

AGENDA
SAN ELIJO JOINT POWERS AUTHORITY
MONDAY DECEMBER 13, 2010 AT 9:00 AM
SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, CALIFORNIA

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

None
6. * **CONSENT CALENDAR**
7. * APPROVAL OF MINUTES FOR THE NOVEMBER 8, 2010 MEETING
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. APPOINTMENT OF SAN ELIJO JOINT POWERS AUTHORITY AUDITOR

It is recommended that the Board of Directors:

1. Authorize the Chair to appoint Leaf & Cole, LLP as SEJPA auditor for the fiscal year ending June 30, 2011; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

13. AMENDMENT REQUEST NO. 1 FOR FINAL DESIGN OF THE RECYCLED WATER DEMINERALIZATION PROJECT FOR THE SAN ELIJO WATER RECLAMATION FACILITY

It is recommended that the Board of Directors:

1. Authorize the Chair to execute Amendment No. 1 with Kennedy/Jenks Consultants for Final Design of the Recycled Water Demineralization Project for the San Elijo Water Reclamation Facility; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

16. GENERAL MANAGER'S REPORT

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

17. GENERAL COUNSEL'S REPORT

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

18. 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.

19. CLOSED SESSION

None

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".

20. ADJOURNMENT

The next regular scheduled San Elijo Joint Powers Authority Board Meeting will be January 10, 2011 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. 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: December 8, 2010



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON NOVEMBER 8, 2010
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Maggie Houlihan, Chair

Tom Campbell, Vice Chair

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, November 8, 2010, 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 Houlihan 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
Director of Operations
Administrative Assistant
Accounting Technician
Safety/HR Administrator

Michael Thornton
Greg Lewis
Christopher Trees
Monica Blake
Carrie Cook
Marisa Buckles

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

A. Aiko Osugi

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

Guests:

Frank Warner
Al Evans
Ken Al-Imam, C.P.A.

Mayer Hoffman McCann, P.C.

3. PLEDGE OF ALLEGIANCE

Frank Warner led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

None

6. CONSENT CALENDAR

Moved by Board Member Roberts and seconded by Board Member Barth to approve the Consent Calendar with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the October 11, 2010 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	Retrofit Loan Program Update

12. ITEMS REMOVED FROM CONSENT CALENDAR

None

13. SAN ELIJO JOINT POWERS AUTHORITY ANNUAL AUDIT

Director of Finance/Administration Gregory Lewis introduced SEJPA's auditor, Ken Al-Imam, C.P.A., from the audit firm of Mayer Hoffman McCann P.C. to give a verbal presentation to the Board of Directors summarizing the Fiscal Year 2009-10 audit. Mr. Al-Imam's firm was selected this past spring after reviewing proposals from various accounting firms.

Mr. Al-Imam reported that the results of the audit show the SEJPA is in a good and strong financial position with no instances of noncompliance and no deficiencies in

internal control. Of special note, Mr. Al-Imam stated that this year the SEJPA implemented GASB 45 for Other Post Employment Benefits (OPEB). This is now an annual cost that is included in the financial statements. The liability for future benefits is included in the footnotes of the financial statements in compliance with the new audit standards.

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

1. Accept and file the 2009-10 Fiscal Year Audit for the San Elijo Joint Powers Authority.

Motion carried with unanimous vote of approval.

14. UPDATE ON WHOLESALE PRICING OF RECYCLED WATER BY SAN ELIJO JOINT POWERS AUTHORITY

General Manager Michael Thornton reported that staff has finalized discussions with Santa Fe Irrigation District (SFID) in regard to wholesale pricing changes for calendar years 2011 and 2012. Staff concluded that a 5% per year rate increase appears adequate to meet the expected cost increases of the program. Furthermore, SFID has agreed to increase its minimum water purchase volume to 450 AFY from 393 AFY.

The General Manager relayed that Michael Bardin, General Manager of SFID, wanted to acknowledge the SEJPA's efforts on this timely subject. Michael Thornton stated that, from the direction of the Board of Directors at the October 2010 Board meeting, an amendment has been prepared to formally memorialize this rate and volume change. If approved by the SEJPA Board, the amendment will then be presented to the SFID Board of Directors for consideration and approval.

Guest speaker Frank Warner, from St. Francis Court HOA, thanked the SEJPA staff and Board Members for the timely response to the rate issue and stated that he supports this amendment to the agreement. Mr. Warner requested that future recycled water rates reflect the actual production costs of the water rather than being indexed to some other rate, and he requested that quarterly updates be provided on the progress of reaching new long-term agreements with the local water purveyors.

Board Member Roberts requested that the motion include quarterly updates to the Board of Directors on the progress of new water agreements.

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

1. Approve the proposed amendment adjusting the wholesale price of recycled water and minimum purchase volume in the "Agreement for Sale of Reclaimed Water to the Santa Fe Irrigation District by the San Elijo Joint Powers Authority".

Motion carried with unanimous vote of approval.

15. SAN DIEGO INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) PLAN ADOPTION

General Manager Michael Thornton reported that the North San Diego County Cooperative Demineralization Project, which includes the SEJPA, Olivenhain Municipal Water District, and the San Elijo Lagoon Conservancy, has been accepted by the San Diego IRWM Group. As a condition for receiving grant funding through this program, the SEJPA is required to adopt a resolution stating its endorsement of the San Diego IRWM Plan.

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

1. Adopt Resolution No. 2011-05, A Resolution of Adoption for the San Diego Integrated Regional Water Management Plan.

Motion carried with unanimous vote of approval.

15. GENERAL MANAGER'S REPORT

The General Manager Michael Thornton stated that the new NPDES permit requirements set a new standard for the receiving water bacteria in our region, Region 9. The SEJPA is joining with several other wastewater facilities to analyze the benefits to the region, how the Regional Board and the EPA are quantifying the new requirements, and to see if other regions are in step with these new permit requirements.

Michael Thornton reported on his attending the WaterReuse Conference in Washington D.C. as a trustee on the California WaterReuse Board, and he presented on cost saving strategies that the SEJPA is incorporating into its Recycled Water Demineralization Project.

The General Manager presented a brief slide presentation on a recently completed project lead by SEJPA staff. The project, Cleaning and Repair Anaerobic Digester No.4, was completed in-house at a cost savings of over \$75,000 as compared to outside quotes.

16. GENERAL COUNSEL'S REPORT

General Counsel Aiko Osugi stated that the SEJPA has been dismissed from the Bradley Gessner vs Santa Fe Irrigation District lawsuit.

17. BOARD MEMBER COMMENTS

Board Member Roberts congratulated Board Member Teresa Barth on her re-election to the Encinitas City Council. The pending sale of the Del Mar Fairgrounds may have an effect on the SEJPA's sale of recycled water to Del Mar. Board Member Roberts asked staff to be sure to submit their comments on the I-5 widening issue and noted an article in the paper concerning water district board member fees.

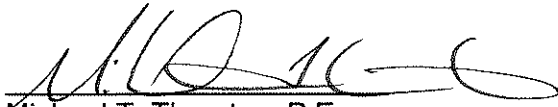
18. CLOSED SESSION

None

19. ADJOURNMENT

The Board of Directors adjourned at 9:48 a.m. The next Board of Directors meeting will be held on December 13, 2010.

Respectfully submitted,

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

Michael T. Thornton, P.E.
General Manager

PAYMENT OF WARRANTS

11-12

26-Nov-10

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
11-12 Warrants		
AG Tech, LLC	Biosolids hauling - October	\$3,501.96
ASCE Membership	Membership - T. Thornton	\$250.00
AT&T	Phone service - 09/13/10 - 10/12/10	\$362.49
AT&T	Alarm service	\$380.72
AT&T - Eden Garden	Phone service - 09/20/10 - 10/19/10	\$87.68
Abcana Industries	Hydrochloric acid - plant	\$326.74
Airgas West	Nitrogen	\$171.27
Arrowhead	Kitchen and lab supplies	\$178.85
Atlas Pumping Service	Grease and scum pumping - October	\$554.88
Atlas Pumping Service	Grease and scum pumping - November	\$554.88
Atlas Pumping Service	Grit and screening	\$1,484.70
Barracuda Networks, Inc.	Network back-up - November	\$50.00
Blake, Monica	Expense report - mileage	\$23.70
Blue Skies Landscape	Landscape service - October	\$600.00
Boot World, Inc.	Safety boots - M. Dietrich	\$68.49
Boot World, Inc.	Safety boots - J. Hernandez and J. Clark	\$283.78
Buckles, M.	Expense report - Calper's workshop and meeting	\$310.88
CDM, Inc.	Electrical upgrades	\$4,430.00
CSMFO	Membership - G. Lewis	\$110.00
CWEA	Membership - T. Hutchinson	\$132.00
CWEA	Membership - M. Dietrich	\$132.00
CWEA - TCP	Certificate renewal - A. Simonson	\$71.00
CWEA - TCP	Certificate renewal - R. Chea	\$81.00
CWEA - TCP	Certificate renewal - M. Henke	\$71.00
Coast Waste Management	Grit and screening - stormdrains	\$567.36
Complete Office	Office supplies - October	\$45.79
Complete Office	Office supplies - November	\$145.74
Conocophillips Fleet	Vehicle fuel - October	\$858.22
Cook, Carrie	Expense report - Calper's workshop	\$100.54
Cordata Records Mgmt., Inc.	Record storage - October	\$62.37
Covad	T-1 service - November	\$359.00
Edco	Trash service - October	\$184.01
EI Camino Tire & Brake	Vehicle maintenance	\$24.27
Electrical Systems Engineering	LAF-800a circuit breaker handle - plant	\$106.85
Gate Masters Inc.	Programmed front gate with correct area codes - plant	\$110.00
Grainger, Inc.	Parts for the heat exchanger - digester - plant	\$193.31
Grainger, Inc.	First aid supplies - plant	\$52.17
Grainger, Inc.	S flex coupling insert - blower #4	\$57.65
Graphic Products	Labels - yellow 4" x 140' - plant and all pump stations	\$241.85
Golden State Overnight - GSO	Mailing monthly regulatory reports and lab samples	\$58.44
Harmor Technologies, Inc.	Safety pull switch - belt press - plant	\$391.79
Hoch, Adam	Expense report - engineering review course	\$200.00
Home Depot	Repair parts and shop supplies	\$55.34
Horizon Health EAP	EAP - November	\$351.12
Housing & Community Develop.	Modular registration - plant	\$222.00
Industrial Chem Labs	Lift station degreaser - Coast Blvd. P. S.	\$107.25
Jani-King	Janitorial service - November	\$882.64
Kenndy/Jenks Consultants	Recycled water demineralization	\$5,004.51
Konica	Monthly copier maintenance	\$140.54
Lewis, Greg	Expense report - laptop battery, mileage, hard drive	\$168.56
Lewis, Greg	Expense report - timer and meeting	\$85.87
Lomas Santa Fe Country Club	Holiday luncheon	\$500.00

PAYMENT OF WARRANTS

11-12

26-Nov-10

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Marine Taxonomic Services	Ocean offshore monitoring - November - outfall	\$740.00
McMaster-Carr Supply Co.	Corrosion-resistant pvc, strut-mount clamp - plant	\$209.67
Met Life SBC	Dental insurance	\$1,456.69
Michael R. Welch, Ph.D.,P.E.	NPDES permit consultation - plant	\$4,725.00
Mutual of Omaha	Life and disability insurance	\$1,551.05
Napa Auto Parts	Vehicle maintenance	\$105.43
OMWD	Manchester - 09/09/10 - 10/11/10	\$38.86
One Source Distributors, Inc.	Electrical supplies - lab	\$105.73
One Source Distributors, Inc.	Electrical supplies - plant	\$466.66
One Source Distributors, Inc.	Electrical supplies - San Elijo Hills P. S.	\$125.64
PERS - Retirement	Retirement premium - 11/05/10	\$13,739.57
PERS - Retirement	Retirement premium - 11/19/10	\$13,776.07
Pacific Pipeline Supply	Brass companion flange 2" - plant	\$361.73
Pacific Pipeline Supply	Plumbing parts - plant	\$565.40
Peerless Material Co., LLC	Cleaning supplies - plant and all pump stations	\$306.68
Polydyne, Inc.	Clarifloc - plant	\$9,304.65
Preferred Benefit Insurance	Vision insurance - November	\$374.17
Probuild	Repairs, shop and field supplies - October	\$87.50
Procopio Cory Hargreaves	General - October - legal service	\$1,083.00
Procopio Cory Hargreaves	Bradley & Debra Gessner v. San Elijo JPA	\$3,934.80
RSF Security Systems, Inc.	Security service - plant and all pump stations	\$1,482.00
RTC	Residue, anions WP, and ammonia in water - lab	\$170.90
Refrigeration Supplies Dist.	Kooltronic - air conditioner for control panel - wtr rec.	\$3,806.25
San Diego Fluid System	Sand filters - water reclamation	\$37.90
San Diego Gas and Electric	Gas and electric - 09/08 - 10/07	\$41,876.35
San Diego Gas and Electric	Gas and electric - 10/07 - 11/05	\$33,117.84
San Diego Gas and Electric	Gas and electric - 10/08 - 11/08 - Cardiff P. S.	\$1,417.49
San Diego Gas and Electric	Gas and electric - 10/08 - 11/08 - Valley	\$1,222.69
San Diego Pump	Electrical panel - Coast Blvd. P. S.	\$3,407.64
San Dieguito Water District	Manchester - 09/30/10 - 10/27/10	\$3,308.32
San Dieguito Water District	Manchester - 09/30/10 - 10/27/10	\$1,252.40
San Dieguito Water District	Manchester - 09/30/10 - 10/27/10	\$548.08
San Dieguito Water District	Manchester - 09/30/10 - 10/27/10	\$230.64
San Dieguito Water District	Manchester - 09/30/10 - 10/27/10	\$121.52
San Elijo Payroll Account	Payroll - 11/05/2010	\$71,759.70
San Elijo Payroll Account	Payroll - 11/19/2010	\$72,421.02
Santa Fe Irrigation District	Highland Dr. - 08/17/10 - 10/14/10	\$171.82
Santa Fe Irrigation District	Seabright In. - 09/02/10 - 11/02/10	\$51.56
Santa Fe Irrigation District	Valley - 09/30/10 - 10/28/10	\$123.63
Serpentix Corporation	Chain splice with angle - belt press conveyor - plant	\$712.09
Serpentix Corporation	Blade and clamp - sludge conveyor - plant	\$133.09
Siemens Water Technologies	Bearing ball, washer thrust and tubing - water rec.	\$142.66
Sprint	Cellular phone service	\$691.88
State Water Resources Control	Certificate - M. Henke, J. Hernandez, and A. Simonson	\$550.00
State Water Resources Control	Operator certificate renewal - T. Hutchinson	\$170.00
Sunbelt Rentals	45' art manlift for conveyor - plant	\$2,150.71
Terminix	Pest control - November	\$81.00
Terra Renewal, LLC	Biosolids hauling - October	\$5,065.13
Test America	Lab testing	\$704.25
Thornton, Michael	Expense report - WaterReuse Conference	\$1,280.98
Trussell Technologies, Inc.	Desal membrane selection - agreement #9	\$2,716.00
UPS	Mailing	\$11.28
Underground Service Alert	Dig alert - October	\$54.00
Unifirst Corporation	Uniform service - October	\$77.46

PAYMENT OF WARRANTS

11-12

26-Nov-10

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Unifirst Corporation	Uniform service - November	\$263.20
VWR International, Inc.	Tubes cult 6x50, 16x150 and 18x150 -lab	\$756.51
VWR International, Inc.	Hydrogen sulfide, gloves, and broth lauryl trypose	\$608.95
WEF	Membership - M. Thornton	\$267.00
WateReuse Association	Membership - M. Thornton	\$225.00
Total 11-12 Warrants		<u>\$331,742.45</u>

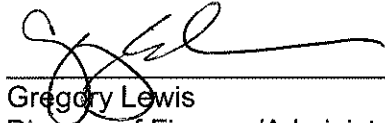
SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

26-Nov-10

PAYMENT OF WARRANTS		\$331,742.45
Reference Number	11-12	

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.



Gregory Lewis
Director of Finance/Administration
Treasurer

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

26-Nov-10

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(SEPTEMBER 2010 YIELD 0.50%)</i>	
SELF INSURANCE RESERVE	\$ 300,000.00
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 6,347,165.44
 CALIFORNIA BANK AND TRUST <i>(SEPTEMBER 2010 YIELD 0.10%)</i>	
REGULAR CHECKING	\$ 24,590.87
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 7,306,756.31

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

December 13, 2010

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 October 2010. The primary indicators of treatment performance include the removal of Carbonaceous Biochemical Oxygen Demand (CBOD) and Total Suspended Solids (TSS). The SEJPA is required to remove a minimum of 85 percent of the CBOD and TSS from the wastewater. Treatment levels for CBOD and TSS were 98.0 percent and 96.5 percent, respectively, for October (as shown in Figure 1 and Figure 2).

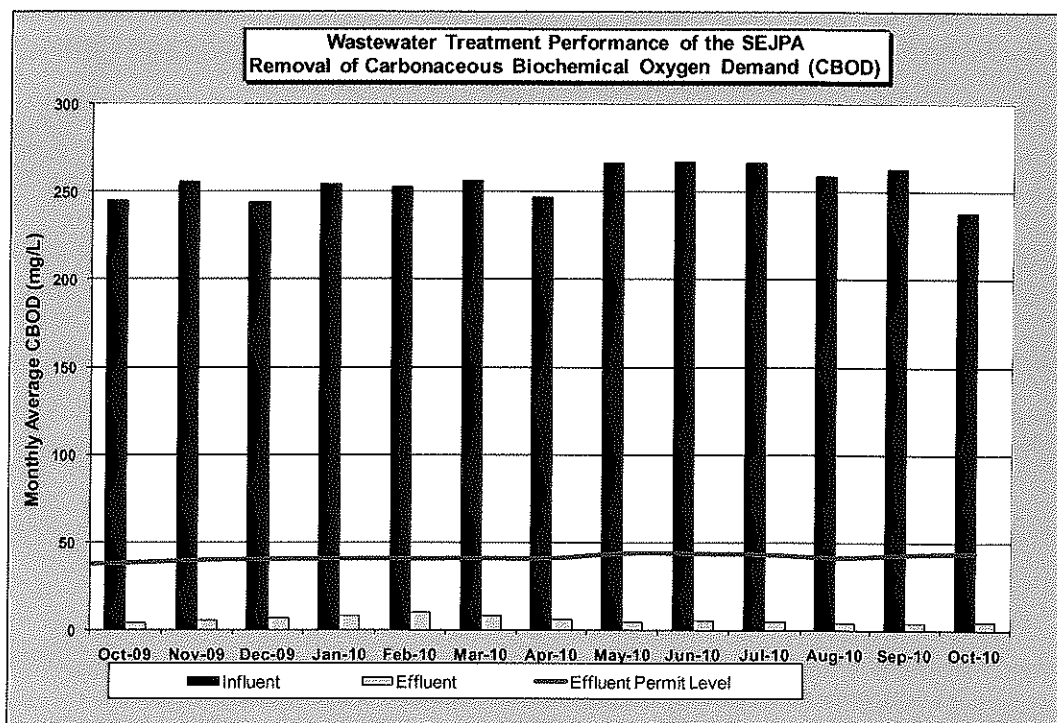


FIGURE 1

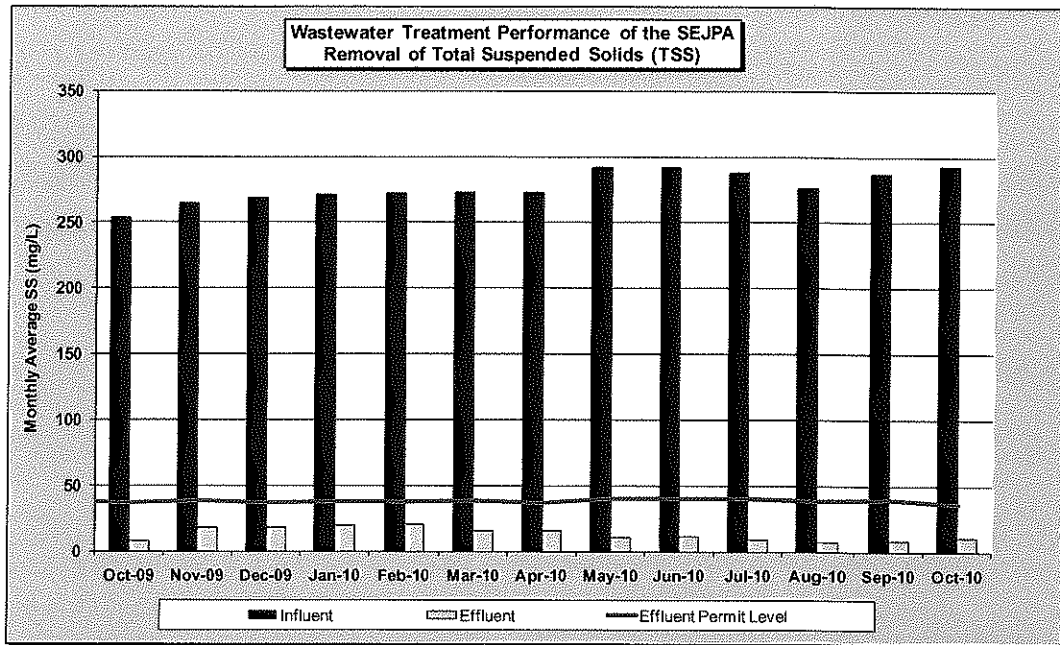


FIGURE 2

Member Agency Flows

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

	October	
	Influent (mgd)	Effluent (mgd)*
Cardiff Sanitary Division	1.413	1.177
City of Solana Beach	1.311	1.092
Rancho Santa Fe SID	0.123	0.102
Total San Elijo WRF Flow	2.847	2.371

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.

Table 1 (attached) 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.

Figure 3 (attached) 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 in Figure 3 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 October:

	October (mgd)
Escondido (Average flow rate)	9.5
Escondido (Peak flow rate)	23.5*

* Exceeded capacity allowance. Corrective action requested.

The City of Escondido's Peak flow rate of 23.5 mgd, which occurred on October 19, 2010, exceeded the allowed instantaneous flow rate of 20.1 mgd flow from the City, as stipulated in the 2000 Ocean Outfall Agreement, First Addendum. The SEJPA has been in contact with the City, per the attached letter, and is working with the City to identify the cause of the October 19, 2010, peak flow rate exceedance and solutions to mitigating future exceedances.

Connected Equivalent Dwelling Units

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

	October (EDU)
Cardiff Sanitary Division	8,207
Rancho Santa Fe SID	477
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
Total EDUs to System	16,412

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachments: Table 1: SEWRF Monthly Report – Flows and EDUs
Figure 3: Average Daily Flow
Peak Flow Rate Exceedance Letter

SAN ELIJO WATER RECLAMATION FACILITY MONTHLY REPORT - FLOWS AND EDUS

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)			AVERAGE DAILY EFFLUENT FLOW RATE (MGD)			AVERAGE DAILY EFFLUENT FLOW RATE (MGD)			CONNECTED EDUs			AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)			
	GSD	RSF/CSD	SB	TOTAL PLANT	GSD	RSF/CSD	SB	TOTAL PLANT	GSD	RSF/CSD	SB	TOTAL EDUs	GSD	RSF	SB	TOTAL PLANT
Jan-06	1.515	0.139	1.310	2.964	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	2.951	1.268	0.118	1.111	2.497	8.044	423	7.659	16,126	188	329	171	183
Mar-06	1.542	0.144	1.309	2.955	1.475	0.137	1.252	2.864	8.044	424	7.659	16,126	192	340	171	186
Apr-06	1.523	0.139	1.288	2.950	1.400	0.128	1.184	2.712	8.066	429	7.728	16,223	183	312	168	180
May-06	1.480	0.134	1.299	2.913	0.979	0.089	0.859	1.927	8.080	429	7.728	16,223	183	312	168	180
Jun-06	1.471	0.130	1.350	2.951	0.762	0.068	0.699	1.529	8.087	431	7.728	16,246	184	302	175	182
Jul-06	1.490	0.135	1.436	3.051	0.719	0.065	0.693	1.477	8.088	431	7.728	16,246	184	302	175	182
Aug-06	1.456	0.144	1.392	2.992	0.748	0.074	0.715	1.537	8.092	432	7.728	16,248	180	333	180	184
Sep-06	1.403	0.138	1.327	2.868	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	2.832	0.943	0.088	0.857	1.888	8.094	432	7.728	16,252	175	306	166	174
Nov-06	1.408	0.135	1.284	2.827	1.100	0.105	1.003	2.208	8.099	434	7.728	16,263	176	317	165	175
Dec-06	1.429	0.138	1.275	2.842	1.296	0.126	1.156	2.578	8.100	441	7.728	16,269	175	290	166	174
Jan-07	1.419	0.128	1.282	2.829	1.205	0.109	1.089	2.403	8.106	443	7.728	16,277	176	291	165	174
Feb-07	1.425	0.129	1.277	2.831	1.284	0.116	1.150	2.550	8.111	444	7.728	16,284	175	266	166	173
Mar-07	1.421	0.118	1.285	2.824	0.917	0.085	0.917	2.016	8.115	447	7.728	16,290	171	273	164	170
Apr-07	1.386	0.122	1.267	2.775	0.868	0.076	0.794	1.738	8.116	448	7.728	16,292	174	237	166	172
May-07	1.411	0.106	1.281	2.798	0.763	0.058	0.693	1.514	8.119	449	7.728	16,294	177	232	169	175
Jun-07	1.438	0.104	1.304	2.846	0.632	0.051	0.632	1.380	8.124	450	7.728	16,297	180	242	177	180
Jul-07	1.461	0.109	1.364	2.934	0.657	0.049	0.613	1.319	8.124	452	7.728	16,303	174	237	164	171
Aug-07	1.442	0.110	1.365	2.917	0.571	0.044	0.541	1.156	8.138	452	7.728	16,303	164	213	158	163
Sep-07	1.335	0.096	1.222	2.653	0.596	0.046	0.537	1.179	8.144	453	7.728	16,324	177	316	159	172
Oct-07	1.355	0.096	1.222	2.653	0.777	0.056	0.712	1.545	8.146	454	7.728	16,327	183	318	164	178
Nov-07	1.430	0.113	1.235	2.778	1.122	0.088	0.969	2.179	8.150	456	7.728	16,335	192	326	177	189
Dec-07	1.443	0.143	1.225	2.811	1.380	0.137	1.171	2.688	8.151	456	7.728	16,335	183	274	171	180
Jan-08	1.491	0.142	1.268	2.903	1.488	0.144	1.266	2.898	8.151	456	7.728	16,337	182	299	173	181
Feb-08	1.620	0.162	1.355	3.137	1.499	0.150	1.254	2.903	8.161	456	7.728	16,345	202	288	164	187
Mar-08	1.569	0.149	1.365	3.083	1.261	0.119	1.097	2.477	8.165	456	7.728	16,345	202	288	164	187
Apr-08	1.493	0.125	1.318	2.936	1.154	0.097	1.019	2.270	8.166	456	7.728	16,358	181	242	171	178
May-08	1.487	0.136	1.339	2.962	0.755	0.069	0.680	1.504	8.170	460	7.728	16,358	181	242	171	178
Jun-08	1.649	0.131	1.270	3.050	0.647	0.052	0.498	1.197	8.172	462	7.728	16,362	193	338	176	189
Jul-08	1.713	0.131	1.324	3.168	0.722	0.055	0.558	1.335	8.177	462	7.728	16,367	186	306	163	174
Aug-08	1.562	0.125	1.483	3.170	0.608	0.048	0.577	1.233	8.185	464	7.728	16,374	179	252	161	173
Sep-08	1.547	0.121	1.378	3.046	0.813	0.064	0.724	1.601	8.186	464	7.728	16,378	181	248	171	178
Oct-08	1.478	0.111	1.319	2.908	0.671	0.051	0.599	1.321	8.186	467	7.728	16,381	176	234	178	178
Nov-08	1.511	0.118	1.329	2.958	1.080	0.084	0.950	2.114	8.186	467	7.728	16,381	175	242	184	181
Dec-08	1.580	0.156	1.362	3.098	1.446	0.143	1.246	2.835	8.187	468	7.728	16,383	171	231	174	174
Jan-09	1.522	0.141	1.354	3.017	1.256	0.116	1.117	2.489	8.187	468	7.728	16,383	168	231	172	172
Feb-09	1.599	0.145	1.330	3.074	1.408	0.128	1.171	2.707	8.189	469	7.728	16,386	167	237	171	171
Mar-09	1.510	0.124	1.307	2.941	1.030	0.085	0.892	2.007	8.196	472	7.728	16,390	171	271	171	174
Apr-09	1.463	0.116	1.262	2.841	0.731	0.058	0.630	1.419	8.196	472	7.728	16,396	187	329	178	187
May-09	1.465	0.117	1.247	2.829	0.712	0.057	0.606	1.375	8.198	474	7.728	16,399	181	313	179	184
Jun-09	1.475	0.115	1.319	2.913	0.712	0.056	0.635	1.403	8.198	474	7.728	16,400	177	306	181	183
Jul-09	1.437	0.109	1.376	2.922	0.599	0.045	0.573	1.217	8.198	474	7.728	16,400	177	289	180	182
Aug-09	1.431	0.113	1.419	2.963	0.603	0.047	0.598	1.248	8.202	474	7.728	16,403	168	270	179	176
Sep-09	1.404	0.108	1.346	2.858	0.690	0.053	0.661	1.404	8.204	475	7.728	16,404	175	258	188	184
Oct-09	1.375	0.108	1.332	2.815	0.744	0.058	0.721	1.523	8.204	475	7.728	16,407	168	251	190	180
Nov-09	1.366	0.111	1.323	2.800	0.843	0.069	0.816	1.728	8.205	475	7.728	16,407	166	263	188	179
Dec-09	1.401	0.127	1.322	2.850	1.149	0.104	1.084	2.337	8.207	475	7.728	16,408	164	240	174	171
Jan-10	1.532	0.155	1.372	3.059	1.271	0.128	1.138	2.537	8.207	477	7.728	16,412	172	258	170	173
Feb-10	1.487	0.148	1.382	3.017	1.371	0.136	1.274	2.781	8.207	477	7.728	16,412	172	258	170	173
Mar-10	1.455	0.145	1.398	2.998	1.108	0.110	1.064	2.282	8.207	477	7.728	16,412	172	258	170	173
Apr-10	1.451	0.137	1.391	2.979	1.058	0.100	1.014	2.172	8.207	477	7.728	16,412	172	258	170	173
May-10	1.379	0.128	1.385	2.892	0.672	0.063	0.675	1.410	8.207	477	7.728	16,412	172	258	170	173
Jun-10	1.437	0.122	1.453	3.012	0.650	0.055	0.657	1.362	8.207	477	7.728	16,412	172	258	170	173
Jul-10	1.375	0.119	1.466	2.960	0.694	0.061	0.740	1.495	8.207	477	7.728	16,412	172	258	170	173
Aug-10	1.366	0.125	1.451	2.942	0.585	0.053	0.621	1.259	8.207	477	7.728	16,412	172	258	170	173
Sep-10	1.346	0.114	1.342	2.802	0.627	0.053	0.626	1.306	8.207	477	7.728	16,412	172	258	170	173
Oct-10	1.413	0.123	1.311	2.847	1.177	0.102	1.092	2.371	8.207	477	7.728	16,412	172	258	170	173

TABLE 1

CSD: Cardiff 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

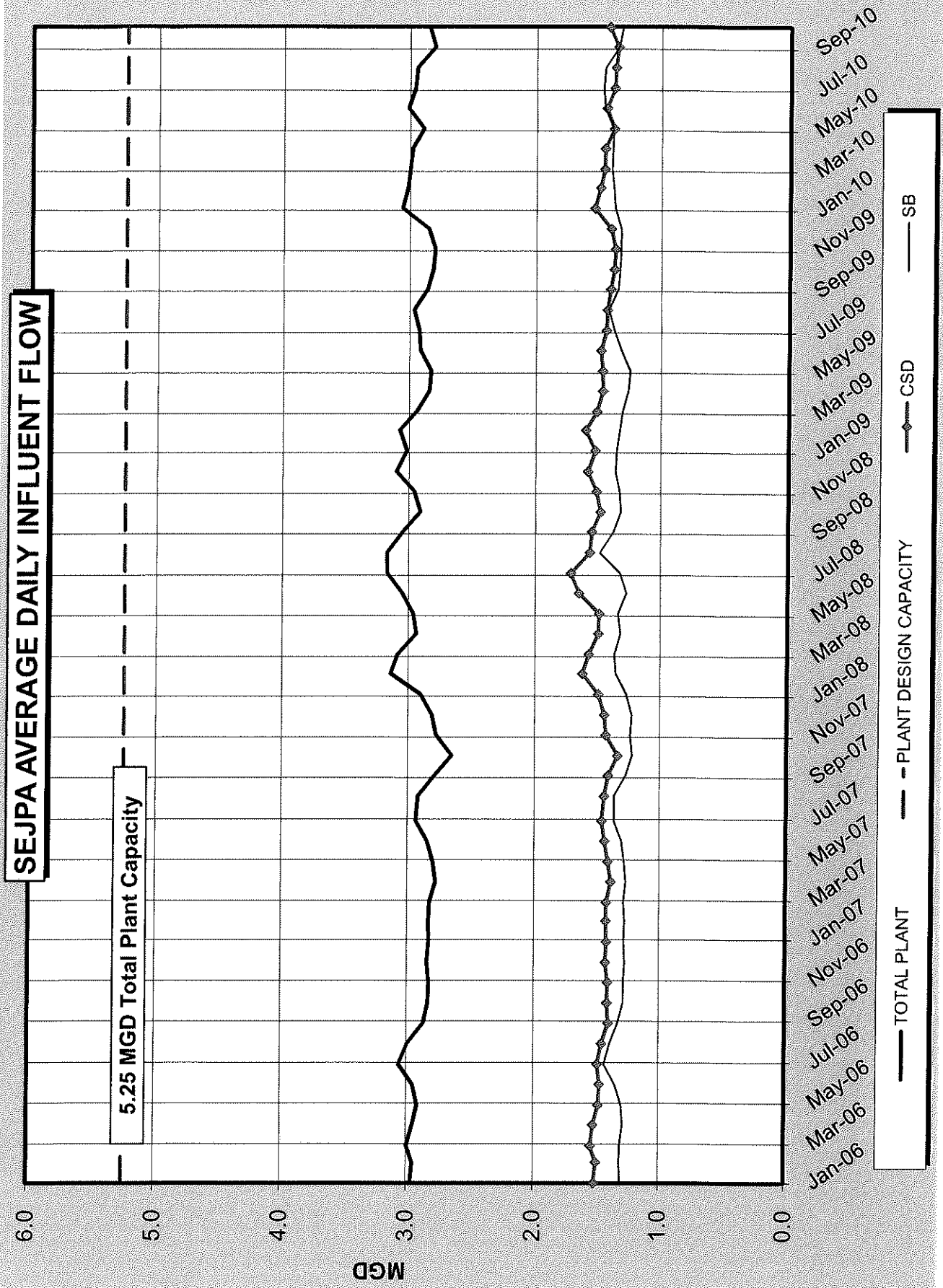


FIGURE 3



**SAN ELIJO
JOINT POWERS AUTHORITY**

BOARD OF DIRECTORS

Teresa Barth
Thomas M. Campbell
Maggie Houlihan
David W. Roberts

ADMINISTRATION

Michael T. Thornton
General Manager

October 25, 2010

John Burcham
Deputy Utilities Manager, Wastewater
City of Escondido
1521 S. Hale Avenue
Escondido, CA 92029

Subject: Peak Flow Event Exceeds San Elijo Ocean Outfall Capacity

Dear Mr. Burcham:

The San Elijo Joint Powers Authority (SEJPA) has identified a recent peak flow event to the San Elijo Ocean Outfall that exceeded the structure's rated capacity. On October 19, 2010, between 5 p.m. and 8 p.m., total flow to the outfall peaked at an instantaneous rate of 27.5 million gallons per day (mgd) or 19,000 gallons per minute (gpm). The rated flow capacity of the ocean outfall is 25.5 mgd. Since this event, the SEJPA has not observed any unusual pressure or flow variances that might indicate structural damage to the ocean outfall. However, the SEJPA is interested in conferring with the City of Escondido (City) on appropriate measures that should be taken to verify no outfall damage has incurred.

In reviewing flow records and interviewing staff, it appears that this peak flow event was triggered by high flows from the Escondido Land Outfall, which peaked at 24 mgd. This peak flow exceeded the City's capacity rights in the San Elijo Ocean Outfall. As stipulated in the 2000 Ocean Outfall Agreement, First Addendum, the allowed maximum instantaneous flow from the City is 13,993 gpm (20.1 mgd), and a maximum combined flow from both the City and the SEJPA of 17,706 gpm or 25.5 mgd. Attachment "A" provides a screen shot of flow data recorded at the Escondido Regulator Station for the date of interest. The screen shot shows that Escondido's flows exceeded 13,993 gpm or 20.1 million gallons per day (MGD) between 5:23 p.m. and 7:53 p.m. with a peak of approximately 24 MGD. Since SEJPA was also discharging 3.5 MGD (or 2,430 gpm) during this time, the City's high flow caused the working capacity of the outfall (17,706 gpm or 25.5 MGD) to be exceeded.


We appreciate and value the working relationship that exists between the City and the SEJPA in protecting the environment and serving our communities. We respectfully request that the City investigate the cause of this incident and to provide a report highlighting the cause and actions that the City is taking to eliminate or manage future high flow issues.

Page 2

If you have any questions regarding this matter, please contact me at (760) 753-6203, x72.

Sincerely,

SAN ELIJO JOINT POWERS AUTHORITY



Michael T. Thornton, P.E.
General Manager

Attachment

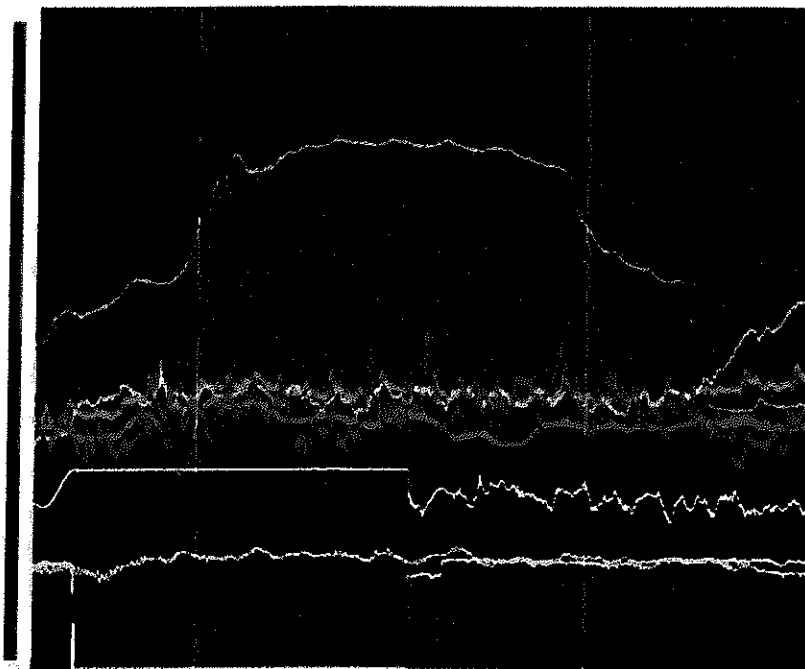
cc: Lori Vereker, City of Escondido
Christopher Trees, SEJPA



Primary	Secondary	Digester	Reclamation	Pump Station	Plant Data	Alarms	Plant
---------	-----------	----------	-------------	--------------	------------	--------	--------------

9:24:22 AM
10/20/2010
Influent Flow Trend

Influent Flow Historical Trend



Influent Flow
Outfall
Flow Equalization
Digester
Aeration Basin 2
Aeration Basin 3

Navigation controls including time range (10/20/10), zoom in/out, and time interval selection (4 hours, 1 hour, 15 minutes, 30 minutes, 16 minutes).

Plant Influent_MGD 4.10 4.09 4.90	Solana Beach_0_MGD 1.29 1.26 1.60	Cardiff_Gr_Flow_GPM 899.6 897.7 181.9
Cardiff_Flow_MGD 0.86 0.85 0.85	Olivenhain_Flow_MGD 1.22 1.20 1.51	Escendido_Flow_MGD 28.7 28.1 11.8
EdenGardens_Flow_MGD 0.80 0.81 0.82	MoonLight_Flow_MGD 1.50 1.39 1.46	

*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

December 13, 2010

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.

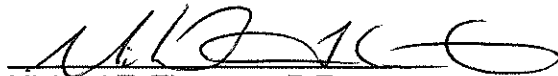
DISCUSSION

Recycled Water Production

For the month of October 2010, recycled water demand was 46.94 acre-feet (AF), which was met using 46.94 AF of recycled water and 0.00 AF of supplementation with potable water. This equates to a blend mix for October of 100.00 percent recycled water and 0.00 percent potable water supplementation.

Figure 1 (attached) provides monthly supply demands for recycled water over the last five years. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning the last ten 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

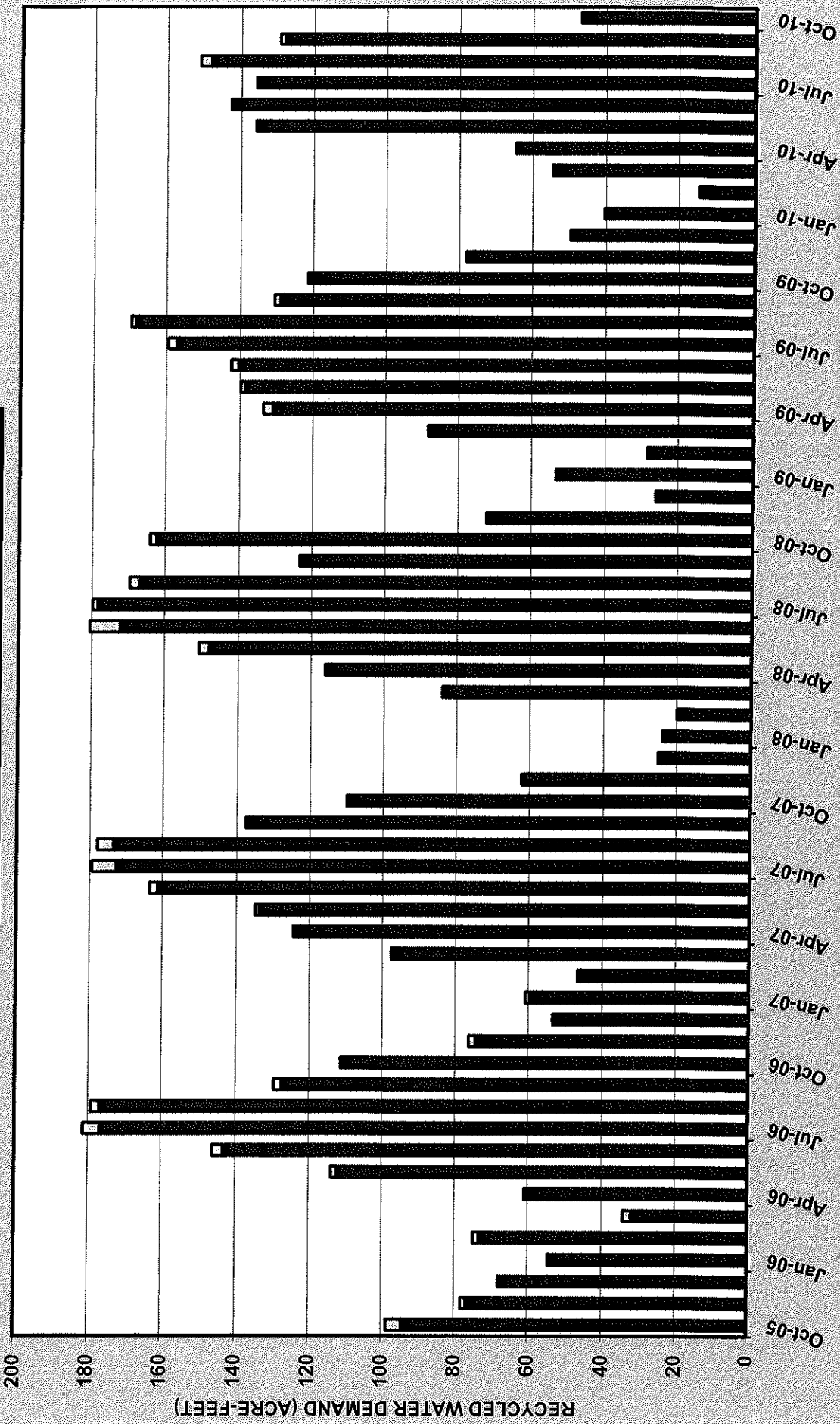


Figure 1

ANNUAL RECYCLED WATER DEMAND

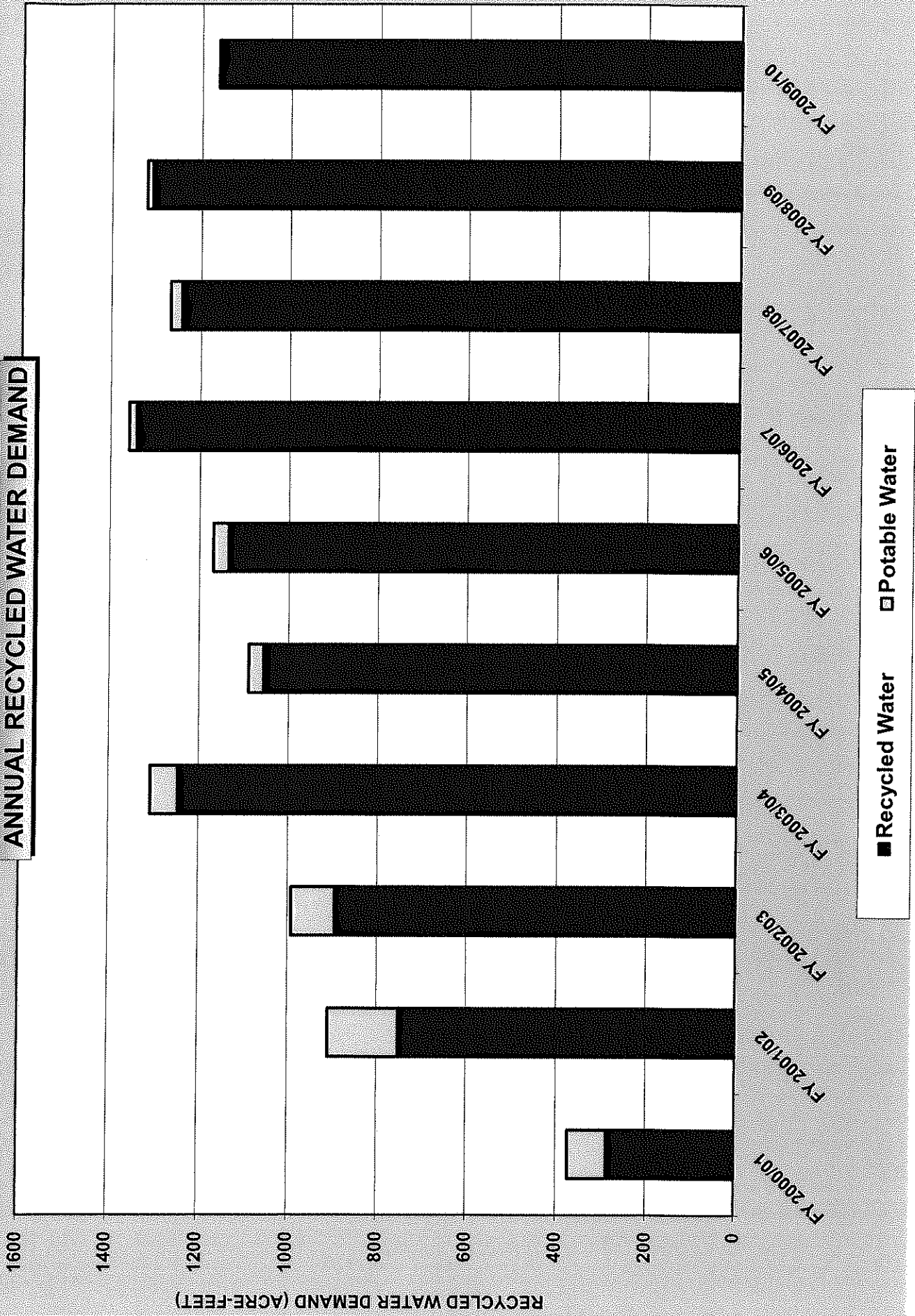


Figure 2

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

December 13, 2010

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: APPOINTMENT OF SAN ELIJO JOINT POWERS AUTHORITY AUDITOR

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the Chair to appoint Leaf & Cole, LLP as SEJPA auditor for the fiscal year ending June 30, 2011; and
2. Discuss and take action as appropriate.

BACKGROUND

In November 2004, the San Elijo Joint Powers Authority (SEJPA) Board of Directors adopted a financial audit policy that would require periodic review and possible rotation of the agency's financial audit firm. The intent of the policy was to ensure high audit quality and to provide an appropriate degree of auditor independence so that the public's trust of the agency's management and finances could be maintained.

The SEJPA policy states that *"SEJPA Board of Directors shall review whether to rotate auditing firms at least every 5 years. As part of that review, the agency shall seek proposals from qualified auditing firms. The current auditing firm will not be disqualified, provided that it does not propose to assign an auditing partner with lead, review or coordinating responsibility to audit SEJPA's finances who has had such responsibility in any of the previous three or more fiscal years."*

The policy also states that *"In conducting this periodic review, the SEJPA Board of Directors may consider a) the cost-effectiveness of rotating auditing firms, b) current state and federal laws that may apply to audits of JPAs, c) current trends in the accounting industry, d) government, academic, and industry reports on the effectiveness of rotating accounting firms, or e) any other source of information the SEJPA Board of Directors finds appropriate. The Board of Directors shall, at a minimum, direct staff to issue a request for proposals to qualified firms."*

DISCUSSION

From 2005 to 2009, the SEJPA engaged Leaf & Cole, LLP to conduct the financial audits. The working relationship and quality of work was excellent. However, in accordance with SEJPA

policy, requests for proposals (RFP) for audit services were advertised and RFP packages submitted to several accounting firms in March 2010. The SEJPA received three proposals from accounting firms which perform audit services for government agencies. These proposals were then evaluated and ranked based on their audit approach, staffing levels, clientele, and references.

In April 2010, based on staff's recommendation, the SEJPA Board of Directors selected Mayer Hoffman McCann P.C. to perform financial audit services for the agency. The engagement provides for a service length of one year with the possibility of annual extensions at the request of the SEJPA. Mayer Hoffman McCann P.C. completed their financial audit of the SEJPA for Fiscal Year (FY) 2009-10, with the audit results and findings presented to the SEJPA Board of Directors at the November 8, 2010 Board meeting. The auditors 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. They also noted that the SEJPA is in a good financial position, with good cash reserves, which reflects positively on the SEJPA, the management team, and the Board of Directors.

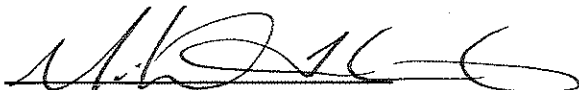
Upon the completion of the FY 2009-10 financial audit, the SEJPA management team reviewed the performance of the audit team to determine if continuance of their services is appropriate. Based on an examination of the quantity and quality of work performed by the audit team, coupled with an evaluation of the firm's responsiveness and ability to meet deadlines, the SEJPA management team rated the audit team's performance as marginal. The staffing levels were adequate; however the quality control and draft report were less than satisfactory. Overall, the quality and quantity of the audit was not as good as management has grown accustomed to by the previous audit firm. As a result, the SEJPA management team has contacted, Leaf & Cole, L.L.P., to discuss engaging them for audit services for FY 2010-11.

Leaf & Cole L.L.P. is interested in working with the SEJPA and has agreed to perform financial audit services at a cost comparable to the Mayer Hoffman McCann P.C. agreement. The proposed cost for FY 2010-11 is \$18,975. In previous years when Leaf & Cole, L.L.P. has provided audit services to the SEJPA, the quality of work has been excellent and the audit team has been professional, punctual, and efficient. Therefore, it is recommended that Leaf & Cole LLP be engaged to perform audit services for the fiscal year ending June 30, 2011, with the SEJPA's option to extend the contract annually in accordance with the SEJPA Financial Audit Policy.

It is therefore recommended that the Board of Directors:

1. Authorize the Chair to appoint Leaf & Cole LLP as SEJPA auditor for the fiscal year ending June 30, 2011; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

December 13, 2010

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: AMENDMENT REQUEST NO. 1 FOR FINAL DESIGN OF THE RECYCLED WATER DEMINERALIZATION PROJECT FOR THE SAN ELIJO WATER RECLAMATION FACILITY

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the Chair to execute Amendment No. 1 with Kennedy/Jenks Consultants for Final Design of the Recycled Water Demineralization Project for the San Elijo Water Reclamation Facility; and
2. Discuss and take action as appropriate.

BACKGROUND

Over the last two years, the SEJPA has examined options to improve and expand the recycled water utility. Based on this effort, SEJPA staff has recommended that improving water quality should be the agency's first priority. The recycled water meets all state and federal water quality requirements consistently, except for one, total dissolved solids (TDS). TDS is a measurement of dissolved salts and minerals which requires special treatment for removal. Although TDS does not present a health risk, it can have negative impacts to plants, trees, and turf as well as limit the use of recycled water for certain industrial uses. It is for these reasons that the SEJPA has requirements within its wholesale water agreements and its permits to maintain TDS at specified levels. Over the last two years, the recycled water quality has exceeded these specified levels prompting the SEJPA to take action.

In 2009, the SEJPA began design efforts on new demineralization treatment for the recycled water program. The first phase of the design, the preliminary design report (PDR), was completed in November 2009. The SEJPA Board of Directors accepted the PDR in December 2009 and authorized a final design contract with Kennedy/Jenks in January 2010.

The Final Design of the project includes geotechnical investigations of the construction site, development of construction drawings (architectural, structural, mechanical, electrical, and instrumentation control), preparation of contract documents and technical specifications, and the development of a detailed construction cost estimate. The contract includes professional engineering services for preparing the final design, providing permitting assistance, construction contract bidding services, and funding assistance as part of the SEJPA's effort for securing a low-

interest state loan. The negotiated contract fee with Kennedy/Jenks is \$399,000 for this scope of work.

DISCUSSION

While the original equipment layout provided in the PDR met the project design criteria, after further examination, SEJPA began considering the needs of the RWD that could be imposed by changes in the recycled water quality requirements and then by needs associated with the new NPDES discharge permit. As part of the final design of the RWD project, Kennedy/Jenks has proposed that the layout of the equipment and appurtenances be refined in order to add value to the project by providing greater flexibility for future conditions, adding cost effective architectural features that will improve solar protection of the new equipment, and enhance the aesthetic features of the new facilities. SEJPA has also identified additional permitting support work to be completed by Kennedy/Jenks to meet funding agency requirements for the CEQA permit and Coastal Development Permit that was not specified in the original scope of work.

In support of these changes to the scope of work, Kennedy/Jenks has developed a scope of work and Amendment Request for an additional \$51,800 to complete the additional work. SEJPA staff supports this additional scope and fee to complete the project.

PROJECT FINANCING

From 2008 to 2010, the Board of Directors has appropriated a total of \$1,075,000 from the reserves of the recycled water program to fund planning, permitting, design, and financing efforts for the Recycled Water Demineralization Project. To date, the SEJPA has committed approximately \$715,000 on conceptual planning, preliminary and final design, site surveying, geotechnical investigations, CEQA compliance, coastal development permit compliance, water quality evaluation, recycled water program financial assessment, and technical assistance with State Revolving Fund (SRF) financing. With the approval of the Board of Directors for this requested contract amendment, the total funding committed to the project would be \$766,800. This represents approximately 71 percent of the total appropriated funds. Based on the tasks remaining, it is reasonable to expect all preconstruction efforts (planning, permitting, design, and finance) to be completed for approximately \$850,000. In this case, \$225,000 of the \$1,075,000 appropriation would be available for the construction phase.

It is therefore recommended that the Board of Directors:

1. Authorize the Chair to execute Amendment No. 1 with Kennedy/Jenks Consultants for Final Design of the Recycled Water Demineralization Project for the San Elijo Water Reclamation Facility; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment 1: Scope of Work and Fee for Kennedy/Jenks Consultants Final Design and Bid Services of Recycled Water Demineralization Project Amendment No. 1 for the San Elijo Water Reclamation Facility



Kennedy/Jenks Consultants

Engineers & Scientists

10920 Via Frontera, Suite 110
San Diego, CA 92127
858-676-3620
FAX: 858-676-3625

24 November 2010

Mike Thornton, P.E.
General Manager
San Eljjo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007

Subject: Recycled Water Demineralization Project – Amendment Request No. 1
K/J 1087100*00

Dear Mr. Thornton:

Since the issuance of the preliminary design report in 2009, the San Eljjo Joint Powers Authority (SEJPA) and Kennedy/Jenks have been working together to refine the layout of the Recycled Water Demineralization (RWD) Project. These layout refinements have aimed to provide greater room for MF/RO equipment and appurtenance such that the facility can be expanded or modified more readily as the recycled water needs of SEJPA change in the future. Furthermore, these modifications also aim to accommodate some degree of modification as could be necessitated by SEJPA's recently issued NPDES discharge permit, with space planning provisions providing SEJPA flexibility in meeting the proposed permit, if needed. Lastly, the layout refinements and associated architectural treatments provide for a facility that blends with the surrounding architecture while recognizing the need to reduce the capital cost of the RWD Project.

At this early stage of the project, we see this as an opportunity to add value to the project by optimizing the layout in order to provide greater flexibility for future conditions, adding cost effective architectural features that will improve solar protection for the new equipment and enhance the aesthetic features of the new facilities. The architectural enhancements can become an important part of SEJPA's community involvement as your recycled water use program continues to expand. A relatively small increase in engineering effort will result in savings over the life of the project that will greatly exceed the increase design investment.

We also offer additional services that provide support to SEJPA as the funding effort moves forward to ensure compliance with the California Environmental Quality Act (CEQA) in order to meet funding agency requirements.

With the project's final design phase scheduled to resume, Kennedy/Jenks respectfully submits this amendment request addressing both additional work efforts incurred to date and going-forward work efforts which were not accounted for in the original design authorization of January 14, 2010.

Development of Alternative Site Layouts and Architectural Options

Mike Thornton, P.E.
San Eljjo Joint Powers Authority
November 24, 2010
Page 2

While the original RWD layout proposed in the PDR met the Project's design criteria, after further reflection, SEJPA began considering the needs of the RWD that could be imposed by changes in recycled water quality requirements, and then subsequently the needs imposed by a new discharge permit. As a result, SEJPA requested that Kennedy/Jenks provide an alternative RWD layout, one that could perhaps be more "forward compatible" should the needs of the recycled water system change in the future, without significantly increasing the RWD's cost.

Based on this request, Kennedy/Jenks offered a revised process layout for the RWD and subsequently offered alternative architectural approaches to accommodate the revised process layout. As part of this effort, Kennedy/Jenks provided the following:

1. Conducted two (2) review meetings and one (1) conference call to discuss the proposed revisions.
2. Developed two (2) revised layouts and four (4) architectural concepts for review with SEJPA staff.
3. Developed information on project cost impacts associated with alternative layouts and architectural options.

Going forward, Kennedy/Jenks anticipates holding one (1) meeting with SEJPA staff to review and confirm the proposed RWD process layout and associated architectural treatments. This will be followed up with one (1) final RWD process layout drawing and a two (2) plan and elevation architectural drawings reflecting both the final process layout and the refined architectural treatments. For budgeting purposes, we estimate that an additional twenty-four (24) hours will be required to complete this task.

Program Support and CEQA Compliance

Kennedy/Jenks provided graphics to support SEJPA's outreach efforts as it works to promote the RWD Project with regulators, the local community, potential recycled water customers, and potential funding sources.

Going Forward, Kennedy/Jenks' project team will hold one (1) additional project meeting with SEJPA staff. This meeting is anticipated to address microfiltration/ultrafiltration (MF/UF) pre-selection status, project funding status, Coastal Development Permit, review of project budget and project schedule. Kennedy/Jenks will prepare an agenda for the meeting and will distribute minutes to each of the meeting participants.

In addition, Kennedy/Jenks will assist SEJPA staff with finalizing the project's CEQA-plus documents as required to comply with comments provided by the State on the SRF loan application. Our proposal assumes that SEJPA staff will have a lead role in finalizing the CEQA documents and that Kennedy/Jenks' Meredith Clement will assist on an as-needed basis. For budgeting purposes, our proposal assumes that 38 hours of Ms. Clements time may be required.

Mike Thornton, P.E.
San Eljjo Joint Powers Authority
November 24, 2010
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Additional Design Drawings and Specifications

Kennedy/Jenks will incorporate the agreed upon refinements to the RWD facility's layout and architectural treatment into the final design drawings and specification. More specifically, Kennedy/Jenks will modify four (4) of the drawings previously scoped for the design, and will prepare three (3) new architectural/structural design drawings. These drawing modifications/additions reflect that additional level of effort to incorporate the proposed L-shaped structure, trellis, screening, and related structural elements into the overall design package. The drawings to be modified/added to the drawing set include the following:

- Modified architectural sheet A2.1, RWD Facility Plan
- Modified architectural sheet A2.3, RWD Facility Roof Plan
- Modified structural sheet S2.1, RWD Facility Foundation Plan
- Modified structural sheet S2.2, RWD Facility Sections & Details
- New Architectural sheet A6.4 Trellis, Screen and Details
- New Structural sheet S2.4, Trellis Section and Detail
- New Structural sheet S2.5, Screen Wall Plan, Section and Details

As part of this effort, Kennedy/Jenks will develop the technical specifications and construction costs estimates associated the additional elements of the RWD project.

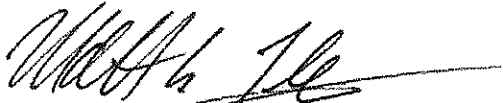
Proposed Fee Estimate

Kennedy/Jenks proposes to provide the above-described additional scope of services on a time-and materials basis using our January 1, 2009 Rate Schedule for an estimated fee of **\$51,800**, as summarized in the attached table. This would increase the total authorization from **\$399,000** to **\$450,800**. We will not exceed this budget estimate without prior authorization by the SEJPA.

Should you have any questions regarding this proposal, please do not hesitate to contact me.

Very truly yours,

KENNEDY/JENKS CONSULTANTS



Matt A. Tebbetts
Principal Engineer

Enclosure

cc: Pat Huston, Kennedy/Jenks Consultants

Proposal Fee Estimate

Kennedy/Jenks Consultants

CLIENT Name: San Elijo Joint Powers Authority
 PROJECT Description: RWD Final Design - Amendment
 Proposal/Job Number: 1087100 Date: 11/24/2010

Classification:	Hourly Rate:	Eng-Sci-9	Eng-Sci-8	Eng-Sci-7	Eng-Sci-6	Eng-Sci-5	Eng-Sci-4	Eng-Sci-3	Eng-Sci-2	Eng-Sci-1	Designer	CAD	Admin. Assist.	Total Hours	KJ		Total Expenses	Total Labor + Expenses
		\$225	\$220	\$210	\$185	\$185	\$150	\$135	\$120	\$0					\$125	\$95		
Amendment Request																		
RWD building structure value added upgrades concept development	2		2	8		24					8			44	44	\$7,530	\$226	\$7,756
Building design implementation			2	4		66	36				48			156	156	\$23,570	\$707	\$24,277
Program CEOA support	1		2	6	30	24							2	65	65	\$11,575	\$347	\$11,922
Program financial support	1		2	8	10	20							2	43	43	\$7,635	\$229	\$7,864
Task 1 - Subtotal	4	8	26	40	134	36	0	0	0	0	56	0	4	308	308	\$50,310	\$1,509	\$51,819
All Tasks Total	4	8	26	40	134	36	0	0	0	0	56	0	4	308	308	\$50,310	\$1,509	\$51,819