

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY OCTOBER 12, 2009 AT 9:00 AM**  
**SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM**  
**2695 MANCHESTER AVENUE**  
**CARDIFF BY THE SEA, CALIFORNIA**

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1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
5. PRESENTATION OF AWARDS  

SDG&E PRESENTATION OF ENERGY SAVINGS INCENTIVE GRANT
6. \* **CONSENT CALENDAR**
7. \* APPROVAL OF MINUTES FOR THE SEPTEMBER 14, 2009 MEETINGS
8. \* APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS
9. \* SAN ELIJO WATER RECLAMATION FACILITY TREATED EFFLUENT FLOWS – MONTHLY REPORT
10. \* SAN ELIJO JOINT POWERS AUTHORITY RECYCLED WATER PROGRAM – MONTHLY REPORT
11. \* ITEMS REMOVED FROM CONSENT CALENDAR

*Items on the Consent Calendar are routine matters and there will be no discussion unless an item is removed from the Consent Calendar. Items removed by a "Request to Speak" form from the public will be handled immediately following adoption of the Consent Calendar. Items removed by a Board Member will be handled as directed by the Board.*

**REGULAR AGENDA**

12. SAN ELIJO JOINT POWERS AUTHORITY ANNUAL AUDIT

It is recommended that the Board of Directors:

1. Accept and file the 2008-09 Fiscal Year Audit for the San Elijo Joint Powers Authority; and
2. Discuss and take action as appropriate.

Staff Reference: Director of Finance/Administration, Gregory Lewis

13. PROJECT HIGHLIGHTS OF TREATMENT SYSTEM IMPROVEMENTS

Informational report by the General Manager on items not requiring Board action.

14. GENERAL MANAGER'S REPORT

Informational report by the General Manager on items not requiring Board action.

15. GENERAL COUNSEL'S REPORT

Informational report by the General Counsel on items not requiring Board action.

16. BOARD MEMBER COMMENTS

This item is placed on the agenda to allow individual Board members to briefly convey information to the Board or public, or to request staff to place a matter on a future agenda and/or report back on any matter. There is no discussion or action taken on comments by Board members.

17. CLOSED SESSION

A closed session may be held at any time during this meeting of the San Elijo Joint Powers Authority for the purposes of discussing potential or pending litigation or other appropriate matters pursuant to the "Ralph M. Brown Act".

18. ADJOURNMENT

The next regular scheduled San Elijo Joint Powers Authority Board Meeting will be November 9, 2009 at 9:00 a.m.

**NOTICE:**

The San Elijo Joint Powers Authority's open and public meetings meet the protections and prohibitions contained in Section 202 of the Americans With Disabilities Act of 1990 (42 U.S.C Section 12132), and the federal rules and regulations adopted in implementation thereof. Any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting of the SEJPA Board of Directors may request such modification or accommodation from Michael T. Thornton, General Manager, (760) 753-6203 ext. 72.

The agenda package and materials related to an agenda item submitted after the packet's distribution to the Board is available for public review in the lobby of the SEJPA Administrative Office during normal business hours. Agendas and minutes are available at [www.sejpa.org](http://www.sejpa.org). The SEJPA Board meetings are held on the second Monday of the month, except August.


AFFIDAVIT OF POSTING

I, Michael T. Thornton, Secretary of the San Elijo Joint Powers Authority, hereby certify that I posted, or have caused to be posted, a copy of the foregoing agenda in the following locations:

San Elijo Water Reclamation Facility, 2695 Manchester Avenue, Cardiff, California  
City of Encinitas, 505 South Vulcan Avenue, Encinitas, California  
City of Solana Beach, 635 South Highway 101, Solana Beach, California

The notice was posted at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

Date: October 7, 2009

A handwritten signature in black ink, appearing to read 'M. Thornton', is written over a horizontal line.

Michael T. Thornton, P.E.  
Secretary / General Manager

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON SEPTEMBER 14, 2009  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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Dave Roberts, Chair

Maggie Houlihan, Vice Chair

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A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, September 14, 2009, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

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

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Thomas Campbell  
Maggie Houlihan  
Dave Roberts

*Others Present:*

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

Michael Thornton  
Greg Lewis  
Monica Blake  
Carrie Cook  
Marisa Buckles

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas,

Director of Public Works

Larry Watt

City of Encinitas,

Public Works Management Analyst

Bill Wilson

City of Solana Beach,

City Manager

David Ott

City of Solana Beach,

Director of Engineering/Public Works

Mohammad "Mo" Sammak

City of Solana Beach,

Finance Director

Dennis Coleman

3. PLEDGE OF ALLEGIANCE

Mo Sammak led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

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

6. CONSENT CALENDAR

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

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

Consent Calendar:

- |                    |  |
|--------------------|--|
| Agenda Item No. 7  | Approval of Minutes for the July 13, 2009 meeting  |
| Agenda Item No. 8  | Approval for Payment of Warrants and Monthly Investment Report   |
| Agenda Item No. 9  | San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report   |
| Agenda Item No. 10 | San Elijo Joint Powers Authority Recycled Water Program – Monthly Report   |
| Agenda Item No. 11 | San Elijo Ocean Outfall 2008-09 Annual Inspection Report   |
| Agenda Item No. 12 | San Elijo Joint Powers Authority Vision & Mission Statements   |
| Agenda Item No. 13 | Memorandums of Understanding (MOU's) Between the San Elijo Joint Powers Authority and the City of Encinitas and the City of Solana Beach for Pump Station Operation and Maintenance Services |
| Agenda Item No. 14 | Update - Recycled Water Retrofit Loan for the Ocean Knoll Elementary School  |

15. ITEMS REMOVED FROM CONSENT CALENDAR

None

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

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

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

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

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

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

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

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

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

Vice Chair Houlihan volunteered to be the alternate RAC member.

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

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

Motion carried with the following vote of approval.

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

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

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

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

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

Motion carried with unanimous vote of approval.

19. GENERAL MANAGER'S REPORT

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

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

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

20. GENERAL COUNSEL'S REPORT

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

21. BOARD MEMBER COMMENTS

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

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

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

22. CLOSED SESSION

None

23. ADJOURNMENT

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

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager



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

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Dave Roberts, Chair

Teresa Barth, Board Member

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

1. CALL TO ORDER

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

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Dave Roberts

*Others Present:*  
General Manager

Michael Thornton

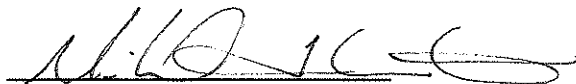
3. CLOSED SESSION

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

4. ADJOURNMENT

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

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

PAYMENT OF WARRANTS

10-Oct  
2-Oct-09

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
<b>10-10 WARRANTS</b>		
AG Tech, LLC	Biosolids hauling - July	\$4,586.58
A T & T	Alarm service - September	\$380.84
A T & T / MCI	Phone service	\$41.27
Airgas West	Equipment rental - lab	\$200.37
Airgas West	Sensor for gas detector - all pump stations	\$146.98
Alliant Insurance Service, Inc.	Life and disability insurance - September	\$1,896.62
Alliant Insurance Service, Inc.	Life and disability insurance - October	\$1,900.00
Applied Industrial Technologies	Parts for belt press - plant	\$168.28
Arizona Instrument	Jerome meter - Moonlight P. S.	\$1,320.00
Arrowhead	Kitchen and lab supplies	\$242.12
Ashbrook Simon-Hartley	Belt press safety switch - plant	\$848.09
Atlas Pumping Service	Grease and scum pumping - August	\$832.32
Atlas Pumping Service	Grease and scum pumping - September	\$832.32
Atlas Pumping Service	Grit and screening - plant - August	\$742.35
BHA, Inc.	Advanced water treatment - water reclamation	\$132.00
Blake, Monica	Expense report - mileage	\$22.26
Boot World, Inc.	Safety boots - M. Henke	\$150.00
Brenntag Pacific, Inc.	Sodium hypochlorite - odor control - plant	\$1,296.80
Brown and Caldwell	Job advertisement	\$200.00
County Burner Machinery Corp.	Preventive maintenance on digesters hot water boiler - plan	\$3,950.00
County Burner Machinery Corp.	Preventive maintenance on digesters hot water boiler - plan	\$1,605.46
CWEA - TCP	Certificate renewal - J. Hernandez and M. Hurtado	\$275.00
California Water Technologies	Ferric chloride - plant	\$5,622.61
Complete Office	Office supplies - August	\$103.51
Complete Office	Office supplies - September	\$231.74
Conocophillips Fleet	Vehicle fuel - August	\$869.34
Cor-o-van Records Mgmt., Inc.	Record storage - August	\$60.96
County of San Diego - APCD	Permit for emission - plant and Cardiff P. S.	\$2,887.00
Covad	T-1 service - September	\$359.00
Cummins	Door assembly with meters - Solana Beach P. S.	\$313.60
Ditch Witch	Parts for Ditch Witch - water reclamation	\$103.43
Dudek	Engineering service - recycled water improvement project	\$7,137.95
Edco Waste and Recycling Service	Trash and recycling service - August	\$184.01
Electric Motor Specialists	Rewind stator, new thermostats and bearings - Moonlight P. S.	\$2,590.00
Electric Motor Specialists	Rewind stator, new thermostats and bearings - Cardiff P. S.	\$2,399.31
Encinitas Ford	Vehicle maintenance - pump run truck	\$632.66
Encinitas Ford	Replace turn signal - pump run truck	\$326.48
Escondido Metal	Heavy duty hinge - plant	\$112.34
GFOA	Membership renewal - G. Lewis	\$160.00
Golden State Overnight	Mailing monthly reports - compliance reports	\$60.85
Grainger	V-belt, lockout tags, cables, utility cabinet, ear plug, globes	\$492.71
Grainger	Chisel set, wire, safety signs and hoist chain - all P.S., plant	\$626.61
Grainger	Battery disc switch, two keys and cover - plant	\$21.51
Grainger	Sewage pumps - plant and Moonlight P. S.	\$845.65
Grainger	Lamp holder - plant	\$33.14
Green Valley Landscape	Ocean Knoll Elementary - water reclamation	\$448.00
Henke, Michael	Expense report - sulfide test kit - plant and all pump stations	\$65.73
Henke, Michael	Expense report - mothballs for rat prevention	\$9.77
Home Depot	Vehicle, shop and field supplies - plant and wtr rec.	\$260.11
Horizon Health	Employee Assistance Program - September	\$351.12
Hydrologix	October - grease reduction - Coast Blvd P. S.	\$350.00

PAYMENT OF WARRANTS

10-Oct

2-Oct-09

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Hydro-scape Products, Inc.	Pipe supplies - water reclamation	\$19.72
JPBL	Dram and Echter flower growers recycled water conversion	\$3,250.00
Jani-King	Janitorial service - September	\$882.64
Jani-King	Parts for sand blaster - plant	\$231.18
Jani-King	Gasket and gloves - plant	\$81.57
Jani-King	Janitorial supplies	\$437.58
Kennedy / Jenks Consultants	Cardiff P. S. electrical	\$2,991.00
Kennedy / Jenks Consultants	Advanced water treatment	\$11,117.50
Kennedy / Jenks Consultants	Monitor state and federal funding opportunities	\$7,561.49
Konica	Monthly copier maintenance	\$91.11
Leaf & Cole, LLP	Audit - progress billing	\$4,400.00
Leaf & Cole, LLP	Audit - progress billing	\$1,100.00
Lewis, Greg	Expense report - replaced three nextel phones	\$159.75
Lewis, Greg	Expense report - cordless shop vacuum and laminator	\$533.23
Lewis, Greg	Expense report - skillsaw - plant	\$149.00
Lewis, Greg	Expense report - welder - plant	\$948.00
MBC	Intensive ocean water monitoring and testing - outfall	\$9,048.17
MBC	Testing - outfall	\$3,277.81
Miramar Truck	Vehicle maintenance	\$360.77
Napa Auto Part	Battery, parts for sludge truck and Ditch Witch	\$149.95
Napa Auto Part	Serpentin, lamp - vehicle maintenance	\$71.92
Nationwide	Pest control at Cardiff P.S., Solana P. S. and plant	\$960.00
North State Environmental	Transport and dispose hazardous material - lab	\$915.92
O.M.W.D.	Manchester - 07/08 - 08/10	\$29.63
OneSource Distributors, LLC	Wire connectors - Cardiff P. S.	\$169.13
Olin	Sodium hypochlorite - water reclamation	\$3,825.04
Olin	Sodium hypochlorite - water reclamation	\$3,957.28
PERS - Health	Health - September 09	\$11,665.89
PERS - Health	Health - October 09	\$11,665.89
PERS - Retirement	Retirement premium - 08/28/09	\$12,181.13
PERS - Retirement	Retirement premium - 09/11/09	\$12,195.39
PERS - Retirement	Retirement premium - 09/25/09	\$12,184.29
Polydyne, Inc.	Clarifloc - plant	\$9,304.65
Postmaster	Annual post office box fee	\$96.00
Preferred Benefit	Dental insurance - September	\$1,731.69
Probuild	Repairs, shop and field supplies - July	\$598.21
Probuild	Repairs, shop and field supplies - August	\$484.98
Procopio	Legal services - general - August	\$1,887.00
RTC	Lab supplies - anions	\$187.30
RSF Security Systems	Security Service - 09.01.09 - 11.30.09	\$1,482.00
Rosemount, Inc.	Flowmeter, tube, transmitter and coil - plant	\$2,469.01
Rohan & Sons, Inc.	Installed two ton fan coil - lab and water reclamation	\$2,838.00
Rohan & Sons, Inc.	Maintenance service air conditioning units - Olivenhain P. S	\$220.99
San Diego Gas and Electric	Gas and electric - 07.08.09 - 08.06.09	\$51,969.90
San Diego Gas and Electric	Cardiff P. S. - 07.09.09 - 08.07.09	\$1,679.06
San Diego Gas and Electric	Gas and electric - 08.06.09 - 09.04.09	\$63,706.46
San Diego Gas and Electric	Cardiff P. S. - 08.07.09 - 09.08.09	\$1,910.36
San Dieguito Water District	Manchester - 07/30 - 08/27	\$2,055.76
San Dieguito Water District	Manchester - 07/31 - 08/27	\$161.12
San Dieguito Water District	Manchester - 07/30 - 08/27	\$464.65
San Dieguito Water District	Manchester - 07/30 - 08/27	\$209.88
San Dieguito Water District	Manchester - 07/30 - 08/27	\$475.25
San Elijo Payroll Account	Payroll - 08/28/09	\$67,224.21

PAYMENT OF WARRANTS

10-Oct  
2-Oct-09

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
San Elijo Payroll Account	Payroll - 09/11/09	\$66,986.37
San Elijo Payroll Account	Payroll - 09/25/09	\$67,067.70
Santa Fe Irrigation District	Water service - Valley - 07/31 - 08/31	\$33.59
Santa Fe Irrigation District	Water service - Highland Dr. - 06/16 - 08/18	\$129.58
Santa Fe Irrigation District	Water service - Seabright Ln - 07/09 - 09/09	\$48.96
Saturn Electric	Cardiff P. S. generator and electrical improvements	\$25,106.61
Siemens Water Technologies Corp.	Repair parts - tube unit reagent - water reclamation	\$215.19
Siemens Water Technologies Corp.	Repair parts - cell analyzer, paper abrasive - water rec.	\$161.17
Siemens Water Technologies Corp.	Buffer, ph4 solution - water reclamation	\$403.18
Siemens Water Technologies Corp.	Hydrogen peroxide - Olivenhain P. S.	\$4,949.47
Sound Billing	Vehicle maintenance - pump run truck	\$44.75
Sprint	Cellular phone service	\$671.98
Terminix	Pest control - August	\$81.00
Terminix	Pest control - September	\$81.00
Terra Renewal / Fleet	Biosolids hauling - July	\$6,896.00
Terra Renewal / Fleet	Biosolids hauling - August	\$11,029.36
Test America	Lab testing - July	\$160.00
Test America	Lab testing - August	\$2,482.75
Test America	Lab testing - September	\$278.00
Thornton, Michael	Expense report - meeting	\$27.89
Thornton, Michael	Expense report - meeting and ASCE membership	\$282.52
Trussell Technologies, Inc.	Treatment process analysis - July	\$3,057.00
UPS	Shipping - parts	\$27.97
USA Bluebook	Dwyer submersible level transmitter - water reclamation	\$597.64
USA Bluebook	Parts - filter, cartridge, 10" filter housing - water reclamation	\$144.68
Underground Service Alert	Dig alert - August	\$73.50
Unifirst Corporation	Uniform service - August	\$223.50
Unifirst Corporation	Uniform service - September	\$298.00
VWR International, Inc.	Lab supplies - tubes, broth azide	\$509.76
VWR International, Inc.	Lab supplies - latex gloves	\$303.03
VWR International, Inc.	Lab supplies - tube norprenea 60g	\$79.06
VWR International, Inc.	Lab supplies - tubes, tubing, broth, petri dish	\$847.33
VWR International, Inc.	Pump accuro - sulfide sample pump - plant	\$421.18
VWR International, Inc.	Lab supplies - tds frest water	\$100.86
Valley Chain & Gear, Inc.	Parts for scrubber - plant	\$29.28
	Total 10-10 Warrants:	<u>\$571,047.12</u>

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

2-Oct-09

PAYMENT OF WARRANTS		\$571,047.12
Reference Number	40096	

I hereby certify that the demands listed and covered by warrants are correct and just to the best of my knowledge, and that the money is available in the proper funds to pay these demands. The cash flows of the SEJPA, including the Member Agency commitment in their operating budgets to support the operations of the SEJPA, are expected to be adequate to meet the SEJPA's obligations over the next six months. I also certify that the SEJPA's investment portfolio complies with the SEJPA's investment policy.



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Gregory Lewis  
Director of Finance/Administration  
Treasurer

STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS  
AND INVESTMENT INFORMATION  
AS OF

2-Oct-09

<u>FUNDS ON DEPOSIT WITH</u>	<u>AMOUNT</u>
<b>LOCAL AGENCY INVESTMENT FUND</b> <i>(JUNE 2009 YIELD 1.51%)</i>	
SELF INSURANCE RESERVE	\$ 300,000.00
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 5,051,039.61
 <b>CALIFORNIA BANK AND TRUST</b> <i>(JUNE 2009 YIELD 0.10%)</i>	
REGULAR CHECKING	\$ 74,223.96
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 6,060,263.57

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SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 12, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO WATER RECLAMATION FACILITY TREATED EFFLUENT FLOWS –  
MONTHLY REPORT

RECOMMENDATION

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

DISCUSSION

Monthly Treatment Plant Performance and Evaluation

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all NPDES ocean effluent limitation requirements for the month of August 2009. The primary indicators of treatment performance include the removal of Carbonaceous Biochemical Oxygen Demand (CBOD) and Total Suspended Solids (TSS). Treatment levels for CBOD and TSS exceeded monthly percent removal requirements (as shown in Figure 1 and Figure 2).

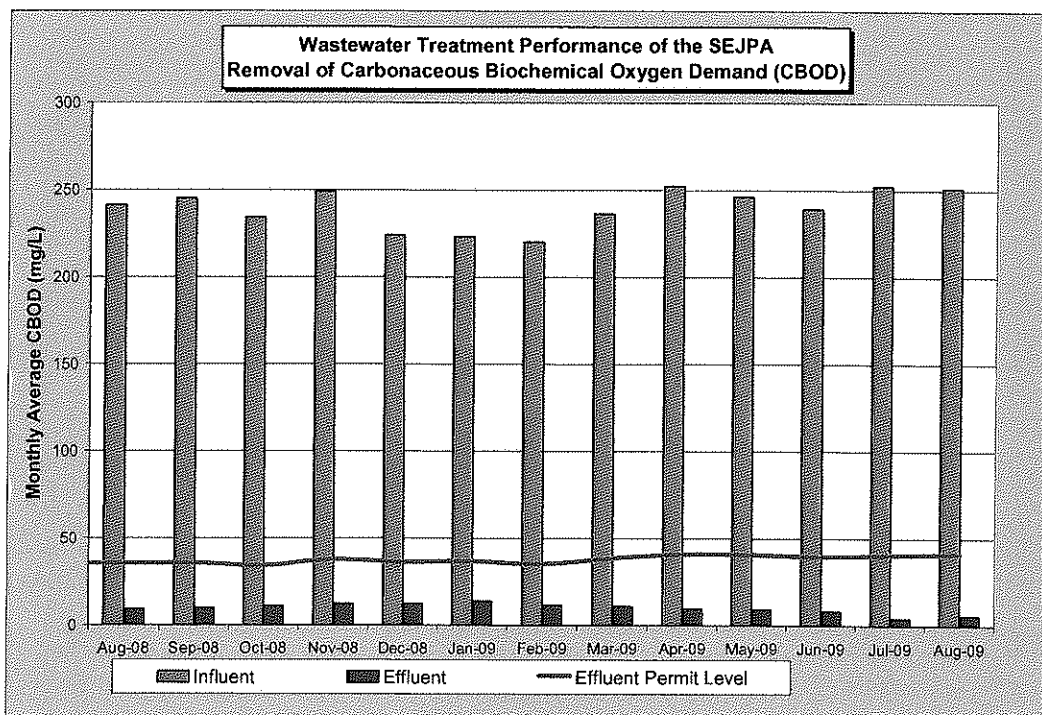


FIGURE 1

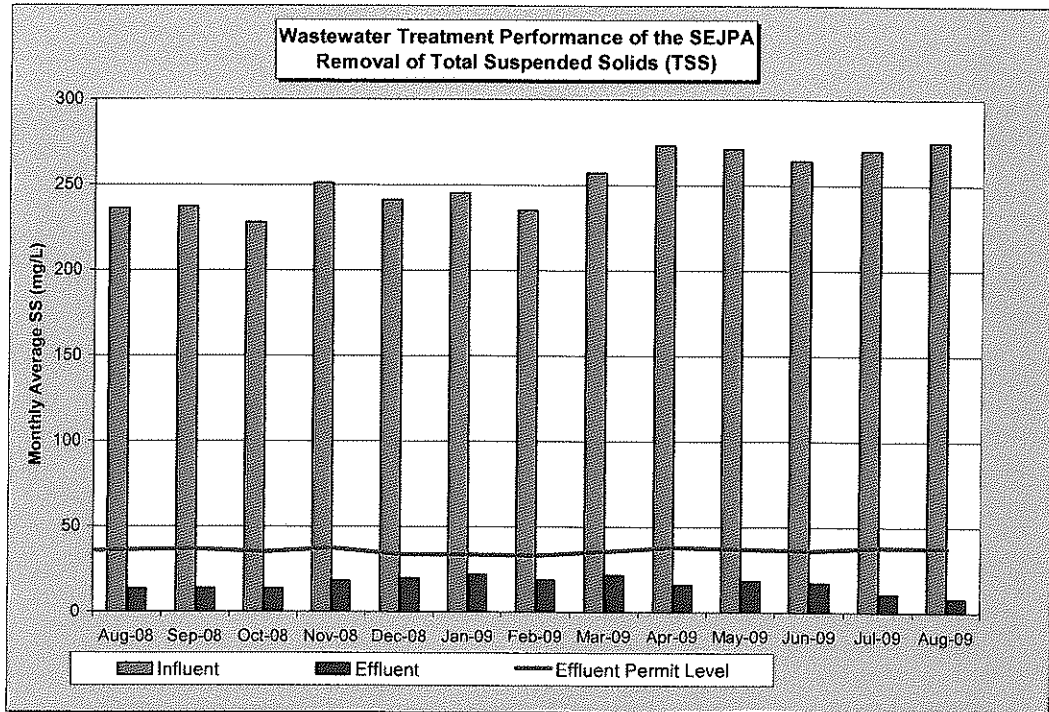


FIGURE 2

### Member Agency Flows

Presented below are the influent and effluent flows for the month of August. Average daily influent flows were recorded for each Member Agency. Total effluent flow was recorded for the San Elijo Water Reclamation Facility.

	August	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.431	0.603
City of Solana Beach	1.419	0.598
Rancho Santa Fe SID	0.113	0.047
<b>Total San Elijo WRF Flow</b>	<b>2.963</b>	<b>1.248</b>

Notes: As of July 1995, Rancho Santa Fe Community Services District (CSD) combined SID #2 and SID #3 into one Sewer Improvement District (SID).

\* Effluent is calculated by subtracting the recycled water production from the influent wastewater.

The attached table presents the historical average, maximum, and unit influent and effluent flow rates per month for each of the Member Agencies. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each of the Member Agencies during this same time period.

The attached figure presents the historical average daily flows per month for each Member Agency. This is to provide a historical overview of the average treated flow by each agency. As shown in the figure, the average treated flow typically ranges between 2.9 and 3.1 million gallons per day (mgd). Also shown on the figure, is the total wastewater treatment capacity of the plant, 5.25 mgd, of which each Member Agency has the right to 2.5 mgd, and Rancho Santa Fe Community Service District has the right to 0.25 mgd.



City of Escondido Flows

The average and peak flow rate from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below. The following flows are reported by the City of Escondido for the month of August:

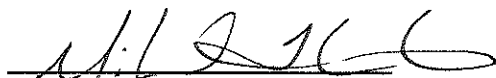
	<b>August (mgd)</b>
Escondido (Average flow rate)	9.8
Escondido (Peak flow rate)	23.7

Connected Equivalent Dwelling Units

The number of EDUs connected for each of the Member Agencies for the month of August is as follows:

	<b>August (EDU)</b>
Cardiff Sanitary Division	8,186
Rancho Santa Fe SID	467
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
<b>Total EDUs to System</b>	<b>16,381</b>

Respectfully submitted,

  
Michael T. Thornton, P.E.  
General Manager

Attachments:      Table: SEWRF Monthly Report – Flows and EDUs  
                            Figure: Average Daily Flow

**SAN ELIJO WATER RECLAMATION FACILITY MONTHLY REPORT - FLOWS AND EDUS**

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)			AVERAGE DAILY EFFLUENT FLOW RATE (MGD)			TOTAL PLANT			CONNECTED EDUS			AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)			TOTAL PLANT
	CSD	RSF	SB	CSD	RSF	SB	CSD	RSF	SB	CSD	RSF	SB	CSD	RSF	SB	
Jan-06	1.515	0.139	1.310	1.410	0.129	1.219	2.758	8,044	423	7,659	16,126	188	329	171	184	
Feb-06	1.499	0.139	1.313	1.268	0.118	1.111	2.497	8,044	423	7,659	16,126	186	329	171	183	
Mar-06	1.542	0.144	1.309	1.475	0.137	1.252	2.864	8,044	424	7,659	16,127	192	340	171	186	
Apr-06	1.523	0.139	1.288	1.400	0.128	1.184	2.712	8,044	424	7,728	16,196	189	328	167	182	
May-06	1.480	0.134	1.299	0.979	0.089	0.859	1.927	8,066	429	7,728	16,223	183	312	168	180	
Jun-06	1.471	0.130	1.350	0.762	0.068	0.699	1.529	8,080	430	7,728	16,238	182	302	175	182	
Jul-06	1.490	0.135	1.436	0.719	0.065	0.693	1.477	8,087	431	7,728	16,246	184	313	166	188	
Aug-06	1.456	0.144	1.392	0.748	0.074	0.715	1.537	8,088	432	7,728	16,248	180	333	180	184	
Sep-06	1.403	0.138	1.327	0.744	0.072	0.704	1.520	8,092	432	7,728	16,252	173	319	172	176	
Oct-06	1.414	0.132	1.286	0.943	0.088	0.857	1.888	8,092	432	7,728	16,252	175	306	166	174	
Nov-06	1.408	0.135	1.284	1.100	0.105	1.003	2.208	8,094	434	7,728	16,256	174	311	165	174	
Dec-06	1.429	0.138	1.275	1.296	0.126	1.156	2.578	8,099	436	7,728	16,263	176	317	166	175	
Jan-07	1.419	0.128	1.282	1.205	0.109	1.089	2.403	8,100	441	7,728	16,269	175	290	166	174	
Feb-07	1.425	0.129	1.277	1.284	0.116	1.150	2.550	8,106	443	7,728	16,277	176	291	165	174	
Mar-07	1.421	0.118	1.285	1.014	0.085	0.917	2.016	8,112	444	7,728	16,284	175	266	166	173	
Apr-07	1.386	0.122	1.287	0.868	0.076	0.794	1.738	8,115	447	7,728	16,290	171	273	164	170	
May-07	1.411	0.106	1.281	0.763	0.058	0.693	1.514	8,116	448	7,728	16,292	174	237	166	172	
Jun-07	1.438	0.104	1.304	0.697	0.051	0.632	1.380	8,117	449	7,728	16,294	177	232	169	175	
Jul-07	1.461	0.109	1.364	0.657	0.049	0.613	1.319	8,119	450	7,728	16,297	180	242	177	180	
Aug-07	1.442	0.110	1.365	0.571	0.044	0.541	1.156	8,120	450	7,728	16,298	178	244	177	179	
Sep-07	1.410	0.107	1.270	0.596	0.046	0.537	1.179	8,124	452	7,728	16,303	174	237	164	171	
Oct-07	1.335	0.096	1.222	0.777	0.056	0.712	1.545	8,124	452	7,728	16,303	164	213	158	163	
Nov-07	1.430	0.113	1.235	1.122	0.088	0.989	2.179	8,138	453	7,728	16,318	176	250	160	170	
Dec-07	1.443	0.143	1.225	1.380	0.137	1.171	2.688	8,144	453	7,728	16,324	177	316	159	172	
Jan-08	1.491	0.144	1.268	1.488	0.144	1.266	2.898	8,146	454	7,728	16,327	183	318	164	178	
Feb-08	1.620	0.162	1.355	1.499	0.150	1.254	2.903	8,150	456	7,728	16,334	199	356	175	192	
Mar-08	1.569	0.149	1.365	1.261	0.119	1.097	2.477	8,151	456	7,728	16,335	192	326	177	189	
Apr-08	1.493	0.125	1.318	1.154	0.097	1.019	2.270	8,151	456	7,728	16,335	183	274	171	180	
May-08	1.487	0.136	1.339	0.755	0.069	0.680	1.504	8,153	456	7,728	16,337	182	299	173	181	
Jun-08	1.649	0.131	1.270	0.647	0.052	0.498	1.197	8,161	456	7,728	16,345	202	288	164	187	
Jul-08	1.713	0.131	1.324	0.722	0.055	0.558	1.335	8,163	456	7,728	16,347	210	288	171	194	
Aug-08	1.562	0.125	1.483	0.608	0.048	0.577	1.233	8,165	457	7,728	16,350	191	274	192	194	
Sep-08	1.547	0.121	1.378	0.813	0.064	0.724	1.601	8,167	459	7,728	16,354	189	264	178	186	
Oct-08	1.478	0.111	1.319	0.671	0.051	0.599	1.321	8,170	460	7,728	16,358	181	242	171	178	
Nov-08	1.511	0.118	1.329	1.080	0.084	0.950	2.114	8,171	462	7,728	16,361	185	256	172	181	
Dec-08	1.580	0.156	1.362	1.446	0.143	1.246	2.855	8,172	462	7,728	16,362	193	338	176	189	
Jan-09	1.522	0.141	1.354	1.256	0.116	1.117	2.489	8,177	462	7,728	16,367	186	306	175	184	
Feb-09	1.599	0.145	1.330	1.408	0.128	1.171	2.707	8,179	462	7,728	16,369	196	314	172	188	
Mar-09	1.510	0.124	1.307	1.030	0.085	0.892	2.007	8,180	463	7,728	16,371	185	268	169	180	
Apr-09	1.463	0.116	1.262	0.731	0.058	0.630	1.419	8,183	463	7,728	16,374	179	251	163	174	
May-09	1.465	0.117	1.247	0.712	0.057	0.606	1.375	8,185	464	7,728	16,377	179	252	161	173	
Jun-09	1.479	0.115	1.319	0.712	0.056	0.635	1.403	8,185	465	7,728	16,378	181	248	171	178	
Jul-09	1.437	0.109	1.376	0.599	0.045	0.573	1.217	8,186	467	7,728	16,381	176	234	178	178	
Aug-09	1.431	0.113	1.419	0.603	0.047	0.598	1.248	8,186	467	7,728	16,381	175	242	184	181	

CSD: Carriff Sanitary Division

RSF CSD: Ranch Santa Fe Community Service District

SB: Solana Beach

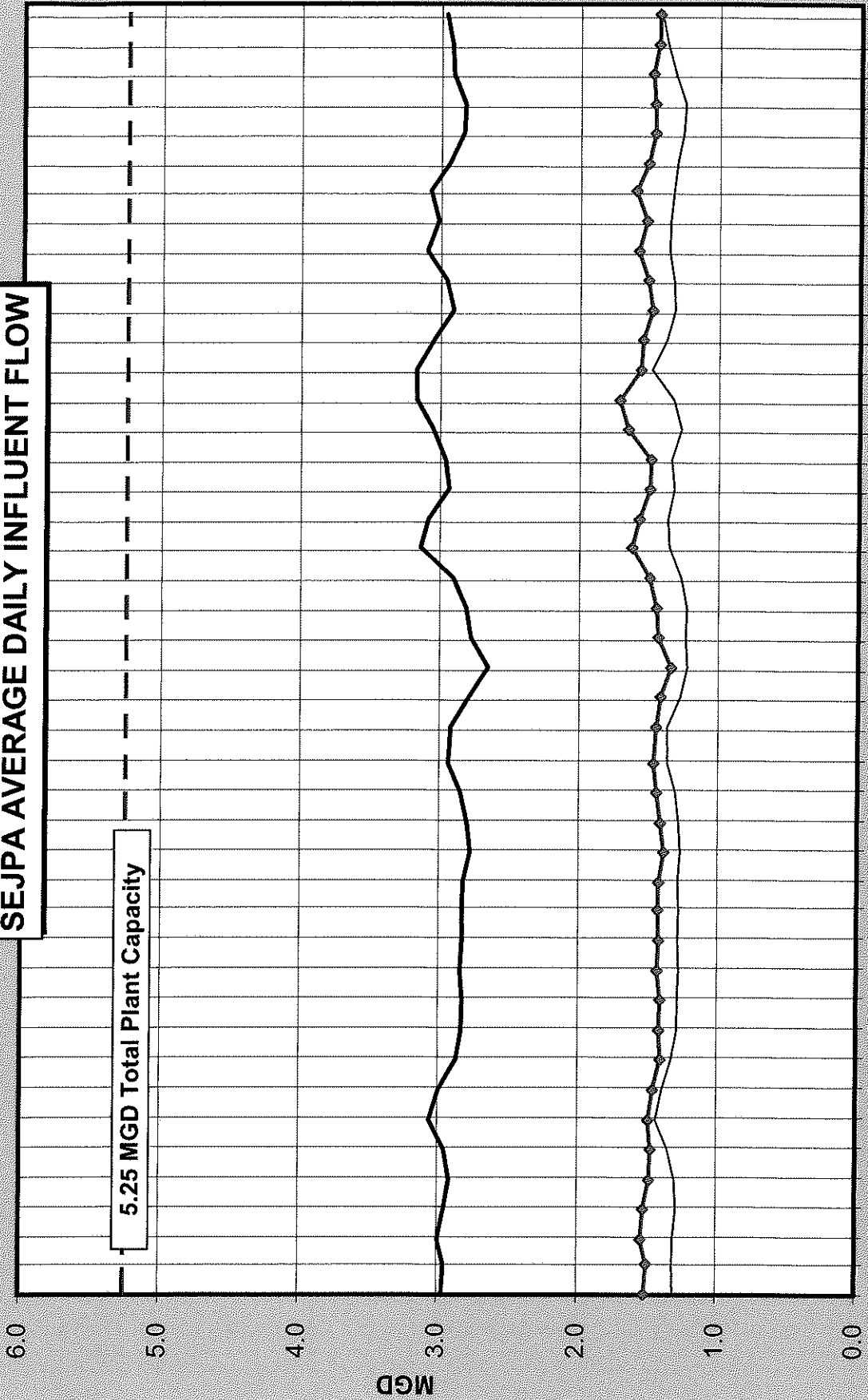
EDU: Equivalent Dwelling Unit

ASSUMPTIONS: SB average flow includes San Elijo Hills flow of .131 mgd

SB Connected EDUs includes 300 EDUs for the City of San Diego

# SEJPA AVERAGE DAILY INFLUENT FLOW

5.25 MGD Total Plant Capacity



Aug-09  
Jul-09  
Jun-09  
May-09  
Apr-09  
Mar-09  
Feb-09  
Jan-09  
Dec-08  
Nov-08  
Oct-08  
Sep-08  
Aug-08  
Jul-08  
Jun-08  
May-08  
Apr-08  
Mar-08  
Feb-08  
Jan-08  
Dec-07  
Nov-07  
Oct-07  
Sep-07  
Aug-07  
Jul-07  
Jun-07  
May-07  
Apr-07  
Mar-07  
Feb-07  
Jan-07  
Dec-06  
Nov-06  
Oct-06  
Sep-06  
Aug-06  
Jul-06  
Jun-06  
May-06  
Apr-06  
Mar-06  
Feb-06  
Jan-06

— TOTAL PLANT    - - - PLANT DESIGN CAPACITY    ◆ SB

\*

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 12, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO WATER RECLAMATION PROGRAM – MONTHLY REPORT

RECOMMENDATION

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


DISCUSSION

*Recycled Water Production*

For the month of August 2009, recycled water demand was 169.67 acre-feet (AF), which was met using 168.40 AF of recycled water and 1.27 AF of supplementation with potable water. This equates to a blend mix for August of 99.3 percent recycled water and 0.7 percent potable water supplementation.

The attached Figure 1 provides monthly supply demands for recycled water since the inception of the program. The attached Figure 2 provides a graphical view of annual recycled water demand spanning the last nine fiscal years. Recycled water demand can fluctuate from year to year, which is typically a function of weather. For example, Fiscal Year 2003-04, an unusually dry year, resulted in increased recycled water demand; and Fiscal Year 2004-05, an unusually wet year, resulted in lower recycled water demand.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

**MONTHLY RECYCLED WATER DEMAND**

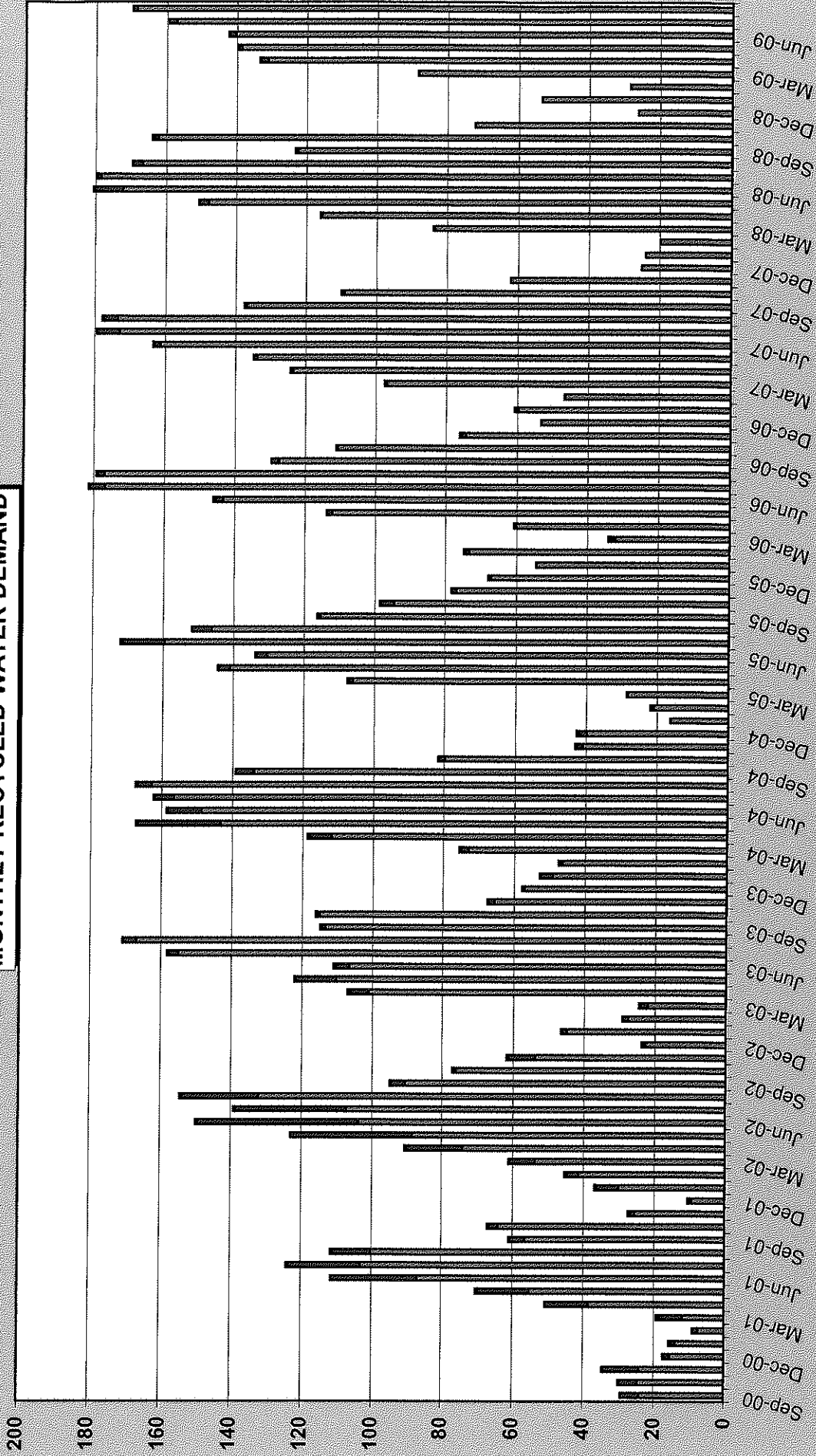


Figure 1

**ANNUAL RECYCLED WATER DEMAND**

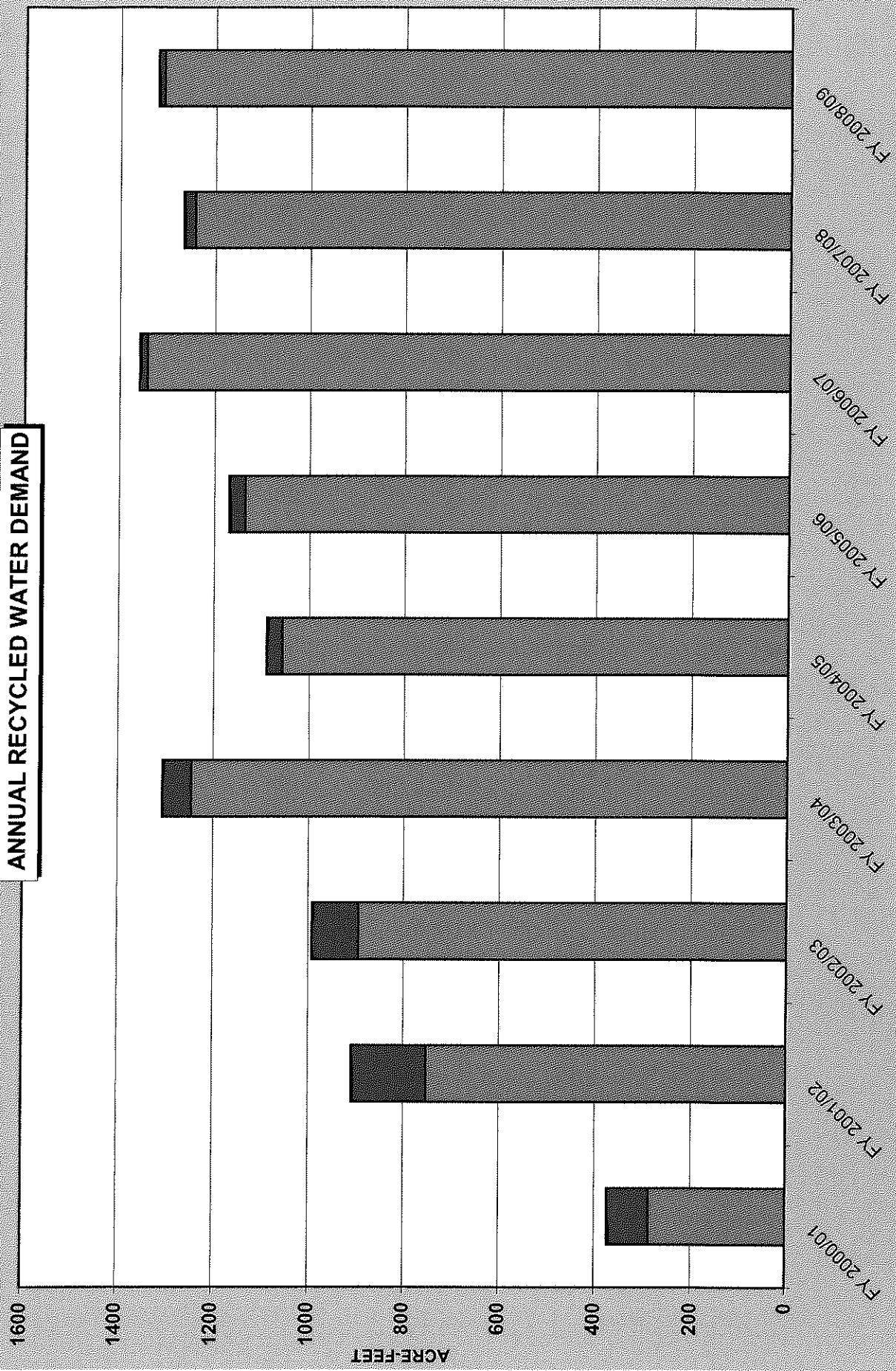


Figure 2

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 12, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Director of Finance/Administration

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY ANNUAL AUDIT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Accept and file the 2008-09 Fiscal Year Audit for the San Elijo Joint Powers Authority; and
2. Discuss and take action as appropriate.

DISCUSSION

The audit of the San Elijo Joint Powers Authority (SEJPA) for Fiscal Year 2008-09 has been completed and is presented to the SEJPA Board of Directors. The SEJPA auditor, Leaf & Cole, L.L.P., stated that the SEJPA's financial statements are in conformity with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

The first section of the audit is the management discussion and analysis. It presents financial highlights of SEJPA operations and budget variances for the year, as well as a description of capital improvements and long-term debt obligations. In addition, a brief discussion is included regarding Fiscal Year 2009-10 budget, rates, and capital commitments.

The second section includes the financial statements and footnotes prepared and audited by Leaf & Cole, L.L.P.

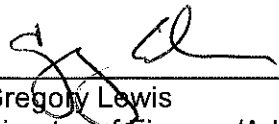
The third section includes supplemental schedules to compare the current financial statements to the prior year. This information is not required but is included to allow the reader to make comparisons to the prior year's operations.

Mr. Michael Zizzi, engagement partner for the audit, will give a verbal presentation to the Board of Directors summarizing the audit and answer any questions.

It is therefore recommended that the Board of Directors:

1. Accept and file the 2008-09 Fiscal Year Audit for the San Elijo Joint Powers Authority; and
2. Discuss and take action as appropriate.

Respectfully submitted,



---

Gregory Lewis  
Director of Finance/Administration

Attachment: 2008-09 Fiscal Year Audit Management Letter



**ATTACHMENT**



Leaf & Cole, LLP  
Certified Public Accountants  
A Partnership of Professional Corporations

1843 Hotel Circle South  
Suite 300  
San Diego, California  
92108-3397  
619.294.7200  
619.294.7077 fax  
www.leaf-cole.com  
leafcole@leaf-cole.com

Steven W. Northcote, C.P.A.  
Michael S. Schreiberman, C.P.A.  
Michael J. Zizzi, C.P.A.  
Julie A. Firl, C.P.A.  
Nicholas M. Gines, C.P.A.

*Members*

*American Institute of Certified Public Accountants  
California Society of Certified Public Accountants*

To the Board of Directors  
San Elijo Joint Powers Authority  
2695 Manchester Avenue  
Cardiff By the Sea, California 92007

We have audited the financial statements of San Elijo Joint Powers Authority for the year ended June 30, 2009, and have issued our report there on dated September 29, 2009. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibility Under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated May 29, 2009, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is risk that material misstatements may exist and not be detected by us. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of San Elijo Joint Powers Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

**Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our discussion about planning matters.

**Significant Audit Findings**

***Significant Accounting Policies***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by San Elijo Joint Powers Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the period. We noted no transactions entered into by the SEJPA during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transactions occurred.

### ***Management Judgments and Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The useful lives assigned to capital assets have been estimated based on the intended use.
- Management has represented no circumstances indicating the carrying value of the long-lived assets was impaired.
- No allowance for doubtful accounts has been estimated based on past experience and on an analysis of current receivable and inventory balances.
- The fair value of investments are reported to the SEIPA on the valuation methodologies deemed appropriate by those holding the investments.

### ***Financial Statement Disclosures***

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures may be particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Cash and investments (Note 3)
- Restricted assets (Note 5)
- Defined benefit pension plan (Note 12)
- New governmental accounting standards (Note 14)

### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

- The attached schedule of misstatements detected as a result of audit procedures were corrected by management.

***Disagreements With Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreement arose during the course of our audit.

***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated September 29, 2009.

***Management Consultations With Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principal to the SEPJA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the SEJPA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of San Elijo Joint Powers Authority and is not intended to be and should not be used by anyone other than these specified parties.

San Diego, California  
September 29, 2009

Prepared by \_\_\_\_\_

**SAN ELIJO JOINT POWERS AUTHORITY**  
**Adjusting Journal Entries**

05182A

Page 1

Reviewed by \_\_\_\_\_

09/04/09 10:50 AM

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
1	Adjusting	06/30/09					
		1450.20	Vehicles		14,263.00		
		1450.10	Vehicles	14,263.00			
		1550.10	Accum. Depreciation Vehicles		14,263.00		
		1550.20	Accum. Depreciation Vehicles	14,263.00			
		5240.10	Depreciation	912.71			
		5240.20	Depreciation		912.71		
			Reclass asset to proper classification			0.00	
2	Adjusting	06/30/09					
		1060.10	Savings - LAIF	0.29			
		4970.10	Interest on Investment - LAIF		0.29		
			Adjust LAIF account			0.29	
3	Adjusting	06/30/09					
		1070.10	Bond Reserve Account	15,284.28			
		2130.10	Member Agency Reserve Fund Pay		15,284.28		
		5807.50	Interest Expense - SRF Loan		100.33		
		4980.50	Interest on Notes	100.33			
			To adjust revenue funds			0.00	
4	Adjusting	06/30/09					
		1440.20	Plant Equipment	40,000.00			
		5890.20	WIEGAND NEGLIA PIPELINE		40,000.00		
		1540.20	Accum. Depreciation Plant Equi		500.00		
		5240.20	Depreciation	500.00			
			Capitalize Wiegand Neglia Pipeline and depreciate			39,500.00	
5	Adjusting	06/30/09					
		1000.20	General Checking	1,820.00			
		4943.20	Sale of Equipment		1,820.00		
			Record gain for disposal of truck			1,820.00	
6	Adjusting	06/30/09					
		4953.20	Reclaimed Water Sales - Del Ma	4,191.96			
		4985.20	Interest on Retrofit Loans		4,191.96		

Prepared by \_\_\_\_\_

**SAN ELIJO JOINT POWERS AUTHORITY**  
**Adjusting Journal Entries**

05182A

Page 2

Reviewed by \_\_\_\_\_

09/04/09 10:50 AM

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper
			Reclass retrofit loan payment from recycled water sales			0.00	
7	Adjusting	06/30/09					
		1000.10	General Checking		915.00		
		1000.20	General Checking	915.00			
		3500.10	Retained Earnings	2,283.00			
		3500.20	Retained Earnings		2,283.00		
		1000.10	General Checking		2,283.00		
		1000.20	General Checking	2,283.00			
			Reclass cash entry to balance funds			0.00	
		TOTAL		<u>96,816.57</u>	<u>96,816.57</u>	<u>41,320.29</u>	

Prepared by \_\_\_\_\_

Reviewed by \_\_\_\_\_

### SAN ELIJO JOINT POWERS AUTHORITY Adjusting Journal Entries

Reference	Type	Date Account Number	Description	Debit	Credit	Net Income Effect	Workpaper	Misstatement
pie1	Potential	06/30/09						
		1000.20	General Checking	10,918.53				
		5278.10	Fees - Purveyor Admin	23,599.40				
		4952.10	Reclaimed Water Sales - SDWD		34,517.93			
			To accrue amounts payable for owed under the annual reconciliation for Water sales to San Dieguito net of Purveyor fees			10,918.53		
			<b>TOTAL</b>	<u>34,517.93</u>	<u>34,517.93</u>	<u>10,918.53</u>		

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 12, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: PROJECT HIGHLIGHTS OF TREATMENT SYSTEM IMPROVEMENTS


BACKGROUND

Subsequent to the Performance Optimization of the Activated Sludge System Project completion and successful start-up, the SEJPA has witnessed a reduction in energy and chemical use for wastewater treatment and significant improvements in treated water quality.

PRESENTATION

Staff will make a PowerPoint presentation on the project highlights and performance results. This agenda item does not requiring Board action.

Respectfully submitted,

  
Michael T. Thornton, P.E.  
General Manager



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 12, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: GENERAL MANAGER'S REPORT

STAFF ACTIONS LEAD TO AVOIDED ENERGY COSTS

The SEJPA's wastewater treatment and water reclamation facilities are classified by SDG&E as large electrical users. As such, these facilities are eligible to participate in a new SDG&E program aimed at managing energy use during critical peak energy-use periods. This new rate program, Critical Peak Pricing (CPP), rewards customers that are successful in reducing their energy consumption during critical periods of high electricity demand. The program provides CPP customers 24 hour notice of a scheduled CPP Event. CPP customers are incentivized to load shed electrical, as energy rates are significantly higher during the CPP Event.

The SEJPA recently completed its first year in the CPP program and the net results to the agency were impressive. The SEJPA saved more than \$25,000 as a result of enrolling in the CPP program and staff's creative actions to reduce energy use during CPP events. Staff conducted a detailed monitoring of facility energy use to develop an energy-conservation mode of operations that was deployed during CPP events. Energy conservation included:

1. Modifying work hours to process biosolids during off-peak energy periods (6 pm–11 am)
2. Modifying recycled water control strategy to reduce pumping during on-peak hours
3. Shifting BOD loadings to Flow Equalization Basins (FEBs) during on-peak hours allows blowers to use less energy
4. Reduce gas mixing of digesters

Overall, SDG&E reported that the CPP program was successful in encouraging energy conservation during critical peak demands thus reducing stress to the electrical utility grid and rolling blackouts that plagued the region two years ago. For 2009, CPP customers reduced enough electricity to power approximately 120,000 homes and helped make a cleaner environment for everyone. A list of recent CPP Events and estimated total load shedding is provided in Table 1.

**TABLE 1 – SDG&E Critical Peak Pricing Events 2009**

<b>CPP Event Day</b>	<b>Peak System Load*</b>	<b>Actual Temperature</b>	<b>LOAD REDUCTION (from CPP customers)</b>
Thursday, 8/27	4156 MW	103°	6%
Friday, 8/28	4334 MW	101°	6%
Saturday, 8/29	4216 MW	101°	4%
Monday, 8/31	4107 MW	90°	6%
Thursday, 9/3	4457 MW	96°	7.5%
Friday, 9/4	4310 MW	93°	7.5%

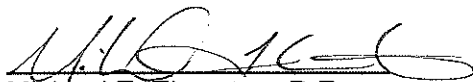
### SEJPA HIGHLIGHTS FACILITY IMPROVEMENTS TO THE WASTEWATER INDUSTRY

On October 6, 2009, the SEJPA provided a facility tour and presentation to the local chapter of the California Water Environment Association. The event focused on the recently completed construction projects at the water reclamation facility that have improved water quality and reduced energy and chemical use.

### CITY OF ENCINITAS' CLIMATE ACTION PLAN WORKSHOP

The City is working to develop a climate action plan to identify ways in which the entire community can work together to address climate change protection. The SEJPA is participating with other key stakeholders to identify City goals in relation to green house gas emissions and energy efficiency and conservation. The SEJPA treats more than half of the City's wastewater and produces the majority of recycled water used within the city boundaries. Many of the SEJPA's programs and initiatives, including the Water Reclamation Program and the recently completed Optimization of the Activated Sludge System, focus on community sustainability concepts including energy efficiency and resource reuse. The first workshop was conducted on September 24, 2009, with more workshops to follow.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager