

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY APRIL 14, 2014 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  
None
6. \* **CONSENT CALENDAR**
7. \* APPROVAL OF MINUTES FOR THE MARCH 10, 2014 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. **Presentation of the San Elijo Joint Powers Authority Fiscal Year 2014-2015 Recommended Budget**

1. Review the Fiscal Year 2014-2015 Recommended Budget; and
2. Discuss and take action as appropriate.

Staff Reference: Director of Finance/Administration

13. **Acceptance of Completion – Flow Equalization Basins Floating Covers Project for the San Elijo Water Reclamation Facility**

1. Authorize the General Manager to accept the Flow Equalization Basins Floating Covers Project and sign and record a Notice of Completion for the project; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager

14. **Expanding Recycled Water Service**

1. Authorize the General Manager to reimburse the Olivenhain Municipal Water District up to \$100,000 for engineering, environmental, and other professional services associated with pipeline design to connect the Oak Crest and Wiegand Reservoirs; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager

15. **GENERAL MANAGER'S REPORT**

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

16. **GENERAL COUNSEL'S REPORT**

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

17. **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.

18. CLOSED SESSION

A closed session will be held per Government Code Section 54956.8: Real Property Negotiations.

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".

19. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Monday, May 12, 2014 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: April 9, 2014



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

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON MARCH 10, 2014  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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Mark Muir, Chair

David Zito, Vice Chair

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A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, March 10, 2014, 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 Muir called the meeting to order at 9:00 a.m.

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Thomas M. Campbell  
Mark Muir  
David Zito

*Directors Absent:*

None

*Others Present:*

General Manager  
Director of Operations  
Director of Finance & Administration  
Administrative Assistant  
Safety/HR Administrator

Michael Thornton  
Christopher Trees  
Paul Kinkel  
Jennifer Basco  
Marisa Buckles

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Adriana Sanchez

*City of Encinitas:*

Director of Engineering and Public Works  
Public Works Management Analyst

Glenn Pruim  
Bill Wilson

*City of Solana Beach:*

City Manager  
Director of Engineering/Public Works

David Ott  
Mohammad "Mo" Sammak

*San Dieguito Water District:*

Assistant General Manager

Bill O'Donnell

Carollo Engineers

Dan Baker, P.E.

3. PLEDGE OF ALLEGIANCE

Mo Sammak led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

The General Manager recognized Marisa Buckles, Safety/HR Administrator, for 5 years of service to the SEJPA.

6. CONSENT CALENDAR

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

Motion carried with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the February 10, 2014 meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report
Agenda Item No. 9	San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report
Agenda Item No. 10	San Elijo Joint Powers Authority Recycled Water Program – Monthly Report

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. AWARD OF CONSTRUCTION CONTRACT FOR THE SHAFTLESS SCREW CONVEYOR PROJECT FOR THE SAN ELIJO WATER RECLAMATION FACILITY

The General Manager updated the Board of Directors on the aging biosolids conveyor system at the SEWRF. The conveyor system lifts biosolids from the belt presses into a storage hopper for loading into trucks. The conveyor is becoming less reliable and must be operational in order for the SEWRF to process biosolids. In January 2014, the SEJPA solicited bids for construction. Bids were received and reviewed in February 2014. The apparent low bidder, NeWEST Construction Company, met all bid requirements. The General Manager stated that with the award of the construction contract to NeWEST, the total committed funds will be approximately \$279,000, which is below the total available funds of \$493,000.

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

1. Authorize the General Manager to award construction contract to NeWEST Construction Company for an amount not to exceed \$234,000.

Motion carried with unanimous vote of approval.

13. AWARD OF CONSTRUCTION CONTRACT FOR THE SAN ELIJO WATER RECLAMATION FACILITY AND THE SAN ELIJO HILLS PUMP STATION EMERGENCY POWER PROJECT

General Manager Thornton informed the Board Members that the Emergency Power Project is also moving into the construction phase. This project encompasses generator replacements for both the SEWRF and the San Elijo Hills Pump Station. In January 2014, the SEJPA solicited bids for construction. In February 2014, seven construction companies submitted bids. The apparent low bidder, NeWEST Construction Company, met all bid requirements. The bid form included separate line items for the SEJPA project and the Solana Beach project. The General Manager stated that City of Solana Beach has dedicated \$310,000 and the SEJPA has approximately \$740,000 in funds available for this effort. The combined available funds total \$1,050,000, which exceeds the value of the recommended contracts and provides some funding for contingency.

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

1. Authorize the General Manager to enter into a Joint Project Cost Sharing Agreement with the City of Solana Beach;
2. Authorize the General Manager to award a construction contract to NeWEST Construction Company for an amount not to exceed \$906,000; and
3. Authorize the General Manager to execute an agreement for construction management and inspection services between San Elijo Joint Powers Authority and Hoch Consulting for an amount not to exceed \$41,000.

Motions carried with unanimous vote of approval.

14. AWARD OF CONTRACT FOR THE SAN ELIJO WATER RECLAMATION FACILITY 2015 FACILITY PLAN

General Manager Thornton informed the Board of Directors that after a review of the proposals received for the 2015 Facility Plan, staff chose Carollo Engineers. Carollo submitted a proposal that provided the best combination of qualifications, project understanding, and value for the SEJPA. The 2015 Facility Plan will include an evaluation of facility assets, including the wastewater, recycled water, and ocean outfall systems. Elements of the Facility Plan will include condition assessment and engineering evaluation of the facilities, regulatory compliance analysis, risk assessment for facility failure, project recommendations, capital project prioritization, budgetary cost estimates, and scheduling of capital projects for fiscal years 2015-2025.

The General Manager stated that the proposed cost of \$113,952 will be funded by the wastewater treatment, recycled water, and ocean outfall service programs. Funding is

available in each of the programs to be dedicated to this effort.

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

1. Approve the Agreement with Carollo Engineers for the San Elijo Water Reclamation 2015 Facility Plan for an amount not to exceed \$113,952.

Motion carried with unanimous vote of approval.

15. GENERAL MANAGER'S REPORT

General Manager Thornton informed the Board Members that the SEJPA has come to an agreement with San Diego County Water Authority (SDCWA) on expanding the Joint Participation Agreement for local water supply development program funding. When the SEJPA added Olivenhain Municipal Water District (OMWD) as a recycled water customer last year, OMWD was not included in the Agreement for incentive consideration. The SDCWA agreed that OMWD should be allowed to participate; therefore, the SEJPA will get credit for those water sales. OMWD has agreed to give that credit which amounts to \$45,000/year, to the SEJPA. The SEJPA will put half of that amount into a repair and replacement fund. Next, the General Manager updated the Board of Directors on the on-going efforts to provide recycled water service to the Village Park area of Encinitas. OMWD is currently designing pipelines for this project and is in discussions with the SEJPA to enter into a new agreement to serve that area approximately 200-300 AF per year. Lastly, Mr. Thornton shared with the Board Members that the SEJPA is in discussions with San Dieguito Water District and Santa Fe Irrigation District to collaborate on a large scale potable reuse project in the next 5 to 10 years. The concept is to create a new locally produced water supply, which is more cost effective than ocean desalinization.

16. GENERAL COUNSEL'S REPORT

None

17. BOARD MEMBER COMMENTS

Vice Chair Muir stated that he recently spoke with the Otay Water District Manager, Mark Watton, about the activities of the North San Diego Water Reuse Coalition. Mr. Watton is interested in duplicating the coalition's efforts in south San Diego County.

18. CLOSED SESSION

The Board of Directors adjourned to closed session at 9:57 a.m., with Michael Thornton per Government Code Section 54956.8 – Real Property Negotiations.

The Board of Directors came out of closed session at 10:42 a.m. with no reportable action.

19. ADJOURNMENT

The meeting adjourned at 10:43 a.m. The next Board of Directors meeting will be held on April 14, 2014.

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



**SAN ELIJO JOINT POWERS AUTHORITY****PAYMENT OF WARRANTS****14-04****For the Month of March-2014**

<b>Check #</b>	<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	
29954	AT&T - 9777	Utilities - Telephone	Phone service - 01/13/14 - 02/12/14	392.35
29955	AT&T	Utilities - Telephone	DSL - 01/10/14 - 02/09/14	79.01
29956	Barracuda Networks, Inc	Utilities - Internet	SCADA back-up	50.00
29957	B.J.'s Rental Store	Supplies - Shop & Field	Equipment	178.20
29958	BMC Software Inc.	Licenses	Software	606.00
29959	Boyd Fasteners	Repair Parts Expense	Wedge anchor and half slot struts	387.45
29960	The Brickman Group LTD	Services - Landscape	Landscape service - March	385.00
29961	CWEA - TCP	Dues & Memberships	Certificate - Electrical / Instrumentation	92.00
29962	Dudek & Associates	Services - Engineering	Emergency power project	9,589.50
29963	City of Encinitas	Subcontractors	Relocation of air vac valve, network migration	8,222.98
29964	Ferguson Waterworks #1082	Repair Parts Expense	Vitaulic fitting and gasket	827.28
29965	Guardian	Dental/Vision	Dental - 03/01/14 - 03/31/14	1,972.82
29966	Harrington Industrial Plastics	Repair Parts Expense	Plumbing parts	74.78
29967	Health and Human Resource	Employee Assistance Program	March	317.68
29968	Home Depot Credit Services	Repair Parts Expense	Repairs, shop and field supplies	1,171.04
29969	Inorganic Ventures, Inc.	Supplies - Lab	Lab supplies	209.45
29970	King Lee Chemical Co.	Supplies - Chemicals	Antiscalant / Dispersant	2,027.98
29971	The Lawton Group	Services - Temp	Weeks worked - 02/03/14 - 02/16/14	3,865.00
29972	Marine Taxonomic Services, LTD	Subcontractors	Anode assembly and installation	11,250.00
29973	McMaster-Carr Supply Co.	Repair Parts Expense	Nuts, I-beam clamp, and bottom-load hanger	791.15
29974	MegaPath Corporation	Utilities - Internet	T-1 service - March	279.27
29975	MPC Containment Systems LLC	Services - Construction	Flow equalization basins covers	175,068.90
29976	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 02/15/14 - 02/28/14	14,891.93
29977	Polydyne Inc.	Supplies - Chem - Polymer	Clarifloc	11,426.40
29978	San Dieguito Water District	Utilities - Water	FEB basins wash down water	199.80
29979	Terminix Processing Center	Services - Maintenance	Pest control	100.00
29980	Unifirst Corporation	Services - Uniforms	Uniform service	129.11
29981	UPS	Postage/Shipping	Mailing parts and compliance reports	65.10
29982	Vantagepoint Transfer Agents	ICMA Retirement	457 ICMA	5,841.16
29983	Vantagepoint Transfer Agents	ICMA Retirement	401a ICMA	2,618.30
29984	WageWorks	Payroll Processing Fees	FSA administration and compliance fee	97.25
29985	BankCard Center	Capital Outlay	Advertising, pumps, telephones, and printing	5,280.94
29986	ProBuild	Supplies - Safety	Repairs, office, shop and field supplies	602.26
29987	WEX Bank	Fuel	Fuel - February	1,184.93
29989	Advanced Air & Vacuum	Repair Parts Expense	Solenoid and inlet valve kit	382.61
29990	Aflac	Prepaid - Other	Medical and supplemental life insurance	743.52
29991	Aq Tech, LLC	Services - Biosolids Hauling	Biosolid hauling - February	10,960.76
29992	Applied Industrial Tech.	Repair Parts Expense	Medium ball bearing	56.06
29993	Arizona Instrument	Services - Maintenance	Recalibration of toxic gas analyzers	837.76
29994	Susana Arredondo	Dues & Memberships	Lab examination fee and public health license	270.00
29995	Arrowhead	Supplies - Lab	Kitchen and lab supplies	397.97
29996	AT&T	Utilities - Telephone	DSL - 02/10/14 - 03/09/14	78.65
29997	AT&T	Utilities - Telephone	DSL - 01/20/14 - 02/19/14	79.11
29998	AT&T	Utilities - Telephone	Alarm service	381.70
29999	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping	1,852.11
30000	Automation Direct	Repair Parts Expense	Electrical supplies	269.25
30001	Boot World, Inc.	Uniforms - Boots	Safety boots - D. Kreinbring	150.00
30002	Boyd Fasteners	Minor Equip - Shop & Field	Wedge anchors, epoxy tools, and wheel	329.94
30003	Brenntag Pacific, Inc	Supplies - Chem - Odor	Sodium hydroxide	675.32
30004	California Water Technologies	Supplies - Chem - Ferrrous Chlo	Ferric Chloride - plant	5,361.21
30005	Calscience Environmental Lab	Services - Laboratory	Testing water samples	1,540.00
30006	CDW Government	Capital Outlay	CISCO smartnet	700.00
30007	Coast Waste Management, Inc.	Utilities - Trash	02/01/14 - 02/28/14	160.23
30008	Complete Office	Supplies - Office	Supplies	169.66
30009	Corodata	Rent	Record storage - February	73.74
30010	County of San Diego	Fees - Permits	Emergency Generator Replacement Project	50.00
30011	Dale Kreinbring	Dues & Memberships	DWTO certification	71.25
30012	DMV	Services - Other	Safety records	6.00
30013	EDCO Waste & Recycling Service	Utilities - Trash	Trash service - February	202.41
30014	Fastenal Company	Minor Equip - Shop & Field	Tools	691.26
30015	Global Power Group Inc.	Services - Maintenance	Perform flush, replace belts, hoses, and gaskets	2,427.86
30016	Golden Bell Products	Supplies - Chemicals	Granular chlorine and lift stations degreaser	796.50
30017	Harrington Industrial Plastics	Repair Parts Expense	Plumbing supplies	36.49
30018	Michael Henke	Dues & Memberships	CWEA examination	190.00
30019	Hilts Consulting Group, Inc.	Services - Engineering	Engineering - FEB Project	1,853.50

**SAN ELIJO JOINT POWERS AUTHORITY****PAYMENT OF WARRANTS****14-04****For the Month of March-2014**

<b>Check #</b>	<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	
30020	Jani-King of CA, Inc. - SEO	Services - Janitorial	Janitorial service - March	882.64
30021	Jennifer Basco	Subsistence - Travel/Rm & Bd	Mileage	66.18
30022	Kennedy/Jenks Consultants	Services - Engineering	Recycled water - AWT record drawings	10,188.75
30023	Konica Minolta	Services - Maintenance	Copier monthly maintenance	58.35
30024	Casey Larsen	Reimbursement	Annual SCADA security license	313.24
30025	The Lawton Group	Services - Temp	Work weeks - 02/17/14 - 03/09/14	5,222.10
30026	McMaster-Carr Supply Co.	Repair Parts Expense	Plumbing supplies	252.06
30027	MegaPath Corporation	Utilities - Internet	T-1 service - April	279.27
30028	Miramar Truck Center	Vehicle Maintenance	Alignment and seal leak	1,361.68
30029	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Sodium Hypochlorite	2,909.41
30030	Olivenhain Municipal Water Dist.	Rent; Services - Lobbying	OMWD pipeline rental; Furman Group	10,484.00
30031	OneSource Distributors, Inc.	Repair Parts Expense	Electrical supplies	672.59
30032	Pacific Green Landscape	Services - Landscape	Landscape service - March	1,125.00
30033	P.E.R.S.	Medical Insurance - Pers	Health - April	18,138.69
30034	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 03/01/14 - 03/14/14	14,891.93
30035	Preferred Benefit Insurance	Dental/Vision	Vision insurance - 03/01/14 - 03/31/14	357.10
30036	Procopio Cory Hargreaves	Services - Legal	General - February	2,508.00
30037	San Dieguito Water	Utilities - Water	Recycled water meters	5,721.26
30038	Santa Fe Irrigation District	Utilities - Water (Suppl.)	Highland - 12/18/13 - 02/19/14	182.81
30039	Santa Fe Irrigation District	Utilities - Water	Seabright - 01/06/14 - 06/03/14	58.47
30040	Santa Fe Irrigation District	Utilities - Water	Valley - 01/29/14 - 02/25/14	62.98
30041	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - February	798.55
30042	SCAP	Dues & Memberships	Annual membership	2,360.00
30043	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 02/05/14 - 03/07/14	46,595.41
30044	Smart & Final	Supplies - Office	Kitchen and offices supplies	129.67
30045	Southern California Fleet	Vehicle Maintenance	PM service - Sludge truck	528.66
30046	SoCoGroup, Inc.	Repair Parts Expense	Oil for pumps	296.38
30047	Sun Life Financial	Life Insurance/Disability	Life and disability insurance - March	1,340.25
30048	Sunbelt Rentals	Equipment Rental/Lease	175KW diesel generator - 02/27/14 - 03/26/14	1,890.00
30049	Nicholas Talbot	Dues & Memberships	CWEA testing and membership	308.00
30050	Terminix Processing Center	Services - Maintenance	Pest control	157.00
30051	Unifirst Corporation	Services - Uniforms	Uniform service	351.20
30052	The San Diego Union Tribune	Subscriptions	Newspaper subscription	466.03
30053	Univar USA Inc.	Supplies - Chemicals	Hydrochloric Acid, Citric Acid, and drum deposits	732.01
30054	UPS	Postage/Shipping	Mailing parts and compliance reports	225.49
30055	Underground Service Alert/SC	Services - Alarm	Dig alert - February	87.00
30056	USA Bluebook	Supplies - Lab	Pipette, coliform incubator, pump mounting kit	1,136.25
30057	Utility Systems Science &	Services - Maintenance	Calibration services	1,505.00
30058	Valley Chain & Gear, Inc.	Supplies - Shop & Field	Grease and chain lube	63.62
30059	Vantagepoint Transfer Agents	ICMA Retirement	457 - ICMA	5,843.14
30060	Vantagepoint Transfer Agents	ICMA Retirement	401a - ICMA	2,618.30
30061	Verizon Wireless	Utilities - Telephone	Cell phones service - 02/08/14 - 03/07/14	513.93
30062	VWR International, Inc.	Supplies - Lab	Tubes, glass filters, potassium iodide	1,238.89
	San Elijo Payroll Account	Payroll	Payroll - 03/07/14 (Less Retirement Plans)	98,788.92
	San Elijo Payroll Account	Payroll	Payroll - 03/21/14 (Less Retirement Plans)	56,297.19
			<u><u>\$ 592,077.29</u></u>	

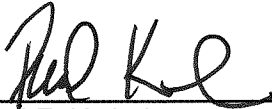
SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

**For the Month of March-2014  
As of March 28, 2014**

PAYMENT OF WARRANTS		\$ 592,077.29
Reference Number	14-04	

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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Paul F. Kinkel  
Director of Finance & Administration

STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS  
AND INVESTMENT INFORMATION  
As of March 28, 2014

<u>FUNDS ON DEPOSIT WITH</u>	<u>AMOUNT</u>
 <b>LOCAL AGENCY INVESTMENT FUND</b> <i>(JANUARY 2014 YIELD 0.26%)</i>	
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 5,125,270.36
 <b>CALIFORNIA BANK AND TRUST</b> <i>(JANUARY 2014 YIELD 0.01%)</i>	
REGULAR CHECKING	\$ 374,227.69
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 6,134,498.05

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

April 14, 2014

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

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

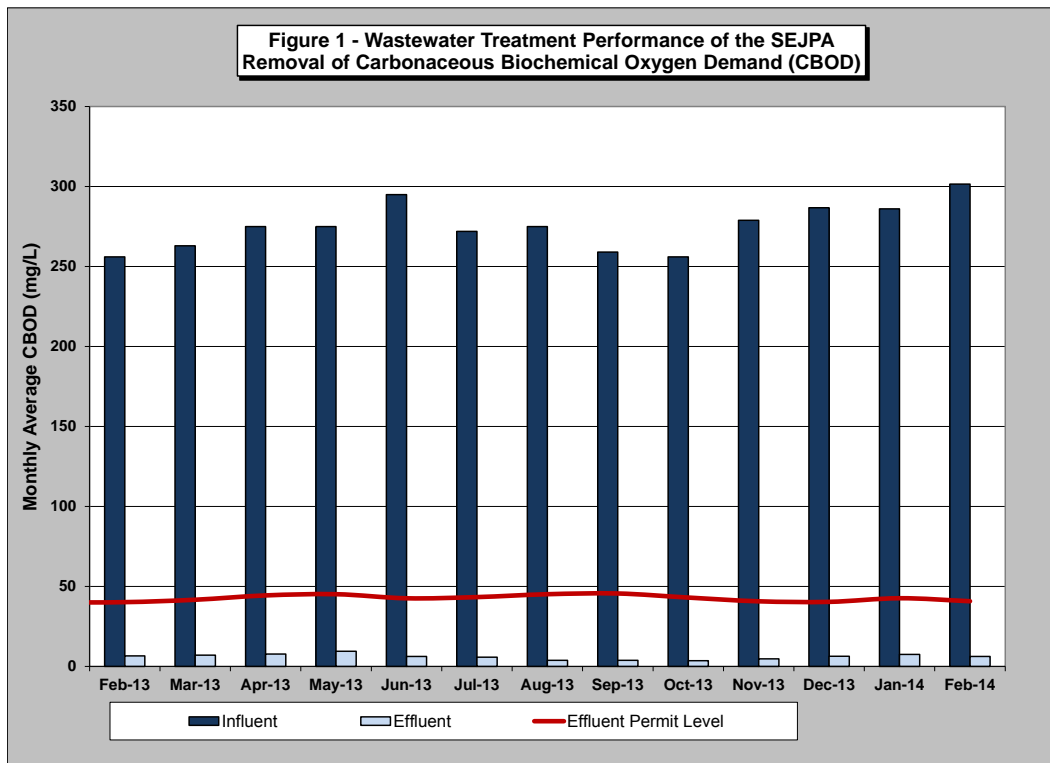
RECOMMENDATION

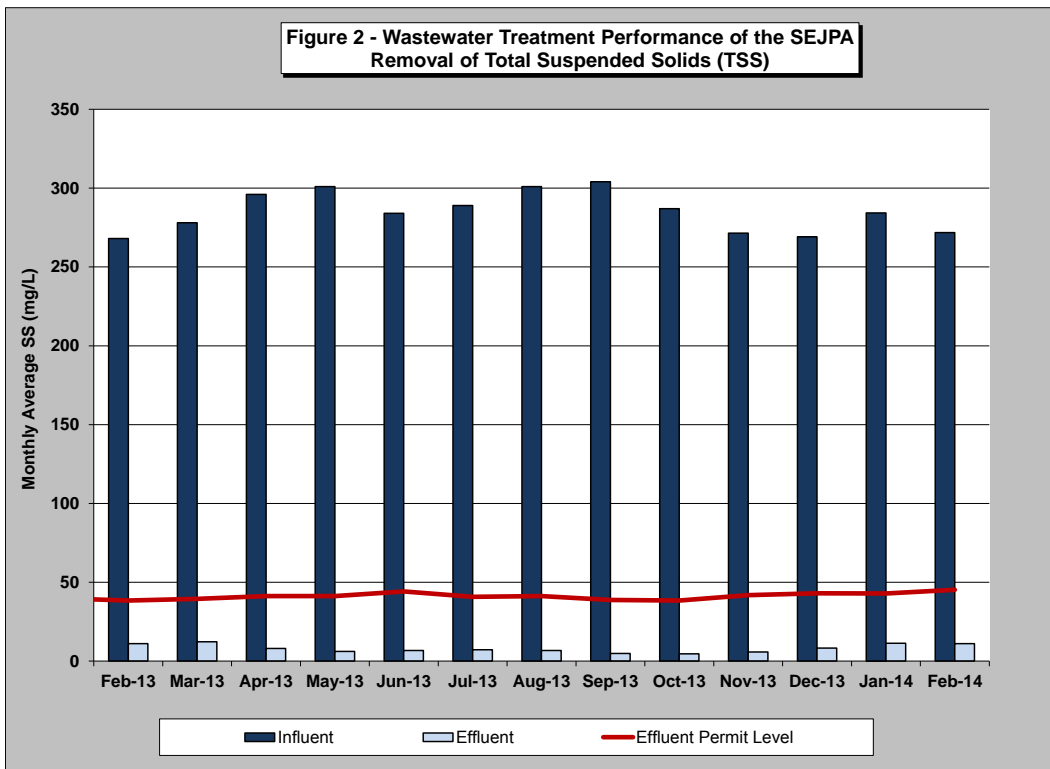
No action required. This memorandum is submitted for information only.

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 February 2014. 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 97.4 and 96.0 percent removal, respectively, in the period (as shown in Figure 1 and Figure 2).





**Member Agency Flows**

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

	February	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.314	0.954
City of Solana Beach	1.172	0.851
Rancho Santa Fe SID	0.127	0.093
<b>Total San Elijo WRF Flow</b>	<b>2.613</b>	<b>1.898</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.

Table 1 (next page) presents the historical average, maximum, and unit influent and effluent flow rates per month for each of the Member Agencies during the past 5 years. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each of the Member Agencies during this same time period.

TABLE 1 - SAN ELIJO WATER RECLAMATION FACILITY MONTHLY REPORT - FLOWS AND EDUS

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)				AVERAGE DAILY EFFLUENT FLOW RATE (MGD)				CONNECTED EDUS				AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)			
	CSD	RSF CSD	SB	TOTAL PLANT	CSD	RSF CSD	SB	TOTAL PLANT	CSD EDUS	RSF CSD EDUS	SB EDUS	TOTAL EDUS	CSD	RSF	SB	TOTAL PLANT
Feb-09	1.599	0.145	1.330	3.074	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	2.941	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	2.841	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	2.829	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	2.913	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	2.922	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	2.963	0.603	0.047	0.598	1.248	8,186	467	7,728	16,381	175	242	184	181
Sep-09	1.404	0.108	1.346	2.858	0.690	0.053	0.661	1.404	8,187	468	7,728	16,383	171	231	174	174
Oct-09	1.375	0.108	1.332	2.815	0.744	0.058	0.721	1.523	8,187	468	7,728	16,383	168	231	172	172
Nov-09	1.366	0.111	1.323	2.800	0.843	0.069	0.816	1.728	8,189	469	7,728	16,386	167	237	171	171
Dec-09	1.401	0.127	1.322	2.850	1.149	0.104	1.084	2.337	8,193	469	7,728	16,390	171	271	171	174
Jan-10	1.532	0.155	1.372	3.059	1.271	0.128	1.138	2.537	8,196	472	7,728	16,396	187	329	178	187
Feb-10	1.487	0.148	1.382	3.017	1.371	0.136	1.274	2.781	8,197	474	7,728	16,399	181	313	179	184
Mar-10	1.455	0.145	1.398	2.998	1.108	0.110	1.064	2.282	8,198	474	7,728	16,400	177	306	181	183
Apr-10	1.451	0.137	1.391	2.979	1.058	0.100	1.014	2.172	8,198	474	7,728	16,400	177	289	180	182
May-10	1.379	0.128	1.385	2.892	0.672	0.063	0.675	1.410	8,201	474	7,728	16,403	168	270	179	176
Jun-10	1.437	0.122	1.453	3.012	0.650	0.055	0.657	1.362	8,202	474	7,728	16,404	175	258	188	184
Jul-10	1.375	0.119	1.466	2.960	0.694	0.061	0.740	1.495	8,204	475	7,728	16,407	168	251	190	180
Aug-10	1.366	0.125	1.451	2.942	0.585	0.053	0.621	1.259	8,205	475	7,728	16,408	166	263	188	179
Sep-10	1.346	0.114	1.342	2.802	0.627	0.053	0.626	1.306	8,207	475	7,728	16,410	164	240	174	171
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
Nov-10	1.399	0.117	1.297	2.813	1.090	0.091	1.011	2.192	8,209	478	7,728	16,415	170	245	168	171
Dec-10	1.605	0.215	1.375	3.195	1.417	0.189	1.214	2.820	8,212	478	7,728	16,418	195	450	178	195
Jan-11	1.452	0.158	1.338	2.948	1.272	0.139	1.172	2.583	8,227	478	7,728	16,433	176	331	173	179
Feb-11	1.413	0.156	1.339	2.908	1.176	0.130	1.114	2.420	8,228	480	7,728	16,436	172	325	173	177
Mar-11	1.387	0.208	1.343	2.938	1.186	0.178	1.148	2.512	8,229	480	7,728	16,437	169	434	174	179
Apr-11	1.320	0.181	1.323	2.824	0.867	0.118	0.869	1.854	8,248	482	7,728	16,458	160	376	171	172
May-11	1.327	0.162	1.320	2.809	0.564	0.069	0.561	1.194	8,248	483	7,728	16,459	161	336	171	171
Jun-11	1.343	0.156	1.390	2.889	0.545	0.063	0.564	1.172	8,249	483	7,728	16,460	163	323	180	176
Jul-11	1.293	0.151	1.430	2.874	0.425	0.050	0.470	0.945	8,250	484	7,728	16,462	157	312	185	175
Aug-11	1.292	0.150	1.405	2.847	0.479	0.056	0.521	1.056	8,252	485	7,728	16,465	157	310	182	173
Sep-11	1.262	0.146	1.333	2.741	0.564	0.066	0.596	1.226	8,254	486	7,728	16,468	153	301	172	166
Oct-11	1.260	0.142	1.303	2.705	0.730	0.082	0.755	1.567	8,260	486	7,728	16,474	153	292	169	164
Nov-11	1.338	0.167	1.307	2.812	1.099	0.137	1.074	2.310	8,261	486	7,728	16,475	162	344	169	171
Dec-11	1.299	0.164	1.305	2.768	1.103	0.139	1.108	2.350	8,264	487	7,728	16,479	157	337	169	168
Jan-12	1.291	0.145	1.303	2.739	1.032	0.116	1.042	2.190	8,266	488	7,728	16,482	160	232	169	166
Feb-12	1.259	0.137	1.283	2.679	1.006	0.109	1.025	2.140	8,268	488	7,728	16,484	152	281	166	163
Mar-12	1.313	0.153	1.255	2.721	0.968	0.113	0.925	2.006	8,269	488	7,728	16,485	159	314	162	165
Apr-12	1.348	0.145	1.209	2.702	0.906	0.097	0.813	1.816	8,278	488	7,728	16,494	163	297	156	164
May-12	1.333	0.150	1.211	2.694	0.577	0.065	0.525	1.167	8,280	488	7,728	16,496	161	308	157	163
Jun-12	1.365	0.143	1.237	2.745	0.547	0.057	0.496	1.100	8,284	489	7,728	16,501	165	293	160	166
Jul-12	1.372	0.126	1.296	2.794	0.457	0.042	0.431	0.930	8,289	489	7,728	16,506	166	258	168	169
Aug-12	1.383	0.128	1.291	2.802	0.473	0.044	0.441	0.958	8,290	490	7,728	16,508	167	261	167	170
Sep-12	1.349	0.142	1.220	2.711	0.544	0.058	0.492	1.094	8,291	490	7,728	16,509	163	290	158	164
Oct-12	1.327	0.123	1.203	2.653	0.678	0.063	0.615	1.356	8,294	490	7,728	16,512	160	251	156	161
Nov-12	1.343	0.128	1.181	2.652	0.862	0.082	0.758	1.702	8,299	490	7,728	16,517	162	261	153	161
Dec-12	1.383	0.141	1.197	2.721	1.261	0.129	1.091	2.481	8,300	490	7,728	16,518	167	288	155	165
Jan-13	1.357	0.145	1.215	2.717	1.155	0.124	1.034	2.313	8,300	490	7,728	16,518	163	296	157	164
Feb-13	1.349	0.138	1.201	2.688	1.048	0.108	0.933	2.089	8,301	490	7,728	16,519	163	282	155	163
Mar-13	1.402	0.154	1.235	2.791	0.905	0.100	0.797	1.802	8,302	493	7,728	16,521	169	314	160	169
Apr-13	1.297	0.124	1.237	2.658	0.531	0.051	0.506	1.088	8,304	493	7,728	16,523	156	253	160	161
May-13	1.339	0.126	1.185	2.650	0.376	0.036	0.333	0.745	8,304	493	7,728	16,525	161	256	153	160
Jun-13	1.341	0.126	1.190	2.657	0.269	0.025	0.239	0.533	8,307	493	7,728	16,528	161	256	154	161
Jul-13	1.366	0.144	1.269	2.779	0.482	0.050	0.448	0.980	8,309	493	7,728	16,530	164	292	164	168
Aug-13	1.342	0.168	1.258	2.768	0.380	0.048	0.356	0.784	8,311	494	7,728	16,533	161	340	163	167
Sep-13	1.343	0.117	1.193	2.653	0.403	0.036	0.358	0.797	8,311	494	7,728	16,533	162	237	154	160
Oct-13	1.319	0.132	1.184	2.635	0.629	0.063	0.565	1.257	8,314	494	7,728	16,536	159	267	153	159
Nov-13	1.348	0.133	1.194	2.675	0.932	0.092	0.826	1.850	8,315	494	7,728	16,537	162	270	155	162
Dec-13	1.341	0.134	1.191	2.666	1.030	0.103	0.915	2.048	8,316	494	7,728	16,538	161	272	154	161
Jan-14	1.322	0.135	1.194	2.651	0.851	0.087	0.768	1.706	8,318	495	7,728	16,541	159	273	155	160
Feb-14	1.314	0.127	1.172	2.613	0.954	0.093	0.851	1.898	8,323	495	7,728	16,546	158	257	152	158

CSD: Cardiff Sanitary Division

RSF CSD: Ranch Santa Fe Community Service District

SB: Solana Beach

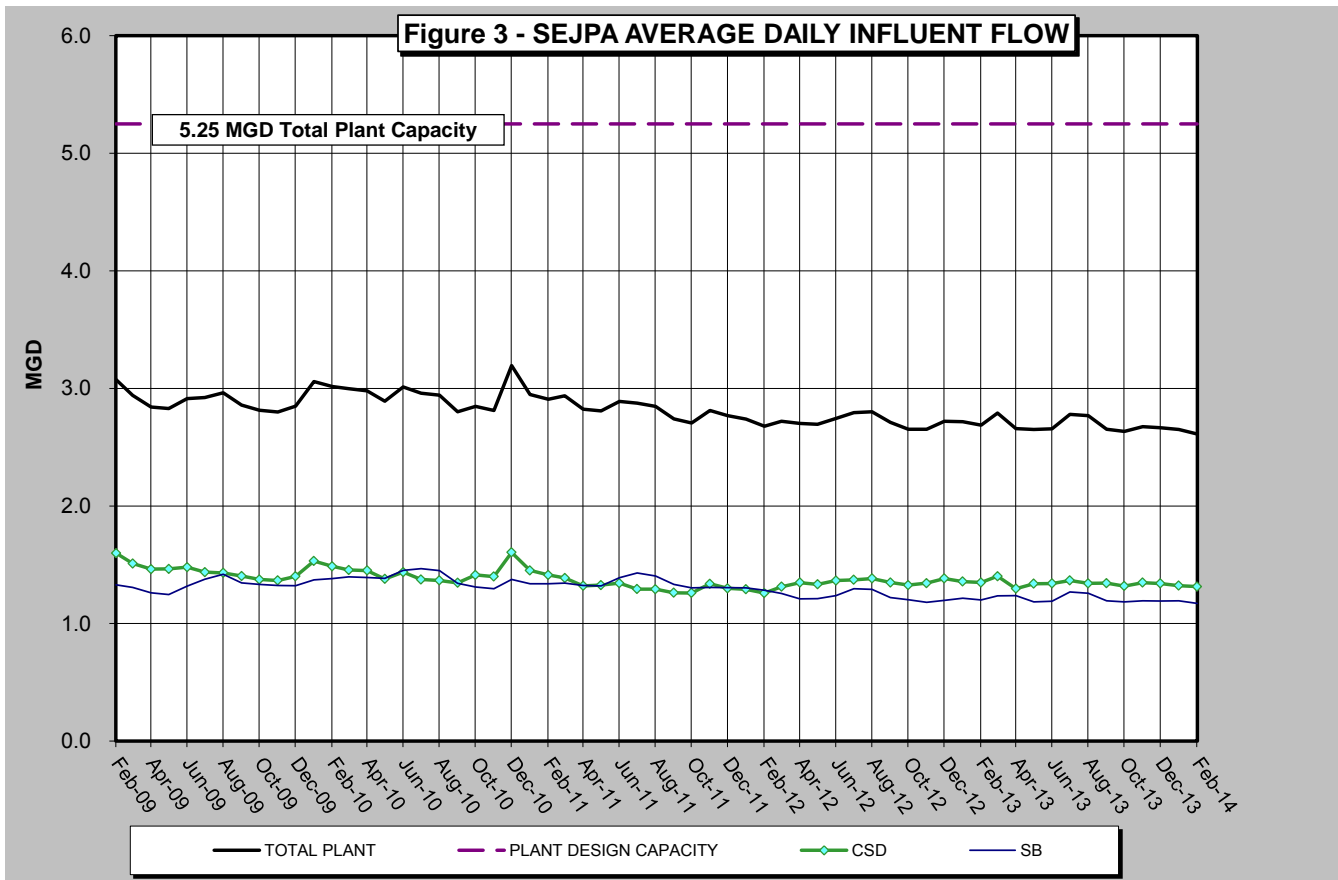
EDU: Equivalent Dwelling Unit

ASSUMPTIONS: SB average flow includes San Elijo Hills flow of 0.131 mgd

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

EDU Numbers Revised by Dudek for March and April 2013

Figure 3 (below) presents the 5-year 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 has been approximately 2.7 million gallons per day (mgd), down from 3.0 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 Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below. The following average flow rate and peak flow rate is reported by the City of Escondido for the month of February.

	<b>Flow (mgd)</b>
Escondido (Average flow rate)	10.97
Escondido (Peak flow rate)	19.10

Connected Equivalent Dwelling Units

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

	<b>Connected (EDU)</b>
Cardiff Sanitary Division	8,323
Rancho Santa Fe SID	495
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
<b>Total EDUs to System</b>	<b>16,546</b>

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

April 14, 2014

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 February 2014, recycled water demand was 51.49 acre-feet (AF), which was met using 51.49 AF of recycled water and 0.00 AF of supplementation with potable water.

During the month, staff operated with microfiltration and reverse osmosis treatment only and the sand filters were off for maintenance.

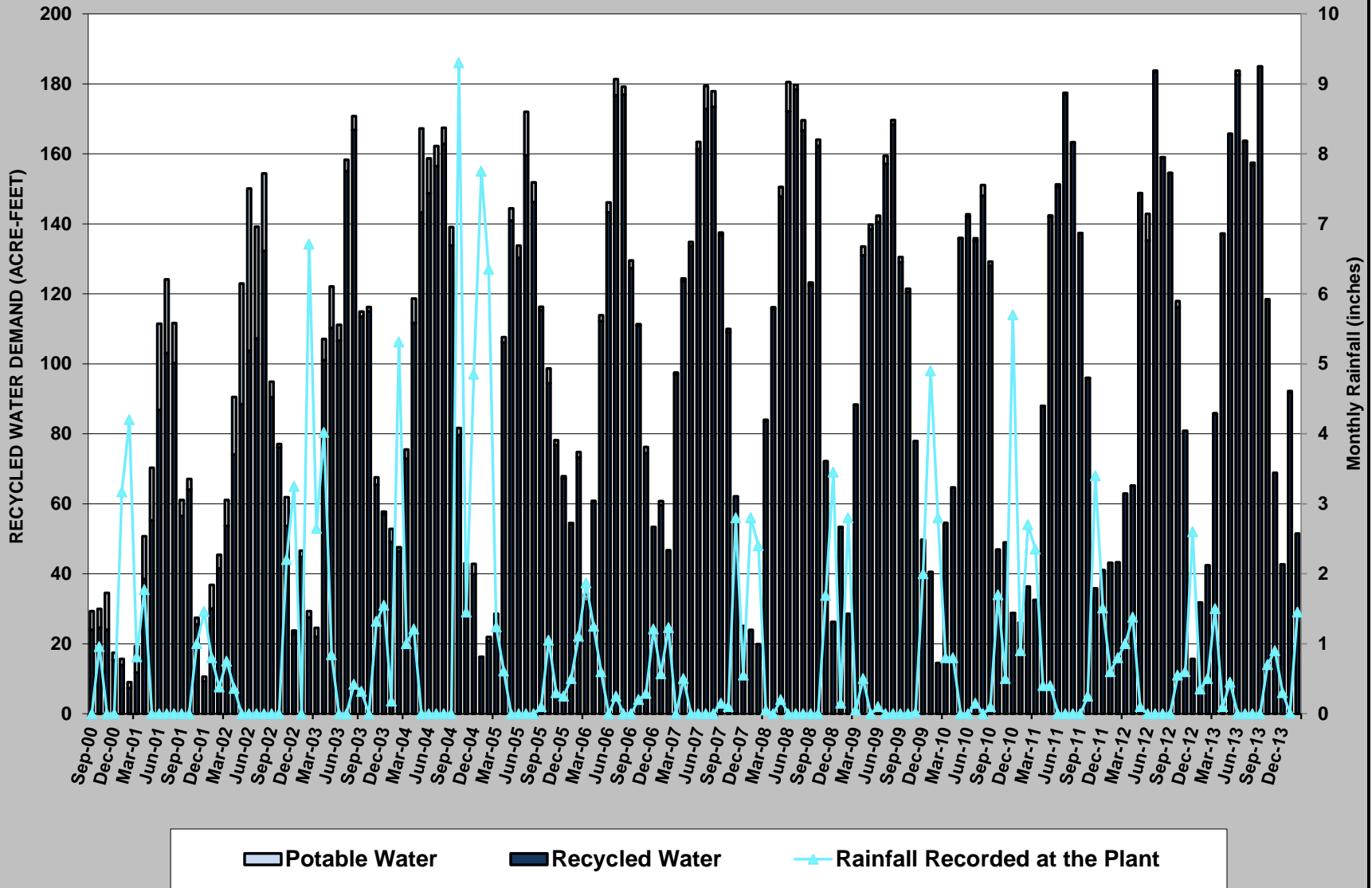
Figure 1 (attached) provides monthly supply demands for recycled water since September 2000. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning thirteen fiscal years. Figure 3 (attached) shows the monthly recycled water demand for each month since the program began.

Respectfully submitted,

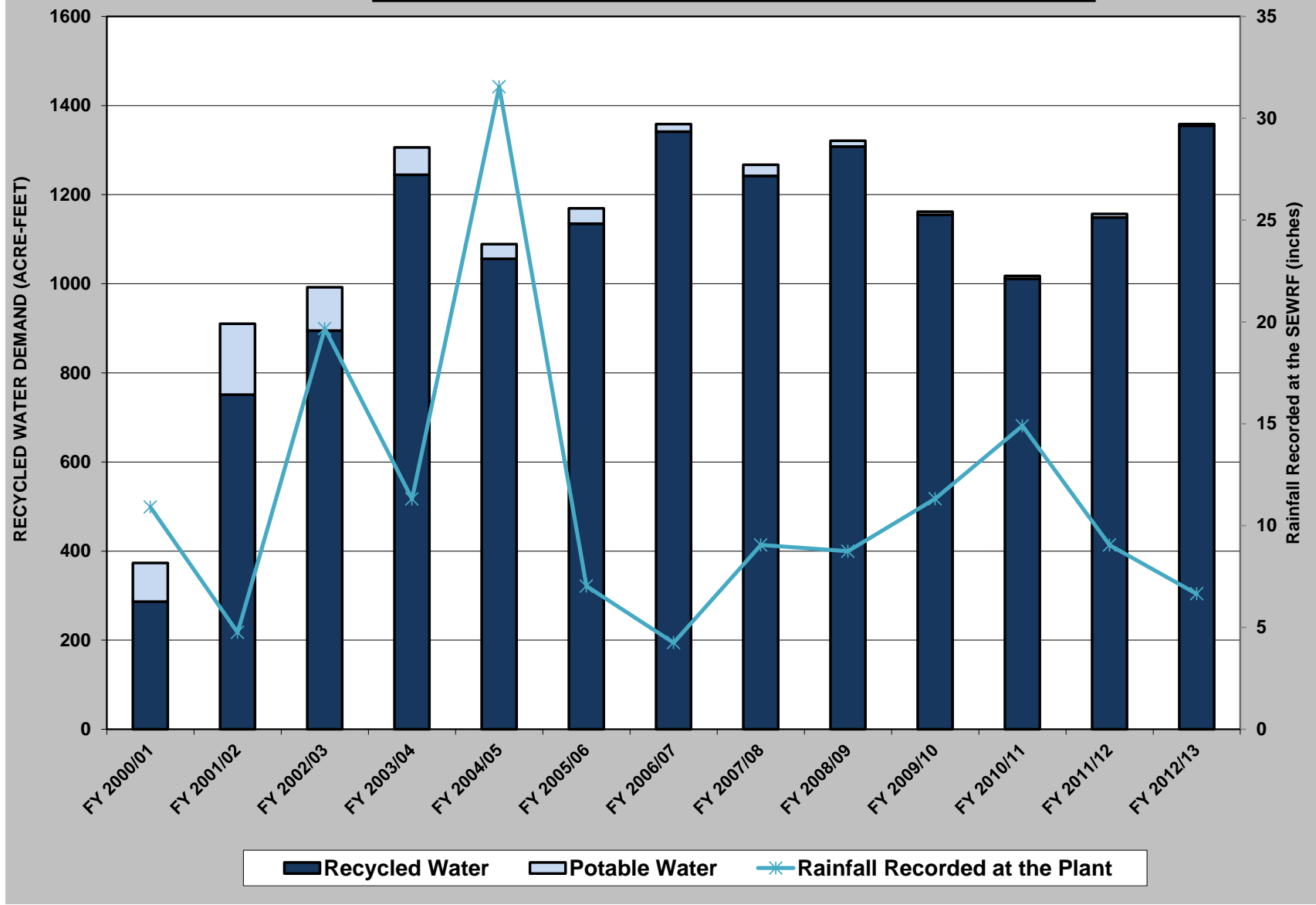


Michael T. Thornton, P.E.  
General Manager

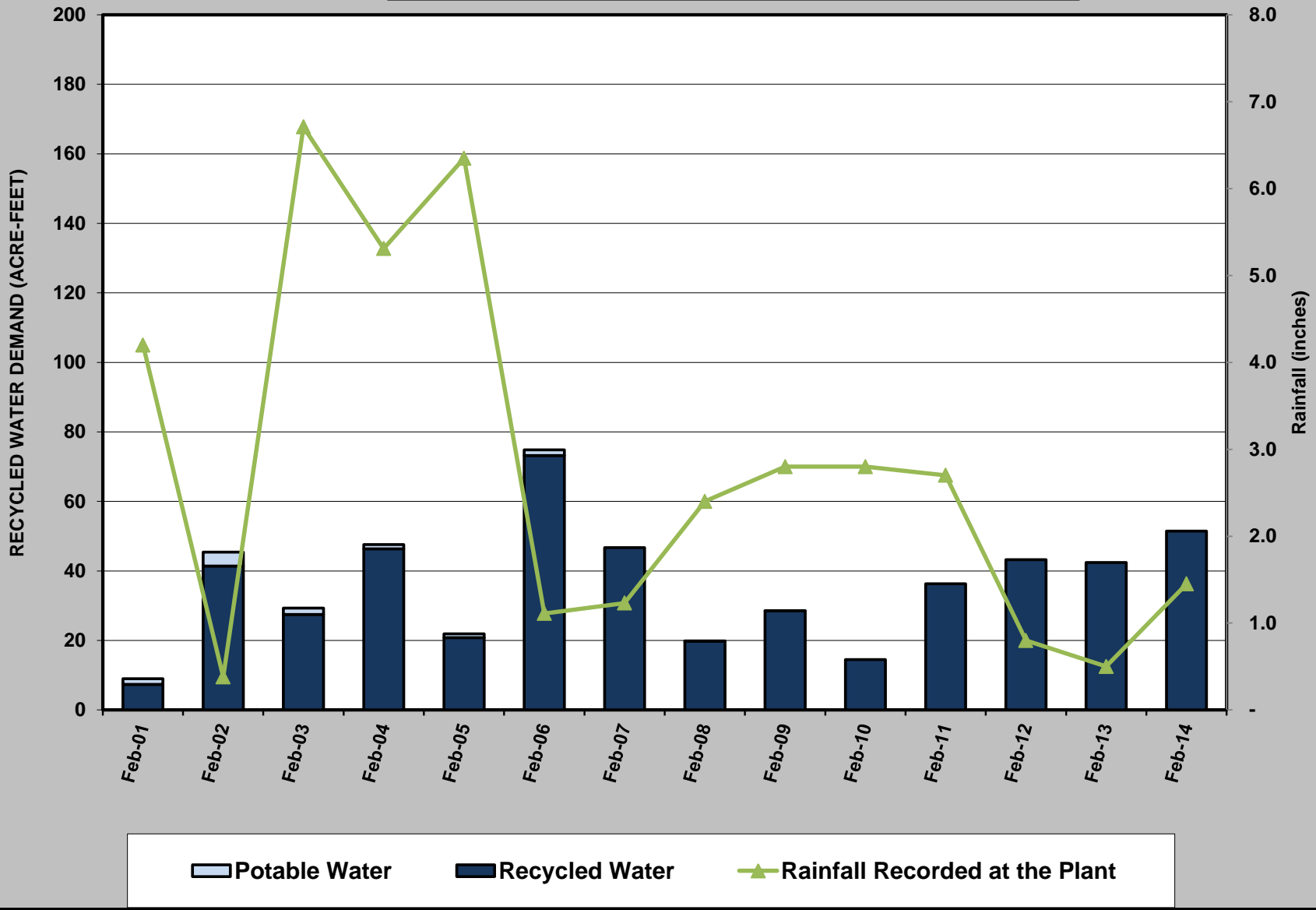
**Figure 1 - MONTHLY RECYCLED WATER DEMAND**



**Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR**



**Figure 3 - FEBRUARY RECYCLED WATER DEMAND**



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

April 14, 2014

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Director of Finance/Administration

SUBJECT: PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL  
YEAR 2014-2015 RECOMMENDED BUDGET

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review the Fiscal Year 2014-2015 Recommended Budget; and
2. Discuss and take action as appropriate.

DISCUSSION

The Fiscal Year (FY) 2014-2015 San Elijo Joint Powers Authority (SEJPA) Recommended Budget has been prepared in accordance with the SEJPA formation agreement and the SEJPA's existing service agreements with other government entities. The budget estimates all expenditures necessary to provide wastewater treatment, waste disposal, water reclamation, laboratory, ocean outfall, and pump station services.

The total recommended Fiscal Year (FY) 2014-2015 budget for the Wastewater Treatment Fund (which includes operations and maintenance for wastewater, laboratory, outfall, and pump stations, as well as bond debt for the 2011 SEJPA Revenue Bonds) is \$5,688,907. The total recommended FY 2014-2015 operating budget for the Water Reclamation Fund (which includes operations and maintenance, as well as debt service expenses) is \$2,111,282. The FY 2014-2015 appropriation for the Capital Project Fund is \$1,257,000.

SEJPA management has reviewed in detail all aspects of operations to control costs without impacting the agency's ability to perform its vital functions. The proposed budget for all operating programs will increase by approximately \$134,107. The Wastewater Program has the largest single impact with an increase of \$95,129 due to the increase in electrical costs of \$27,934 or an estimated increase of 5.2% over the prior year's estimate. The Recycled Water Program had the second largest impact of \$75,171 or 3.7%, which will be offset by the additional recycled water sales. Ocean Outfall decreased \$52,188 as a result of the completion of the intensive monitoring program. All other programs averaged an increase of 1.4 percent.

The cost for wastewater treatment and disposal services of the Member Agencies are allocated based on use, indicated by measured flows or level of effort, as appropriate. Flows are averaged over a 12 month period and vary from year to year, impacting the level of participation for each agency. On the basis of 16,044 connected equivalent dwelling units (EDU's) through December 2013, the services provided to the Member Agencies by the SEJPA for wastewater treatment and disposal will cost an average of \$164.12 per EDU. This represents an increase of \$4.96 or 3.1 percent from a year ago. Using the San Diego CPI index and escalating the base EDU rate of \$127.00 for FY 1993-1994 when the facility was upgraded to secondary treatment, the CPI rate would be \$202.14 which is \$38.02 or 23.2% higher than the proposed budget rate.

Recycled water sales revenues are budgeted to increase by approximately \$127,062 or 5.8 percent from the current fiscal year budget. It is anticipated that sales volume will be approximately 1,340 acre-feet (AF) in the upcoming fiscal year, which is an increase of 107 AF from the previous year budget. The program is projected to generate \$2.31 million in recycled water revenues for FY 2014-2015. Expenses are projected to be \$2.26 million, which includes operation costs, capital improvements, and debt service.

The SEJPA Capital Improvement Program includes both new and ongoing projects for improvements to the wastewater treatment, ocean outfall, pumping stations, and the water reclamation programs. For the wastewater treatment program, capital projects include (1) Headworks and Grit Chamber Rehabilitation Project, (2) Biosolids Upgrade Reserve, (3) energy efficiency improvements, (4) building improvements, (5) hydraulic management of the outfall, (6) digester rehabilitation and upgrades, and (7) funding to replace the emergency generators for the facility. Funding is being requested for the Ocean Outfall Program to fund a reserve for an ocean outfall reballast project which is generally done about every seven to ten years. All of these projects were listed in the Water Reclamation Facility Master Plan prepared by Corollo Engineers in 2007.

Debt service for the SEJPA is budgeted at \$2,476,195, which is approximately the same as last fiscal year. This minor decrease is attributable to the 2011 Refunding Bonds scheduled payments. The annual debt service consists of the following:

- 2011 Revenue Bond payment of \$1,479,867 (Secondary Treatment Upgrades Project, 1991)
- State Revolving Fund loan payment of \$834,675 (Water Reclamation Facility Project, 2000)
- Advanced Water Treatment (AWT) loan payment of \$148,153 (constructed in 2013)
- SFID pipeline acquisition of \$13,500 (2<sup>nd</sup> payment)

Further information for the FY 2014-2015 recommended budget is discussed in detail in the budget document, along with information regarding the contribution requirements of the various agencies served by the SEJPA.

## SUMMARY

The total recommended FY 2014-2015 operating budget for the Wastewater Services is \$5,688,907, which is a \$58,937 or 1.0 percent increase from a year ago. The majority of the change was due to the Wastewater Treatment increasing \$95,129 due to expected Utility-Electrical cost increases (\$27,934), Services-Temp (\$27,000) and Services-IT/GIS (\$12,958). The Ocean Outfall is decreasing \$52,188 as a result of the completion of the intensive

monitoring program required by the ocean discharge permit. Revenues to support the Wastewater Services come from the users of the provided services.

The total recommended FY 2014-2015 operating budget for the Water Reclamation Fund is \$2,111,282, which is \$75,171 or 3.7 percent greater than a year ago. The addition of the AWT project attributed to a portion of this increase; however, the FY 2014-2015 plans for an 8.7% increase in acre-feet sold with a revenue increase of \$127,062 or 5.8%.

The FY 2014-2015 expense for the Capital Project Fund is \$1,257,000, which will fund repair and replacement activities associated with the wastewater treatment, ocean outfall system, pump stations, and water reclamation.

It is therefore recommended that the Board of Directors:

1. Review the Fiscal Year 2014-2015 Recommended Budget; and
2. Discuss and take action as appropriate.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul Kinkel", written in a cursive style.

Paul F. Kinkel  
Director of Finance/Administration



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

April 14, 2014

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: ACCEPTANCE OF COMPLETION – FLOW EQUALIZATION BASINS  
FLOATING COVERS PROJECT FOR THE SAN ELIJO WATER RECLAMATION  
FACILITY

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to accept the Flow Equalization Basins Floating Covers Project and sign and record a Notice of Completion for the project; and
2. Discuss and take other action as appropriate.

BACKGROUND

During the 1991 treatment plant upgrade and expansion project, two flow equalization basins (FEB) were installed in the eastern portion of the site to equalize the variable flows into the treatment plant for improved process control. Each basin holds approximately 1,000,000 gallons of primary effluent wastewater under a floating cover. The floating covers are comprised of a flexible geomembrane system. The original 1991 covers were replaced in 2002 due to deterioration, and the 2002 covers had reached the end of their useful life and were showing signs of weather damage. These covers fail due to ultraviolet exposure and once the cover begins to degrade, the failure can be quite rapid.

Design drawings and construction specifications were completed in July 2013. Construction bids were solicited on July 17, 2013, a mandatory pre-construction meeting was held with potential bidders on August 6, 2013, and the bids were opened on August 22, 2013 at 10:00 AM. The Board of Directors authorized staff to award the construction contract to MPC Containments International at the September 9, 2013 Board meeting for the construction amount of \$194,521.

DISCUSSION

Crews arrived on January 6, 2014 to begin demolition of the old covers and installation of the new material. Both new covers were replaced and put back into service by February 4, 2014.

The project had a construction schedule of 100 calendar days to reach substantial construction completion and was completed approximately 30 days ahead of schedule.

With the acceptance of this project by the Board of Directors and the filing of the Notice of Completion, the contract with MPC Containments International will be completed. The SEJPA legal counsel will file the Notice of Completion with the County Clerk. After 35 days, the final payment will be made to the Contractor.

#### FINANCIAL IMPACT

The project has \$470,000 in approved funding (see Table 1); of which \$286,291 has been committed to project contracts. All major elements of the project have been completed. The project came in 39 percent below budget representing a savings of approximately \$183,709.

**TABLE 1  
PROJECT BUDGET  
FEB COVERS REPLACEMENT PROJECT**

<i>ITEM DESCRIPTION</i>	<i>BUDGET</i>	<i>ACTUAL</i>
Design and Construction Management	\$150,000	\$86,270
Administrative & Legal	\$13,000	\$5,500
Construction	\$270,000	\$194,521
Contingency	\$37,000	\$0
<b>Project Total</b>	<b>\$470,000</b>	<b>\$286,291</b>

The project was completed under budget and ahead of schedule, with no injuries, and no filed claims against the SEJPA. The work by MPC Containments International was of good quality, and the contractor worked collaboratively with staff to resolve any construction issues.

It is therefore recommended that the Board of Directors:

1. Authorize the General Manager to accept the Flow Equalization Basins Floating Covers Project and sign and record a Notice of Completion for the project; and
2. Discuss and take other action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

April 14, 2014

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: EXPANDING RECYCLED WATER SERVICE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to reimburse the Olivenhain Municipal Water District up to \$100,000 for engineering, environmental, and other professional services associated with pipeline design to connect the Oak Crest and Wiegand Reservoirs; and
2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) owns and operates the San Elijo Water Reclamation Facility (SEWRF), which has the capacity to produce approximately 3 million gallons per day (MGD) of recycled water from collected and treated wastewater. The recycled water is then wholesaled to four water purveyors; Santa Fe Irrigation District (SFID), San Dieguito Water District (SDWD), Olivenhain Municipal Water District (OMWD) and the City of Del Mar; and also sold directly to the Encinitas Ranch Golf Authority through an interruptible service agreement. The SEJPA's recycled water utility currently produces approximately 1,300 acre feet per year (AFY), and has the capacity to serve an additional 40% or more.

At the October 2013 SEJPA Board meeting, the General Manager presented opportunities for expanding the recycled water program with our water district partners. The staff report highlighted several projects that had near term development potential. The General Manager also provided the Board a Letter of Intent for expanding recycled water sales to both OMWD and SFID (attached). The Board of Directors provided direction to the General Manager to move forward with discussion for expanding recycled water deliveries.

DISCUSSION

Subsequent to the October 2013 meeting, California entered into a severe drought as the state received substantially below average rain and snow this last winter. Governor Brown declared a drought State of Emergency in January 2014 and directed state officials to take all necessary

actions to prepare for water shortages. The San Diego region is currently at Drought Level 1 and conservation measures are being requested of residents, businesses, and government.

In response to the drought declaration, and as directed by the Board, staff has been working diligently with the local water districts to identify recycled water projects that could move quickly into construction. For SDWD, the new Encinitas Community Park will use recycled water, and is scheduled to be online later this year. SDWD will also be our first water district to provide recycled water (instead of potable water) as cooling water for an industrial cooling tower at the newly remodeled Scripps Hospital. SEJPA and SDWD are also examining the possibility of repurposing an abandoned potable water line on Lake Drive to provide recycled water to the Cardiff Sports Park and other adjacent customers.

For the City of Del Mar, it has two projects underway at the Del Mar Fairgrounds. The first is a cooling tower project (similar to the Scripps Hospital project), and the second is the expansion of the turf track and decorative water ponds. These projects are expected to be completed by the end of this year.

SFID is examining the feasibility in providing recycled water to estate properties within their service area. There are two estates that could be served from the existing distribution system and likely more if the distribution system is expanded. SFID is also examining the feasibility for providing recycled water service, in partnership with the city of Solana Beach and the SEJPA, to the City's coastal corridor. The City has plumbed the recently improved Highway 101 downtown area to receive recycled water. Additional distribution piping would be required because the nearest recycled water pipeline is on Stevens Avenue.

OMWD is proposing the expansion of recycled water service to the Village Park community of Encinitas, which has many greenbelts and HOA-maintained areas, as well as several schools. For this project, OMWD proposes to team with SEJPA to develop a project that ultimately may serve 350 AFY and nearly double our recycled water system storage.

For this joint project, if approved, OMWD will construct approximately 7.6 miles of 6-, 8- and 12-inch-diameter recycled water pipelines that would be served from OMWD's Wiegand Reservoir. The pipelines would be installed mainly within existing streets within the Village Park area in the City of Encinitas (Figure 1). In addition, OMWD would construct a pump station located within a commercially zoned area. The SEJPA will construct approximately one-half mile of pipeline from the Wiegand Reservoir to the SEJPA's Oakcrest Reservoir, which is located just south of Encinitas Boulevard off Oakcrest Park Drive (Figure 2). Recycled water for this project will be produced at the San Elijo Water Reclamation Facility. It is anticipated that the project will convert 100 AFY of potable water use to recycled water within a year of completion and ultimately 350 AFY.

In addition to the water supply benefits of moving potable water irrigation customers to recycled water, the proposed Village Park Project benefits the SEJPA and its recycled water customers by adding another water storage reservoir (Wiegand). Interconnecting the Wiegand and Oakcrest Reservoirs will nearly double the SEJPA's recycled water storage volume. This provides several benefits. First, the additional reservoir storage increases water delivery reliability and operational flexibility. Second, the additional storage volume allows more customers to be served. Lastly, the additional storage may be adequate to meet "fire flow" requirements. This would allow the San Elijo Water Reclamation Facility (SEWRF) to use recycled water, instead of potable water, for its firefighting system. Symbolically, this has value, but more importantly, it allows SDWD to avoid planned capital improvements to the potable water system that supplies firefighting water to the SEWRF. The estimated cost of these

avoided improvements is on the order of \$400,000.

### FINANCIAL IMPACT

The budgetary cost for the SEJPA's element of the Village Park Project is estimated at \$1.1 million. Through the regional efforts of the North San Diego Water Reuse Coalition, the Coalition has successfully obtained a grant commitment of \$3.45 million for expanding recycled water infrastructure. The SEJPA's portion of the grant is approximately \$300,000, and can be applied to this project. The remaining project costs of approximately \$800,000 could be funding through a low-interest loan. The water sales from the Village Park Project will provide adequate revenue for the repayment of the loan. The Letter of Intent for expanding recycled water service to OMWD, dated October 14, 2013, provides the principles of understanding for the terms of the service agreement and responsibilities for developing the necessary capital improvements of the Village Park Project.

It is therefore recommended that the Board of Directors:

1. Authorize the General Manager to reimburse the Olivenhain Municipal Water District up to \$100,000 for engineering, environmental, and other professional services associated with pipeline design to connect the Oak Crest and Wiegand Reservoirs; and
2. Discuss and take action as appropriate.

Respectfully submitted,



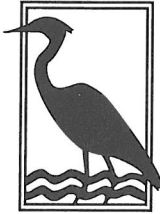
Michael T. Thornton, P.E.  
General Manager

Attachment 1: San Elijo Joint Powers Authority Letter of Intent to Expand Recycled Water Service to Santa Fe Irrigation District

Attachment 2: San Elijo Joint Powers Authority Letter of Intent to Provide Additional Recycled Water Service to Olivenhain Municipal Water District

Attachment 3: Pipeline Alignment Figures 1-2

## ATTACHMENT 1



**SAN ELIJO**  
**JOINT POWERS AUTHORITY**

### **BOARD OF DIRECTORS**

Teresa Barth  
Thomas M. Campbell  
Mark Muir  
David Zito

### **ADMINISTRATION**

Michael T. Thornton  
General Manager

October 14, 2013

Santa Fe Irrigation District  
Michael J. Bardin, General Manager  
5920 Linea del Cielo  
P.O. Box 409  
Rancho Santa Fe, CA 92067-0409

### LETTER OF INTENT FOR THE SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) TO EXPAND RECYCLED WATER DELIVER TO THE SANTA FE IRRIGATION DISTRICT (SFID) AND TO RESTATE THE ORIGINAL WHOLESALE AGREEMENT

Dear Mr. Bardin:

This letter provides SEJPA's intent to provide up to 620 acre-feet per year (AFY) of recycled water supply to SFID and to work with SFID in restating the original recycled water agreement. With this letter, SFID can proceed with its efforts for connecting new customers to the existing recycled water system.

We are also in receipt of the working-draft agreement that you provided for extending recycled water service between SFID and the SEJPA. I am seeking authorization from the SEJPA Board to begin formal negotiations with your District to extend and restate the agreement. In the meantime, if no action is taken by January 1, 2014, the recycled water price reverts 85% indexing, so I propose that SFID consider amending the original agreement for two years to provide pricing certainty while we develop the new agreement. I hope this is an acceptable path and it will not deter from our urgency to develop a new restated agreement.

This letter provides the framework for the agreement, and the general terms.


1. Amount of Recycled Water - SEJPA currently delivers approximately 520 acre-feet per year (AFY) initially, and 620 AFY ultimately, to SFID. SFID will provide an approximate phasing plan showing demand by year. Minimum purchase volume in each calendar year will be 450 AFY.
2. Recycled Water Quality – SEJPA will provide recycled water that meets all applicable water quality regulations.

3. Schedule for Initial Deliveries – The startup of deliveries of this additional 100 AFY is planned for early 2016.
4. Price of Recycled Water – Purchase prices and terms will be in accordance with the pricing structure in place at the time additional connections are made to the recycled water system. It is also understood that future purchase prices may be based on cost of service principles including operating, maintenance, debt service, and asset replacement and upgrade. SFID/SEJPA will work to develop a mutually acceptable cost of service methodology. The intent is to provide this pricing method to all SEJPA wholesale customers, but it will not preclude the SEJPA from entering into a cost of service agreement with only SFID.
5. Non-Interruptible Delivery - The delivery will be non-interruptible, under a definition that is similar to the original SFID/SEJPA agreement, and that is consistent with the other SEJPA wholesale agreements.
6. Supplemental Water - The Reclaimed Water Purveyor agrees to provide domestic water, if available, to supplement the reclaimed water supply during times of peak usage and during times of interruptions of service. SEJPA will provide payment to SFID for the supplemental water at the wholesale price of recycled water. Both agencies agree to work collaboratively to manage peak hourly demands.

Please contact me if you have any questions about this letter. We look forward to successful contract negotiations and continuing our partnership with SFID.

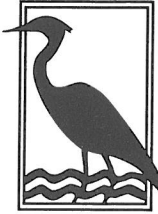
Sincerely,

SAN ELIJO JOINT POWERS AUTHORITY



Michael T. Thornton, P.E.  
General Manager

## ATTACHMENT 2



**SAN ELIJO  
JOINT POWERS AUTHORITY**

### BOARD OF DIRECTORS

Teresa Barth  
Thomas M. Campbell  
Mark Muir  
David Zito

### ADMINISTRATION

Michael T. Thornton  
General Manager

October 14, 2013

Olivenhain Municipal Water District  
Kimberly A. Thorner, Esq.  
General Manager  
1966 Olivenhain Road  
Encinitas, CA 92024

LETTER OF INTENT FOR THE SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) TO DELIVER RECYCLED WATER TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT (OMWD) FOR THE NORTHWEST QUADRANT PHASE II SERVICE AREA

Dear Ms. Thorner:

This letter provides SEJPA's intent to provide a recycled water supply to OMWD for its Northwest Quadrant Phase II expansion. With this letter, OMWD can proceed with the final design of improvements from the Wiegand Tank to customers in the Village Park area of the City of Encinitas. We will forward a draft agreement to you in the next few weeks to begin formal negotiations. In the meantime, this letter provides the framework for the agreement, and the general terms.

1. Amount of Recycled Water - SEJPA will deliver approximately 100 acre-feet per year (AFY) initially, and 350 AFY ultimately, to OMWD's Wiegand Tank. OMWD will provide an approximate phasing plan showing demand by year.
2. Recycled Water Quality - SEJPA will provide recycled water that meets all applicable water quality regulations.
3. Schedule for Initial Deliveries - The startup of deliveries is planned for early 2016.
4. Price of Recycled Water - Purchase prices and terms will be similar to the October 10, 2012 agreement between SEJPA and OMWD, and other SEJPA agreements.
5. Non-Interruptible Delivery - The delivery will be non-interruptible, under a definition that is similar to what is provided to other SEJPA customers. OMWD may utilize water from Vallecitos Water District in the summer, if available, to help meet system peak demands.



6. Wiegand Tank Ownership - OMWD will continue to own the Wiegand Tank but SEJPA will be provided with a long term lease for its use.
7. Wiegand Tank Operation - SEJPA will operate the Tank to provide the recycled water flows to meet the demands described above. SEJPA may operate the Tank to serve their other customers and provide system storage while Oak Crest Tank is rehabilitate, provided this can be done with no loss of supply to OMWD customers.
8. Wiegand Tank Improvements - OMWD will construct improvements to facilitate SEJPA's connection to Wiegand. OMWD will construct, own, operate, and maintain flow meters. Both agencies will maintain monitoring equipment at the tank.
9. Wiegand Tank Maintenance – OMWD and SEJPA will share equally the maintenance expenses.
10. SEJPA Recycled Water System Improvements – SEJPA will be responsible for the design, construction, operation, maintenance, and cost of all improvements needed for its system to be able to provide the supply to the Wiegand Tank.
11. OMWD Recycled Water Improvements - OMWD will be responsible for the design, construction, operation, maintenance, and cost of all improvements for the distribution of recycled water from the Wiegand Tank to its customers.
12. Coordination of Design and Construction – OMWD and SEJPA will share design documents and coordinate the design and construction of facilities.

Please contact me if you have any questions about this letter. We look forward to successful contract negotiations and continuing our partnership with OMWD.

Sincerely,

SAN ELIJO JOINT POWERS AUTHORITY



Michael T. Thornton, P.E.  
General Manager

ATTACHMENT 3

Pipeline Alignment Figures 1 – 2

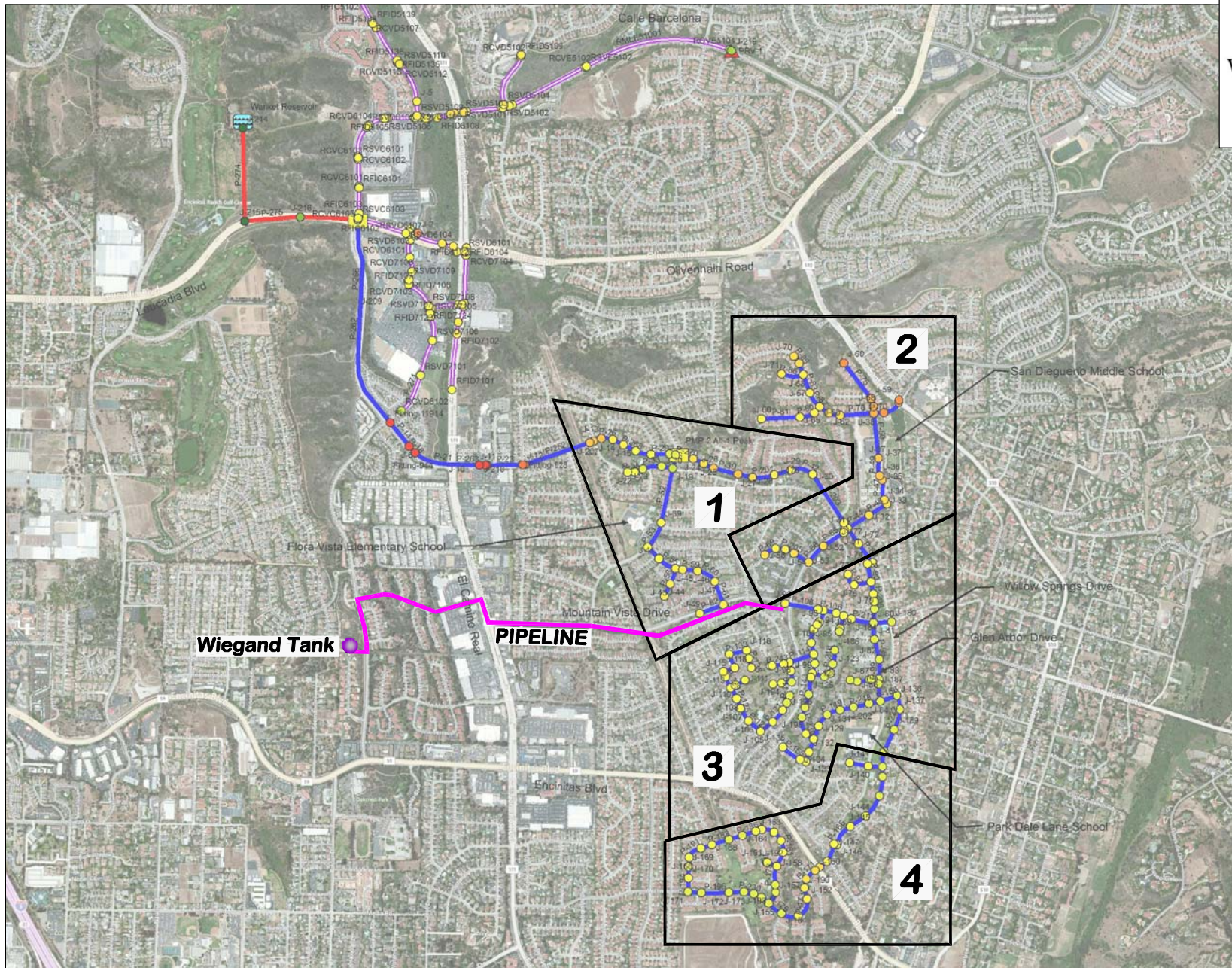


Figure:

1

Evaluation of the Wiegand Tank for the Storage of Recycled Water

Phase II Demand Nodes and Possible Distribution Pipeline from Wiegand Tank



Figure:

2

Evaluation of the Wiegand Tank for the Storage of Recycled Water

Pipeline Alignment from Oak Crest Tank to Wiegand Tank

