

SAN ELIJO

JOINT POWERS AUTHORITY

ADOPTED ANNUAL BUDGET

2018-2019



WHO WE ARE

SEJPA is celebrating more than 50 years of service to our communities.



More than 50 years of service



Creating lasting water solutions for our community & environment



Delivering responsible & reliable service



Promoting opportunities for our communities

Mission of the San Elijo Joint Powers Authority

To serve our communities by providing safe and reliable recycled water and wastewater services in order to protect the environment and public health.

Vision

We pursue innovative practices to produce clean water in an environmentally, socially, and fiscally responsible manner.

As an organization, the San Elijo Joint Powers Authority values:

HUMAN VALUE

Provide equal opportunity for all employees to succeed and grow professionally and personally.

PUBLIC TRUST

Honor and promote public confidence through transparency, personal character, and the highest level of professional behavior.

SAFETY

Ensure individual safety and the safety of co-workers and the public, without compromise.

VALUE

Provide superior service to the community in a safe, reliable, and cost-effective manner.

LOYALTY

Faithfully and reliably promote the best interests of the agency and fellow employees.

COURTESY

Be respectful, considerate, aware, and caring.

RESPONSIBILITY

Be accountable for one's conduct and actions.

HONESTY & INTEGRITY

Be truthful and factual in upholding the values and ethics of the agency.

COMMUNITY

Demonstrate leadership and stewardship in serving the community and protecting the environment.

SAN ELIJO JOINT POWERS AUTHORITY

ADOPTED ANNUAL BUDGET FISCAL YEAR 2018-19

BOARD OF DIRECTORS

TASHA BOERNER HORVATH, CHAIRPERSON

DAVID ZITO, VICE CHAIRPERSON

JOSEPH MOSCA, MEMBER

PETER ZAHN, MEMBER

MANAGEMENT

MICHAEL T. THORNTON, P.E., GENERAL MANAGER

CHRISTOPHER A. TREES, P.E., DIRECTOR OF OPERATIONS

PAUL F. KINKEL, DIRECTOR OF FINANCE/ADMINISTRATION

MEMBER AGENCIES

CITY OF ENCINITAS

CITY OF SOLANA BEACH

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Cardiff by the Sea, CA 92007
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TRANSMITTAL LETTER

Honorable Chairperson and Members of the Board of Directors:

I am pleased to present the Fiscal Year (FY) 2018-19 Adopted Budget for the San Elijo Joint Powers Authority (SEJPA). The agency has been in existence for over 50 years with its origination to provide safe and reliable wastewater treatment and disposal for the coastal communities of Cardiff by the Sea and Solana Beach. The agency has evolved to become more than a leader in wastewater treatment, but an innovator in recycling water, and actively collaborating with local water agencies on water reuse technology. The San Elijo Water Reclamation Facility is an award winning facility, recognized for its dedicated personnel, commitment to safety, and pursuit of innovative practices for the betterment of the community and environment. This budget document reflects the SEJPA's commitment to providing the best value to our stakeholders by balancing each decision made using a cost, performance, and schedule criteria. Overall, the driving metric is delivering a high level of service while maintaining the agency's assets, and meeting the rate expectations of our customers.

OPERATING BUDGET OVERVIEW

The SEJPA Adopted Budget for FY 2018-19 is made up of ten operational programs that are managed and operated by the SEJPA. There are no new programs for FY 2018-19; however, the City of Del Mar's wastewater began flowing to the treatment facility in the 4th quarter of FY 2017-18, thus FY 2018-19 will be the first full year of service.

For FY 2018-19, the total increase in Operating Costs year over year is \$294,567 or 4.8%. The Ocean Outfall and Wastewater Treatment programs account for \$235,461 or 80% of the increase. The primary driver of this increase is new monitoring and testing requirements from the San Diego Regional Water Quality Control Board as part of the NPDES ocean discharge permit. Details for these increases are discussed in each program section.

Program	Adopted Budget 2017-18	Adopted Budget 2018-19	Budget Change	% Change
Wastewater Treatment	\$ 2,787,364	\$ 2,889,948	102,584	3.7%
Laboratory	471,669	489,018	17,349	3.7%
Ocean Outfall	562,121	694,998	132,877	23.6%
Cardiff Sanitary Division Pump Stations	242,831	240,987	(1,844)	-0.8%
Encinitas Sanitary Division Pump Stations	153,136	149,056	(4,080)	-2.7%
City of Encinitas Urban and Storm Water Services	31,013	31,389	375	1.2%
City of Solana Beach Pump Stations	318,388	375,483	57,095	17.9%
City of Solana Beach Generator Maintenance Services	9,755	16,763	7,008	71.8%
City of Del Mar Pump Station	75,897	46,744	(29,153)	-38.4%
Recycled Water	1,489,905	1,502,260	12,355	0.8%
Total Operating Costs	<u>\$ 6,142,079</u>	<u>\$ 6,436,646</u>	<u>\$ 294,567</u>	<u>4.8%</u>

CAPITAL BUDGET OVERVIEW

In 2014, the SEJPA initiated a Facility Plan update to identify, prioritize, and estimate costs for future capital projects. The recommendations from the updated Facility Plan created the foundation for the SEJPA Capital Improvement Program, which includes regulatory compliance analysis, risk assessment for system failure, project prioritization, and budgetary cost estimates. Staff bundled the projects into phases in order to prioritize capital spending, streamline project delivery, minimize community impacts, and reduce cost through economies of scale. The first 3 phases are planned to be constructed within 4 years for an estimated cost of 40 million. Construction of the highest priority projects began in 2017.



SEJPA is committed to providing the best value to our stakeholders by balancing each decision made using a cost, performance, and schedule criteria.

To stay within sewer rate expectation and avoid rate stress, the SEJPA reduced the pay-as-you-go capital cash requirements, and increased the debt service to fund the projects until the 2011 Refunding Bonds are substantially paid in full. This strategy will provide sufficient funding to construct the identified projects that include the Land Outfall Replacement, Building and Site Improvements, Preliminary Treatment Upgrades and Odor Control

Improvements, Electrical Upgrades, and Solids Treatment and Handling Project. The pay-as-you-go appropriation is budgeted at \$120,000 for Wastewater capital projects, and \$300,000 for the Ocean Outfall.

The Recycled Water capital projects have been budgeted to meet the needs of our water district partners. These projects include recycled water pipeline extensions in both the cities of Encinitas and Solana Beach. The Solana Beach project is essentially complete, and recycled water is being served. The estimated appropriation expense for FY 2018-19 is \$1,875,000. Grand funding from Proposition 84 (IRWM) in an amount of approximately \$1 million is anticipated in FY 2019-20 for these projects.

DEBT SERVICE OVERVIEW

The SEJPA's debt service will be increasing for FY 2018-19 with \$2,380,843 related to Wastewater Treatment and \$997,828 related to Recycled Water for a combined debt service of \$3,378,671. This level of debt service is increasing from FY 2017-18 due to the 2017 Revenue Bond interest payment; however, the pay-as-you-go capital cash has been reduced in order to keep the total expense structure within expectation and avoid sewer service rate stress. In addition to the bond and debt payments, SEJPA received a zero interest loan from San Diego Gas and Electric for the installation of energy efficient turbo blowers. This loan is paid through on-bill financing.

CHALLENGES AND ACCOMPLISHMENTS FOR FY 2017-18 AND GOALS FOR FY 2018-19

SEJPA was challenged in FY 2017-18 to treat Del Mar's wastewater due to high salinity from groundwater infiltration into the city's wastewater collection system. Collaboratively working with Del Mar, system repairs were performed and infiltration has been reduced. SEJPA is now treating Del Mar's wastewater, which improves operational cost efficiencies and expands water recycling opportunities.

The 2017 Clean Water Revenue bonds were successfully funded in July 2017 at a lower than planned interest rate resulting in greater funding at less cost. In addition, the SEJPA's credit rating was increased from AA to AA+ during this last year as a result of good financial practices, growing recycled water program, reasonable debt to revenue ratios, and financially stable member agencies.

SEJPA implemented a new safety incentive program in FY 2017-18, which has resonated with staff and the agency's insurance provider. The SEJPA is proud of its safety record of no major injuries, no contractor injuries, and over 17 consecutive years without a lost workday.

This budget also reflects continued outsourcing to Encina Wastewater Authority (EWA) and the City of Encinitas. The City of Encinitas has successfully been supporting SEJPA's IT structure since FY 2013-14 and EWA began supporting human resources and safety administration in FY 2016-17. SEJPA's purchasing power was increased in FY 2017-18 due to combining contracts with EWA for ocean outfall inspection and monitoring, as well as for bulk purchasing of chemicals. This governmental cooperation of sharing of resources not only provides material matter expertise, and purchase power, but reduces the costs for all entities.

To continue our stewardship in serving the community and protecting the environment in a fiscally responsible manner, the SEJPA will be focused on capital projects. Phase I, the Land Ocean Outfall Replacement and the Preliminary Treatment Upgrades projects will be completed in FY 2018-19 with the Land Ocean Outfall Replacement project on track for completion during FY 2017-18. Phase II, the Building Site and Improvements is currently in design, and construction is expected to begin in FY 2018-19.



Architect rendering of the proposed new Operations Building at the San Elijo Water Reclamation Facility

To achieve our goal of providing the best value to our stakeholders, the SEJPA will continue to collaborate with our member agencies, other government agencies, and water district partners to reduce costs, gain efficiencies, expand service, and strive to become better than we are today.

Your San Elijo Joint Powers Authority team is pleased to present this adopted budget.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

BOARD RESOLUTION NO. 2018-05
APPROVING THE FY 2018-19 BUDGET

RESOLUTION NO. 2018-05

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR FISCAL YEAR 2018-19**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors proposed SEJPA Operating and Capital Projects Budgets for Fiscal Year 2018-19;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN ELIJO JOINT POWERS AUTHORITY HEREBY RESOLVES AS FOLLOWS:

1. The Board of Directors has reviewed the proposed Operating Budgets and Capital Projects Budget, and the funds included herein for the period of July 1, 2018 through June 30, 2019 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2018-19. Such budgets are hereby adopted.

San Elijo JPA Operations and Maintenance Fund	\$ 7,315,229
San Elijo JPA Water Reclamation Operating Fund	2,500,088
San Elijo JPA Capital Projects Fund	<u>2,295,000</u>
Total	<u>\$ 12,110,317</u>

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds for the Fiscal Year 2018-19.

PASSED AND ADOPTED this 11th day of June, 2018, by the following vote:

AYES: Boardmembers: Boerner Horvath, Zito, Mosca, Zahn

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:


Tasha Boerner Horvath, Chairperson
SEJPA Board of Directors

ATTEST:


Michael T. Thornton, P.E.
Secretary of the Board



MANAGING COSTS OF OUR WATER-SOLUTIONS SYSTEM

The recycled water program also receives performance incentives from the Metropolitan Water District of Southern California (MWD) and San Diego County Water Authority (SDCWA).

The SEJPA secured a zero interest loan from San Diego Gas and Electric for the installation of energy efficient turboblowers.

Continued collaboration with the City of Encinitas and Encina Wastewater Authority has allowed for operational cost savings in IT, human resources and administrative support. Maximizing purchasing power for ocean outfall inspection & water quality monitoring as well as bulk purchasing.



CREATING SUSTAINABLE WATER SOLUTIONS

Since program inception, SEJPA delivered 7 billion gallons of locally produced recycled water.

Currently expanding 20 miles of distribution piping serving the Cities of Encinitas, Solana Beach, and Del Mar to provide recycled water for schools, parks and greenbelts.

Collaborating with local water districts to evaluate potable reuse projects.



LEADING ENVIRONMENTAL STEWARDSHIP

The SEJPA is developing innovative practices for energy efficient water treatment that includes protecting lagoon and beach water quality while developing new and sustainable water supplies.

WHO WE ARE

BACKGROUND

Prior to the early 1950's, the communities of Solana Beach and Cardiff by the Sea relied on privately-owned septic systems for wastewater treatment and disposal. As the communities grew, two independent districts were formed, the Cardiff Sanitation District and the Solana Beach Sanitation District, to provide wastewater collection, treatment, and disposal. These districts constructed two independent treatment plants located in the San Elijo Lagoon that provided basic treatment and discharged directly into the lagoon. Within a decade, it was determined that these treatment plants provided insufficient treatment and that the lagoon water quality was deteriorating.

In 1963, the Cardiff Sanitation District and the Solana Beach Sanitation District created the SEJPA under California Government Code Section 6502. The SEJPA was formed to protect public health and the environment, and be cost effective by using economies of scale. Joint Powers Authorities (JPA's) are unique in that the JPA's authority can be distinct from the member agencies, and has its own Board of Directors. Under this newly formed entity, a water pollution control facility and an ocean outfall 4,000 feet in length was built in 1965.

Since that time the SEJPA has grown from preparing water for waste discharge into the ocean to an award winning recycled water utility that can produce more than 520 million gallons per year.

Our focus is on how the SEJPA can provide:

- A highly efficient and reliable water treatment facility and
- A viable and sustainable water supply to the local community now, and in the future.

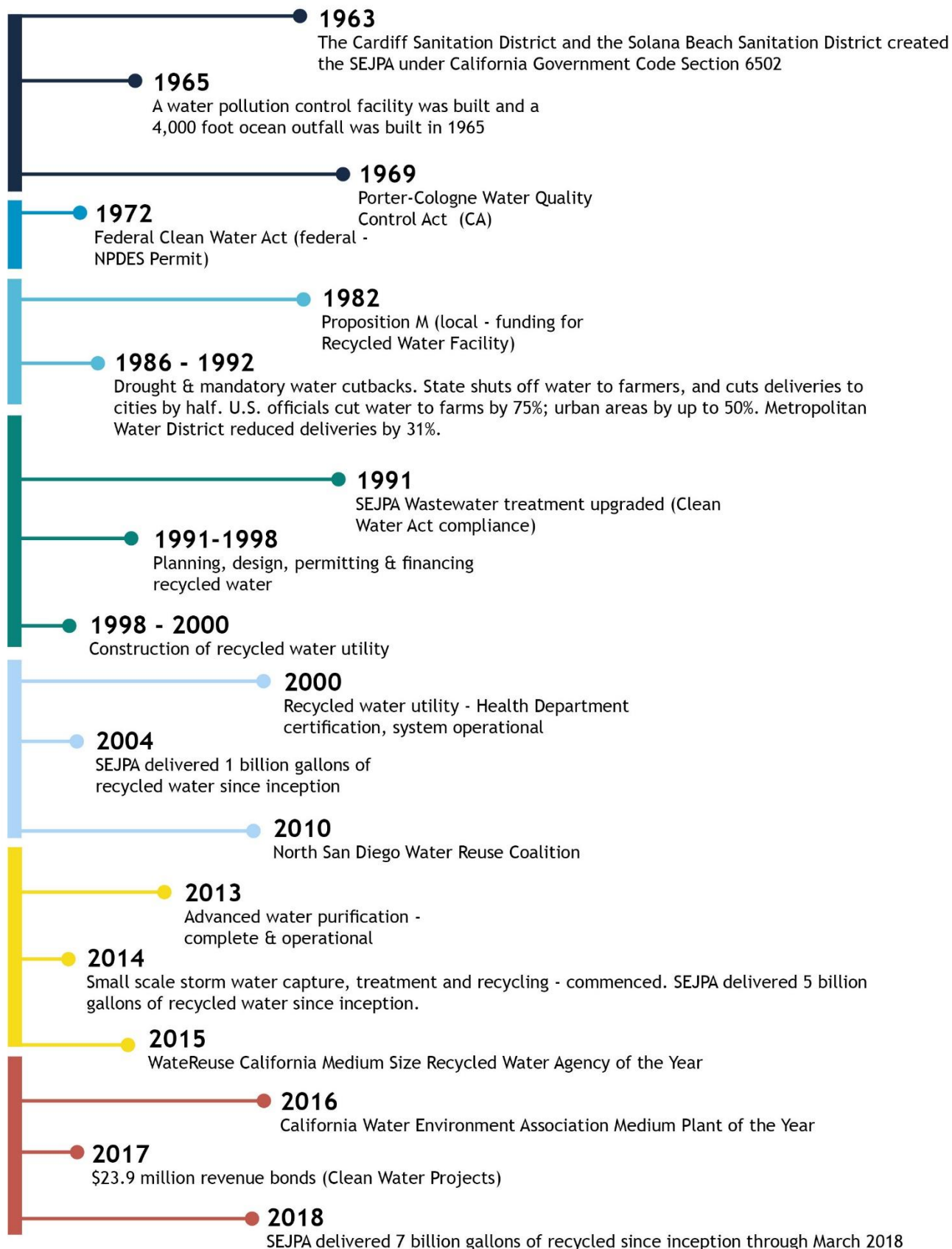
SHARING OUR WATER STORY


SEJPA is working to expand opportunities for the communities we serve, including sharing our passion for the science of water treatment with youth and educators.

Our treatment facilities are community assets, and we are working to enhance the experience and learning opportunities available at our facilities, including improving public use and accessibility.



Shown here are important dates that have defined, impacted and given direction to the SEJPA:



A construction worker wearing a silver hard hat and a high-visibility orange and yellow safety vest is shown in profile, looking towards the left. He is standing in front of a yellow tracked vehicle, possibly a bulldozer or excavator. The background is bright and slightly out of focus, suggesting an outdoor construction site.

Our water supplies were greatly impacted by the drought of 1988. Mandatory water cutbacks and use restrictions significantly impacted agriculture, residents, and businesses throughout much of California. The SEJPA, working collaboratively with its water district partners, has invested millions of dollars to develop local, reliable, water supplies.

FUND SUMMARY

	Wastewater Services	Recycled Water	State Revolving Fund Debt Reserve	Capital Projects	Total
Revenues					
Operating	\$ 4,893,148	\$ 2,975,393	\$ -	\$ -	\$ 7,868,541
Capital	-	-	-	420,000	420,000
Debt	2,380,843	-	-	-	2,380,843
Other	41,238	6,200	-	140,000	187,438
Total Revenues	7,315,229	2,981,593	-	560,000	10,856,822
Expenses					
Operating	4,934,386	1,502,260	-	-	6,436,646
Capital	-	-	-	10,000,000	10,000,000
Debt Service	2,380,843	997,828	-	-	3,378,671
Total Expenses	7,315,229	2,500,088	-	10,000,000	19,815,317
Increase/(Decrease)	-	481,505	-	(9,440,000)	(8,958,495)
Fund Balance Beginning of the Year	1,461,897	972,100	630,000	25,884,858	28,948,855
Fund Balance End of the Year	\$ 1,461,897	\$ 1,453,605	\$ 630,000	\$ 16,444,858	\$ 19,990,360

Wastewater Services includes Wastewater Treatment, Laboratory Services, Ocean Outfall, Pump Station Operations, and other Services.

State Revolving Fund ("SRF") Debt Reserve is restricted cash in accordance with the SRF Loan Agreement.

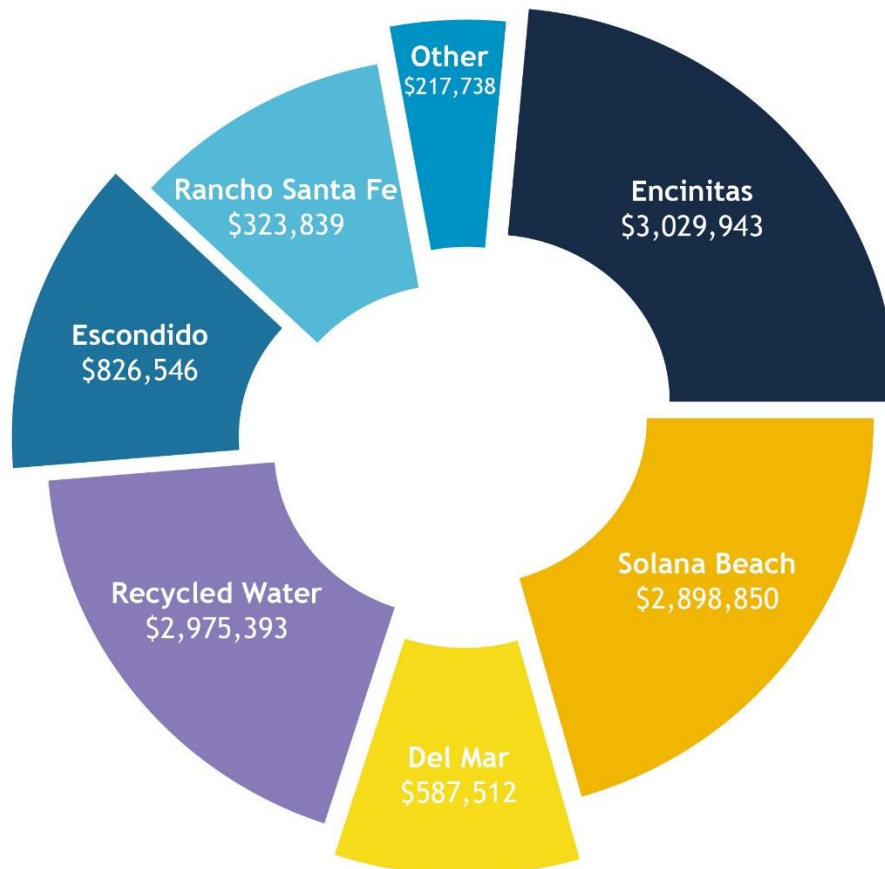
2017 Revenue Bonds were issued in FY 2017-18 to support the priority capital projects documented in the 2015 Facility Plan, and the Recycled Water Integrated Regional Water Management Plan grant.

Capital Revenues are pay-as-you go; \$120,000 Miscellaneous Wastewater projects, and \$300,000 for Ocean Outfall reserve. The other income in the Capital fund is related to investment income from the 2017 Revenue Bonds.

Wastewater capital project expense includes the Water Campus Building, Preliminary Treatment Upgrades, Electrical Upgrades and Improvements, and Solids Treatment and Handling Projects. Recycled Water capital project expense is to expand the recycled water distribution system.

REVENUE SUMMARY

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
City of Encinitas	\$ 2,978,691	\$ 3,000,696	\$ 3,348,910	\$ 3,337,772	\$ 3,029,943
City of Solana Beach	2,699,991	2,762,243	2,800,747	2,633,044	2,898,850
City of Del Mar		2,609	143,893	611,608	587,512
Rancho Santa Fe CSD	359,230	370,293	322,093	278,904	323,839
City of Escondido	628,797	4,195,579	4,572,206	721,606	826,546
Laboratory Services	31,102	33,840	27,226	27,300	27,300
Recycled Water	2,402,704	2,802,365	2,836,730	2,712,190	2,975,393
T-Mobile Cell Site Lease	25,842	26,617	26,617	27,416	28,238
Other Revenue	3,158	55,637	4,879	1,000	1,000
Interest on Wastewater Operations	21,730	46,599	9,057	12,000	12,000
Interest on Water Reclamation	8,117	10,197	6,204	6,200	6,200
2017 Revenue Bonds			23,912,299	23,800,000	
2017 Revenue Bond Interest			235,000		140,000
Total Revenue Sources	\$ 9,159,362	\$ 13,306,675	\$ 38,245,862	\$ 34,169,040	\$ 10,856,821



REVENUE BY SOURCE

BASIS FOR REVENUE BY SOURCE

- Wastewater treatment cost distribution is based on previous year average influent flows. As FY 2018-19 will be the first full year of service to the City of Del Mar, influent flows have been estimated based on historic flow data provided by Del Mar.
- The RSFCSD and Del Mar Credits are based on a capacity use agreements between the SEJPA, Encinitas, Solana Beach, and RSFCSD; this represents contributions to debt service related to capital improvements.
- Laboratory Service cost distribution is based on previous year average influent flows after outside laboratory services are subtracted.
- Outfall Program cost distribution is based on previous year average effluent flows to the outfall with the exception of the City of Del Mar which is based on projected flows.
- Cardiff Sanitary Division and Encinitas Sanitary Division are solely supported by the City of Encinitas.
- Capital projects are based on owned/leased capacity for both the Wastewater Treatment and the Ocean Outfall systems.



SEJPA Facility Entrance

Below is a table of the calendar year 2017 average daily influent and effluent, and owned/leased capacity for each member and government agency:

Entity	Millions of Gallons Per Day (MGD)			
	Influent	Effluent	Capacity	Outfall Capacity
City of Encinitas	1.257	0.888	2.200	2.250
City of Solana Beach	1.096	0.778	2.200	2.250
Rancho Santa Fe CSD's	0.147	0.106	0.250	0.250
City of Del Mar	0.400	0.283	0.600	0.600
City of Escondido	-	11.483	-	20.150
Total	2.900	13.539	5.250	25.500

Influent and effluent percentages are used to estimate the operating and maintenance costs charged to each member and government agency for wastewater services; capacity percentages are used to estimate capital costs charged to each member and government agency.



SEJPA STAFF ARE RECOGNIZED FOR THEIR AWARD- WINNING SERVICE

RECENT AWARDS:

Todd Hutchinson
SWMOA Outstanding Plant Operator

James Barnett
Grade II Mechanic

Scott Best
Grade II Wastewater

Jose Garcia
Grade II Mechanic
Grade II Electrical

CITY OF ENCINITAS - REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Treatment	\$ 1,288,752	\$ 1,375,336	\$ 1,302,723	\$ 1,302,800	\$ 1,253,011
Interest Income Credit	(10,881)	(23,318)	(6,010)	(6,000)	(6,000)
RSF CSD Credit 1991 Refunding Bonds	(64,496)	(64,496)	(48,372)	(48,372)	(48,372)
RSF CSD Credit 2017 Revenue Bonds			(14,075)	(14,075)	(21,495)
Del Mar Credit 2017 Revenue Bonds				(33,781)	(51,587)
Del Mar Pipeline Credit			10,000		30,000
T-Mobile License Income	(12,922)	(13,309)	(13,309)	(13,708)	(14,119)
Other Income Credit	(1,579)	(27,819)	(2,440)	(501)	(501)
Total Wastewater Revenue	1,198,874	1,246,394	1,228,517	1,186,363	1,140,937
Laboratory Services	215,435	223,426	208,686	207,696	200,190
Ocean Outfall	29,154	28,924	34,444	36,945	45,606
Cardiff Sanitary Division Pump Stations	194,152	199,657	243,138	242,831	240,987
Encinitas Sanitary Division Pump Station	115,388	127,511	126,972	153,136	149,056
Encinitas Urban and Storm Water Services	29,702	25,886	28,289	31,013	31,389
2011 Refunding Bonds	691,225	691,225	695,754	695,754	693,634
2017 Revenue Bonds			294,656	295,580	451,388
Capital Projects	504,761	457,673	488,454	488,454	76,757
Total Revenue	\$ 2,978,691	\$ 3,000,696	\$ 3,348,910	\$ 3,337,772	\$ 3,029,943

CITY OF SOLANA BEACH - REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Treatment	\$ 1,053,685	\$ 1,124,499	\$ 1,135,048	\$ 1,006,290	\$ 1,091,734
Interest Income Credit	(10,881)	(23,318)	(6,010)	(6,000)	(6,000)
RSF CSD Credit 1991 Refunding Bonds	(64,496)	(64,496)	(48,372)	(48,372)	(48,372)
RSF CSD Credit 2017 Revenue Bonds			(14,075)	(14,075)	(21,495)
Del Mar Credit 2017 Revenue Bonds				(33,781)	(51,587)
Del Mar Pipeline Credit			10,000		30,000
T-Mobile License Income	(12,922)	(13,309)	(13,309)	(13,708)	(14,119)
Other Income Credit	(1,579)	(27,819)	(2,440)	(501)	(501)
Total Wastewater Revenue	<u>963,807</u>	<u>995,557</u>	<u>1,060,841</u>	<u>889,853</u>	<u>979,660</u>
Laboratory Services	176,808	183,366	181,826	160,425	174,423
Ocean Outfall	23,609	23,424	30,166	28,325	39,942
Solana Beach Pump Stations	231,603	257,015	284,115	311,702	364,747
Solana Beach Urban and Storm Water Services	8,782	8,972	9,751	6,686	10,736
Solana Beach Generator Maintenance Services	9,028	7,555	8,674	9,755	16,763
2011 Refunding Bonds	781,593	781,593	786,914	786,914	784,434
2017 Revenue Bonds			294,656	295,580	451,388
Capital Projects	504,761	504,761	143,804	143,804	76,757
Total Revenue	<u>\$ 2,699,991</u>	<u>\$ 2,762,243</u>	<u>\$ 2,800,747</u>	<u>\$ 2,633,044</u>	<u>\$ 2,898,850</u>

CITY OF DEL MAR - REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Treatment		\$ -	\$ 103,610	\$ 362,355	\$ 398,625
Laboratory Services			16,598	57,768	63,687
Ocean Outfall			2,755	8,968	14,509
Del Mar Pipeline Credit			(20,000)		(60,000)
Del Mar Pump Station		2,609	40,931	75,897	46,744
2017 Revenue Bonds				67,561	103,174
Capital Projects			-	39,059	20,773
Total Revenue		<u>\$ 2,609</u>	<u>\$ 143,893</u>	<u>\$ 611,608</u>	<u>\$ 587,512</u>

RANCHO SANTA FE COMMUNITY SERVICES DISTRICT - REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Treatment	\$ 158,547	\$ 168,935	\$ 152,393	\$ 115,920	\$ 146,578
Laboratory Services	18,721	19,415	24,412	18,480	23,418
Ocean Outfall	2,552	2,532	4,119	3,336	5,454
2011 Refunding Bonds	128,992	128,992	96,744	96,744	96,744
2017 Revenue Bonds			28,150	28,150	42,989
Capital Projects	50,418	50,418	16,274	16,274	8,655
Total Revenue	<u>\$ 359,230</u>	<u>\$ 370,293</u>	<u>\$ 322,093</u>	<u>\$ 278,904</u>	<u>\$ 323,839</u>

CITY OF ESCONDIDO - REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Ocean Outfall	\$ 391,738	\$ 458,520	\$ 445,210	\$ 484,547	\$ 589,487
Capital Projects	237,059	3,737,059	4,126,996	237,059	237,059
Total Revenue	<u>\$ 628,797</u>	<u>\$ 4,195,579</u>	<u>\$ 4,572,206</u>	<u>\$ 721,606</u>	<u>\$ 826,546</u>

LABORATORY SERVICES-REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Fairbanks Ranch	\$ 7,808	\$ 7,808	\$ 6,901	\$ 7,000	\$ 7,000
Rancho Santa Fe CSD 1	8,976	9,864	8,523	8,500	8,500
Santa Fe Valley	5,018	3,878	3,382	3,400	3,400
Whispering Palms	9,300	9,944	8,420	8,400	8,400
San Elijo Lagoon Conservancy		2,346			
Total Revenue	<u>\$ 31,102</u>	<u>\$ 33,840</u>	<u>\$ 27,226</u>	<u>\$ 27,300</u>	<u>\$ 27,300</u>

Laboratory services are contractual agreements with each agency for laboratory testing services.



The laboratory located at the San Elijo Water Reclamation Facility provides analytical laboratory services for the SEJPA's wastewater and recycled water programs as well as to other entities through contract agreements.

RECYCLED WATER - REVENUE DETAIL

Revenue Source	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Santa Fe Irrigation District	\$ 666,806	\$ 657,814	\$ 782,844	\$ 769,650	\$ 821,880
San Dieguito Water District	542,403	556,629	630,380	586,400	669,680
City of Del Mar	162,720	170,647	175,920	190,580	190,250
Encinitas Ranch Golf Course	237,024	248,876	258,830	258,830	269,183
Olivenhain Municipal Water District	117,226	196,209	280,006	227,230	304,400
Total Customers	1,726,179	1,830,175	2,127,980	2,032,690	2,255,393
MWD/CWA Subsidies	615,600	644,805	708,750	679,500	720,000
IRWM Grant	60,925	327,385	-	-	-
Total Revenue	<u>\$ 2,402,704</u>	<u>\$ 2,802,365</u>	<u>\$ 2,836,730</u>	<u>\$ 2,712,190</u>	<u>\$ 2,975,393</u>



SEJPA's recycled water system has the capacity to deliver 3 million gallons per day (mgd) or approximately 1,800 to 2,000 acre-feet per year. The recycled water is used within the community at schools, athletic fields, green belts, and golf courses to offset potable water demands, which improves the region's water reliability.

**SEJPA HAS PRODUCED
RECYCLED WATER FOR
17 YEARS**

COST SUMMARY

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 3,002,618	\$ 2,931,172	\$ 2,896,084	\$ 2,978,669	\$ 3,093,752
Supplies and Services	2,278,048	2,403,820	2,832,621	2,969,611	3,124,194
Capital Outlay	46,590	118,757	82,476	48,300	58,300
Contingency	-	-	-	145,500	160,400
Total Operating Cost	5,327,257	5,453,749	5,811,181	6,142,079	6,436,646
Capital Costs	1,597,000	1,659,000	5,548,937	2,524,650	2,295,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
2011 Refunding Bonds	1,479,867	1,472,818	1,482,668	1,482,668	1,478,068
Advanced Water Purification	148,153	148,153	148,153	148,153	148,153
SFID Pipeline Loan	13,359	15,000	11,996	15,000	15,000
2017 Revenue Bonds			589,311	591,160	902,775
Total Debt Service	2,476,054	2,470,646	3,066,803	3,071,656	3,378,671
Total Costs	<u>\$ 9,400,311</u>	<u>\$ 9,583,395</u>	<u>\$ 14,426,921</u>	<u>\$ 11,738,385</u>	<u>\$ 12,110,317</u>

COST DETAIL

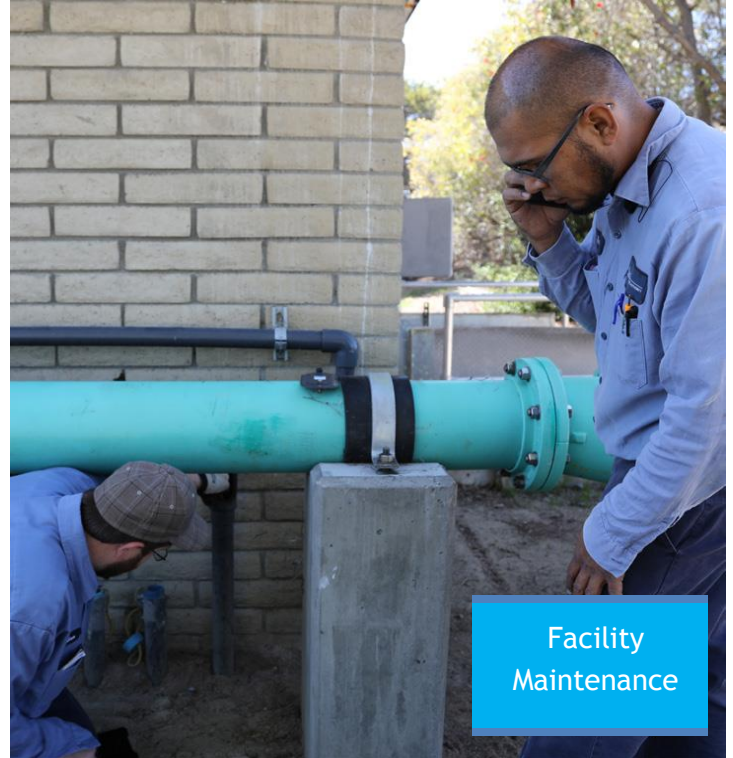
Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19	% Change
Personnel						
Direct Salaries and Wages	\$ 2,098,261	\$ 2,007,881	\$ 2,087,692	\$ 2,105,223	\$ 2,159,024	2.6%
Medicare Tax	29,617	29,824	31,087	29,053	31,001	6.7%
State Unemployment Tax	5,439	7,105	7,266	9,238	9,673	4.7%
Standby Pay	14,212	14,733	13,923	14,109	14,504	2.8%
Overtime Pay	37,101	44,672	45,429	42,472	43,297	1.9%
Dental/Vision	17,988	19,188	24,369	26,931	25,186	-6.5%
Employee Assistance Program	2,080	678	699	4,098	4,099	0.0%
Life Insurance/Disability	12,926	12,774	13,237	16,780	17,860	6.4%
Workers Comp. Insurance	34,820	37,122	26,541	41,074	44,225	7.7%
Medical Insurance - Pers	228,238	235,915	247,972	252,768	272,248	7.7%
Retirement Plan - PERS	440,330	437,387	307,752	338,365	368,251	8.8%
Deferred Comp-employer	69,565	71,961	76,873	84,208	89,859	6.7%
Uniforms - Boots	1,550	2,156	3,817	3,849	4,022	4.5%
Payroll Processing Fees	8,238	8,693	7,690	8,000	8,002	0.0%
Other Personnel Costs	2,252	1,082	1,739	2,501	2,501	0.0%
	<u>3,002,618</u>	<u>2,931,172</u>	<u>2,896,084</u>	<u>2,978,669</u>	<u>3,093,752</u>	<u>3.9%</u>
Supplies and Services						
Advertising	586	600	1,200	1,200	1,900	58.3%
Bank Service Charges	5,062	2,210	6,772	6,000	5,000	-16.7%
Board Expense	112	287	300	300	200	-33.3%
Dedication Ceremony	994	-	-	-	-	-
Dues & Memberships	25,004	24,924	26,072	26,641	30,049	12.8%
Equipment Rental/Lease	4,385	6,499	40,555	9,200	42,200	358.7%
Fees - Disposal	487	267	200	4,000	1,580	-60.5%
Fees - Permits	50,797	48,491	52,598	59,850	59,629	-0.4%
Fines	-	3,000	-	-	-	-
Fuel	8,372	8,505	9,592	24,433	13,428	-45.0%
Insurance - Liability	31,031	32,067	33,185	40,947	37,144	-9.3%
Insurance - Property	24,035	24,658	25,408	27,259	28,305	3.8%
Licenses	17,807	23,272	27,132	27,100	25,234	-6.9%
Services - Construction	23,500	-	-	-	-	-
Minor Equip - Shop & Field	8,533	9,672	11,088	7,617	10,696	40.4%
Postage/Shipping	1,915	1,998	1,746	2,000	2,337	16.9%
Preemployment Screening	103	296	407	625	625	0.0%
Printing	1,021	1,274	852	2,040	2,040	0.0%
Rent	39,926	64,549	103,081	71,338	107,061	50.1%
Repair Parts Expense	157,360	253,335	175,458	181,494	197,870	9.0%
Retrofit Expenses	4,700	-	-	10,000	5,000	-50.0%
Seminars/Education	10,159	9,908	13,750	21,700	15,492	-28.6%
Services - Accounting	20,400	19,500	25,750	27,000	28,500	5.6%
Services - Alarm	6,546	8,235	7,564	9,000	10,800	20.0%
Services - Biosolids Hauling	153,447	154,682	159,392	175,000	175,000	0.0%

Cost detail continued on next page

Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19	% Change
Services - Engineering	42,612	62,906	203,749	182,400	242,400	32.9%
Services - Grease & Scum	23,241	17,359	17,943	29,900	32,220	7.8%
Services - Grit & Screenings	17,327	21,521	42,513	20,000	37,700	88.5%
Services - Janitorial	12,508	12,225	12,000	13,000	13,000	0.0%
Services - Laboratory	29,711	20,730	43,041	38,700	63,800	64.9%
Services - Landscape	54,906	37,047	43,353	47,000	44,500	-5.3%
Services - Legal	63,474	40,566	68,461	73,256	72,089	-1.6%
Services - Lobbying	-	23,433	16,000	16,000	16,000	0.0%
Services - Maintenance	55,074	81,746	72,482	70,990	77,651	9.4%
Services - Medical	1,580	1,137	1,200	2,013	1,803	-10.4%
Services - Other	28	65	3,424	1,295	2,000	54.4%
Services - Professional	82,279	44,226	84,865	110,893	83,393	-24.8%
Services - Temp	39,488	32,464	36,472	40,000	52,200	30.5%
Services - IT/GIS Support	88,072	42,147	45,652	50,900	54,902	7.9%
Service - EWA Support	3,067	14,949	33,608	37,401	37,134	-0.7%
Services - Contractors	53,136	104,424	103,788	110,000	108,000	-1.8%
Services - Testing	-	-	-	1,000	1,000	0.0%
Services - Uniforms	8,780	9,843	9,935	9,600	10,500	9.4%
Subsistence - Meals	1,950	660	2,597	2,725	2,725	0.0%
Subsistence - Travel/Rm & Bd	5,062	4,150	7,869	8,525	8,525	0.0%
Supplies - Chem - Ferrous Chlo	42,065	40,851	42,485	58,000	48,809	-15.8%
Supplies - Chem - Odor	18,130	22,465	23,364	20,000	25,605	28.0%
Supplies - Chem - Polymer	55,478	57,813	60,126	69,500	66,269	-4.6%
Supplies - Chem - Sodium Hypo	46,989	40,282	41,894	48,000	48,000	0.0%
Supplies - Chemicals	44,093	58,828	61,181	46,300	64,311	38.9%
Supplies - Janitorial	2,630	2,519	2,769	3,000	3,000	0.0%
Supplies - Lab	20,138	24,046	22,291	21,000	21,000	0.0%
Supplies - Office	15,708	12,926	10,230	10,700	12,635	18.1%
Supplies - Safety	6,925	7,147	9,849	3,699	7,037	90.2%
Supplies - Shop & Field	20,919	10,864	20,158	21,701	22,211	2.4%
Training	3,010	-	5,685	6,242	6,367	2.0%
Training - Safety	2,985	5,779	5,769	11,065	9,604	-13.2%
Utilities - Gas & Electric	653,987	665,515	795,173	892,107	855,759	-4.1%
Utilities - Internet	4,730	4,812	4,840	4,620	7,341	58.9%
Utilities - Telephone	29,628	28,984	29,409	25,400	29,000	14.2%
Utilities - Trash	2,832	2,847	2,906	2,950	2,950	0.0%
Utilities - Water	108,025	130,357	100,697	103,885	109,800	5.7%
Utilities - Water (Suppl.)	12,285	11,205	10,769	11,100	11,544	4.0%
Vehicle Maintenance	8,914	6,750	11,975	10,000	11,321	13.2%
	<u>2,278,048</u>	<u>2,403,820</u>	<u>2,832,621</u>	<u>2,969,611</u>	<u>3,124,194</u>	<u>5.2%</u>
Capital Outlay	46,590	118,757	82,476	48,300	58,300	20.7%
Contingency	-	-	-	145,500	160,400	10.2%
Total Operating Cost	<u>\$ 5,327,257</u>	<u>\$ 5,453,749</u>	<u>\$ 5,811,181</u>	<u>\$ 6,142,079</u>	<u>\$ 6,436,646</u>	<u>4.8%</u>

COST DETAIL BY PROGRAM



Aerial View of San Elijo Water Campus



STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required by each program. Actual program staff time is recorded daily. Administrative time is allocated to all programs. Below is a table showing the percentages of direct labor for each program by fiscal year:

Program	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Treatment	45.9%	46.1%	43.1%	42.3%	42.8%
Laboratory	13.7%	14.0%	13.8%	13.7%	13.7%
Ocean Outfall	9.8%	10.2%	10.2%	9.9%	10.6%
Cardiff Sanitation District Pump Stations	3.8%	4.1%	5.1%	5.0%	5.0%
Encinitas Sanitation District Pump Station	1.6%	1.7%	2.1%	2.2%	2.2%
Encinitas Urban and Storm Water Services	0.8%	0.5%	0.7%	0.7%	0.8%
Solana Beach Pump Stations	4.8%	4.3%	5.5%	5.8%	5.8%
Solana Beach Urban and Storm Water Services	0.2%	0.2%	0.2%	0.2%	0.2%
Del Mar Pump Station	0.0%	0.1%	1.2%	2.1%	1.1%
Recycled Water	19.4%	18.7%	18.0%	18.1%	17.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

WASTEWATER TREATMENT

PROGRAM DESCRIPTION

Wastewater Treatment is the cost center for all operation and maintenance activities at the San Elijo Water Reclamation Facility. Activities currently include full secondary wastewater treatment for the cities of Encinitas, Solana Beach, and Del Mar as well as the Rancho Santa Fe Community Services Districts, with the effluent being recycled or disposed to the ocean. Wastewater biosolids are treated and dewatered, then hauled by a contractor to a privately operated land application site in Arizona for beneficial reuse.



We strive to deliver value-added services that are reliable, safe and cost-effective. SEJPA is committed to staff development and opportunity.

SUPERIOR AWARD-WINNING SERVICE

2017-18 ESTIMATED ACTUAL EXPENDITURES

Wastewater treatment operations are projected to end the year approximately 3.4%, or roughly \$93,590 under budget. Major components of the wastewater treatment budget include personnel, insurances, chemicals, repair and maintenance parts, professional services, utilities, waste hauling and disposal, and capital outlay. The following tables show the budgets and estimated expenditures by classification.

Personnel costs for this program are forecast to be \$12,051 or 0.9% under budget this year. Direct Salaries and Wages is expected to be over budget as a result of the delay in bringing the City of Del Mar’s wastewater flow to the SEJPA and the 21st Street Pump Station; however, this was offset by employee benefits.

Non-personnel costs, including supplies and services, are expected to be 0.8% under, or about at budget. This is due to a combination of multiple variances consisting of the following:

Operating Cost	Over/(Under)Budget	Explanation
Equipment/Lease	34,755	Duperon Lease (Bar Screens)
Fuel	-10,515	Lower fuel costs; less fuel required
Minor Equipt/Shop Field	5,421	Repair & Replacement
Seminars/Education	-6,469	Lower than planned
Services-Biosolids Hauling	-15,608	Lower fuel costs (contract)
Services-Engineering	23,139	Support for biological process and nitrification
Services-Grease & Scum	-10,922	Lower than planned
Services-Grit & Screening	11,831	Higher due to secondary basin cleaning
Services-IT/GIS Support	-5,191	Lower than required
Chemicals-Various	-26,962	Lower usage and lower unit pricing
Supplies-Safety	6,380	Safety equipment replacements
Utilities-Gas & Electric	-18,660	Energy efficiencies and lower than planned rates
Utilities-Water	16,256	Higher rates
All others	-14,185	
Net Supplies & Services	-10,730	

Capital Outlay is expected to be spent on treatment replacement repairs; Contingency is not expected to be used.

2018-19 ADOPTED BUDGET

Overall, the Wastewater Treatment operating budget is proposed to increase by \$102,584, or 3.7%, from the prior year's budget. Personnel expense is planned to increase \$66,752 which is consistent with the actual cost incurred in FYE 2016 and FYE 2017. Supplies and Services is planned to increase \$34,132, which the Duperon Lease is \$33,800. This equipment lease will be eliminated with the completion of the Preliminary Treatment Upgrades Project. Other expenses have been adjusted from prior year's budget based on providing the required level of service:

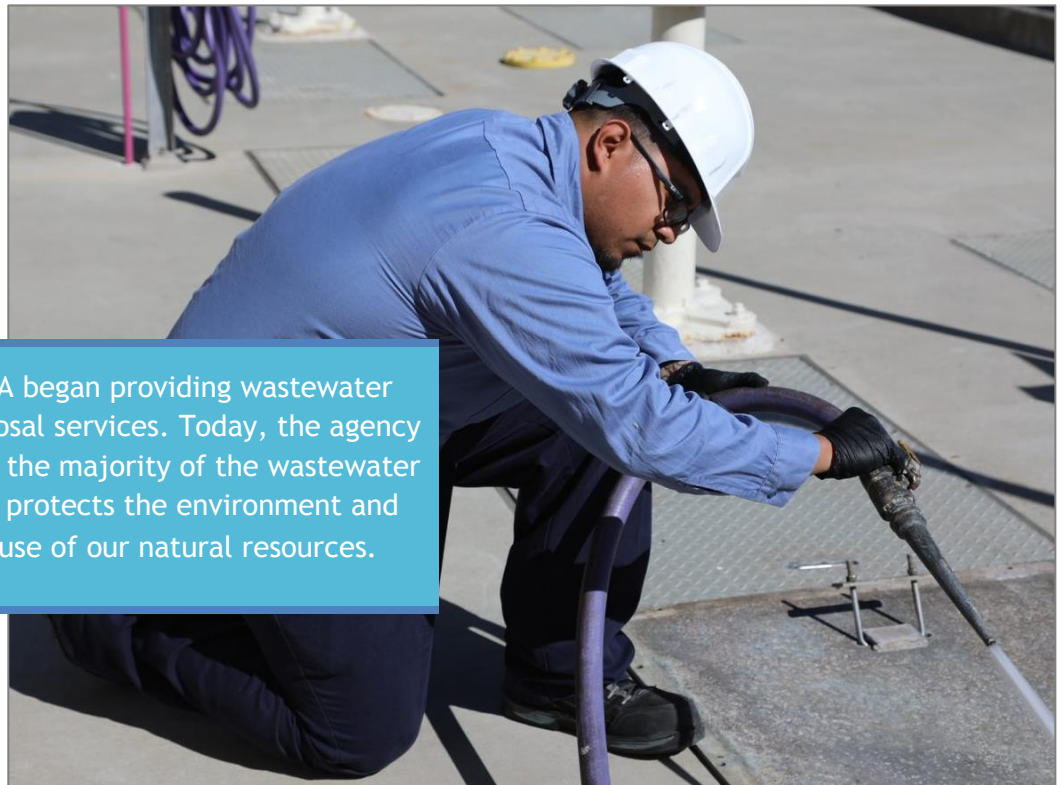
Operating Cost	Increase/(Decrease) Year over Year	Explanation
Equipment/Lease	33,800	Duperon Lease (Bar Screens)
Fuel	-9,837	Lower fuel requirements
Repair Parts Expense	6,364	Repair & Replacement
Seminars/Education	-6,250	Plan based on historical
Services-Grit & Screening	12,000	Higher due to secondary basin cleaning
Services-Professional	-16,500	Lower than required
Services-Temp	8,000	Temporary employee utilization
Chemicals-Various	-9,006	Pricing & usage adjustments
Utilities-Gas & Electric	-7,424	Energy efficiencies and lower than planned rates
Utilities-Water	7,234	Higher usage and rates
All others	15,751	
Net Supplies & Services	34,132	

Contingency funding has been set at \$71,900 which is approximately 5% of the budgeted supplies and services costs. This provides funding for unforeseen events impacting the wastewater program.

Wastewater Treatment Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 1,384,630	\$ 1,355,349	\$ 1,275,254	\$ 1,287,305	\$ 1,354,057
Supplies and Services	1,112,568	1,235,625	1,394,129	1,404,859	1,438,991
Capital Outlay	3,783	77,798	24,391	25,000	25,000
Contingency	-	-	-	70,200	71,900
Total Operating Cost	2,500,980	2,668,771	2,693,775	2,787,364	2,889,948
Capital Costs	997,000	1,029,000	1,029,000	280,000	120,000
Debt Service					
2011 Refunding Bonds	1,479,867	1,472,818	1,482,668	1,482,668	1,478,068
2017 Revenue Bonds			589,311	591,160	902,775
Total Debt Service	1,479,867	1,472,818	2,071,979	2,073,828	2,380,843
Total Costs	\$ 4,977,847	\$ 5,170,589	\$ 5,794,754	\$ 5,141,192	\$ 5,390,791

In 1965, the SEJPA began providing wastewater treatment and disposal services. Today, the agency recycles and reuses the majority of the wastewater it receives, which protects the environment and makes efficient use of our natural resources.



Wastewater Treatment Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 962,152	\$ 926,548	\$ 900,649	\$ 889,894	\$ 924,297
Medicare Tax	13,298	13,620	14,359	13,308	14,337
State Unemployment Tax	2,618	3,525	3,769	4,232	4,473
Standby Pay	7,709	7,977	7,533	7,768	7,888
Overtime Pay	12,903	18,152	17,467	15,453	16,325
Dental/Vision	8,399	8,941	11,372	12,336	11,647
Employee Assistance Program	971	316	699	1,878	1,896
Life Insurance/Disability	6,035	5,953	6,180	7,686	8,259
Workers Comp. Insurance	15,721	16,497	12,419	18,815	20,453
Medical Insurance - Pers	104,402	109,933	115,843	115,788	125,905
Retirement Plan - PERS	213,644	206,468	143,997	154,999	170,303
Deferred Comp-employer	31,143	31,961	35,048	38,574	41,557
Uniforms - Boots	724	919	1,508	1,764	1,861
Payroll Processing Fees	3,847	4,050	3,599	3,665	3,700
Other Personnel Costs	1,065	488	813	1,145	1,156
	<u>1,384,630</u>	<u>1,355,349</u>	<u>1,275,254</u>	<u>1,287,305</u>	<u>1,354,057</u>
Supplies and Services					
Advertising	586	600	700	700	700
Bank Service Charges	5,058	2,210	6,772	5,000	5,000
Board Expense	112	287	200	200	200
Dues & Memberships	16,413	12,655	19,452	19,698	18,070
Equipment Rental/Lease	2,108	6,426	40,555	5,800	39,600
Fees - Disposal	199	267	200	2,000	1,300
Fees - Permits	21,541	24,654	27,490	30,000	27,500
Fines	-	3,000	-	-	-
Fuel	3,707	3,580	4,626	15,141	5,304
Insurance - Liability	15,417	16,013	16,592	20,027	19,081
Insurance - Property	12,018	11,434	12,704	13,630	14,610
Licenses	5,738	7,008	9,310	7,853	8,383
Minor Equip - Shop & Field	6,535	6,817	8,854	3,433	7,593
Postage/Shipping	1,635	1,163	947	1,500	1,500
Preemployment Screening	48	138	191	300	300
Printing	835	585	541	1,250	1,250
Rent	1,024	1,076	1,168	1,500	1,300
Repair Parts Expense	74,716	158,865	95,488	93,636	100,000
Seminars/Education	5,834	1,924	7,531	14,000	7,750
Services - Accounting	15,300	10,500	12,875	13,500	14,250
Services - Alarm	1,409	2,393	1,572	1,600	2,500

Cost detail continued on next page

Wastewater Treatment Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Services - Biosolids Hauling	153,447	154,682	159,392	175,000	175,000
Services - Engineering	11,572	41,655	83,139	60,000	60,000
Services - Grease & Scum	19,565	14,235	15,078	26,000	27,150
Services - Grit & Screenings	5,196	5,939	19,831	8,000	20,000
Services - Janitorial	12,508	12,225	12,000	13,000	13,000
Services - Laboratory	-	310	4,207	600	3,000
Services - Landscape	48,553	31,500	36,225	39,500	39,500
Services - Legal	31,123	27,818	41,321	45,600	43,387
Services - Maintenance	24,909	31,673	32,853	30,000	30,000
Services - Medical	738	803	826	950	950
Services - Other	13	16	719	200	700
Services - Professional	19,066	19,535	49,232	46,500	30,000
Services - Temp	19,744	16,232	17,236	20,000	28,000
Services - IT/GIS Support	39,404	14,755	14,809	20,000	22,251
Service - EWA Support	1,432	6,972	15,491	17,283	17,000
Services - Contractors	23,257	70,479	45,080	50,000	50,000
Services - Testing	-	-	-	1,000	1,000
Services - Uniforms	4,100	4,586	4,649	4,500	4,922
Subsistence - Meals	1,733	338	1,447	1,500	1,500
Subsistence - Travel/Rm & Bd	2,750	1,339	5,376	6,000	6,000
Supplies - Chem - Ferrous Chlo	42,065	40,851	42,485	58,000	48,809
Supplies - Chem - Odor	14,504	17,062	17,745	15,000	20,386
Supplies - Chem - Polymer	55,478	54,209	56,378	68,000	64,769
Supplies - Chemicals	3,269	3,875	4,030	6,600	4,630
Supplies - Janitorial	2,630	2,519	2,769	2,750	2,750
Supplies - Lab	782	1,880	4,074	2,000	2,000
Supplies - Office	14,033	10,710	9,187	9,700	11,000
Supplies - Safety	6,125	4,312	8,280	1,900	5,000
Supplies - Shop & Field	16,775	8,460	14,175	17,500	17,500
Training	1,405	-	2,500	2,678	2,732
Training - Safety	1,434	2,754	2,853	4,747	4,290
Utilities - Gas & Electric	215,921	213,189	280,898	299,558	292,134
Utilities - Internet	2,272	2,312	2,349	1,638	4,260
Utilities - Telephone	15,458	14,684	15,770	12,869	14,917
Utilities - Trash	2,832	2,847	2,906	2,950	2,950
Utilities - Water	102,830	124,800	94,256	78,000	85,234
Vehicle Maintenance	5,415	4,473	6,794	4,568	6,081
	1,112,568	1,235,625	1,394,129	1,404,859	1,438,991
Capital Outlay	3,783	77,798	24,391	25,000	25,000
Contingency	-	-	-	70,200	71,900
Total Operating Cost	\$ 2,500,980	\$ 2,668,771	\$ 2,693,775	\$ 2,787,364	\$ 2,889,948

LABORATORY SERVICES

PROGRAM DESCRIPTION

The laboratory located at the San Elijo Water Reclamation Facility provides analytical laboratory services for the SEJPA's wastewater and recycled water programs as well as to other entities through contract agreements. For the Fiscal Year 2017-18, contract agreements include the Fairbanks Ranch Community Services District, the Rancho Santa Fe Community Services District, the Santa Fe Valley Community Services District, and the Whispering Palms Community Services District.

2017-18 ESTIMATED ACTUAL EXPENDITURES

Laboratory services are expected to be approximately \$12,921 under budget. Personnel expenses are expected to be \$12,051 or 0.9% under budget. Supplies and Services are estimated to be about at budget. Contingency is not expected to be used.

2018-19 ADOPTED BUDGET

The laboratory services budget for Fiscal Year 2018-19 will be \$17,349 or 3.7% higher than last year's budgeted level. Personnel expense will increase \$11,764 or 2.9% and Supplies & Services will increase \$5,185 or 8.8%. This increase is primarily due to an increase in required water quality monitoring, of which some analytical testing will be outsourced.

Contingency funding has been set at \$4,500, which is approximately 7% of the budgeted supplies and services expense.

STAFF ALLOCATION

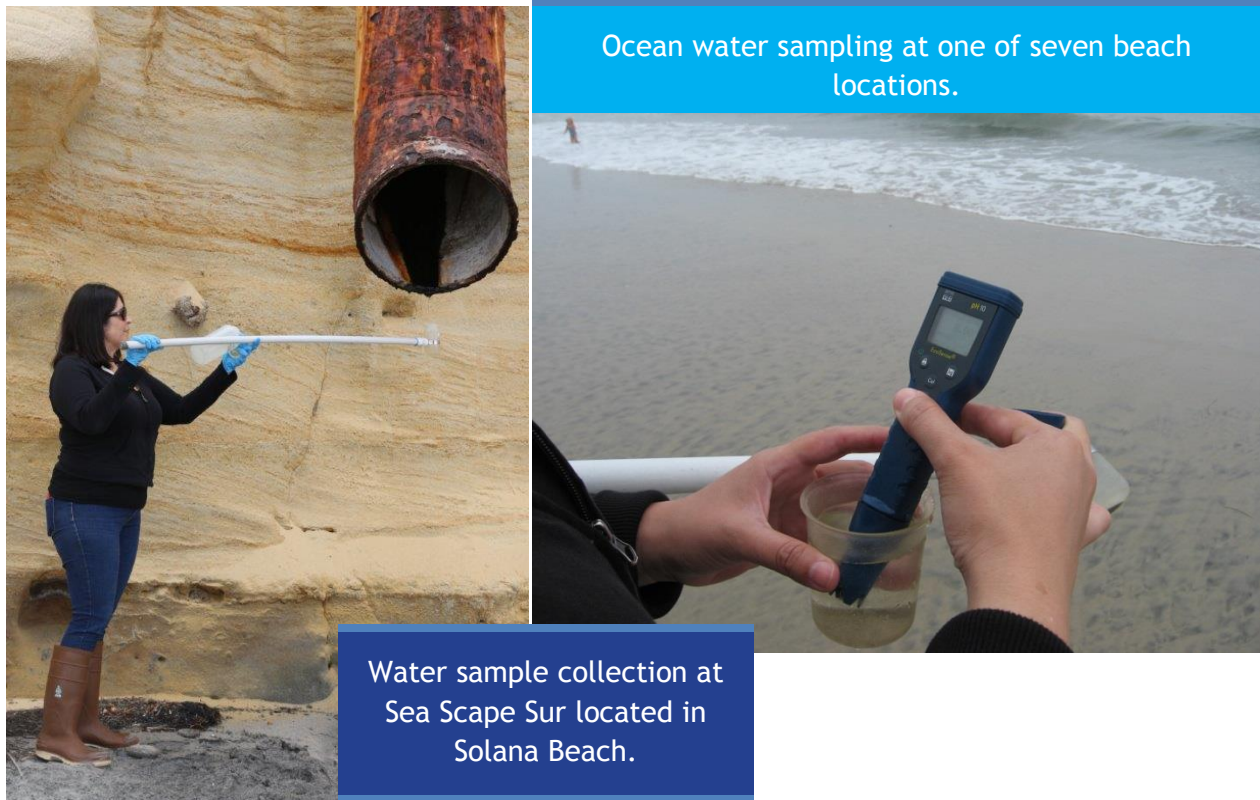
Staff time is budgeted based on estimates of actual time required. Actual charges for staff time are recorded daily based on time spent providing laboratory services. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Laboratory Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 395,486	\$ 404,714	\$ 392,211	\$ 402,911	\$ 414,675
Supplies and Services	46,576	53,910	59,851	58,858	64,043
Capital Outlay	-	1,424	6,686	5,800	5,800
Contingency	-	-	-	4,100	4,500
Total Operating Cost	<u>\$ 442,062</u>	<u>\$ 460,047</u>	<u>\$ 458,748</u>	<u>\$ 471,669</u>	<u>\$ 489,018</u>

Laboratory Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 286,571	\$ 281,831	\$ 288,736	\$ 289,240	\$ 295,290
Medicare Tax	4,030	4,285	4,268	3,861	4,092
State Unemployment Tax	739	1,081	1,081	1,228	1,277
Overtime Pay	2,357	5,717	1,012	5,121	3,625
Dental/Vision	2,504	2,671	3,302	3,579	3,325
Employee Assistance Program	290	94	-	545	541
Life Insurance/Disability	1,799	1,778	1,793	2,230	2,357
Workers Comp. Insurance	5,048	5,375	3,602	5,458	5,838
Medical Insurance - Pers	32,666	32,839	33,343	33,589	35,939
Retirement Plan - PERS	48,211	56,637	41,762	44,963	48,612
Deferred Comp-employer	9,600	10,580	11,001	11,190	11,862
Uniforms - Boots	216	459	1,032	512	531
Payroll Processing Fees	1,147	1,210	1,044	1,063	1,056
Other Personnel Costs	310	155	236	332	330
	<u>395,486</u>	<u>404,714</u>	<u>392,211</u>	<u>402,911</u>	<u>414,675</u>



Ocean water sampling at one of seven beach locations.

Water sample collection at Sea Scape Sur located in Solana Beach.

Cost detail continued on next page

Laboratory Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Supplies and Services					
Advertising	-	-	-	-	-
Dues & Memberships	515	535	805	913	900
Fuel	207	180	280	386	390
Insurance - Liability	80	84	-	83	86
Licenses	2,859	4,092	7,139	4,868	4,950
Minor Equip - Shop & Field	136	1,816	1,388	1,040	1,110
Postage/Shipping	241	307	354	300	350
Preemployment Screening	14	41	55	85	85
Printing	-	315	108	275	275
Rent	-	-	-	25	25
Repair Parts Expense	3,244	822	658	2,601	1,000
Seminars/Education	122	2,538	1,423	3,100	2,500
Services - Laboratory	17,181	18,640	17,944	16,500	20,000
Services - Legal	71	-	90	-	94
Services - Maintenance	1,249	496	525	2,000	2,000
Services - Alarm	-	324	-	-	350
Services - Medical	220	30	49	279	279
Services - Other	4	5	2,699	10	1,000
Services - Professional	627	271	1,000	1,000	1,000
Service - EWA Support	427	2,049	4,493	4,969	5,000
Services - Uniforms	1,222	1,370	1,348	1,300	1,422
Services - IT/GIS Support	4,266	4,364	4,295	3,000	4,500
Subsistence - Meals	17	-	250	250	250
Subsistence - Travel/Rm & Bd	15	-	500	500	500
Supplies - Lab (Outsourced)	9,524	11,503	10,201	9,000	9,000
Supplies - Office	595	265	193	200	300
Supplies - Safety	205	718	318	466	466
Supplies - Shop & Field	723	478	293	500	659
Supplies - Janitorial	-	-	-	250	250
Training	419	-	800	809	825
Training - Safety	405	788	781	1,434	1,500
Utilities - Internet	485	495	483	489	500
Utilities - Telephone	1,460	1,357	1,238	1,034	1,277
Vehicle Maintenance	43	25	141	1,192	1,200
	<u>46,576</u>	<u>53,910</u>	<u>59,851</u>	<u>58,858</u>	<u>64,043</u>
Capital Outlay	-	1,424	6,686	5,800	5,800
Contingency	-	-	-	4,100	4,500
Total Operating Cost	<u>\$ 442,062</u>	<u>\$ 460,047</u>	<u>\$ 458,748</u>	<u>\$ 471,669</u>	<u>\$ 489,018</u>

OCEAN OUTFALL

PROGRAM DESCRIPTION

This program is the cost center for all operation and maintenance services related to the ocean outfall system. These activities include effluent pump station operations and maintenance; ocean monitoring; sampling and testing; and annual outfall inspection. Outfall capacity is shared through an agreement between the SEJPA and the City of Escondido; all operation and maintenance costs are shared on the basis of actual usage (measured by discharged flows). Capital improvement project costs are shared based on leased/owned capacity (79% City of Escondido and 21% SEJPA).

2017-18 ESTIMATED ACTUAL EXPENDITURES

The Ocean Outfall Program is expected to be approximately \$45,427 or 8.1% under budget this year. Personnel costs are projected to be approximately at budget; Supplies and Services are projected to be \$27,379 under budget primarily due to lower expected energy costs. Capital Outlay is forecasted to be at about budget. Contingency funding of \$17,400 is not planned to be used.

2018-19 ADOPTED BUDGET

The Ocean Outfall Program budget for Fiscal Year 2018-19 will increase \$132,877 or 23.6%. Personnel Costs are expected to increase \$31,071 or 10.9%. Supplies and Services is expected to increase \$95,205 or 38.4%. These increases are primarily due to the new ocean outfall monitoring requirements.

Contingency funding is set at \$24,000, which is approximately 7% of the budgeted supplies and services costs. This provides funding for unforeseen events or repairs for facilities within the Ocean Outfall Program.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to operate and maintain the Ocean Outfall System. Actual charges for staff time are recorded daily based on time spent providing services to this facility. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Ocean Outfall Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 291,507	\$ 289,903	\$ 284,196	\$ 284,344	\$ 315,415
Supplies and Services	155,378	149,954	220,498	247,878	343,083
Capital Outlay	168	3,679	12,000	12,500	12,500
Contingency	-	-	-	17,400	24,000
Total Operating Cost	447,053	443,535	516,694	562,121	694,998
Capital Costs	300,000	300,000	4,189,937	300,000	300,000
Total Costs	<u>\$ 747,053</u>	<u>\$ 743,535</u>	<u>\$ 4,706,631</u>	<u>\$ 862,121</u>	<u>\$ 994,998</u>

Ocean Outfall Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 206,274	\$ 205,365	\$ 212,542	\$ 208,220	\$ 228,332
Medicare Tax	2,967	3,034	3,091	2,604	2,982
State Unemployment Tax	470	541	540	828	930
Standby Pay	1,531	1,590	1,476	1,454	1,540
Overtime Pay	1,470	1,008	786	1,442	1,201
Dental/Vision	1,667	1,782	2,223	2,414	2,422
Employee Assistance Program	193	63	-	368	394
Life Insurance/Disability	1,198	1,186	1,207	1,504	1,718
Workers Comp. Insurance	3,362	3,587	2,431	3,682	4,254
Medical Insurance - Pers	21,753	21,913	22,567	22,660	26,185
Retirement Plan - PERS	42,418	41,135	28,190	30,333	35,418
Deferred Comp-employer	7,092	7,605	7,982	7,549	8,643
Uniforms - Boots	144	183	296	345	387
Payroll Processing Fees	764	808	704	717	769
Other Personnel Costs	206	103	159	224	240
	<u>291,507</u>	<u>289,903</u>	<u>284,196</u>	<u>284,344</u>	<u>315,415</u>

Cost detail continued on next page

Ocean Outfall Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Supplies and Services					
Advertising	-	-	200	200	800
Dues & Memberships	1,187	2,695	91	-	2,130
Fees - Permits	4,857	(50)	1,440	5,000	6,600
Fuel	749	662	679	1,931	936
Insurance - Liability	6,145	6,349	6,637	8,011	7,633
Insurance - Property	4,807	5,290	5,082	5,452	5,844
Licenses	942	1,440	1,692	1,606	2,284
Postage/Shipping	22	45	44	15	50
Preemployment Screening	10	28	37	60	60
Printing	-	90	16	40	40
Rent	-	-	-	15	15
Repair Parts Expense	1,658	131	4,426	5,202	5,000
Seminars/Education	35	82	82	-	100
Minor Equip - Shop & Field	91	274	45	78	207
Services - Accounting	-	3,300	5,150	5,400	5,700
Services - Engineering	-	2,819	39,819	40,400	100,400
Services - Laboratory	8,700	-	17,500	17,600	36,800
Services - Legal	8,326	5,164	5,548	4,674	5,825
Services - Maintenance	305	10	-	2,000	2,000
Services - Medical	146	107	107	175	175
Services - Other	3	33	1	20	-
Services - Professional	893	5,886	4,560	3,000	22,000
Services - IT/GIS Support	8,479	2,912	3,899	4,000	4,161
Services - Contractors	26,882	33,946	38,708	40,000	40,000
Services - Temp	7,897	6,493	7,894	8,000	11,200
Services - Uniforms	814	914	910	900	984
Services - Alarm	-	216	-	-	300
Service - EWA Support	284	1,413	3,533	3,577	3,600
Subsistence - Meals	61	68	20	20	20
Subsistence - Travel/Rm & Bd	-	531	33	25	25
Supplies - Lab	8,860	9,535	7,016	9,000	9,000
Supplies - Office	189	612	100	100	300
Supplies - Safety	136	479	184	62	300
Supplies - Shop & Field	382	435	198	500	442
Training	279	-	500	588	600
Training - Safety	270	526	534	1,042	942
Utilities - Gas & Electric	60,170	55,819	62,308	77,472	64,800
Utilities - Internet	323	330	326	327	501
Utilities - Telephone	972	906	836	690	719
Vehicle Maintenance	504	463	344	695	590
	155,378	149,954	220,498	247,878	343,083
Capital Outlay	168	3,679	12,000	12,500	12,500
Contingency	-	-	-	17,400	24,000
Total Operating Cost	\$ 447,053	\$ 443,535	\$ 516,694	\$ 562,121	\$ 694,998

CARDIFF SANITARY DIVISION PUMP STATIONS

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the City of Encinitas' Cardiff Sanitary Division (CSD). These facilities include the Cardiff, Coast Highway, and Olivenhain pump stations. The actual costs incurred are borne solely by the CSD.

2017-18 ESTIMATED ACTUAL EXPENDITURES

The CSD pump stations are expected to be at or about budget. Personnel, and Supplies and Services are projected to be under budget; however, an unforeseen capital improvement of \$27,000 for the Cardiff Pump Station for work associated with new discharge piping, painting and flow metering. This will be offset by other savings resulting in the program finishing the year approximately at budget.

2018-19 ADOPTED BUDGET

Overall, the CSD's pump station budget will be about the same as FY 2017-18's budget. Personnel expense will increase \$5,876 or 3.9%; however, Olivenhain Pump Station will not require landscape maintenance (due to CalTrans construction) resulting in a total decrease in Supplies and Services and Contingency of \$6,420 and \$1,300, respectively.

In FY 2017-18, the SEJPA completed the replacement of the Cardiff Force Main pipelines for \$344,650. The original pipelines were installed in 1965.

Contingency funding has been set at \$14,200, which is approximately 20% of budgeted supplies and services costs consistent that is with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at any of the CSD pump stations.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump stations. Actual charges for staff time are recorded daily based on time spent at each pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Cardiff Sanitary Division Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 128,280	\$ 128,266	\$ 146,485	\$ 149,754	\$ 155,630
Supplies and Services	65,872	71,392	69,653	77,576	71,157
Capital Outlay	-	-	27,000	-	-
Contingency	-	-	-	15,500	14,200
Total Operating Cost	194,152	199,657	243,138	242,831	240,987
Capital Costs				344,650	-
Total Costs	<u>\$ 194,152</u>	<u>\$ 199,657</u>	<u>\$ 243,138</u>	<u>\$ 587,481</u>	<u>\$ 240,987</u>
Cardiff Pump Station	91,142	90,236	112,646	117,285	113,923
Coast Blvd Pump Station	40,889	45,174	71,284	50,587	51,838
Olivenhain Pump Station	62,122	64,247	59,208	74,959	75,226
Total Operating Cost	<u>\$ 194,152</u>	<u>\$ 199,657</u>	<u>\$ 243,138</u>	<u>\$ 242,831</u>	<u>\$ 240,987</u>

Cardiff Sanitary Division Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 80,681	\$ 81,947	\$ 107,323	\$ 105,275	\$ 108,013
Medicare Tax	1,188	1,227	1,168	1,458	1,575
State Unemployment Tax	247	324	303	463	491
Standby Pay	848	868	827	850	864
Overtime Pay	2,838	2,136	1,646	2,641	2,194
Dental/Vision	926	976	1,281	1,352	1,280
Employee Assistance Program	107	35	-	206	209
Life Insurance/Disability	666	650	695	842	908
Workers Comp. Insurance	1,868	1,962	1,362	2,061	2,247
Medical Insurance - Pers	12,082	11,998	12,674	12,684	13,833
Retirement Plan - PERS	23,565	22,534	15,788	16,978	18,712
Deferred Comp-employer	2,645	3,011	2,770	4,226	4,566
Uniforms - Boots	80	100	165	192	204
Payroll Processing Fees	424	442	395	401	407
Other Personnel Costs	115	57	89	126	127
	<u>128,280</u>	<u>128,266</u>	<u>146,485</u>	<u>149,754</u>	<u>155,630</u>

Cost detail continued on next page

Cardiff Sanitary Division Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Supplies and Services					
Equipment Rental/Lease	-	73	-	-	-
Fees - Disposal	107	-	-	-	115
Fees - Permits	1,098	1,567	2,301	1,500	1,835
Fuel	469	504	564	1,020	1,030
Insurance - Liability	30	31	-	33	34
Licenses	794	917	857	1,199	869
Minor Equip - Shop & Field	50	146	133	728	111
Postage/Shipping	-	9	8	-	11
Preemployment Screening	5	15	21	30	30
Printing	-	46	10	25	25
Rent	-	-	-	12	12
Repair Parts Expense	11,721	18,209	15,278	12,485	13,000
Seminars/Education	19	45	45	-	50
Services - Alarm	1,546	1,318	1,440	1,950	1,500
Services - Grease & Scum	3,676	3,125	2,864	3,000	4,170
Services - Landscape	5,404	4,627	-	5,500	-
Services - Legal	26	-	34	-	36
Services - Maintenance	2,038	6,351	4,648	4,530	4,530
Services - Medical	81	11	18	390	90
Services - Other	1	2	1	-	-
Services - Professional	233	99	190	195	195
Services - IT/GIS Support	3,987	1,593	1,624	1,700	1,700
Services - Uniforms	452	500	510	500	547
Service - EWA Support	158	748	1,699	1,814	1,814
Subcontractors	639	-	-	-	-
Subsistence - Meals	6	-	-	-	-
Subsistence - Meals	-	105	-	-	-
Supplies - Chemicals	1,910	2,244	2,334	2,000	2,681
Supplies - Chem - Odor	-	1,138	1,183	1,000	1,219
Supplies - Office	-	9	47	-	20
Supplies - Safety	92	262	103	171	171
Supplies - Shop & Field	938	192	413	886	752
Training	155	-	270	331	338
Training - Safety	150	288	261	587	531
Utilities - Gas & Electric	23,619	21,608	26,476	29,462	27,535
Utilities - Internet	179	181	182	179	457
Utilities - Telephone	2,063	1,324	1,304	1,201	1,265
Utilities - Water	3,943	3,855	3,255	4,692	3,997
Vehicle Maintenance	279	253	1,580	457	487
	65,872	71,392	69,653	77,576	71,157
Capital Outlay	-	-	27,000	-	-
Contingency	-	-	-	15,500	14,200
Total Operating Cost	\$ 194,152	\$ 199,657	\$ 243,138	\$ 242,831	\$ 240,987

ENCINITAS SANITARY DIVISION PUMP STATION

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the Encinitas Sanitary Division (ESD), for the Moonlight Beach pump station, located in the City of Encinitas. The actual costs incurred are borne solely by the ESD.

2017-18 ESTIMATED ACTUAL EXPENDITURES

It is anticipated that the ESD pump station will be \$26,164 or 17.1% below budget for FY 2017-18. Personnel costs are expected to be \$5,024 or 7.6% below budget, and Supplies & Services \$6,640 or 9.2% below budget. Contingency of \$14,500 is not expected to be used.

2018-19 ADOPTED BUDGET

For Fiscal Year 2017-18, the ESD pump station budget is planned to be \$4,080 lower than FY 2017-18 due to lower than anticipated energy costs. Contingency funding has been set to \$13,500, which is approximately 20% of budgeted supplies and services costs that is consistent with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at the pump station.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump station. Actual charges for staff time are recorded daily based on time spent at the pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Encinitas Sanitary Division Pump Station Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 52,735	\$ 53,889	\$ 61,203	\$ 66,227	\$ 68,211
Supplies and Services	62,654	62,178	65,769	72,409	67,344
Capital Outlay	-	11,444	-	-	-
Contingency	-	-	-	14,500	13,500
Total Operating Cost	<u>\$ 115,388</u>	<u>\$ 127,511</u>	<u>\$ 126,972</u>	<u>\$ 153,136</u>	<u>\$ 149,056</u>
Capital Costs					
Total Costs	<u>\$ 115,388</u>	<u>\$ 127,511</u>	<u>\$ 126,972</u>	<u>\$ 153,136</u>	<u>\$ 149,056</u>

Encinitas Sanitary Division includes the Moonlight Beach Pump Station.

Encinitas Sanitary Division Pump Station Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 33,023	\$ 33,703	\$ 43,233	\$ 46,429	\$ 47,369
Medicare Tax	482	504	521	660	698
State Unemployment Tax	94	163	147	210	218
Standby Pay	367	379	373	367	378
Overtime Pay	590	1,084	1,125	880	731
Dental/Vision	397	424	579	612	567
Employee Assistance Program	46	15	-	93	92
Life Insurance/Disability	286	282	306	381	402
Workers Comp. Insurance	802	853	616	933	995
Medical Insurance - Pers	5,185	5,214	5,678	5,740	6,126
Retirement Plan - PERS	10,113	9,788	7,140	7,684	8,286
Deferred Comp-employer	1,085	1,219	1,191	1,912	2,022
Uniforms - Boots	34	44	74	87	91
Payroll Processing Fees	182	192	179	182	180
Other Personnel Costs	49	25	40	57	56
	<u>52,735</u>	<u>53,889</u>	<u>61,203</u>	<u>66,227</u>	<u>68,211</u>

Cost detail continued on next page

Encinitas Sanitary Division Pump Station Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
<u>Supplies and Services</u>					
Dues & Memberships	33	-	-	-	-
Fees - Disposal	46	-	-	-	50
Fees - Permits	1,902	1,318	1,469	2,100	1,900
Fuel	169	462	251	464	468
Insurance - Liability	13	13	-	13	14
Licenses	689	756	689	1,095	675
Minor Equip - Shop & Field	161	63	58	26	127
Postage/Shipping	-	221	225	-	230
Preemployment Screening	2	7	9	15	15
Printing	-	20	4	10	10
Repair Parts Expense	2,061	1,981	5,473	5,202	4,000
Seminars/Education	8	20	20	-	36
Services - Alarm	635	851	960	750	900
Services - Legal	11	-	15	-	16
Services - Maintenance	1,935	7,569	2,651	3,000	3,000
Services - Medical	35	5	8	10	35
Services - Other	1	1	0	-	-
Services - Professional	100	43	40	40	40
Services - IT/GIS Support	1,711	693	734	700	990
Service - EWA Support	68	325	768	789	789
Services - Uniforms	194	218	231	200	219
Subcontractors	2,359	-	-	-	-
Subsistence - Meals	3	-	-	-	-
Supplies - Office	-	4	21	-	5
Supplies - Safety	32	114	139	78	78
Supplies - Shop & Field	358	76	127	357	303
Training	67	-	130	139	142
Training - Safety	64	125	114	247	223
Utilities - Gas & Electric	49,568	46,889	50,623	56,813	52,648
Utilities - Internet	77	79	82	78	17
Utilities - Telephone	232	216	212	164	206
Vehicle Maintenance	121	110	714	119	209
	<u>62,654</u>	<u>62,178</u>	<u>65,769</u>	<u>72,409</u>	<u>67,344</u>
Capital Outlay	-	11,444	-	-	-
Contingency	-	-	-	14,500	13,500
Total Operating Cost	<u><u>\$ 115,388</u></u>	<u><u>\$ 127,511</u></u>	<u><u>\$ 126,972</u></u>	<u><u>\$ 153,136</u></u>	<u><u>\$ 149,056</u></u>

CITY OF ENCINITAS URBAN AND STORM WATER SERVICES

PROGRAM DESCRIPTION

Under this program, the SEJPA provides operation and maintenance services to the City of Encinitas. These services include the Urban Runoff Treatment Facility, the Phoebe Storm Water Pump Station, Cardiff Storm Water Diversion Structure, and the Storm Drain Sediment Drying and Disposal program.

The Phoebe Storm Drain and Urban Runoff Station provide services to the City of Encinitas clean water program for the protection of local creek, beach and lagoon water quality.

Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Reclamation Facility, where the sediment is dewatered, dried, tested, and disposed at a local landfill. This program is designed to comply with current storm water best management practices, and is intended to reduce the overall disposal cost associated with wet sediment.

The actual costs incurred are borne solely by the City of Encinitas.

2017-18 ESTIMATED ACTUAL EXPENDITURES

The City of Encinitas facilities, which include the Phoebe Storm Drain, the Urban Runoff Station, and the Storm Drain Sediment Drying and Disposal program, are anticipated to end the year \$2,724 below budget.

2018-19 ADOPTED BUDGET

These programs will be about the same last year's budgeted level; there is no contingency funding designated for these programs.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the facilities. Actual charges for staff time are recorded daily based on time spent at each facility. Administrative time is allocated to all programs based on the estimates of personnel for each program.

City of Encinitas Urban and Storm Water Services Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 22,466	\$ 16,871	\$ 21,695	\$ 22,342	\$ 23,711
Supplies and Services	7,236	9,015	6,594	8,671	7,678
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	29,702	25,886	28,289	31,013	31,389
Capital Costs					
Total Costs	<u>\$ 29,702</u>	<u>\$ 25,886</u>	<u>\$ 28,289</u>	<u>\$ 31,013</u>	<u>\$ 31,389</u>
Phoebe Storm Drain	\$ 2,799	\$ 2,493	\$ 2,102	\$ 3,902	\$ 4,039
Urban Runoff Station	18,300	13,591	18,522	18,504	18,158
Storm Drain Sediment Drying	8,602	9,802	7,666	8,607	9,193
Total Operating Cost	<u>\$ 29,702</u>	<u>\$ 25,886</u>	<u>\$ 28,289</u>	<u>\$ 31,013</u>	<u>\$ 31,389</u>

City of Encinitas Urban and Storm Water Services Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 16,482	\$ 10,650	\$ 15,480	\$ 15,717	\$ 16,445
Medicare Tax	242	160	232	221	243
State Unemployment Tax	45	29	28	71	76
Standby Pay	124	128	127	121	127
Overtime Pay	349	164	228	279	260
Dental/Vision	135	144	190	205	198
Employee Assistance Program	16	5	-	31	31
Life Insurance/Disability	97	96	99	128	141
Workers Comp. Insurance	272	290	207	313	347
Medical Insurance - Pers	1,761	1,769	2,001	1,926	2,135
Retirement Plan - PERS	2,290	2,953	2,400	2,578	2,888
Deferred Comp-employer	564	394	604	642	704
Uniforms - Boots	12	15	25	29	31
Payroll Processing Fees	62	65	60	61	64
Other Personnel Costs	17	8	14	19	20
	<u>22,466</u>	<u>16,871</u>	<u>21,695</u>	<u>22,342</u>	<u>23,711</u>

Cost detail continued on next page

*City of Encinitas Urban and Storm Water Services Operating Cost Detail
Continued*

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Supplies and Services					
Fuel	57	53	57	155	156
Insurance - Liability	4	5	-	5	5
Licenses	27	29	76	21	43
Minor Equip - Shop & Field	7	5	4	11	7
Postage/Shipping	-	1	1	-	-
Preemployment Screening	1	2	3	-	-
Printing	-	7	2	5	5
Rent	-	-	-	1	1
Repair Parts Expense	102	415	178	1,925	570
Seminars/Education	3	7	7	-	-
Services - Grit & Screenings	6,066	7,791	5,441	5,500	5,700
Services - Legal	4	-	5	-	5
Services - Maintenance	17	1	-	25	25
Services - Medical	12	2	3	14	6
Services - Other	0	0	0	-	-
Services - Professional	34	15	15	21	21
Services - Uniforms	66	74	78	100	109
Service - EWA Support	23	110	258	268	268
Subsistence - Meals	1	-	-	-	-
Supplies - Office	-	1	-	-	-
Supplies - Safety	11	39	16	23	23
Supplies - Shop & Field	31	26	17	19	30
Training	23	-	30	48	49
Training - Safety	22	42	30	85	77
Services - IT/GIS Support	581	235	247	300	336
Utilities - Internet	26	27	28	26	103
Utilities - Telephone	79	73	71	56	90
Vehicle Maintenance	41	37	29	64	48
	<u>7,236</u>	<u>8,998</u>	<u>6,594</u>	<u>8,671</u>	<u>7,678</u>
Total Operating Cost	<u>\$ 29,702</u>	<u>\$ 25,868</u>	<u>\$ 28,289</u>	<u>\$ 31,013</u>	<u>\$ 31,389</u>

SOLANA BEACH PUMP STATIONS

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the City of Solana Beach (SB). These facilities include the Eden Gardens, Solana Beach, San Elijo Hills, and Fletcher Cove pump stations, Low Flow Diverters located at Fletcher Cove and Seascape Sur, as well as the Storm Drain Sediment Drying & Disposal Program.

Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Reclamation Facility, where the sediment is dewatered, dried, tested, and disposed at a local landfill. This program is designed to comply with current storm water best management practices, and is intended to reduce the overall disposal cost associated with wet sediment.

The actual costs incurred are paid for by the City of Solana Beach.

2017-18 ESTIMATED ACTUAL EXPENDITURES

The SB pump stations are forecasted to be below budget this year by \$24,522 or 7.7%. This positive variance is primarily due to \$13,122 of Personnel Costs, and \$20,600 of Contingency that is not planned to be used.

Solana Beach Pump Station is projected to be over budget due to the rental of a pump for the Solana Beach Pump Station as a result of the North Coast Corridor (“NCC”) Project utilizing the pump station’s overflow basin. The Storm Drain Sediment Drying expenses are expected to be higher as a result of more than planned wastewater collection disposal; Seascape Sur Low Flow Diverter is projected to be higher due to water quality monitoring.

2018-19 ADOPTED BUDGET

Overall, the SB pump stations budget will increase \$57,095 or 17.9% from the prior year’s budget. This increase is primarily for additional costs to be incurred at the Solana Beach Pump Station in anticipation of a major upgrade and rehabilitation project planned for FY 2018-19. An increase in energy costs is associated with conveying Del Mar influent through the Solana Beach Pump Station; Del Mar’s influent is expected to be about 27% of the combined flows. In addition, there is a planned increase in repair parts. Reimbursement of conveyance costs are provided through a separate agreement between Solana Beach and Del Mar. Contingency funding has been set to \$28,900, which is approximately 17% of budgeted supplies and services costs for the pump stations. This provides sufficient funding for unforeseen events and repairs.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump stations. Actual charges for staff time are recorded daily based on time spent at each pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Solana Beach Pump Stations Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 154,370	\$ 137,412	\$ 160,021	\$ 173,142	\$ 180,839
Supplies and Services	86,015	119,478	133,845	124,646	165,744
Capital Outlay	-	9,098	-	-	-
Contingency	-	-	-	20,600	28,900
Total Operating Cost	<u>240,385</u>	<u>265,988</u>	<u>293,866</u>	<u>318,388</u>	<u>375,483</u>
Capital Costs	-	-	-	-	-
Total Costs	<u>\$ 240,385</u>	<u>\$ 265,988</u>	<u>\$ 293,866</u>	<u>\$ 318,388</u>	<u>\$ 375,483</u>
Eden Gardens Pump Station	70,987	80,938	76,018	96,852	91,606
Solana Beach Pump Station	88,532	109,682	135,400	125,786	186,683
San Elijo Hills Pump Station	46,511	46,111	51,840	63,830	61,929
Fletcher Cove Pump Station	17,141	16,147	14,737	18,881	18,100
Storm Drain Sediment Drying	8,782	8,972	9,751	6,686	10,736
Seascape Sur Low Flow Diverter	6,679	2,436	4,492	3,182	3,216
Fletcher Cove Low Flow Diverter	1,753	1,702	1,628	3,171	3,212
Total Operating Cost	<u>\$ 240,385</u>	<u>\$ 265,988</u>	<u>\$ 293,866</u>	<u>\$ 318,388</u>	<u>\$ 375,483</u>

Solana Beach Pump Stations Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 100,975	\$ 86,829	\$ 115,196	\$ 121,098	\$ 124,962
Medicare Tax	1,510	1,304	1,282	1,694	1,837
State Unemployment Tax	278	319	290	538	574
Standby Pay	926	959	960	911	956
Overtime Pay	4,338	2,262	1,786	3,534	2,933
Dental/Vision	1,008	1,075	1,466	1,569	1,493
Employee Assistance Program	116	38	-	237	244
Life Insurance/Disability	724	715	793	978	1,060
Workers Comp. Insurance	2,031	2,162	1,579	2,394	2,620
Medical Insurance - Pers	13,144	13,211	14,694	14,729	16,140
Retirement Plan - PERS	25,274	24,689	18,311	19,717	21,831
Deferred Comp-employer	3,374	3,187	2,915	4,906	5,327
Uniforms - Boots	86	111	189	224	237
Payroll Processing Fees	461	487	457	466	475
Other Personnel Costs	125	62	103	147	149
	<u>154,370</u>	<u>137,412</u>	<u>160,021</u>	<u>173,142</u>	<u>180,839</u>

Cost detail continued on next page

Solana Beach Pump Stations Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Supplies and Services					
Fees - Disposal	112	-	-	-	115
Fees - Permits	1,944	3,351	2,234	2,250	3,600
Fuel	673	762	703	1,146	1,158
Insurance - Liability	32	34	-	33	34
Licenses	1,420	1,574	943	2,254	1,424
Minor Equip - Shop & Field	163	431	417	10	338
Postage/Shipping	-	9	10	-	11
Preemployment Screening	6	17	24	35	35
Printing	-	51	14	35	35
Rent	-	-	11,463	35	11,208
Repair Parts Expense	3,605	19,298	12,770	14,045	16,500
Seminars/Education	21	50	50	-	56
Services - Alarm	1,881	930	960	2,700	2,000
Services - Grit & Screenings	6,065	7,791	8,241	5,000	9,000
Services - Legal	29	-	39	-	40
Services - Maintenance	5,174	5,820	4,800	5,635	5,635
Services - Medical	88	12	21	140	96
Services - Other	2	2	1	-	-
Services - Professional	252	109	125	127	127
Services - Uniforms	491	551	591	500	547
Services - IT/GIS Support	4,336	1,755	1,883	1,975	2,508
Service - EWA Support	172	824	1,970	1,999	1,999
Subsistence - Meals	7	-	-	55	55
Supplies - Office	-	9	52	-	10
Supplies - Safety	82	289	120	195	195
Supplies - Shop & Field	880	257	316	1,017	893
Training	169	-	335	372	379
Training - Safety	163	317	306	659	596
Utilities - Gas & Electric	54,281	70,519	79,905	80,177	103,332
Utilities - Internet	195	199	210	197	247
Utilities - Telephone	2,217	2,536	1,638	2,076	1,782
Utilities - Water	1,252	1,701	1,944	1,694	1,269
Vehicle Maintenance	305	279	1,761	284	521
	86,015	119,478	133,845	124,646	165,744
Capital Outlay	-	9,098	-	-	-
Contingency	-	-	-	20,600	28,900
Total Operating Cost	\$ 240,385	\$ 265,988	\$ 293,866	\$ 318,388	\$ 375,483

SOLANA BEACH GENERATOR MAINTENANCE SERVICES

PROGRAM DESCRIPTION

Under this program, the SEJPA provides generator maintenance services to the City of Solana Beach. The generators are located at the Solana Beach City Hall, and the Lomas Santa Fe Fire Station. The actual costs incurred are borne solely by the City of Solana Beach.

2017-18 ESTIMATED ACTUAL EXPENDITURES

The Solana Beach Generator Maintenance Services are forecasted to be \$1,081 or 11.1% below budget.

2018-19 ADOPTED BUDGET

The current year budget is planned to be \$7,008 greater than FY 2017-18. This increase is to provide recommended maintenance for both the City Hall and Fire Station generators.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the generators. Actual charges for staff time are recorded daily based on time spent at each generator. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Solana Beach Generator Maintenance Services Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 5,769	\$ 4,719	\$ 5,742	\$ 5,899	\$ 6,328
Supplies and Services	3,259	2,836	2,932	3,857	10,435
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	9,028	7,555	8,674	9,755	16,763
Capital Costs	-	-	-	-	-
Total Costs	<u>\$ 9,028</u>	<u>\$ 7,555</u>	<u>\$ 8,674</u>	<u>\$ 9,755</u>	<u>\$ 16,763</u>
SB City Hall Generator	4,283	3,803	4,270	4,872	7,553
SB Lomas SF Fire Generator	4,744	3,752	4,404	4,884	9,210
Total Operating Cost	<u>\$ 9,028</u>	<u>\$ 7,555</u>	<u>\$ 8,674</u>	<u>\$ 9,755</u>	<u>\$ 16,763</u>

Solana Beach Generator Maintenance Services Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 4,367	\$ 3,201	\$ 4,238	\$ 4,238	\$ 4,474
Medicare Tax	63	48	43	58	64
State Unemployment Tax	12	12	11	18	20
Standby Pay	28	29	33	16	27
Overtime Pay	23	24	4	14	17
Dental/Vision	32	35	48	54	52
Employee Assistance Program	4	1	-	8	8
Life Insurance/Disability	23	23	25	34	36
Workers Comp. Insurance	65	70	53	82	92
Medical Insurance - Pers	423	425	544	504	562
Retirement Plan - PERS	550	709	615	676	760
Deferred Comp-employer	155	121	103	168	186
Uniforms - Boots	3	4	6	8	8
Payroll Processing Fees	15	16	15	16	16
Employee Rewards Program	4	2	3	4	6
	5,769	4,719	5,742	5,899	6,328
Supplies and Services					
Fuel	13	12	14	19	19
Insurance - Liability	1	1	-	2	2
Licenses	6	7	20	30	8
Repair Parts Expense	141	140	139	100	100
Training	5	-	-	11	11
Training - Safety	5	10	1	20	18
Minor Equip - Shop & Field	2	1	1	-	2
Services - Maintenance	2,851	2,503	2,563	3,200	9,861
Services - Uniforms	16	18	20	-	-
Services - Medical	3	0	1	5	2
Services - Professional	7	4	-	10	10
Services - Professional IT Support	139	56	63	150	81
Service - EWA Support	6	27	66	64	64
Supplies - Shop & Field	-	8	25	22	20
Supplies - Safety	3	9	4	204	204
Utilities - Internet	6	6	7	6	5
Utilities - Telephone	19	18	18	13	22
Vehicle Maintenance	9	9	8	-	8
	3,232	2,829	2,949	3,857	10,435
Contingency	-	-	-	-	-
Total Operating Cost	\$ 9,000	\$ 7,548	\$ 8,690	\$ 9,755	\$ 16,763

DEL MAR SERVICES

PROGRAM DESCRIPTION

Under this program, the SEJPA will provide pump station operation and maintenance services in addition to drying and disposal of wastewater collection sediment for the City of Del Mar. The actual costs incurred will be paid for by the City of Del Mar.

2017-18 ESTIMATED ACTUAL EXPENDITURES

The Del Mar Pump Station program incurred costs for start-up and sediment drying. The flow from Del Mar was delayed due to higher than expected total dissolved solids (TDS) in the water caused by infiltration from ground water; however, this was resolved by the 4th quarter of FY 2017-18. The total estimated cost for these services is \$40,931.

2018-19 ADOPTED BUDGET

This personnel budget is based on estimated effort for operating and maintaining the pump station. Supplies and Services have been budgeted using the same principle. The total budgeted costs for this program are expected to decrease \$29,153 or 38.4% dependent on the level of service requested. Contingency funding has been set to \$3,400, which is approximately 30% of budgeted supplies and services costs.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to support the pump station as requested by Del Mar. Actual charges for staff time are recorded daily based on time spent at each pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Del Mar Services Cost Summary

	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Operating Cost					
Personnel		\$ 2,584	\$ 25,251	\$ 62,050	\$ 32,088
Supplies and Services		26	15,680	10,646	11,256
Capital Outlay		-	-	-	-
Contingency		-	-	3,200	3,400
Total Operating Cost		<u>\$ 2,609</u>	<u>\$ 40,931</u>	<u>\$ 75,897</u>	<u>\$ 46,744</u>
Capital Costs		-	-	-	-
Total Costs		<u>\$ 2,609</u>	<u>\$ 40,931</u>	<u>\$ 75,897</u>	<u>\$ 46,744</u>

Del Mar Services Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
<u>Personnel</u>					
Direct Salaries and Wages		\$ 2,460	\$ 24,964	\$ 43,998	\$ 23,137
Medicare Tax		33	62	611	291
State Unemployment Tax		1	-	194	91
Overtime Pay		-	85	880	731
Dental/Vision		-	-	566	236
Employee Assistance Program		-	-	86	38
Life Insurance/Disability		-	-	353	167
Workers Comp. Insurance		-	-	863	415
Medical Insurance - Pers		-	-	5,314	2,552
Retirement Plan - PERS		-	-	7,113	3,452
Deferred Comp-employer		89	141	1,770	842
Uniforms - Boots		-	-	81	38
Payroll Processing Fees		-	-	168	75
Other Personnel Costs		-	-	53	23
		2,584	25,251	62,050	32,088
<u>Supplies and Services</u>					
Fuel		-	-	464	468
Insurance-Liability		-	-	723	-
Repair Parts Expense		26	-	2,601	2,700
Services - Alarm		-	-	750	750
Services - Grit & Screenings		-	9,000	1,500	3,000
Services - Legal		-	-	182	208
Services - Maintenance		-	6,560	1,600	1,600
Services - IT/GIS Support		-	-	75	40
Service - EWA Support		-	-	400	400
Services - Grease & Scum		-	-	900	900
Services-Other		-	-	10	-
Supplies - Safety		-	-	50	50
Supplies - Shop & Field		-	-	400	400
Training		-	120	128	131
Training - Safety		-	-	227	206
Utilities - Internet		-	-	-	3
Vehicle Maintenance		-	-	636	400
		26	15,680	10,646	11,256
Contingency		-	-	3,200	3,400
Total Operating Cost		\$ 2,609	\$ 40,931	\$ 75,897	\$ 46,744

RECYCLED WATER

PROGRAM DESCRIPTION

The SEJPA owns and operates a recycled water utility which wholesales recycled water to the Santa Fe Irrigation District (SFID), the San Dieguito Water District (SDWD), the City of Del Mar, and Olivenhain Municipal Water District (OMWD), as well as a direct sales agreement with Encinitas Ranch Golf Authority (ERGA). SEJPA financed, permitted, and constructed the recycled water utility which became operational in September 2000. Since addition of the Advanced Water Purification (AWP) in 2013, SEJPA's recycled water program is capable of delivering between 1,800 and 2,000 acre-feet (AF) per year of recycled water to its retail partners. Local customers that use the recycled water for landscape irrigation include the Encinitas Ranch Golf Course, Lomas Santa Fe Executive and Country Club Golf Courses, Ecker YMCA, Del Mar Fairgrounds, Village Park, local schools, parks, businesses, and street/freeway landscape. Industrial use customers include Scripps Hospital, the Del Mar Fairgrounds and the San Elijo Recycled Water Facility. The SEJPA can currently produce up to 3.02 million gallons per day of recycled water.

2017-18 ESTIMATED ACTUAL EXPENDITURES

FY 2017-18 is the 17th full year of the Water Recycling Program. This program receives revenue from different customers with different levels of service. The SEJPA has moved away from indexed pricing of the Recycled Water through the application of cost of service pricing methodology. Beginning in FY 2014-15 SEJPA decoupled the rates from the water purveyors' potable water rates. In July 2016 the Board accepted an updated Cost of Service Study, and approved the water rates for FY 2016-17 and FY 2017-18, which the water purveyors supported. By using the Cost of Service Study to support the rates, all water purveyors are the same rate rather than 85% of each of the water purveyors' potable rates. The recycled water program also receives performance incentives in the amount of \$250 per AF from the Metropolitan Water District of Southern California (MWD) and \$200 per AF from the San Diego County Water Authority (SDCWA).

Budgeted revenue for FY 2017-18 was \$2,712,190, while actual revenues are anticipated to be \$2,836,730. This is \$124,540 greater than planned. This additional revenue is a result greater than budgeted recycled water sales.

Budgeted operating expenditures for FY 2017-18 total \$1,489,905 and estimated expenditures are projected to be \$1,400,093 or 6.0% lower than planned as a result of lower than planned support services and utility costs. Contingency funding for this program is provided by the Recycled Water Program Unrestricted Reserves. Infrastructure debt service for the Water Recycling Program consists of the State Revolving Fund (\$834,675), Advanced Water Treatment (\$148,153), and the Santa Fe Irrigation District Pipeline (\$15,000) for a total of \$997,828.

2018-19 ADOPTED BUDGET

Budgeted water sales revenue for this program is planned to be \$2,975,393, which is up \$263,203 or 9.7% from prior year's budget. This revenue is based on a Cost of Service Recycled Water Rate Review and Update to determine the recycled water rates for FY 2018-19, 2019-20 and 2020-21, coupled with planned increases in water sales.

The Recycled Water operating cost budget is planned to be \$1,502,260, an increase of \$12,355 or 0.8% from prior year's budget. Personnel costs for the FY 2018-19 budget are based on projections of estimated staff effort required to operate the program and are planned to increase \$18,103 or 3.5%. Supplies and services are planned to decrease by \$15,748 or 1.6%. This decrease is due to lower planned professional services and utilities offset by higher chemical costs. The decrease in utilities is primarily due to a lower rate expectation based on historical rates. Chemical usage will increase due to the increase in water production. Capital Outlay is a budgeted expense for repair and replacement parts that are capitalized for financial statement reporting.

Capital Project expenses are planned to be \$1,875,000 for pipeline engineering related to recycled water conveyance, storage, and potable reuse studies.

Debt service is planned to be \$997,828; detailed information on this program can be found in the Debt Service section of this budget.

Contingency funding is not budgeted for the Recycled Water Program because the agency retains reserves for this program.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to operate, maintain, and manage the recycled water utility. Actual charges for staff time are recorded daily based on time spent providing services to these facilities. Administrative time is allocated to all programs based on the estimates of personnel for each program.

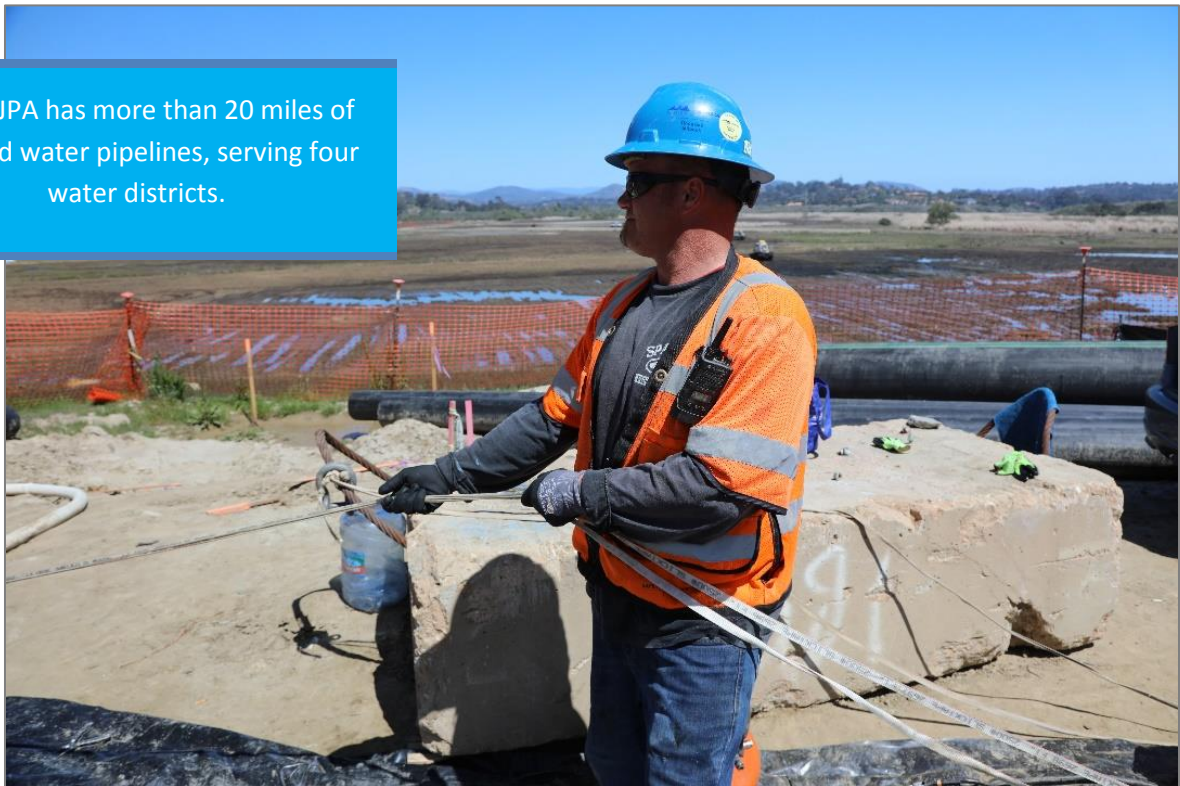
System inspection and preventative maintenance are pillars of an effective asset management program.



Recycled Water Cost Summary

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel	\$ 567,374	\$ 537,467	\$ 524,025	\$ 524,695	\$ 542,798
Supplies and Services	738,491	699,408	863,669	960,210	944,462
Capital Outlay	42,640	15,315	12,399	5,000	15,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>1,348,506</u>	<u>1,252,189</u>	<u>1,400,093</u>	<u>1,489,905</u>	<u>1,502,260</u>
Capital Costs	300,000	330,000	330,000	1,600,000	1,875,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
Advanced Water Purification	148,153	148,153	148,153	148,153	148,153
SFID Pipeline Loan	13,359	15,000	11,996	15,000	15,000
Total Debt Service	<u>996,187</u>	<u>997,828</u>	<u>994,824</u>	<u>997,828</u>	<u>997,828</u>
Total Costs	<u>\$ 2,644,693</u>	<u>\$ 2,580,017</u>	<u>\$ 2,724,917</u>	<u>\$ 4,087,733</u>	<u>\$ 4,375,088</u>

The SEJPA has more than 20 miles of recycled water pipelines, serving four water districts.



Recycled Water Operating Cost Detail

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Personnel					
Direct Salaries and Wages	\$ 407,736	\$ 375,346	\$ 375,331	\$ 381,114	\$ 386,705
Medicare Tax	5,838	5,610	6,061	4,578	4,882
State Unemployment Tax	937	1,108	1,097	1,456	1,523
Standby Pay	2,679	2,804	2,594	2,621	2,723
Overtime Pay	12,233	14,125	21,289	12,227	15,278
Dental/Vision	2,919	3,141	3,908	4,244	3,966
Employee Assistance Program	338	110	-	646	646
Life Insurance/Disability	2,098	2,090	2,138	2,644	2,812
Workers Comp. Insurance	5,651	6,325	4,273	6,473	6,964
Medical Insurance - Pers	36,823	38,613	40,628	39,834	42,871
Retirement Plan - PERS	74,265	72,472	49,549	53,324	57,989
Deferred Comp-employer	13,907	13,794	15,118	13,271	14,150
Uniforms - Boots	252	322	521	607	634
Payroll Processing Fees	1,337	1,424	1,238	1,261	1,260
Other Personnel Costs	362	182	280	394	394
	<u>567,374</u>	<u>537,467</u>	<u>524,025</u>	<u>524,695</u>	<u>542,798</u>
Supplies and Services					
Advertising	-	-	300	300	400
Bank Charges	3	-	-	1,000	-
Board Expense	-	-	100	100	-
Dedication Ceremony	994	-	-	-	-
Dues & Memberships	6,856	9,039	5,724	6,030	8,949
Equipment Rental/Lease	2,277	-	-	3,400	2,600
Fees - Disposal	24	-	-	2,000	-
Fees - Permits	19,455	17,651	17,664	19,000	18,194
Fuel	2,329	2,290	2,419	3,708	3,500
Insurance - Liability	9,309	9,538	9,955	12,016	10,254
Insurance - Property	7,211	7,934	7,623	8,178	7,851
Licenses	5,332	7,448	6,406	8,174	6,598
Minor Equip - Shop & Field	1,388	119	187	2,289	1,200
Postage/Shipping	16	243	157	185	185
Preemployment Screening	17	49	66	100	100
Printing	186	158	157	400	400
Rent	38,903	63,473	90,450	69,750	94,500
Repair Parts Expense	60,113	53,449	41,048	43,697	55,000
Retrofit Expenses	4,700	-	-	10,000	5,000
Seminars/Education	4,116	5,241	4,591	4,600	5,000
Services - Accounting	5,100	5,700	7,725	8,100	8,550
Services - Construction	23,500	-	-	-	-
Services - Landscape	950	920	7,128	2,000	5,000
Services - Alarm	1,074	2,182	2,632	1,250	2,500

Cost detail continued on next page

Recycled Water Operating Cost Detail Continued

Operating Cost	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Services - Engineering	31,040	18,432	80,791	82,000	82,000
Services - Laboratory	3,830	1,780	3,390	4,000	4,000
Services - Legal	23,882	7,584	21,407	22,800	22,477
Services - Lobbying	-	23,433	16,000	16,000	16,000
Services - Maintenance	16,596	27,322	17,883	19,000	19,000
Services - Medical	256	166	166	50	170
Services - Other	5	6	2	1,055	300
Services - Professional	61,070	18,264	29,703	60,000	30,000
Services - IT/GIS Support	25,169	15,785	18,098	19,000	18,336
Service - EWA Support	498	2,479	5,330	6,238	6,200
Services - Contractors	-	-	20,000	20,000	18,000
Services - Temp	11,846	9,739	11,342	12,000	13,000
Services - Uniforms	1,425	1,612	1,599	1,600	1,750
Subsistence - Meals	122	254	880	900	900
Subsistence - Travel/Rm & Bd	2,297	2,175	1,960	2,000	2,000
Supplies - Chem - Odor	3,626	4,266	4,436	4,000	4,000
Supplies - Chem - Polymer	-	3,604	3,748	1,500	1,500
Supplies - Chem - Sodium Hypo	46,989	40,282	41,894	48,000	48,000
Supplies - Chemicals	38,914	52,708	54,817	37,700	57,000
Supplies - Lab	972	1,128	1,000	1,000	1,000
Supplies - Office	891	1,316	630	700	1,000
Supplies - Safety	239	925	685	550	550
Supplies - Shop & Field	807	934	4,614	500	1,213
Training	489	-	1,000	1,138	1,161
Training - Safety	472	928	890	2,017	1,223
Utilities - Gas & Electric	250,427	257,491	294,963	348,624	315,310
Utilities - Internet	1,166	1,183	1,173	1,680	1,247
Utilities - Telephone	7,129	7,871	8,321	7,295	8,722
Utilities - Water	-	-	1,242	19,500	19,300
Utilities - Water (Suppl.)	12,285	11,205	10,769	11,100	11,544
Vehicle Maintenance	2,198	1,102	604	1,986	1,778
Miscellaneous	-	-	-	-	-
	<u>738,491</u>	<u>699,408</u>	<u>863,669</u>	<u>960,210</u>	<u>944,462</u>
Capital Outlay	42,640	15,315	12,399	5,000	15,000
Contingency	-	-	-	-	-
Total Operating Cost	<u><u>\$ 1,348,506</u></u>	<u><u>\$ 1,252,189</u></u>	<u><u>\$ 1,400,093</u></u>	<u><u>\$ 1,489,905</u></u>	<u><u>\$ 1,502,260</u></u>

CAPITAL PROGRAMS

Site Preparation at
at Cardiff Beach



Land Ocean Outfall Connection
at the Beach

CAPITAL IMPROVEMENT PROJECT OVERVIEW

The San Elijo Joint Powers Authority (SEJPA) has a responsibility to maintain permit compliance with regulatory agencies and legal agreements with customers to provide wastewater and recycled water services. Proactive asset management and capital improvement planning are key components in keeping these commitments.

In 2014, SEJPA retained the services of Carollo Engineers to conduct an evaluation of the wastewater and recycled water capital assets owned by the SEJPA at the San Elijo Water Reclamation Facility.

The results of the evaluation and Carollo's recommendations were documented in the 2015 Facility Plan. Recommended projects were prioritized using a "triple-bottom line" approach to evaluate and weight each project against the others using three main factors:

- Financial (30%): Implement cost effective projects and solutions. Maximize economic benefits for customers through cost-effective operations.
- Environmental (35%): Meet or exceed permit requirements and minimize reportable violations. Improve habitat and minimize impacts to the environment.
- Social (35%): Maintain a high standard of work safety and maximize community benefits through improved aesthetics and recreational uses.

The recommendations from the 2015 Facility Plan created the foundation for the SEJPA Capital Improvement Program, which includes regulatory compliance analysis, risk assessment for system failure, project prioritization, and budgetary cost estimates.

In 2017, the SEJPA successfully secured \$23.9 million in a bond offering to fund the completion of the majority of recommended capital projects. Staff bundled the projects into four phases in order to prioritize capital spending, streamline project delivery, minimize community impacts, and reduce cost through economies of scale.

Phase I of the SEJPA Capital Improvement Program is currently in construction and includes the Land Outfall Replacement, Preliminary Treatment Upgrades, and Odor Control Improvements.

Phase II includes the Building and Site Improvements Project which includes new buildings, road and parking improvements, fire system modernization, solar power generation, storm water conveyance, attenuation, and treatment, new perimeter security fencing, and the potential for a regional bike/pedestrian path. In addition, this phase includes the Integrated Regional Water Management (IRWM) recycled water pipelines, electrical upgrades to power distribution system MS-2, and hardware and software improvements to the Supervisory Control and Data Acquisition (SCADA) system.

Phase III, the Solids Treatment Project, is in the pre-design phase. A Project Definition Report (PDR) is currently in development to provide an evaluation of the design alternatives and a preferred build scenario for final design.

Phase IV consists of Resource Recovery and Reuse projects including water storage, process optimization, and energy efficiency projects.

CAPITAL PROGRAMS PROJECT APPROPRIATION SUMMARY

Program	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Treatment	\$ 997,000	\$ 1,029,000	\$ 1,029,000	\$ 280,000	\$ 120,000
Ocean Outfall	300,000	3,800,000	4,189,937	300,000	300,000
Cardiff Pump Station				344,650	-
Water Reclamation	300,000	330,000	330,000	1,600,000	1,875,000
Total Capital Cost	<u>\$ 1,597,000</u>	<u>\$ 5,159,000</u>	<u>\$ 5,548,937</u>	<u>\$ 2,524,650</u>	<u>\$ 2,295,000</u>

WASTEWATER TREATMENT PROJECT APPROPRIATION DETAIL

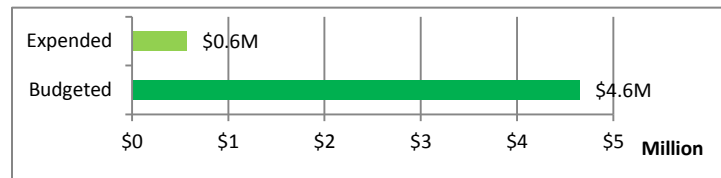
Capital Project	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Preliminary Treatment Upgrades	420,000	420,000	420,000		
Building and Site Improvements	220,000	220,000	220,000		
Solids Treatment	287,000	287,000	287,000		
Miscellaneous Projects	70,000	102,000	102,000	280,000	120,000
Total Capital Cost	<u>\$ 997,000</u>	<u>\$ 1,029,000</u>	<u>\$ 1,029,000</u>	<u>\$ 280,000</u>	<u>\$ 120,000</u>

PRELIMINARY TREATMENT UPGRADES AND ODOR CONTROL IMPROVEMENTS PROJECT

The 2007 Facility Plan and the 2015 Facility Plan Update identified modernization needs to the headworks and grit chamber that included (1) modification of the existing headworks to accommodate peak influent wastewater flows of greater than 10 million gallons per day, (2) provision of a redundant washer/compactor equipment, (3) provision of additional free-board, (4) replace the aging bar screens, and (5) a grit chamber rehabilitation that included replacement of covers, re-lining of the concrete chamber, replacement of channel slide gates, and improvements to the mechanical grit conveyance system.



Capital Program: Phase I
Project Status: Construction
Notice to Proceed: June 2017
Est. Completion Date: October 2018



Timeline

Construction Start
June 2017

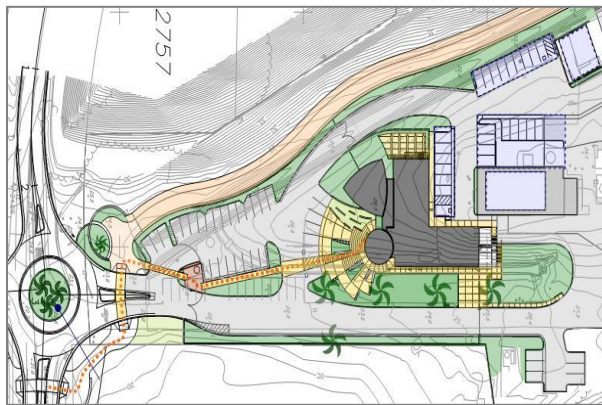
Est. Completion
Oct 2018



Budget	Budgeted	Expended	Remaining	% Expended
Construction:	\$ 3,871,480	\$311,957	\$ 3,559,523	8%
CM/Engineering/Enviro:	582,137	254,548	327,589	44%
Contingency:	193,570	0	193,570	0%
Total:	\$ 4,647,187	\$ 566,505	\$ 4,080,682	12%

BUILDING AND SITE IMPROVEMENTS PROJECT

The need and drivers for the Building and Site Improvement project are to address safety, security, operational, and code deficiencies associated with the Administration and Operations Buildings. The 2015 Facility Plan expressed that creating a safe and secure work place that provides both open and, as necessary, restricted public access is paramount to managing risk and liability. The project consists of replacing aging administration, operations, and maintenance buildings; enhancing safety, security and public interface, improving storm water capture and treatment, and modernization of firefighting and suppression system. Solar power, energy efficiency, and other Climate Action Plan measures will be incorporated. Planned community benefits include public parking and a regional bicycle/pedestrian path. Opportunities for interactive learning, community benefits, and education will be integrated into the site design.



Capital Program: Phase II
Project Status: Design/Permitting
Design Start: March 2017
Est. Design Completion: December 2018
Est. Construction Completion: October 2020



Timeline

	Final Design Dec 2018	Construction Start April 2019	Est. Completion October 2020
Design Start Mar 2017			
Budget	Budgeted	Expended	Remaining
Building Program:	\$7,690,000	\$182,974	\$7,507,026
Site Improvements:	3,050,000	21,000	3,029,000
Solar (PPA):	200,000	0	200,000
Total:	\$10,940,000	\$203,974	\$10,736,026
			% Expended
Building Program:			2%
Site Improvements:			1%
Solar (PPA):			0%
Total:			2%

SOLIDS TREATMENT PROJECT

The 2015 Facility Plan identified several solids related projects to aid the agency in environmental protection and resource recovery and reuse. These projects were bundled into the Solids Treatment Project and include (1) replacing aging solids handling and dewatering equipment, repairing corrosion damage in the solids handling building, and improving odor control, (2) maintaining digester performance and asset life by replacing aging pumps, upgrading heat exchange systems, repairing surface and structural damage to concrete digesters, and refurbishing existing digesters, and (3) maintaining and improving pre-digestion treatment including upgrading mechanical elements of the dissolved air thickening units and primary sludge thickening improvements. The project is currently in the pre-design phase.



MISCELLANEOUS PROJECTS

Each year staff identifies smaller capital projects that should be completed, but were not identified in the 2015 Facility Plan including the Secondary Clarifier Skimming Troughs and Effluent Weir replacement.

OCEAN OUTFALL PROJECT APPROPRIATION DETAIL

Capital Project	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Outfall Reserve	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Land Outfall Replacement Project		\$ 3,500,000	\$ 3,889,937		
Total Capital Cost	<u>\$ 300,000</u>	<u>\$ 3,800,000</u>	<u>\$ 4,189,937</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

OUTFALL RESERVE

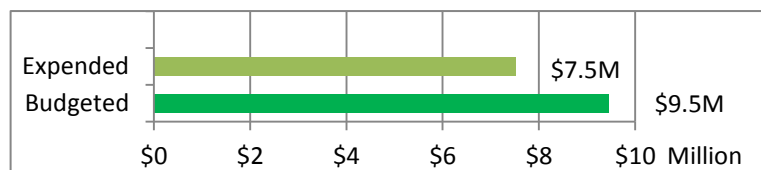
The ballast rocks that hold and protect the ocean outfall pipe moves due to sand migration, kelp growth, and ocean currents. Periodically, the SEJPA must place additional ballast. The last ballast project was conducted in 2005 and historically these projects have been performed every 7-10 years at a cost of roughly \$2 Million. This reserve has been created to collect funds in anticipation of upcoming ocean outfall ballast and maintenance projects.

LAND OUTFALL REPLACEMENT PROJECT

The San Elijo Land Outfall Replacement is a priority capital project for the SEJPA. Constructed in 1965, the pipeline is estimated to be at the end of its useful life. This 30-inch diameter pipeline conveys on average 10 million gallons per day of treated wastewater from the cities of Encinitas, Solana Beach, and Escondido for ocean disposal approximately 1.5 miles from shore. Pipeline failure would likely have both environmental and financial impacts. The San Elijo Lagoon has been designated as a marine reserve by the State of California due to its biological significance. To date, the SEJPA has not experienced wastewater spills associated with the outfall and keeping the pipeline in good operating condition is of utmost importance. Construction commenced in May 2017.



Capital Program: Phase I
Project Status: Construction
Notice to Proceed: May 2017
Est. Completion Date: June 2018



Timeline

Construction Start
May 2017

Est. Completion
June 2018



Budget	Budgeted	Expended	Remaining	% Expended
Construction	\$ 8,394,918	\$ 7,093,523	\$ 1,301,395	84%
CM/Engineering/Enviro	759,160	420,953	338,207	55%
Contingency	300,000	0	300,000	0%
Total:	\$ 9,454,078	\$ 7,514,476	\$ 1,939,602	79%

CARDIFF PUMP STATION PROJECT APPROPRIATION DETAIL

Capital Project	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Cardiff Pump Station Force Mains				\$ 344,650	
Total Capital Cost				\$ 344,650	

CARDIFF PUMP STATION FORCE MAINS

The Cardiff Pump Station Force Mains project upgrades an aging single force main that conveys raw wastewater from the Cardiff Pump Station to the SEWRF with the installation of two new force mains. This project was integrated into the Land Outfall Replacement Project due to the location of the force mains. The project will be funded by the Cardiff Sanitation District and is included in the revenues from the City of Encinitas.

RECYCLED WATER PROJECT APPROPRIATION DETAIL

Capital Project	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Planning, Conveyance and Storage	255,000	255,000	-	125,000	-
Potable Reuse Study	45,000	75,000	-	75,000	75,000
Recycled Water Pipeline (Encinitas Ranch/Requeza)			330,000	1,400,000	1,800,000
Total Capital Cost	<u>\$ 300,000</u>	<u>\$ 330,000</u>	<u>\$ 330,000</u>	<u>\$ 1,600,000</u>	<u>\$ 1,875,000</u>

PLANNING, CONVEYANCE AND STORAGE

Working collaboratively with its water district partners, SEJPA plans and constructs improvements to the recycled water storage and conveyance system. Capital funding for this project supported the design and construction of connecting infrastructure to the Wiegand Reservoir (owned by OMWD), which provides 1.0 million gallons of additional recycled water storage to the northern service area and provides recycled water to the Village Park area of the City of Encinitas.

POTABLE REUSE STUDY

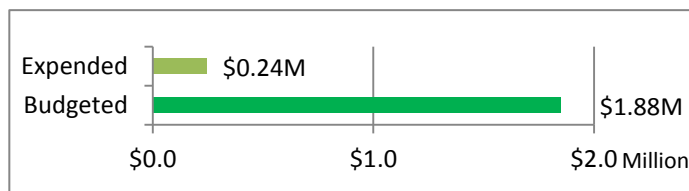
During FY 2014-15 the SEJPA partnered with SDWD and SFID to fund a joint Potable Reuse Concept Study to identify the feasibility of a local potable reuse project. In 2017-18, OMWD and Leucadia Wastewater District to the study group and the next phase of the project development effort was launched. The Recycled Water Expansion Plan Development includes identifying regulatory constraints, evaluating source of recycled water supplies, identifying needed improvements at Badger WTP, and evaluating project alternatives (including necessary facilities, site locations, and budgetary costs).

RECYCLED WATER PIPELINES

The project consists of the construction of a booster pump station and recycled water pipeline extension. The approximately 1.5 mile small diameter (6-inch to 8-inch) pipeline will serve the community of Encinitas Ranch, two agricultural users, and the City of Encinitas trail system. The project will also consider extending an existing pipeline on Requeza Street and other in-fill opportunities. The project is a key component of the SEJPA's \$2.5M Integrated Regional Water Management (IRWM) grant. The project is anticipated to offset 45 acre-feet per year of potable water use for landscape irrigation or approximately 50% of the total IRWM project potable water offset.



Capital Program: Phase II
Project Status: Design/Permitting
Design Start: June 2016
Est. Design Completion: March 2018
Est. Construction Completion: May 2019



Timeline

	Design/Permitting Start June 2016	Final Design March 2018	Construction Award June 2018	Est. Completion May 2019
Budget				
	Budgeted	Expended	Remaining	% Expended
Recycled Water Pipeline Project	2,125,000	\$243,969	1,881,031	11%
Contingency (20%):	425,000	0	425,000	0%
IRWM Grant funds:	(525,000)	0	(525,000)	--
Cost Share (Booster Pump Station):	(150,000)	0	(150,000)	--
PROJECT TOTAL:	\$1,875,000	\$243,969	\$1,631,031	13%

PHASE III AND PHASE IV

Phase III, the Solids Treatment Project, is in the pre-design phase. A Project Definition Report (PDR) is currently in development to provide an evaluation of the design alternatives and a preferred build scenario for final design. Design is expected to be complete by the fourth quarter of 2019.

Phase IV consists of Resource Recovery and Reuse projects. This phase is currently in early stages of research and development.

DEBT SERVICE

WASTEWATER TREATMENT DEBT SERVICE

2011 REFUNDING BONDS

In December 2011, SEJPA refinanced the 2003 Revenue Bonds and the California Energy Commission Loan at an average rate of 3.05%, producing savings of approximately \$1.2 million over the remaining life of these obligations. Interest payments are made on September 1 and March 1, principal payments on March 1. The payments are submitted directly by the Member Agencies. The annual payments vary slightly as the Member Agencies borrowed different amounts. The FY 2018-19 annual payments will be \$693,634 for the City of Encinitas and \$784,434 for the City of Solana Beach. As of June 30, 2018, the outstanding balance will be \$1,650,000. The City of Encinitas' portion will be \$781,345, and the City of Solana Beach's portion will be \$868,655.

2017 REVENUE BONDS

The SEJPA issued revenue bonds in July 2017 to fund the wastewater projects derived from the 2015 Facility Plan. The bond amount was \$22.115 million with a true interest cost of 3.39% over 30 years. Because the 2011 Refunding Bonds will not be substantially paid in full until FY 2018-19, the 2017 Revenue Bond payments will be interest only for the first 2 years to maintain sewer rate expectations. The FY 2018-19 interest only payment is \$451,388 for both the City of Encinitas and the City of Solana Beach.

SAN DIEGO GAS & ELECTRIC ON BILL FINANCING

In July 2017, the SEJPA and San Diego Gas & Electric (SDG&E) entered into an On Bill Financing Loan Agreement for funding the Blower Replacement Project. This project replaced 125-hp multi-stage centrifugal blowers that were installed in 1991 with substantially more efficient turbo blowers. This replacement project resulted in a \$533,883 loan from SDG&E with 120 monthly payments at \$4,449 with no interest. The estimated balance as of July 1, 2018 will be \$484,894.

RECYCLED WATER DEBT SERVICE

STATE REVOLVING FUND (SRF)

In March 1998, the SEJPA entered into an agreement with the State Water Resources Control Board for funding the original Recycled Water Project. The \$12.6 million loan provided funding for recycling water at a fixed interest rate of 2.5% for a term of 20 years. Annual payments of \$834,675 began in August 2001 and will continue through August 2020. As of June 30, 2018, the outstanding balance will be \$2,402,297.

The terms of the SRF loan required the SEJPA to create a reserve and fund \$63,000 per year for 10 years. The reserve is to be maintained until the loan is paid in full, however, the funds can be used for expansion, major repair, replacement, or other similar and related expenditures related to the production of recycled water. In the event of such use, the SEJPA is required to deposit, on an annual basis, a minimum of ten percent of the expended amount. As of March 31, 2018, the reserve balance is \$630,000.

ADVANCED WATER PURIFICATION FACILITY LOAN

In November 2011, the SEJPA received a private placement loan for the construction of the Advanced Water Purification Facility in the amount of \$2,000,000 at a fixed interest rate of 4.15%. Annual payments of \$148,153 began in 2011 and will continue for 20 years until 2031. As of July 1, 2018, the outstanding balance will be \$1,522,873.

SFID PIPELINE LOAN

In 2013, the SEJPA entered into an agreement with the Santa Fe Irrigation District to purchase a recycled water distribution pipeline for \$526,149 with an initial down payment of \$50,000 and annual interest between 1.0 and 2.5% based on the Local Agency Investment Fund rate. The repayment schedule is \$450 per acre foot of water delivered through the pipeline. As of June 30, 2018, the outstanding balance is estimated to be \$425,000 based on 30 acre-feet delivered through the pipeline in FY 2017-18.

DEBT SERVICE SUMMARY

	Actual 2015-16	Actual 2016-17	Estimated Actual 2017-18	Adopted Budget 2017-18	Adopted Budget 2018-19
Wastewater Debt Service					
2011 Refunding Bonds					
Principal	1,235,000	1,265,000	1,365,000	1,365,000	1,415,000
Interest	244,867	207,818	117,668	117,668	63,068
Total Debt Service	<u>1,479,867</u>	<u>1,472,818</u>	<u>1,482,668</u>	<u>1,482,668</u>	<u>1,478,068</u>
2017 Revenue Bonds					
Principal					
Interest			589,311	591,160	902,775
Total Debt Service	<u>-</u>	<u>-</u>	<u>589,311</u>	<u>591,160</u>	<u>902,775</u>
Total Wastewater Debt Service					
Principal	1,235,000	1,265,000	1,365,000	1,365,000	1,415,000
Interest	244,867	207,818	706,979	708,828	965,843
Total Debt Service	<u>1,479,867</u>	<u>1,472,818</u>	<u>2,071,979</u>	<u>2,073,828</u>	<u>2,380,843</u>
Recycled Water Debt Service					
State Revolving Fund					
Principal	702,183	719,738	756,175	756,175	775,079
Interest	132,492	114,937	78,500	78,500	59,596
Total Debt Service	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>
Advanced Water Purification					
Principal	72,948	76,007	82,515	82,515	85,975
Interest	75,205	72,146	65,638	65,638	62,178
Total Debt Service	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>
SFID Pipeline Loan					
Principal	8,718	10,000	7,281	10,000	10,000
Interest	4,641	5,000	4,715	5,000	5,000
Total Debt Service	<u>13,359</u>	<u>15,000</u>	<u>11,996</u>	<u>15,000</u>	<u>15,000</u>
Total Water Reclamation Debt Service					
Principal	783,849	805,745	845,971	848,690	871,054
Interest	212,338	192,083	148,853	149,138	126,774
Total Debt Service	<u>996,187</u>	<u>997,828</u>	<u>994,824</u>	<u>997,828</u>	<u>997,828</u>
Total Debt Service					
Total All Debt Service					
Principal	2,018,849	2,070,745	2,210,971	2,213,690	2,286,054
Interest	457,205	399,901	855,832	857,966	1,092,617
Total Debt Service	<u>\$ 2,476,054</u>	<u>\$ 2,470,646</u>	<u>\$ 3,066,803</u>	<u>\$ 3,071,656</u>	<u>\$ 3,378,671</u>
Wastewater On Bill Financing					
San Diego Gas & Electric					
Principal			53,388		53,388
Interest			-		-
Total On Bill Financing	<u>-</u>	<u>-</u>	<u>53,388</u>	<u>-</u>	<u>53,388</u>

CLASSIFICATION AND SALARY SCHEDULE

SAN ELIJO JOINT POWERS AUTHORITY
CLASSIFICATION AND SALARY SCHEDULE
 July 1, 2018

Position	Salary			
	Monthly		Annual	
	Minimum	Maximum	Minimum	Maximum
Accounting Technician	\$ 4,249	\$ 6,178	\$ 50,991	\$ 74,139
Administrative Assistant I	2,316	3,688	27,794	44,259
Administrative Assistant II	3,582	5,365	42,981	64,383
Director of Operations	9,418	14,110	113,011	169,323
Project Manager	6,438	9,407	77,257	112,878
Director of Finance/Administration	9,418	14,110	113,011	169,323
General Manager (Under Contract)	17,160	17,160	205,920	205,920
Laboratory Series				
<i>Laboratory Analyst I</i>	4,287	5,964	51,443	71,572
<i>Laboratory Analyst II</i>	4,878	7,137	58,535	85,640
<i>Senior Laboratory Analyst</i>	5,941	9,209	71,289	110,511
Mechanic Series				
<i>Mechanic I</i>	4,331	6,025	51,969	72,295
<i>Mechanic II</i>	4,967	6,911	59,599	82,936
<i>Mechanical Systems Supervisor</i>	5,782	10,205	69,382	122,460
Systems Integration Series				
<i>Systems Integration Technician I</i>	4,331	6,024	51,969	72,282
<i>Systems Integration Technician II</i>	4,967	6,911	59,599	82,936
<i>SCADA Manager</i>	7,640	11,105	91,686	133,263
Wastewater Treatment Operator Series				
<i>Operator-In-Training</i>	3,979	5,537	47,750	66,438
<i>Operator I</i>	4,331	6,025	51,969	72,295
<i>Operator II</i>	4,967	7,257	59,599	87,085
Lead Operator	5,673	8,493	68,073	101,913
Chief Plant Operator	7,778	10,310	93,336	123,719
Water Reclamation Series				
Water Reclamation Specialist	5,066	7,405	60,798	88,855

Salary amounts approved by the SEJPA Board of Directors on January 11, 2016, and updated per SEJPA Board Resolution No. 2016-10, Section III(B).

General Manager is under contract; salary will adjust January 1, 2019.

ORGANIZATIONAL CHART

