campbell

Others Present:

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

Michael Thornton
Greg Lewis
Monica Blake
Carrie Cook
Marisa Buckles

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

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

Bill Wilson

Mohammad "Mo" Sammak

Leaf & Cole, LLP

Michael Zizzi

3. PLEDGE OF ALLEGIANCE

Mo Sammak led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

The General Manager presented Ravy Chea, Senior Laboratory Analyst, with a certificate of recognition for 20 years of continuous service to the SEJPA.

The General Manager stated that the SEJPA was awarded the 2011 Small Plant of the Year Award by the California Water Environment Association (CWEA), at the state level.

6. CONSENT CALENDAR

Moved by Vice Chair Roberts and seconded by Board Member Muir to approve the Consent Calendar with the following vote of approval:

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

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the April 9, 2012 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

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. PRE-ENGAGEMENT MEETING WITH SAN ELIJO JOINT POWERS AUTHORITY AUDITORS

The Director of Finance/Administration stated that during the presentation of the Fiscal Year 2010-11 financial audit, the SEJPA Board suggested that the audit process be adjusted to include verbal discussions between the Board of Directors and the auditors.

The director of Finance/Administration introduced Michael Zizzi, C.P.A., the SEJPA's current auditor of the audit firm Leaf & Cole, LLP to conduct a pre-engagement audit meeting with staff and the Board of Directors of the SEJPA.

Mr. Zizzi reviewed the scope of services that Leaf & Cole will provide during the audit process for Fiscal Year 2011-12 and gave a brief explanation of the purpose and methodology of the planned audit.

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

13. SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2012-13 RECOMMENDED BUDGET UPDATE

The Director of Finance/Administration reported that the Recommended Budget for FY 2012-13 was presented to both Member Agencies and that there were no recommended changes to the budget. It was stated that any comments from this meeting would be incorporated into the budget that will be presented to the Board of Directors for adoption at the June meeting.

The Board Members had no comments or action for the FY 2012-13 Budget.

14. STATUS REPORT – WASTEWATER INFRASTRUCTURE CAPITAL PROJECTS

The General Manager gave the Board Members an update on the four major construction projects now in progress. The two projects being led by the City of Encinitas are the Olivenhain Pump Station Replacement Project and the Olivenhain Force Main Replacement Project. The two projects being led by the SEJPA are the Electrical Upgrades Project and the Advanced Water Treatment Project.

The General Manager stated that the Olivenhain Pump Station was originally built in 1971. The replacement pump station design incorporates LEED Green Design Standards and will have a spill containment basin to be able to accommodate the storage of wastewater in the event of the station going off-line. The total project value is \$6.7 million with an approximate completion date of December 2012.

The Olivenhain Force Main Replacement Project was expedited because of the determination of the shortened service life of the pipeline and its failure on December 28, 2011. The total project value is \$4.3 million with a scheduled completion date of December 2012.

The General Manager reported that the Electrical Upgrades Project at the San Elijo Water Reclamation Facility is to replace an aging electrical system that has been in service for more than 30 years. The construction contract value is \$1.06 million with an anticipated completion of July 2012.

The Advanced Water Treatment Project will assist the SEJPA in achieving permit compliance for recycled water quality. The SEJPA has been awarded a \$700,000 grant for this project. The contract value is \$4.2 million with the anticipated completion date of February 2013.

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

15. GENERAL MANAGER'S REPORT

The General Manager reported that a press release was submitted on the SEJPA's CWEA award for 2011 Small Plant of the Year, along with several other North County facilities' CWEA awards. The press release highlighted achievements of the SEJPA, Encina Wastewater Authority, and Leucadia Wastewater District.

The General Manager stated that staff is working with Santa Fe Irrigation District (SFID) on the transfer of ownership on a recycled water pipeline and also negotiating extending the current agreement on recycled water rates.

The City of San Diego is working on a Purification Demonstration Project that has just reached the six-month mark and the water quality results show that the purified wastewater meets state and federal drinking water requirements.

16. GENERAL COUNSEL'S REPORT

General Counsel reported that AB 2398, Water Recycling Act, would be a significant rewrite of the laws affecting water recycling. There will be a new regulatory scheme that separates recycled water regulation from water and wastewater rules. The bill is supported by the Association of California Water Agencies (ACWA) and the San Diego County Water Authority, and sponsored by WateReuse.

The General Counsel stated that the Natural Resources Defense Council's (NRDC) proposal to the State Water Board is asking them to require to wastewater agencies to base customer rates for sewer service on the volume of waste discharged to the sewer system, rather than a fixed periodic charge.

17. BOARD MEMBER COMMENTS

None

18. CLOSED SESSION

The Board of Directors adjourned to closed session at 9:40, with Labor Negotiators Michael Thornton and Greg Lewis, per Government Code Section 54957.6: Labor Negotiations. A second closed session was held with Michael Thornton per Government Code Section 54957 – Employee Performance Evaluation, title: General Manager.

19. ADJOURNMENT

The Board of Directors came out of closed session at 10:19 a.m. with no reportable action for the Labor Negotiations, and the reportable action of the formation of an Ad-Hoc Committee, for the annual performance evaluation of the General Manager. The committee members are Chair Teresa Barth and Vice Chair David Roberts. The meeting adjourned at 10:20 a.m. The next Board of Directors meeting will be held on June 11, 2012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Thornton', with a long horizontal flourish extending to the right.

Michael T. Thornton, P.E.
General Manager