

AGENDA
SAN ELIJO JOINT POWERS AUTHORITY
MONDAY JANUARY 12, 2015 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 DECEMBER 8, 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. **NEW BOARD MEMBER ORIENTATION**

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

Staff Reference: General Manager

13. **ELECTION OF OFFICERS AND SCHEDULE OF BOARD MEETINGS**

1. Appoint Chairperson and Vice Chairperson for the 2015 SEJPA Board of Directors;
2. Select regular meeting place and time for 2015; and
3. Discuss and take action as appropriate.

Staff Reference: Director of Finance and Administration

14. **SAN ELIJO OCEAN OUTFALL 2014 ANNUAL INSPECTION REPORT**

1. Accept and file the San Elijo Ocean Outfall Year 2014 Annual Inspection Report prepared by Merkel & Associates, Inc.; and
2. Discuss and take action as appropriate.

Staff Reference: Director of Operations

15. **CONSIDER APPROVAL OF THE LOCAL PROJECT PARTICIPANT AGREEMENT WITH THE OLIVENHAIN MUNICIPAL WATER DISTRICT FOR THE NORTH SAN DIEGO COUNTY REGIONAL RECYCLED WATER PROJECT - PHASE II**

1. Authorize the General Manager to execute the Local Project Participant Agreement; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager

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 regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Monday, February 9, 2015 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: January 7, 2015



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON DECEMBER 8, 2014
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Mark Muir, Chair

David Zito, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, December 8, 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 9:02 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
Safety/HR Administrator
Accounting Technician
Administrative Assistant/Board Clerk

Michael Thornton
Christopher Trees
Paul Kinkel
Marisa Buckles
Carrie Cook
Jennifer Basco

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas:

Director of Engineering and Public Works
Public Works Management Analyst

Glenn Pruim
Bill Wilson

City of Solana Beach

Interim City Manager
Director of Engineering/Public Works

Wendé Protzman
Mohammad "Mo" Sammak

3. PLEDGE OF ALLEGIANCE

Board Member Barth led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

The General Manager recognized Christopher Trees, Director of Operations, for 5 years of service to the agency.

6. CONSENT CALENDAR

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

Motion carried with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the November 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
Agenda Item No. 11	2013 San Diego Integrated Regional Water Management (IRWM) Plan Adoption

12. ITEMS REMOVED FROM CONSENT CALENDAR

None

13. FIRST AMENDMENT TO THE RECYCLED WATER AGREEMENT BETWEEN THE SAN ELIJO JOINT POWERS AUTHORITY AND THE CITY OF DEL MAR

General Manager Thornton reported that, at staff level, the SEJPA and the City of Del Mar had reached agreement on amending the price structure to which the SEJPA sells recycled water to the City. This proposed agreement amendment is now ready for Board approval consideration. In the original agreement, the price of the recycled water is indexed to 85% of the lowest published potable water price of the City, the San Dieguito Water District, or the Santa Fe Irrigation District. Mr. Thornton explained this type of pricing structure can be problematic, especially when the SEJPA sells recycled water to multiple water districts. To create a more transparent pricing structure that treats each water district similarly, the SEJPA has moved towards a cost of service pricing model. Over the last couple years, the SEJPA has reached agreement with San Dieguito Water District (SDWD), Santa Fe Irrigation District

(SFID), and the Olivenhain Municipal Water District (OMWD) on a “cost of service” pricing method. Mr. Thornton stated that the sales agreement between the SEJPA and the City is the last agreement that still uses an “index” pricing method. Mr. Thornton explained that one of the challenges to reaching agreement on this pricing change was that it would result in a higher price to Del Mar. Therefore, in exchange for the pricing increase, the City requested that their minimum annual purchase volume be reduced. The increase in unit price is to \$1,310 per acre-foot (AF), which is the same price that the SEJPA sells its recycled water to SDWD, SFID, and OMWD. The reduction in the minimum purchase volume is from 150 AF per year to 120 AF per year. Mr. Thornton stated that the proposed amendment achieves the SEJPA Board’s goal of developing consistent, fair, and equitable recycled water pricing to the water purveyors.

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

1. Authorize the General Manager to execute the First Amendment to the Agreement for Sale of Reclaimed Water to the City of Del Mar by the San Elijo Joint Powers Authority.

Motion carried with unanimous vote of approval.

14. 2014 YEAR IN REVIEW – RECOGNIZING AGENCY ACHIEVEMENTS AND SUCCESSES

General Manager Thornton presented highlights of the SEJPA’s accomplishments and successes for calendar year 2014. Included in the highlights were the agency’s permit compliance record, safety record, and wastewater treatment performance. Mr. Thornton stated that this is the 14th consecutive year for the SEJPA without a lost workday due to injury. He recognized the SEJPA’s safety committee for its excellent work in creating a culture of safety at the agency. Mr. Thornton also reviewed industry recognition awards that the SEJPA received in 2014, including the Southwest Membrane Operators Association Membrane Plant of the Year, as well as the \$967,575 grant money received from the Integrated Regional Management Program. Next, Mr. Thornton reviewed the capital infrastructure projects that the SEJPA is leading or is partnering with other agencies. The presentation was concluded by recognizing retiring Board Member Teresa Barth for her 8 years of service to the agency and retiring Board Member Tom Campbell for his 15 years of service.

This memorandum was submitted for information only.

15. GENERAL MANAGER’S REPORT

None

16. GENERAL COUNSEL’S REPORT

None

17. BOARD MEMBER COMMENTS

None

18. CLOSED SESSION

None

19. ADJOURNMENT

The meeting adjourned at 9:35 a.m. The next Board of Directors meeting will be held on January 12, 2015.

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****15-01****For the Months of November and December - 2014**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
31012	All American First Aid & Safety	Supplies - Office	First aid supplies	88.94
31013	Susana Arredondo	Seminars/Education	Water management and leadership course	1,170.60
31014	AT&T	Utilities - Telephone	Phone service - 10/13/14 - 11/12/14	371.68
31015	AT&T	Utilities - Telephone	DSL - 10/10/14 - 11/09/14	89.08
31016	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping; grit and screening	1,297.23
31017	The Brickman Group Ltd.	Services - Landscape	Landscape service - December	385.00
31018	California Water Technologies	Supplies - Chemicals	Ferric Chloride	4,644.89
31019	Carlson & Beauloye Air Power	Services - Maintenance	Service two compressors	1,060.92
31020	CA Association of Sanitary Agencies	Dues & Memberships	Agency membership dues - FY 2014-15	12,480.00
31021	Comoso	Repair Parts Expense	2500 PSI Assy; hose assembly	846.96
31022	Complete Office	Supplies - Office	Office supplies	283.52
31023	CWEA Membership	Dues & Memberships	Membership	156.00
31024	CWEA - TCP	Dues & Memberships	Membership Laboratory	168.00
31025	DC Frost Associates, Inc.	Repair Parts Expense	Autobags for Heliclean	492.44
31026	Del Mar Blue Print	Printing	Electrical drawings	98.56
31027	DMV	Services - Other	Safety records - 08/01/14 - 10/31/14	8.00
31028	Dudek & Associates	Services - Engineering	Emergency Power Project - Final Design	260.00
31029	City of Encinitas	Service - IT Support	Admin network - October and November	4,000.00
31030	ELAP Branch	Licenses	Environmental Laboratory Accreditation	2,359.00
31031	Environmental Water Solutions	Repair Parts Expense	Gasket	784.96
31032	Euronfins Calscience, Inc.	Services - Laboratory	Testing water samples	303.00
31033	Flo-Systems, Inc.	Repair Parts Expense	Bearing assembly	2,907.93
31034	Guardian	Dental/Vision	Dental - 12/01/14 - 12/31/14	1,778.44
31035	Hach Company	Repair Parts Expense	Controller AC-DC	1,851.64
31036	Hardy Diagnostics	Supplies - Lab	Laboratory supplies	480.86
31037	Health and Human Resource	Employee Assistance Program	December	317.68
31038	Michael Henke	Subsistence - Travel/Rm & Bd	Electricity training	350.40
31039	Emmanuel Hurtado	Subsistence - Travel/Rm & Bd	Electrical training	227.51
31040	Hydro Gate	Repair Parts Expense	Seal	216.00
31041	Jennifer Basco	Subsistence - Travel	Mileage	73.34
31042	Kennedy/Jenks Consultants	Services - Engineering	Relocation study	7,503.75
31043	The Lawton Group	Services - Intern Program	Weeks worked - 11/03/14 - 11/16/14	1,241.00
31044	Marine Taxonomic Services, Ltd.	Subcontractors	Ocean offshore monitoring	740.00
31045	MegaPath Corporation	Utilities - Internet	T-1 service - December	279.27
31046	Napa Auto Parts	Supplies - Shop & Field	Dust mask, black nitrile, fix a flat	56.64
31047	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium Hypochlorite	2,984.10
31048	Pacific Green Landscape	Services - Landscape	Landscape service - November	1,125.00
31049	P.E.R.S.	Medical Insurance - PERS	Health - December	17,559.49
31050	P.E.R.S.	Retirement Plan - PERS	Retirement - 11/08/14 - 11/21/14	14,924.12
31051	RSF Security Systems	Services - Alarm	Security - 12/01/14 - 02/28/14	1,413.00
31052	Santa Fe Irrigation District	Utilities - Water	Recycled water	61.57
31053	SCAP	Seminars/Education	Luncheon meeting	70.00
31054	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 10/05/14- 11/03/14	54,550.62
31055	Southwest Membrane Operation	Dues & Memberships	Membership	300.00
31056	SWRCB	Dues & Memberships	Membership plant operators	640.00
31057	SWRCB	Fees - Permits	Annual permit fee - 07/01/04 - 06/30/15	20,525.00
31058	SWRCB	Fees - Permits	Annual permit fee - 07/01/14 - 06/30/15	14,929.00
31059	Terminix Processing Center	Services - Maintenance	Pest control	217.00
31060	Trussell Technologies, Inc.	Services - Engineering	Process engineering and evaluation	770.00
31061	Unifirst Corporation	Services - Uniforms	Uniform service	240.16
31062	Univar USA Inc.	Supplies - Chemicals	Hydrochloric Acid and Citric Acid	1,157.92
31063	USA Bluebook	Repair Parts Expense	Peristaltic pump	611.30
31064	Valley Chain & Gear, Inc.	Repair Parts Expense	Belts, sprocket, and bushings	563.84
31065	Vantagepoint Transfer Agents	EE Deduction Benefits	457 - ICMA	5,802.46
31066	Vantagepoint Transfer Agents	ICMA Retirement	401a - ICMA	2,558.29
31067	Verizon Wireless	Utilities - Telephone	Cell phone service - 10/08/14 - 11/07/14	684.15
31068	VWR International, Inc.	Supplies - Lab	Gloves, tubes, and glass filters	479.57
31069	WageWorks	Payroll Processing Fees	FSA administration and compliance fee	113.00
31070	Aflac	EE Deduction Benefits	Medical and supplemental life insurance	811.08
31071	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling - November	12,797.41
31072	AT&T	Utilities - Telephone	DSL - 10/20/14 - 11/19/14	89.59
31073	AT&T	Utilities - Telephone	Alarm service	384.08
31074	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping	554.88
31075	BankCard Center	Supplies - Office	Repair parts, seminars, meetings, supplies	991.25
31076	Barracuda Networks, Inc	Utilities - Internet	Network back-up	50.00
31077	Boot World, Inc.	Uniforms - Boots	Safety boots	145.77

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****15-01****For the Months of November and December - 2014**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
31078	Brithinee Electric	Repair Parts Expense	Baldor motor	375.40
31079	C.E. Wilson Corporation	Subcontractors	Seascape Sur low flow diversion structure	6,552.00
31080	Coast Waste Management, Inc.	Services - Grit & Screenings	Roll-off service	648.25
31081	Corodata	Rent	Record storage - November	75.21
31082	CSCC	Services - Professional	Labor compliance	300.00
31083	CWEA - TCP	Dues & Memberships	Mechanical Tech Grade 2	84.00
31084	EDCO Waste & Recycling Service	Utilities - Trash	Trash service - November	234.21
31085	Excel Landscape, Inc.	Services - Landscape	Landscape clean-up	550.00
31086	Golden Bell Products	Supplies - Chemicals	Lift station degreaser	267.84
31087	Harbor Freight Tools	Supplies - Shop & Field	Clamps, ratchet and socket set, gloves	165.79
31088	Home Depot Credit Services	Supplies - Safety	Safety and shop equipment	460.14
31089	International Sensor Tech	Repair Parts Expense	Control unit and catalytic sensor module	1,911.23
31090	Jani-King of CA, Inc. - SEO	Services - Janitorial	Janitorial service - December	882.64
31091	JMR Environmental Services	Services - Professional	Asbestos survey	1,320.00
31092	King Lee Chemical Co.	Supplies - Chemicals	Liquid antiscalant	962.55
31093	Konica Minolta	Services - Maintenance	Copier maintenance service	174.48
31094	Casey Larsen	Subsistence - Travel	Mileage and parking fee	111.76
31095	McMaster-Carr Supply Co.	Repair Parts Expense	Plumbing and electrical supplies	230.09
31096	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Sodium Hypochlorite	2,867.13
31097	Olivenhain Municipal Water Dis	Rent	Pipeline rental payment	4,770.00
31098	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 11/22/14 - 12/05/14	14,817.19
31099	Polydyne Inc.	Supplies - Chemicals	Clarifloc	11,426.40
31100	Preferred Benefit Insurance	Dental/Vision	Vision insurance - 12/01/14 - 12/31/14	317.40
31101	Rising Tide Partners	Services - Professional	Consulting	750.00
31102	San Dieguito Water District	Utilities - Water	Recycled water	10,056.35
31103	Santa Fe Irrigation District	Utilities - Water	Recycled water	983.80
31104	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - November	684.92
31105	Sun Life Financial	Life Insurance/Disability	Life and disability insurance - December	1,412.23
31106	Terminix Processing Center	Services - Maintenance	Pest control - annual service	1,401.88
31107	Unifirst Corporation	Services - Uniforms	Uniform service	276.85
31108	UPS	Postage/Shipping	Mailing parts and compliance reports	29.93
31109	Underground Service Alert/SC	Services - Alarm	Dig alert - November	78.00
31110	Vantagepoint Transfer Agents	EE Deduction Benefits	457 - ICMA	5,802.46
31111	Vantagepoint Transfer Agents	ICMA Retirement	401a - ICMA	2,541.77
31112	VWR International, Inc.	Supplies - Lab	Laboratory supplies	293.99
31113	WaterReuse Research Foundation	Dues & Memberships	Research foundation subscribers	1,200.00
31114	WaterReuse Association	Dues & Memberships	Agency membership	962.00
31115	WEX Bank	Interest Expense	Fuel - November	741.21
31116	WorkPartners Occupational	Services - Medical	Medical service	240.00
31117	Abila	Licenses	Abila accounting annual renewal	943.00
31118	Susana Arredondo	CSRMA Wellness Program	Health and wellness reimbursement	59.99
31119	ASCE Membership	Dues & Memberships	Membership	275.00
31120	AT&T - 9777	Utilities - Telephone	Phone service - 11/13/14 - 12/12/14	371.32
31121	AT&T	Utilities - Telephone	DSL - 11/10/14 - 12/09/14	89.05
31122	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping	554.88
31123	BAVCO	Repair Parts Expense	Rubber repair kit for backflow device	54.75
31124	Brenntag Pacific, Inc.	Supplies - Chemicals	Sodium Hydroxide	3,110.29
31125	California Water Technologies	Supplies - Chem - Ferrous Chlo	Ferric Chloride - Plant	4,578.24
31126	Carlson & Beauloye Air Power	Services - Maintenance	Service call for unit failure - air compressor	245.00
31127	Complete Office	Supplies - Office	Office supplies	465.51
31128	CWEA Membership	Dues & Memberships	Membership	240.00
31129	Dale Kreinbring	CSRMA Wellness Program	Health and wellness reimbursement	60.00
31130	Del Mar Blue Print	Printing	Wastewater service map	14.85
31131	Dixieline Lumber	Supplies - Shop & Field	Repairs, shop and field supplies	92.02
31132	DMV	Services - Other	Safety records - 11/01/14 - 11/30/14	4.00
31133	Duhig & Co., Inc.	Repair Parts Expense	Welded pipe	449.28
31134	Encinitas Ford	Capital Outlay	Ford Escape 2015 SE FWD	23,760.11
31135	Environmental Water Solutions	Repair Parts Expense	Vacuum valves	6,174.24
31136	Euronfins Calscience, Inc.	Services - Laboratory	Testing water samples	363.00
31137	Gierlich Mitchell, Inc.	Repair Parts Expense	Sliding guide	199.69
31138	Hach Company	Supplies - Lab	Laboratory supplies	120.85
31139	Health and Human Resource	Employee Assistance Program	January	300.96
31140	Hoch Consulting, APC	Services - Engineering	Project engineering services	8,112.50
31141	John Deere Landscapes, Inc.	Repair Parts Expense	Plumbing supplies	472.81
31142	Kennedy/Jenks Consultants	Services - Engineering	I-5 pipeline relocation study	2,608.95
31143	The Lawton Group	Services - Intern Program	Weeks worked - 11/17/14 - 12/14/14	2,395.81

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****15-01****For the Months of November and December - 2014**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
31144	McMaster-Carr Supply Co.	Supplies - Office	Shipping and packing supplies	72.94
31145	MegaPath Corporation	Utilities - Internet	T-1 Service - January	279.27
31146	Napa Auto Parts	Repair Parts Expense	Battery cable	7.02
31147	Nash Fabricators	Services - Maintenance	Spool repair, steel drive shaft, scum box rake	1,871.00
31148	Pacific Green Landscape	Services - Landscape	Landscape service - December	1,125.00
31149	P.E.R.S.	Medical Insurance - PERS	Health - January	18,437.39
31150	P.E.R.S.	Retirement Plan - PERS	Retirement - 12/06/14 - 12/19/14	14,817.20
31151	Right-Of-Way Engineering	Services - Engineering	Outfall easement	840.00
31152	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 11/03/14 - 12/04/14	50,284.82
31153	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 11/04/14 - 12/07/14	2,134.61
31154	Terminix Processing Center	Services - Maintenance	Pest control	1,396.80
31155	Christopher A. Trees	Subsistence - Travel	Mileage	76.83
31156	Trussell Technologies, Inc.	Services - Engineering	Process engineering and evaluation	430.00
31157	Unifirst Corporation	Services - Uniforms	Uniform service	311.36
31158	Vantagepoint Transfer Agents	EE Deduction Benefits	457 - ICMA	5,927.46
31159	Vantagepoint Transfer Agents	ICMA Retirement	401a - ICMA	2,541.77
31160	Vantagepoint Transfer Agents	ICMA Retirement	401a - ICMA	89.91
31161	Verizon Wireless	Utilities - Telephone	Cell phone service - 11/08/14 - 12/07/14	681.07
31162	WageWorks	Payroll Processing Fees	FSA administration and compliance fees	113.00
	San Elijo Payroll Account	Payroll	Payroll - 11/28/14 (Less Retirement Plans)	57,479.11
	San Elijo Payroll Account	Payroll	Payroll - 12/12/14 (Less Retirement Plans)	57,739.97
	San Elijo Payroll Account	Payroll	Payroll - 12/26/14 (Less Retirement Plans)	56,457.83
	San Elijo Payroll Account	Payroll	Payroll - 12/31/14 (Less Retirement Plans)	4,066.40
	California Bank & Trust		Service Fees	94.00
				\$ 617,826.85

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

**For the Months of November and December - 2014
As of December 31, 2014**

PAYMENT OF WARRANTS		\$ 617,826.85
Reference Number	15-01	

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.



Paul F. Kinkel
Director of Finance & Administration

STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS
AND INVESTMENT INFORMATION
As of December 31, 2014

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(NOVEMBER 2014 YIELD 0.26%)</i>	
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 6,796,449.74
CALIFORNIA BANK AND TRUST <i>(NOVEMBER 2014 YIELD 0.01%)</i>	
REGULAR CHECKING	\$ 27,870.41
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 7,459,320.15

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

January 12, 2015

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

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

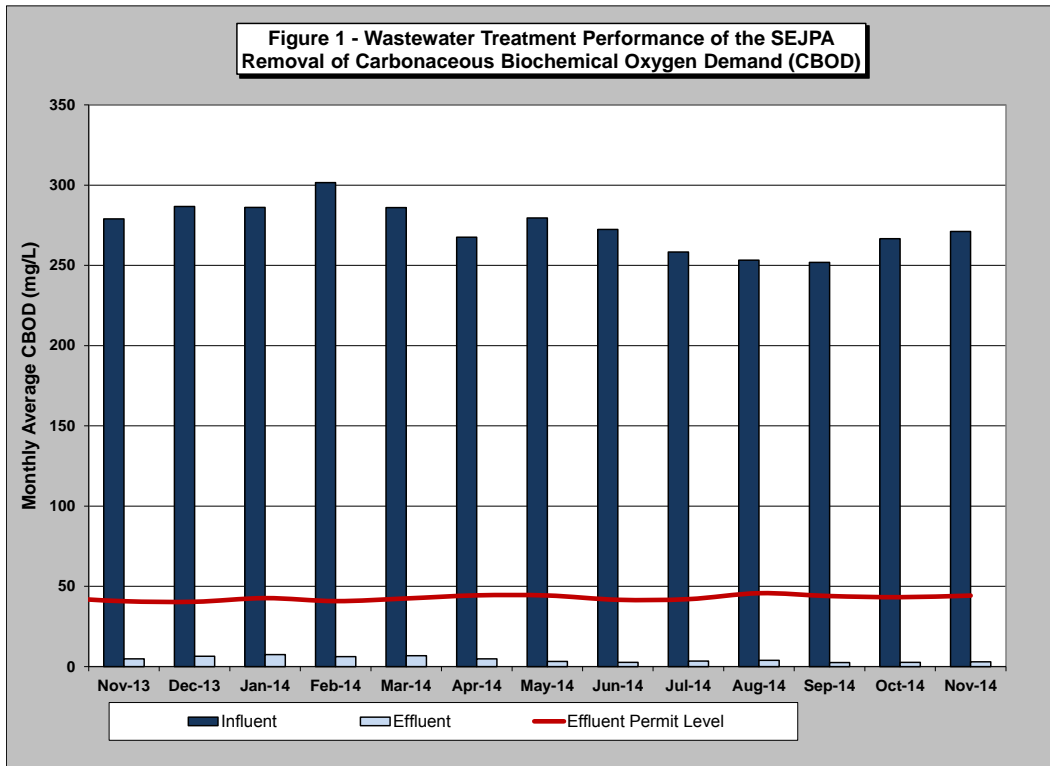
RECOMMENDATION

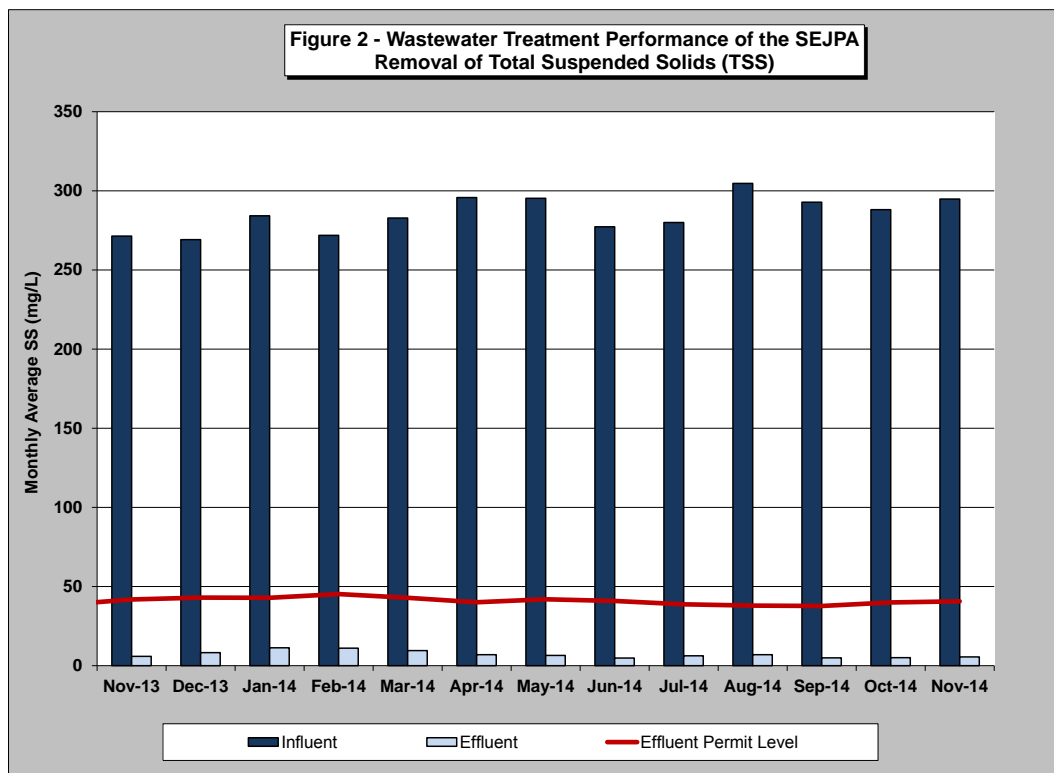
No action required. This memorandum is submitted for information only.

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 November 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. For the month of November, treatment levels for CBOD and TSS were 98.9 and 98.1 percent removal, respectively, (as shown in Figure 1 and Figure 2).





Member Agency Flows

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

	November	
	Influent (mgd)	Effluent (mgd)*
Cardiff Sanitary Division	1.237	0.667
City of Solana Beach	1.198	0.646
Rancho Santa Fe SID	0.118	0.063
Total San Elijo WRF Flow	2.553	1.376

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
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	
Mar-14	1.339	0.134	1.185	2.658	0.858	0.086	0.760	1.704	8,324	496	7,728	16,548	161	270	153	161	
Apr-14	1.326	0.128	1.128	2.582	0.449	0.043	0.382	0.874	8,328	498	7,728	16,554	159	257	146	156	
May-14	1.353	0.124	1.127	2.604	0.159	0.015	0.132	0.306	8,333	498	7,728	16,559	162	249	146	157	
Jun-14	1.341	0.126	1.188	2.655	0.207	0.020	0.183	0.410	8,333	498	7,728	16,559	161	253	154	160	
Jul-14	1.271	0.130	1.307	2.708	0.232	0.024	0.239	0.495	8,338	499	7,728	16,565	152	261	169	163	
Aug-14	1.228	0.130	1.298	2.656	0.227	0.024	0.239	0.490	8,345	500	7,728	16,573	147	260	168	160	
Sep-14	1.215	0.113	1.232	2.560	0.211	0.019	0.214	0.444	8,351	500	7,728	16,579	145	226	159	154	
Oct-14	1.204	0.114	1.198	2.516	0.394	0.038	0.392	0.824	8,353	500	7,728	16,581	144	228	155	152	
Nov-14	1.237	0.118	1.198	2.553	0.667	0.063	0.646	1.376	8,354	502	7,728	16,584	148	235	155	154	

CSD: Cardiff Sanitary Division

RSF CSD: Ranch Santa Fe Community Service District

SB: Solana Beach

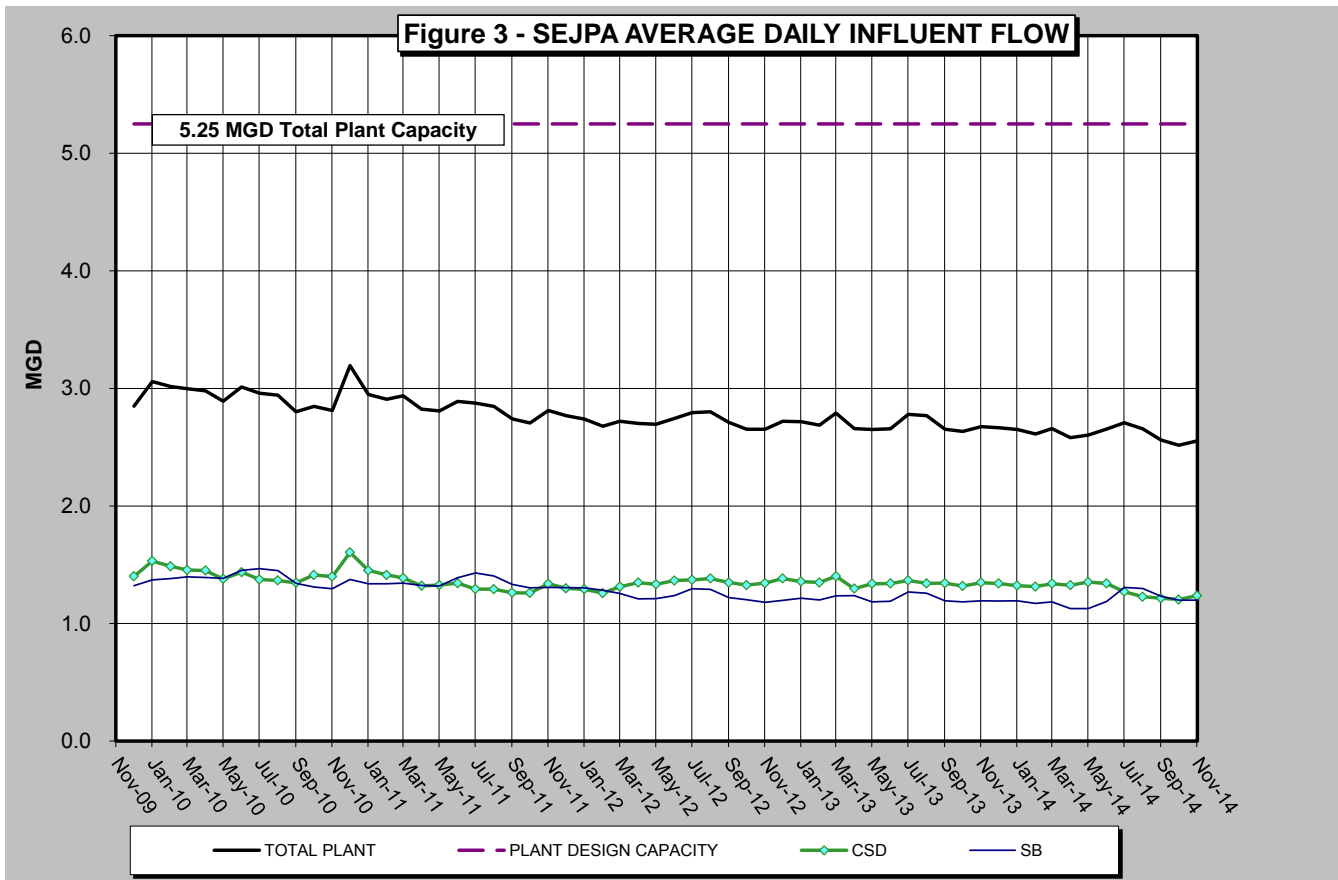
EDU: Equivalent Dwelling Unit

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 2.6 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 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 November.

	Flow (mgd)
Escondido (Average flow rate)	7.62
Escondido (Peak flow rate)	17.1

Connected Equivalent Dwelling Units

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

	Connected (EDU)
Cardiff Sanitary Division	8,354
Rancho Santa Fe SID	502
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
Total EDUs to System	16,584

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

January 12, 2015

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 November 2014, recycled water demand was 100.34 acre-feet (AF), which was met using 100.31 AF of recycled water and 0.03 AF of supplementation with potable water.

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.

In November staff noted two isolated positive coliform sample results above the permit limit of 23 MPN in the recycled water effluent. These incidents were isolated with low or non-detect samples collected the day before and after. The Regional Water Quality Control Board, which is the permitting agency with primary responsibility for the treatment system performance was informed of this issue and corrective actions taken.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Figure 1 - MONTHLY RECYCLED WATER DEMAND

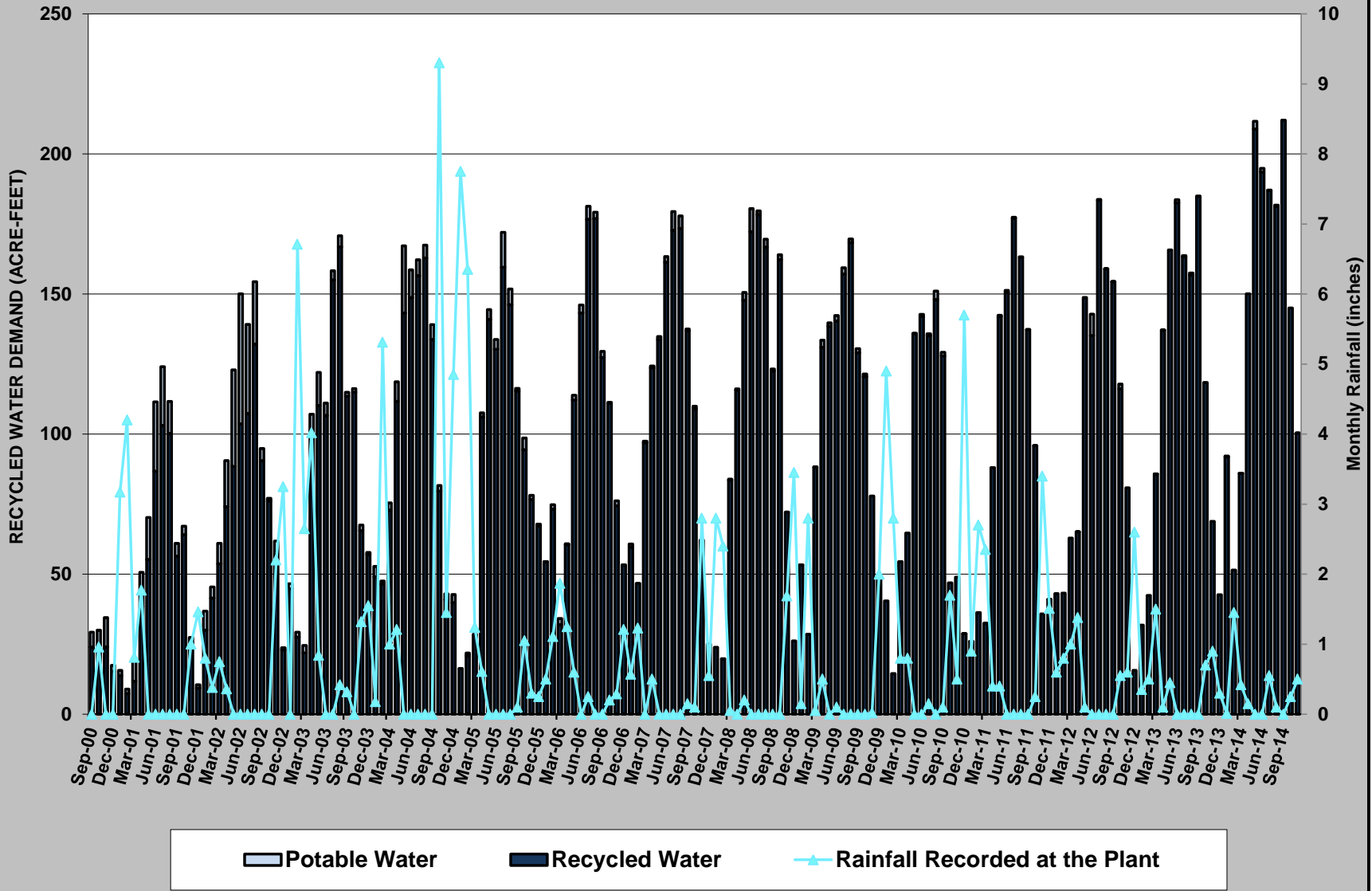


Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR

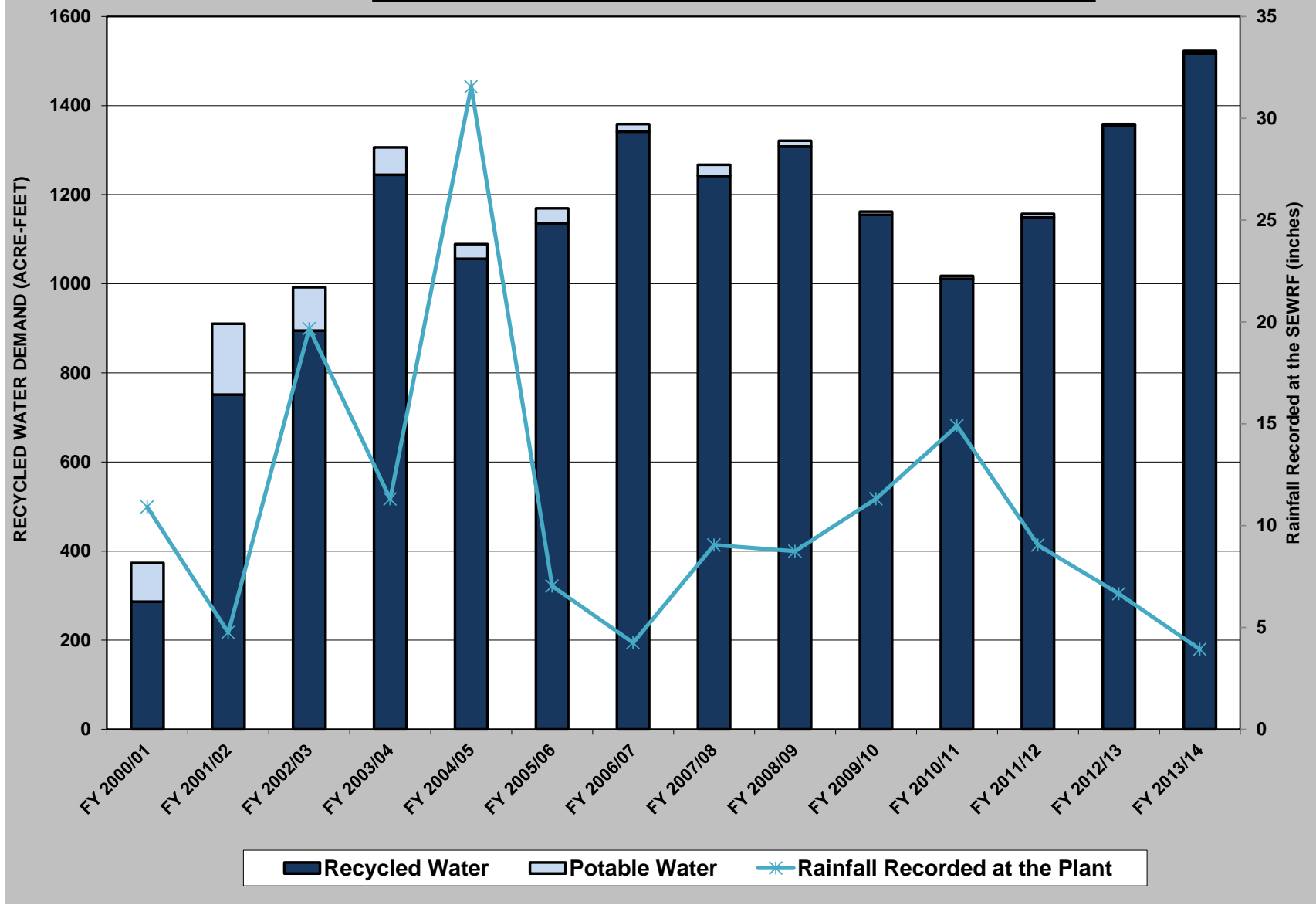
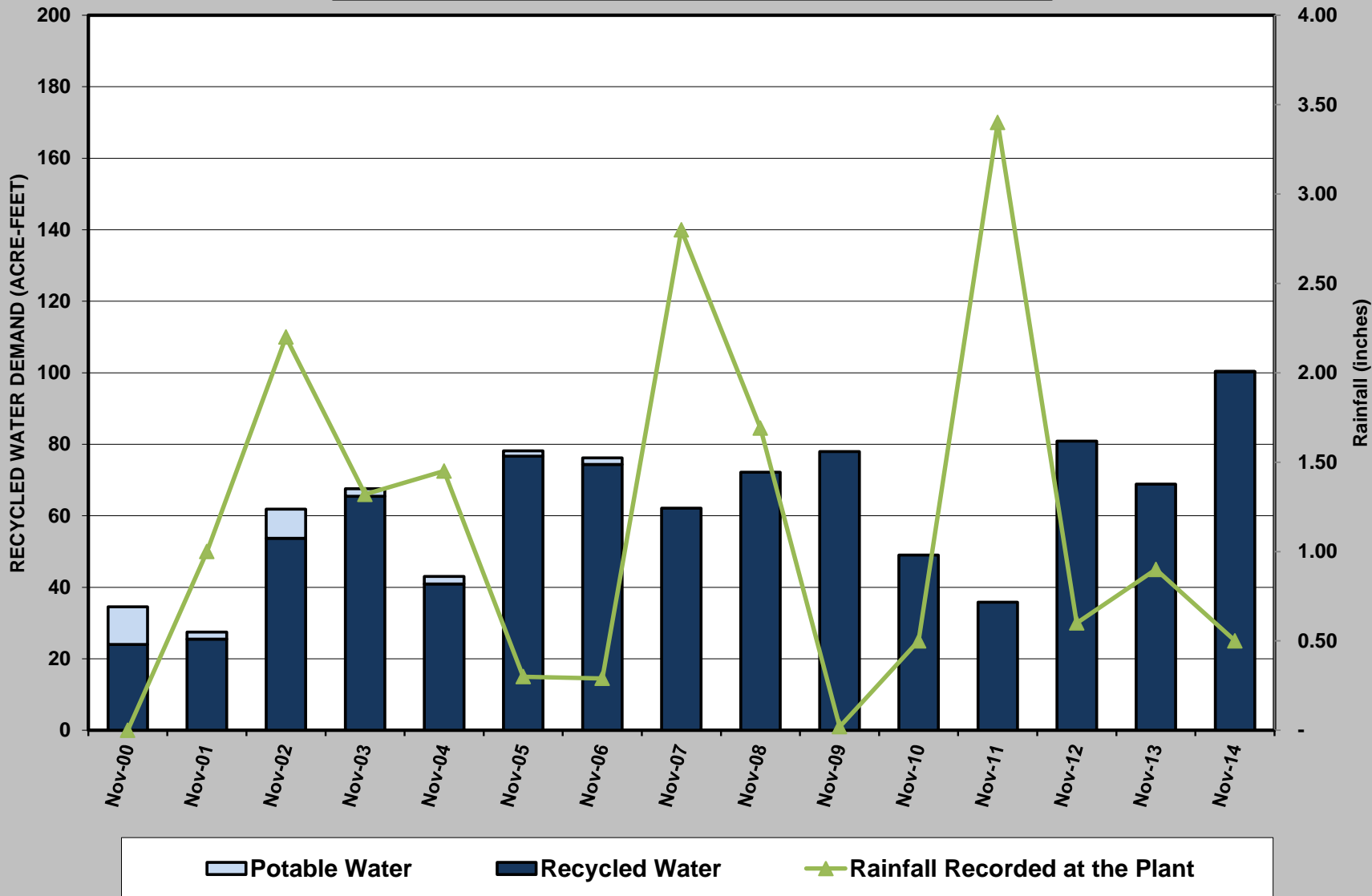


Figure 3 - NOVEMBER RECYCLED WATER DEMAND



SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

January 12, 2015

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: NEW BOARD MEMBER ORIENTATION

RECOMMENDATION

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

DISCUSSION

In 2015, the San Elijo Joint Powers Authority (SEJPA) will have two new Board Members joining the Board of Directors. Staff will provide a brief presentation on the organization, its history, mission, and key projects currently underway.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

January 12, 2015

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: ELECTION OF OFFICERS AND SCHEDULE OF BOARD MEETINGS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Appoint Chairperson and Vice Chairperson for the 2015 SEJPA Board of Directors;
2. Select regular meeting place and time for 2015; and
3. Discuss and take action as appropriate.


DISCUSSION

In accordance with Article 3 of the San Elijo Joint Powers Authority (SEJPA) formation agreement, the SEJPA Board is required to appoint a chairperson and vice chairperson and establish the time and place for its regular meeting by the second meeting of each calendar year. Historically, these appointments occur in January with a term period of one year. The SEJPA's regular meeting schedule has been generally set as 9:00 a.m. on the second Monday of each month, with no meeting in August. The regular meetings have been held at the San Elijo Water Reclamation Facility, located at 2695 Manchester Avenue, Cardiff-by-the-Sea, CA 92007. Should this be acceptable, the proposed listing of scheduled meetings for 2015 is attached.

It is therefore recommended that the Board of Directors:

1. Appoint Chairperson and Vice Chairperson for the 2015 SEJPA Board of Directors;
2. Select regular meeting place and time for 2015; and
3. Discuss and take action as appropriate.

Respectfully submitted,



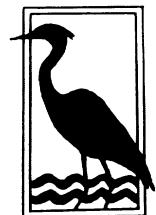
Paul F. Kinkel
Director of Finance and Administration

Attachment: Proposed 2015 Board Meeting Dates

BOARD OF DIRECTORS
San Elijo Joint Powers Authority

PROPOSED
2015 BOARD MEETING DATES

January 12
February 9
March 9
April 13
May 11
June 8
July 13
August – No Meeting
September 14
October 12
November 9
December 14



SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

January 12, 2015

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: SAN ELIJO OCEAN OUTFALL 2014 ANNUAL INSPECTION REPORT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Accept and file the San Elijo Ocean Outfall Year 2014 Annual Inspection Report prepared by Merkel & Associates, Inc.; and
2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Ocean Outfall was commissioned in 1965 to discharge treated effluent from the San Elijo Water Reclamation Facility. The outfall was upgraded and expanded in 1974 to include discharge capacity for the City of Escondido's Hale Avenue Resource Recovery Facility. The length of the outfall into the ocean is 8,000 feet with an end depth of approximately 150 feet below mean sea level. The diffuser section of pipe is composed of 1,176 feet of 48-inch pipe with 200 individual 2-inch diameter diffuser ports. The discharge of treated wastewater to the ocean is subject to strict environmental regulations that stipulate dilution requirements, distance from shore, and depth of water for which the effluent is discharged. To ensure that the ocean outfall is in sound operating condition and that environmental regulations are being met, the San Elijo Joint Powers Authority (SEJPA) inspects the outfall annually.

DISCUSSION

The SEJPA contracted with Merkel & Associates (Merkel) to complete the 2014 annual outfall inspection. Dive operations were conducted between September 16 and November 10, 2014. Diving staff conducted a general inspection of the outfall corridor from approximately the 100-foot ocean depth level to the shore where the pipeline becomes fully buried. Inspection activity was attentive to the following:

- Evidence of surface failure of exposed concrete;
- Cracks or other deficiencies in the outfall;

- Joint integrity;
- Leaks or evidence of degradation;
- Attrition or the loss of the ballast materials as a result of physical, biological, or geologic processes;
- Scour of the nearby marine sediments;
- Inspection of exposed portholes and pile supports;
- Evaluation of cathodic protection at exposed anodes; and
- Clearing kelp that hindered inspection activities or threatened ballast material.

Merkel reports that the San Elijo Ocean Outfall was found to be in excellent overall condition. Offshore areas of the outfall were stable and showed no signs of ballast movement; inshore ballast rock showed no significant signs of movement since the last reballasting project (2003). The outfall showed no signs of spalling, cracking, or other deficiencies in the concrete pipe. All observed joints were in alignment with no evidence of leaks. The near shore inspection revealed kelp growth on the pipeline and the surrounding ballast. The kelp was cleared to minimize the threat of ballast movement from the considerable buoyancy of the kelp.

The outfall was constructed with five access portholes that have metal covers. These covers use sacrificial zinc anodes for corrosion protection. The anodes on Portholes 1, 2, 3, 4, and 5 appear to have considerable mass remaining. The last anode installed was on porthole 4 in 2011.

During each annual inspection, efforts are made to inspect the 35 pile supports that secure the inshore section of the ocean outfall. Typically, these pile supports are covered by sand and cannot be inspected. This year, all of the supports were buried with very little metal showing. Anodes on all exposed pile supports except 26, 28, and 32 were in good condition and have considerable anode mass remaining. Cathodic Protection voltage readings taken from piles 26, 28, and 32 were lower than expected and additional investigation and maintenance has been scheduled for January 2015.

SUMMARY AND RECOMMENDATIONS

The following points summarize the major findings of this outfall inspection:

- In general, the San Elijo Ocean Outfall was found to be in excellent overall condition.
- Ballast rock shows no significant sign of movement since the last reballasting project.
- The outfall showed no signs of spalling, rust staining, or cracking and there was no leakage observed from pipe joints or any other location on the outfall.
- Anodes that were visible and could be inspected were in good condition and have considerable mass remaining.
- Overgrown kelp was completely removed from over the pipeline.
- The exposed pile supports surveyed during this inspection were found to have excellent cathodic protection, except for pile support 26, 28, and 32 (SEJPA is taking action to address this item).

The following items are recommendations for continued structural integrity and environmentally safe operation of the San Elijo Ocean Outfall:

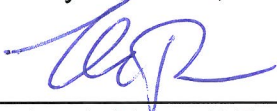
- Complete a Remote Operated Vehicle (ROV) survey of the diffuser section of the outfall pipe at least every two years.
- Continue to cut all kelp on the pipeline and ballast pile to minimize movement away from the pipeline.
- Monitor and inspect all visible pile support structures annually.
- Include the pipe protection cowling located at Station 09+75 in the annual pile support inspection.
- Continue to perform "rapid response" overview inspections after periods of extremely high surf or earthquakes in order to identify damage and potential for failure due to scour, high-velocity currents, or major seafloor movement.
- During future inspections, anodes should be replaced when they become ineffective against preventing corrosion to pipe and pile structures.
- Continue preventative maintenance and detailed inspections of the pipeline using diver and ROV surveys.

The full report and a video of the dive inspection is on file in the SEJPA office and available for review.

It is therefore recommended that the Board of Directors:

1. Accept and file the San Elijo Ocean Outfall Year 2014 Annual Inspection Report prepared by Merkel & Associates, Inc.; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Christopher A. Trees, P.E.
Director of Operations

Attachment: San Elijo Ocean Outfall Year 2014 Annual Inspection Project Summary,
Merkel & Associates, Inc., December 2014

**SAN ELIJO OCEAN OUTFALL
YEAR 2014 ANNUAL INSPECTION**

INSPECTION REPORT

December 2014

Prepared for:

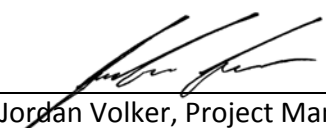
San Elijo Joint Powers Authority

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Jordan Volker, Project Manager



Keith Merkel, Principal Consultant

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SAN ELIJO OCEAN OUTFALL YEAR 2014 ANNUAL INSPECTION

Merkel & Associates, Inc.

December 2014

EXECUTIVE SUMMARY

Merkel & Associates, Inc. (M&A) performed the Year 2014 San Elijo Ocean Outfall annual inspection at the request of the San Elijo Joint Powers Authority (SEJPA) between September 16 and November 10, 2014. The purpose of the inspection was to look for evidence of spalling of the exposed concrete surfaces, cracks, or other signs of wear or degradation of the outfall structure, including inspecting joint integrity for leaks or evidence of degradation, evaluating for other potential hazards, and checking attrition or the loss of efficacy of the pipe ballast material. The inspection involved diver examination of the outfall inshore of the 100-ft isobath; evaluation of exposed portholes; evaluation of cathodic protection (CP) at exposed anodes; cross-section surveys and depth profiling inshore of Station 32+00; clearing of kelp and debris from the pipe and ballast; and a survey of exposed pile supports. Photo and video documentation were collected along the outfall inshore of the 100-ft isobath.

In general, the San Elijo Ocean Outfall was found to be in excellent overall condition. All areas offshore of Porthole 1 were stable and showed no signs of movement. Ballast rock inshore of Porthole 1 showed no significant signs of movement since the last reballasting project. The outfall showed no signs of spalling, rust staining, or cracking; and there was no leakage detected from pipe joints or any other locations on the outfall. Zinc anodes on all Portholes were present and have considerable anode mass remaining. Most of the exposed zinc anodes on pile supports have considerable anode mass remaining. Anodes on Pile Support 26 seem to be completely exhausted or are buried in the sand and have poor continuity between the anodes and where the pile support was tested. Pile Support 28's anode was not visible though given the marginal cathodic protection of the structure it is assumed to be in poor condition, lacking proper continuity between its anode and the pile support structure, or presently located in a primarily anaerobic environment where buried. Pile Support 32 seems to have poor continuity between its anode and where it was tested.

To ensure continued structural integrity and environmentally safe operation of the San Elijo Ocean Outfall, the following recommendations should be considered:

1. Anodes on Pile Support 26 need to be replaced or, if found to exist underneath the sand, should be serviced to provide positive connection between the anodes and piles as soon as possible. It is recommended to service or replace the anodes on Pile Support 28 in conjunction with the service on Pile Support 26. The conductor leads on Pile Support 32 should be cleaned and potentially replaced to ensure positive connection between the anode and piles.
2. The remaining observable cathodic protection anodes are in good service condition. These are expected to have multiple years of life under current conditions. As such, it is recommended that the anodes be inspected annually and replaced as needed when they reach 50 percent of their original mass.
3. Porthole 4 and Porthole 5 were excavated from misplaced ballast during prior survey years. At present, Porthole 4 remains at the bottom of a deeply excavated pit within the surrounding ballast. The porthole is located low enough in the ballast fill that it is regularly reburied by

bedding gravels placed to protect the pipe from the armor stone that was placed on top of the pipe. For ongoing ease of performing annual inspections, it is recommended that the overrunning fill be removed far enough away from the porthole to avoid the need for regular clearing of the porthole for inspection purposes.

4. The deeper reach of the pipe and the diffuser segment ports were not inspected during the present investigation. The general inspection and video inspection of this segment of pipe and the diffusers has been performed on alternating years and should continue. Good stationing control should continue to be used over this section to aid in examination of pipe conditions during video playback.
5. SEJPA should continue to perform “rapid-response” overview inspections after periods of extremely high surf or significant seismic events to identify damage and potential for failure due to scour, high-velocity currents, or major seafloor movements. SEJPA should also continue preventive maintenance and detailed annual inspections of the entire pipeline using diver and ROV video surveys.

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

January 12, 2015

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CONSIDER APPROVAL OF THE LOCAL PROJECT PARTICIPANT AGREEMENT WITH THE OLIVENHAIN MUNICIPAL WATER DISTRICT FOR THE NORTH SAN DIEGO COUNTY REGIONAL RECYCLED WATER PROJECT - PHASE II

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to execute the Local Project Participant Agreement; and
2. Discuss and take action as appropriate.

BACKGROUND

Integrated Regional Water Management Planning (IRWMP) was originally derived from Proposition 50, which was passed by California voters in 2002. Proposition 50 stated that IRWM plans should include a description of each region and its participants, regional objectives and priorities, water management strategies, implementation, impacts and benefits, data management, financing, stakeholder involvement, relationship to local planning, and state and federal coordination.

The State of California has since encouraged integrated water resource planning on a regional basis through IRWM plans and by making certain grant funding programs conditional upon activities contained in IRWMPs.

Several such programs were authorized in 2006 by Proposition 84 (The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act). Proposition 84 authorized \$5.388 billion in general obligation bonds to fund safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and water conservation efforts.

In 2007, the San Diego Regional Water Management Group (comprised of the San Diego County Water Authority, City of San Diego, and County of San Diego) collaborated with the

Regional Advisory Committee (comprised of water and environmental management stakeholders throughout the San Diego region) to draft the San Diego Integrated Regional Water Management Plan. Completed in late 2007 and subsequently adopted by members of the Regional Water Management Group, the plan seeks to optimize water supply reliability, protect and enhance water quality, provide stewardship of natural resources, and coordinate and integrate water resource management within the region. Additionally, the plan forms the foundation of long-term IRWM planning in the region, fostering coordination, collaboration, and communication among governmental and non-governmental water management stakeholders.

In August 2010, the SEJPA submitted for consideration two projects to the Regional Water Management Group for the San Diego region's Round 1 Proposition 84 IRWM grant application. The first project, North San Diego County Cooperative Demineralization, the SEJPA served as the lead agency with the Olivenhain Municipal Water District (OMWD) and the San Elijo Lagoon Conservancy as project partners. The second project, North San Diego County Regional Recycled Water Project (NSDCRRWP), OMWD served as the lead agency and the SEJPA was one of nine partner agencies. Both projects were selected for IRWM San Diego grant funding. Project details include:

- The North San Diego County Cooperative Demineralization Project included the Advanced Water Purification project (AWP) at the San Elijo Water Reclamation Facility, storm water recycling facilities, water pollution monitoring in the San Elijo Lagoon, and OMWD's San Elijo Ground Water Project. The total award value is \$1.05 million, which SEJPA will receive approximately \$830,000. This project is now complete.
- The NSDCRRWP - Phase I. This project is a collaborative effort of ten North County cities, water, and wastewater agencies focused on developing infrastructure for expanding recycled water supply and use. The total award value for Phase I is \$1.455 million, which funds the NSDCRRWP's Programmatic Environmental Impact Report, public outreach plan, and project feasibility study, while also allocating approximately \$90,000 to each partner agency for the purposes of planning or construction of individual subprojects. SEJPA received approximately \$90,000 for the AWP project.

In 2012, the NSDCRRWP project partners submitted "Phase II" for consideration in the region's Round 2 Proposition 84 IRWM grant application. Phase II of the NSDCRRWP contained one subproject to be managed by each partner agency. OMWD's subproject is the Village Park Recycled Water Project and SEJPA's subproject is construction of the pipeline that will connect its distribution system to Wiegand Reservoir to supply Village Park. Other agency subprojects include pipelines, pumping stations, and other infrastructure to move recycled water from treatment facilities to end users.

The NSDCRRWP partner agencies—now collectively known as the North San Diego Water Reuse Coalition—were notified on November 30, 2012 that the Phase II Project was recommended by the Regional Water Management Group to receive a grant award of \$3.45 million.

DISCUSSION

The Round 2 Proposition 84 IRWM grant agreement was executed on August 6, 2014, between the California Department of Water Resources and the San Diego County Water Authority (SDCWA) acting as the representative for the San Diego IRWMP. This allows the SDCWA to receive the grant funding from the State and distribute payments to the local project sponsors

through a local project sponsor agreement. For projects that include multiple agencies or entities, the local project sponsor (or lead agency) must also enter into grant agreement with the partnering agencies (referred to as the local project participants).

For North San Diego County Regional Recycled Water Project – Phase II, OMWD will to be the Local Project Sponsor (similar to Phase I). Attachment 1 is the Local Project Participants Agreement between the SEJPA and OMWD for this project.

The Local Project Participant Agreement establishes the terms of the grant agreement and responsibilities of the local project participant. The agreement is intended to ensure that the work elements, as proposed by each project partner in the grant application, is completed to an acceptable standard as defined by the granting agency. Grant funding will be on a reimbursement basis, based on grant agreement adherence and acceptability of work.

Additionally, the local project participant agreement outlines the method through which the grant award will be divided among agencies. The grant funds are intended to fund in whole the project management, Programmatic Environmental Impact Report, and feasibility study for the project, as well as the administrative expenses by SDCWA and OMWD as permitted by SDCWA's grant agreement with the Department of Water Resources. Funds that remain will be distributed evenly among project partners to be applied to individual subprojects.

FINANCIAL IMPACT

There are no direct costs associated with the execution the local project participant agreement. The NSDCRRWP Phase II grant award is valued at \$3.452 million. Each partner agency of the project, will receive an equivalent portion of the grant award. The value of this award to SEJPA is approximately \$345,200, less administrative expense, which will be applied to construction of the Village Park Recycled Water Project. Failure to execute the agreement will jeopardize SEJPA's ability to access this grant funding.

It is recommended that the Board of Directors:

1. Authorize the General Manager to execute the Local Project Participant Agreement; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael Thornton, P.E.
General Manager

Attachment 1: Agreement for the Integrated Regional Water Management Program Between Olivenhain Municipal Water District and Local Project Participants – Project No. 1-80013.

ATTACHMENT 1

AGREEMENT for the INTEGRATED REGIONAL WATER MANAGEMENT PROGRAM BETWEEN OLIVENHAIN MUNICIPAL WATER DISTRICT AND LOCAL PROJECT PARTICIPANTS PROJECT NO. 1-80013

This Agreement between Olivenhain Municipal Water District, a Municipal Water District organized and operating pursuant to Water Code Sections 71000 et seq. and Local Project Sponsor (hereinafter OMWD); and Carlsbad Municipal Water District (Carlsbad), the City of Escondido (Escondido), Leucadia Wastewater District (Leucadia), the City of Oceanside (Oceanside), Rincon del Diablo Municipal Water District (Rincon), San Elijo Joint Powers Authority (SEJPA), Santa Fe Irrigation District (Santa Fe), Vallecitos Water District (Vallecitos), and Vista Irrigation District (Vista) (collectively Local Project Participants, or LPP), sets forth the understanding of OMWD and the Local Project Participants for partnership and uses of a grant award from the State of California Department of Water Resources (DWR) via local grant administrator, the San Diego County Water Authority (SDCWA).

RECITALS

1. In November 2006, California voters approved the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), which authorized \$5.388 billion in general obligation bonds to fund safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and water conservation efforts.

2. In 2010, OMWD and LPPs came together in order to encourage the beneficial reuse of wastewater across jurisdictional boundaries. The North San Diego County Regional Recycled Water Project (NSDCRRWP) is a project included in the San Diego IRWM Plan. Participants in the project are OMWD and LPPs.

3. In September 2011, SDCWA, the City of San Diego and the County of San Diego entered into a Memorandum of Understanding (MOU) for Fiscal Years 2012-2016 Grant Program that established the San Diego Regional Water Management Group (RWMG), and the parties' roles with regard to the San Diego Integrated Regional Water Management (IRWM) Plan and the division of responsibilities for administration of IRWM grant monies.

4. Effective December 12, 2012, SDCWA, acting on behalf of the San Diego RWMG, entered into a \$ 7.9 million grant agreement with DWR for Prop 84, Funding Round 1. The San Diego RWMG committed a total of \$1.455 million of this award to the planning phase of the NSDCRRWP.

5. In July 2012, DWR solicited for projects for a second round of grants to be funded by Proposition 84. The implementation phase of the NSDCRRWP was included in the Round 2 San Diego IRWM Plan. In September 2013, the IRWM Plan was adopted by the RWMG.

6. Effective August 2014, SDCWA, acting on behalf of the San Diego RWMG, entered into a grant agreement with DWR in the value of \$10,511,225. The grant will assist in financing projects associated

with the San Diego IRWM Plan. The San Diego RWMG has committed a total of \$3.452 million in funds to the NSDCRRWP provided via the grant agreement. The grant agreement is attached as Exhibit B.

7. On October 16, 2014, OMWD entered into the Grant Agreement for the Integrated Regional Water Management Program Related to Proposition 84, Implementation Grants Between San Diego County Water Authority and Olivenhain Municipal Water District, Project Number 1-80013 (Local Project Sponsor agreement)(attached hereto as Exhibit A). In the capacity of Local Project Sponsor, OMWD is required to act on SDCWA's behalf for matters pertaining to the NSDCRRWP for the purposes of project management, oversight, compliance, operations, and maintenance. OMWD is also required to act on SDCWA's behalf in the fulfillment of SDCWA's responsibilities as specifically identified in SDCWA's agreement with DWR.

The Recitals are incorporated herein and, the Parties do agree as follows:

COVENANTS

1. **Intent.** Parties agree that the intent of this Agreement and the terms established herein are to facilitate the compliance of OMWD, in its role as Local Project Sponsor, with all terms and conditions established in the Local Project Sponsor agreement. Additionally, it is the intent of this Agreement that grant funds received via the grant agreement less permissible project administration fees to be allocated to OMWD and SDCWA will be divided equally among OMWD and LPPs, and that costs associated with compliance with the Local Project Sponsor agreement incurred prior or subsequent to the execution of this Agreement shall be borne equally by OMWD and LPPs.

2. **Definitions.** The following words and terms, unless otherwise defined, shall mean:

a. Local Project Participant (LPP): Sponsor of subprojects funded as part of the IRWM grant from DWR that are not serving as Local Project Sponsor. For purposes of this Agreement, LPPs are Carlsbad, Escondido, Leucadia, Oceanside, Rincon, SEJPA, Santa Fe, Vallecitos, and Vista.

i. Marine Corps Base Camp Pendleton (Camp Pendleton) is not an LPP. Camp Pendleton, as a federal military installation, is governed by different legal and fiscal authorities than the LPPs. However, it is the intention of OMWD and the LPPs to cooperatively share information and resources to facilitate the integration of Camp Pendleton's recycled water infrastructure and tertiary treated effluent into the regional recycled water treatment and distribution systems of northern San Diego County. Camp Pendleton will serve as a non-voting member of the partnership which will not seek or accept non-federal funds through this Agreement, but will instead coordinate, and support—where appropriate—the efforts of the LPPs to obtain funding and develop recycled water infrastructure and capabilities in northern San Diego County.

b. Grant agreement: Grant agreement 4600010589 between SDCWA and DWR, effective August 6, 2014, for the disbursement of \$10,511,225 in grant funds.

c. Local Project Sponsor agreement: the Grant Agreement for the Integrated Regional Water Management Program Related to Proposition 84, Implementation Grants Between San Diego County Water Authority and Olivenhain Municipal Water District, Project Number 1-80013, executed by OMWD October 16, 2014, requiring OMWD to fulfill certain responsibilities and duties pertaining to the NSDCRRWP in order to ensure SDCWA's performance with the terms of the grant agreement.

d. Project or NSDCRRWP: The North San Diego County Regional Recycled Water Project, a project listed in the grant agreement for which OMWD serves as the Local Project Sponsor. Subprojects are individual elements of the NSDCRRWP on which work will typically be carried out by one individual LPP.

3. Term of Agreement. The term of this Agreement begins on October 16, 2014 and terminates June 30, 2019 or when all parties' obligations under this Agreement have been fully satisfied.

4. Grant amount. The maximum amount payable by DWR to SDCWA for the NSDCRRWP shall not exceed \$3,452,000. As LPS, OMWD will facilitate the distribution of grant funds to LPPs according to the terms of this Agreement.

5. Project costs. The reasonable total cost of all subprojects of the NSDCRRWP is estimated to be \$16,201,662. LPPs shall fund the difference, if any, between the estimates of their respective subproject's cost and the portion of the grant amount to which each LPP is entitled specified in paragraph 9. Each LPP is only responsible for funding the difference for its subproject. Total cost share for the NSDCRRWP is estimated to be \$12,749,662. LPP funding match is at least 25 percent of the total project costs, unless a disadvantaged community project waiver is granted. Costs eligible to be considered part of a funding match may include cost share performed after September 30, 2008. Costs paid for by another state funding source cannot be considered as a funding match.

Additional Cost Share is the amount necessary to fund the project above the Grant Amount and the Funding Match. Additional Cost Share for the project is estimated to be \$6,717,662. Additional Cost Share will not be reviewed by DWR or SDCWA for invoicing purposes; however, LPPs are required to submit all financial records associated with the project to OMWD in accordance with the invoicing procedures described in paragraph 10, "Invoices."

6. Budget contingency.

a. OMWD and LPPs shall have no obligation to perform under this Agreement if DWR does not provide funding for the IRWM program. LPPs acknowledge that if funding for any fiscal year is reduced or deleted by DWR, DWR at its option may either (1) cancel the grant agreement with no liability occurring to DWR, SDCWA, and OMWD, or (2) amend the grant agreement to reflect the reduced amount of funding. If DWR amends the grant agreement, SDCWA would offer to amend or terminate the Local Project Sponsor agreement to reflect the reduced funding by DWR. Following amendment or termination of the Local Project Sponsor agreement, OMWD

would offer to amend or terminate this Agreement to reflect termination or amendment of the Local Project Sponsor agreement.

b. If funding is deleted by DWR, OMWD shall have no obligation to continue to serve as Local Project Sponsor and this Agreement shall be of no force and effect. In this event, LPPs shall not be obligated to perform under the Agreement.

7. Local Project Participant responsibilities.

a. LPP shall faithfully and expeditiously perform or cause to be performed all project work as described in and in accordance with this Agreement, the grant agreement, and the IRWM program. LPP shall comply with all of the terms and conditions of this Agreement and applicable California Public Resources Code (PRC) requirements.

b. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this LPP agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by LPP in the grant application, documents, amendments, and communications filed in support of the request for Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 financing.

c. Comply with all applicable California laws and regulations.

d. Implement the subproject(s) in accordance with applicable provisions of the law.

e. Fulfill its obligations under the LPP, LPS, and Grant Agreements, and be responsible for the performance of its subproject.

f. LPP shall be solely responsible for work and for persons or entities engaged in work, including, but not limited to, subcontractors, suppliers, and all providers of services under this Agreement. LPP shall fulfill its obligations in a manner that is consistent with the grant agreement and the IRWM program.

g. LPP shall be responsible for all disputes arising out of its contracts for work including, but not limited to, bid disputes and payment disputes with its contractors and consultants or other entities. DWR, SDCWA, or OMWD will not mediate disputes between LPP and any other entity regarding performance of work.

h. LPP shall be responsible for oversight, compliance, operations, and maintenance of NSDCRRWP subprojects. LPP or its representatives shall perform regular inspections of any construction work in progress. LPP shall promptly perform, or cause to be performed, all IRWM program work as described in the final plans and specifications for the subprojects identified in Exhibit A.

i. LPP is solely responsible for design, construction, and operation and maintenance of subprojects identified in Exhibit A. Review or approval of plans, specifications, bid documents, or other construction documents by DWR, SDCWA, or OMWD is solely for the purpose of proper administration of grant funds and shall not relieve or limit responsibilities of LPP with regard to its contractual obligations.

j. LPP shall be responsible for funding an equivalent portion of any post-award administrative costs, not directly related to subprojects, that are incurred in order to maintain compliance with the Local Project Sponsor agreement, including but not limited to post-completion audits conducted at the discretion of SDCWA and/or DWR.

8. Basic Conditions. OMWD shall have no obligation to disburse money for a project under this Agreement unless LPP has satisfied the following conditions in accordance with the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

a. If requested, LPP shall demonstrate the availability of sufficient funds to complete the project by submitting the most recent 3 years of audited financial statements.

b. For groundwater management and recharge projects and for projects with potential groundwater impacts, the LPS shall demonstrate compliance with the groundwater compliance options set forth on page 15 of the IRWM Program Guidelines, dated November 2012.

c. For the term of this Agreement, LPP must submit timely Quarterly Progress Reports as required by Section 24 of this Agreement.

9. Eligible costs.

a. OMWD and each LPP are entitled to an equivalent portion of the grant funds less permissible project administration fees to be allocated to OMWD and SDCWA. These entitlements are contingent upon the fulfillment by OMWD and each LPP of portions of the minimum local match required by the grant agreement and shown in Exhibit B of the LPS agreement.

b. Eligible costs include the reasonable and necessary costs of engineering, design, land and easement acquisition, preparation of environmental documentation, environmental mitigation, and construction.

c. Only work performed after February 4, 2014 shall be eligible for reimbursement. Costs incurred after June 30, 2019 and before February 4, 2014 are not eligible for reimbursement. However, such costs may be considered, at DWR's discretion, as part of LPP's funding match, if such costs were otherwise reimbursable.

d. Costs that are not reimbursable with grant funds include, but are not limited to, the following:

- Costs incurred before February 4, 2014.
- Operation and maintenance costs, including post construction performance and monitoring costs.
- Purchase of equipment not an integral part of a subproject.
- Establishing a reserve fund.
- Purchase of water supply.
- Monitoring and assessment costs for efforts required after project construction is complete.
- Replacement of existing funding sources for ongoing programs.
- Travel and per diem costs (per diem includes subsistence and other related costs).
- Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a subproject, as set forth and detailed by engineering and feasibility studies, or land purchased before February 4, 2014.
- Payment of principal or interest of existing indebtedness or any interest payments for the subproject unless the debt is incurred after February 4, 2014, and SDCWA agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs.
- Overhead not directly related to project costs.

10. **Invoices.** LPP shall submit invoices to OMWD as eligible costs are incurred, which shall in turn send the invoices to SDCWA. Invoices submitted by LPP to OMWD shall include the following information:

a. Costs incurred for work performed in implementing a subproject during the period identified in the particular invoice.

b. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a subproject during the period identified in the particular invoice for the construction, operation, or maintenance of a subproject.

c. Invoices shall be submitted on forms provided by OMWD and shall meet the following format requirements:

i. Must contain the date of the invoice, the time period covered by the invoice, and the total amount due.

ii. Must be itemized based on categories (i.e., tasks) as shown in the project budget in Exhibit A. The amount claimed for salaries/wages/consultant fees must list the a classification or title of each staff/consultant claiming labor costs and include a

calculation formula (i.e., hours or days worked times the hourly or daily rate equals the total amount claimed).

iii. Sufficient evidence (e.g., receipts, copies of checks, time sheets) as determined by OMWD, SDCWA, and DWR must be provided for all costs included in the invoice. Additional Cost Share shall be accounted for separately in the progress reports.

iv. Shall clearly delineate those costs claimed for reimbursement from DWR's grant amount, paragraph 4 above, and those costs that represent LPP's Funding Match, as applicable, paragraph 5 above.

v. OMWD will notify LPP in a timely manner when, upon review of an invoice, OMWD, SDCWA, or DWR determine that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to OMWD, SDCWA, or DWR. LPP may, within eight calendar days of such notice, submit additional documentation to SDCWA to cure such deficiency(ies). If LPP fails to submit adequate documentation curing the deficiency(ies), OMWD or SDCWA will adjust the pending invoice by the amount of ineligible or unapproved costs.

11. Requirements for disbursement.

a. By June 30, 2019, LPP shall meet all conditions precedent to the disbursement of money as listed below. Failure by LPP to comply by this date may, at the option of OMWD, result in termination of this Agreement. For disbursements of funds for each subproject, LPP shall continue to meet the conditions for disbursement, paragraph 12, "Disbursement by OMWD."

i. LPP shall ensure the availability of sufficient funds to complete the subprojects identified in Exhibit A.

ii. LPP shall comply with all applicable requirements of the California Environmental Quality Act and the National Environmental Policy Act, where applicable. If applicable, before construction or implementation begins on a subproject, LPP shall submit to OMWD copies of environmental documents, including environmental impact reports, environmental impact statements, negative declarations, mitigation agreements, and environmental permits that are required.

iii. For the term of the Agreement, LPP shall submit timely periodic progress reports as required by paragraph 24, "Submission of reports."

b. Before disbursement of funds for each subproject, LPP shall submit the following to OMWD, if applicable:

i. Final plans and specifications certified by a California Registered Civil Engineer.

ii. Documents required by the LPP's subproject under the California Environmental Quality Act (CEQA).

iii. Documents demonstrating subproject's compliance with all applicable requirements of the National Environmental Policy Act, where applicable (e.g., copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation).

iv. A written statement that all necessary permits, easements, rights-of-way, and approvals as may be required by other state, federal, and/or local agencies as specified in paragraph 23, "Permits, licenses, approvals, and compliance with laws," have been obtained.

12. Disbursement by OMWD. Upon receipt of reimbursement from SDCWA for costs incurred by OMWD and LPPs, OMWD will distribute grant funds to each agency equal to the amounts invoiced by each LPP less permissible project administration fees. OMWD and each LPP are entitled to an equivalent portion of the grant funds less permissible project administration fees to OMWD and SDCWA. These grant funds are subject to the conditions described in the grant agreement and the Local Project Sponsor agreement and must meet all conditions in this Agreement.

13. Compliance with terms. LPP shall comply with all terms and conditions of the grant agreement and Local Project Sponsor agreement, as applicable. LPP shall comply with all requirements imposed upon OMWD under the Local Project Sponsor agreement, as applicable, unless otherwise specified in this Agreement. OMWD shall possess all rights afforded SDCWA and/or DWR by the Local Project Sponsor agreement, as applicable, unless otherwise specified in this Agreement.

14. Amendment. All amendments or modification of this Agreement shall be in writing and signed by the parties. No oral understanding or agreement not incorporated in the Agreement is binding on the parties.

15. Audits. OMWD reserves the right to conduct an audit of LPP at any time between the execution of this Agreement and the completion of the grant agreement program, with the costs of the audit to be borne by SDCWA or DWR. Following completion of the project, SDCWA and/or DWR may require OMWD to conduct a final audit or may perform the audit at OMWD's expense. Costs incurred by OMWD for audits performed up to three years after project completion will be divided evenly among OMWD and LPPs. For post completion audits initiated by SDCWA, costs of an independent auditor firm will be borne by SDCWA provided that no misappropriation of funds is discovered as a result of such audit. Failure or refusal by LPP to comply with this provision shall be considered a breach of this Agreement, and OMWD, SDCWA, and DWR may take any action to protect their interests.

LPPs shall be subject to the examination and audit of the California State Auditor and/or SDCWA for a period of three years after completion of the grant agreement. All records of LPPs and their

subcontractors shall be preserved for at least three years after completion of the grant agreement or through June 30, 2022, whichever is later.

16. **Disposition of equipment.** LPP shall consult with OMWD on the scope of the inventory not less than 60 days before the submission of the final subproject invoice. Not less than 30 days before submission of its final invoice, LPP shall provide to OMWD a final inventory of equipment purchased with grant funds. The inventory shall include all items with a current estimated fair market value of more than \$5000 per item. Within 60 days of receipt of the inventory, DWR will provide SDCWA with a list of the items on the inventory to which DWR will take title. All other items shall become the property of LPP. DWR will arrange for delivery from LPP of items to which it takes title. Cost of transportation, if any, will be borne by DWR.

17. **Independent capacity.** In the performance of this Agreement, LPP, its officers, agents, contractors, volunteers, and employees, shall act in an independent capacity and not as officers, employees, or agents of DWR, SDCWA, or OWMD.

18. **No third party rights.** The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation or undertaking established herein.

19. **Severability of unenforceable provision.** If any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, all other provisions of this Agreement shall be construed to remain fully valid, enforceable, and binding on the parties.

20. **Successors and Assigns.** This Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Agreement or any part thereof, rights hereunder, or interest herein by LPPs shall be valid unless and until it is approved in writing by DWR and made subject to such reasonable terms and conditions as DWR may impose.

21. **Timeliness.** Time is of the essence in this Agreement.

22. **Default provisions.**

a. LPP will be in default under this Agreement if any of the following occur:

- Failure to perform any material term of this Agreement;
- Making any false representation or statement;
- Failure to construct, operate, or maintain subprojects in accordance with this Agreement;
- Failure to submit in a timely manner information on subprojects to be included in progress reports to SDCWA;
- Failure to submit in a timely manner cost information to be included in invoices to SDCWA; or
- Failure to remit unexpended funds.

b. If an event of default occurs, OMWD may do the following:

- Declare that the grant amounts be repaid immediately, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default;
- Terminate any obligation to make future payments to LPP;
- Terminate this Agreement; and
- Take any other action that it deems necessary to protect its interests.

23. Permits, licenses, approvals, and compliance with laws. LPP shall ensure all permits, licenses, and approvals required for performing their obligations under this Agreement are obtained, including those necessary to perform, design, construct, or operate and maintain subproject. LPPs shall comply with all applicable federal, state, and local laws, rules, and regulations, guidelines, specifically including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances, and also specifically including the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C., 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA and requirements for each project described in Exhibit A.

24. Submission of reports. All reports shall be submitted to OMWD or its designee. The submittal and approval of all reports is a requirement for the successful completion of this Agreement. Reports shall be submitted in electronic form, shall meet generally accepted professional standards for technical reporting, and shall be proofread for content and accuracy before submission. LPP shall promptly provide any additional information requested by OMWD, SDCWA, or DWR for approval of reports. Reports shall be presented in the formats described in Exhibit A. The submittal and approval of reports is a requirement for initial and continued disbursement of DWR funds. Submittal of a Project Completion Report is a requirement for the release of any retention.

- Quarterly Reports: Beginning in the first quarter after signing this Agreement and for the duration of the grant agreement, LPP shall submit to OMWD a quarterly report that explains the status of each subproject described in Exhibit A. Reports shall be submitted seven calendar days after the end of the previous quarter. OMWD will notify LPPs of the quarter period cycle once the determination is made by SDCWA.
- Project Completion Reports: Within 45 calendar days of completion of all project tasks, LPP shall submit to OMWD a Project Completion Report for each subproject as described included in Exhibit A.
- Project Performance Reports: LPP shall submit a Project Completion Report for its respective subproject to OMWD within 45 calendar days after the first operational year of the project has elapsed, in accordance with Exhibit A. This record-keeping and reporting process shall be repeated for each project annually for a total of 10 years after the completed project begins operation.

25. IRWM Program Performance and Assurances. LPP agrees to promptly perform or cause to be performed all IRWM Program work as described in the final plans and specifications for its subproject and implement the subproject in accordance with applicable provisions of the law. If OMWD and/or SDCWA must enforce this provision by legal action, LPP shall pay all costs incurred by OMWD and/or SDCWA including, but not limited to, reasonable attorneys' fees, legal expenses, expert fees, and other costs.

26. Labor compliance. LPP agrees to comply with all applicable California Labor Code requirements. LPP must, independently or through a third party, adopt and enforce a Department of Industrial Relations-certified Labor Compliance Program (LCP) meeting the requirements of Labor Code section 1771.5 for projects funded by Proposition 84 (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006; PRC sections 75075 *et seq.*). Proof of compliance with this section must be furnished to OMWD upon request.

27. Operation and maintenance of projects.

a. For the useful life of the projects and in consideration of the grant made by DWR, LPP shall ensure the commencement and continued operation of the subproject(s), and shall ensure the subprojects are operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary for the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. All operations and maintenance costs of the facilities and structures shall be the responsibility of LPP for its subproject(s). DWR, SDCWA, or OMWD shall not be liable for any cost of maintenance, management, or operation.

b. For purposes of this Agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures, and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of LPP to ensure operation and maintenance of the subprojects in accordance with this provision may, at the option of OMWD, be considered a breach of this Agreement and may be treated as default under paragraph 22.

28. Monitoring requirements. LPP shall ensure that all groundwater subprojects and subprojects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76, commencing with Section 10780 of Division 6 of the Water Code). Where applicable, subprojects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by State Water Resources Control Board. Exhibit A provides guidance on such monitoring requirements.

29. Notification of OMWD. For each subproject, LPP shall promptly notify OMWD in writing of the following occurrences:

a. Events or proposed changes that could affect the scope, budget, or work performed under this Agreement. LPP agrees that no substantial change in the scope of a subproject will be undertaken until written notice of the proposed change has been provided to OMWD and OMWD has given written approval of such change.

b. Any public or media event publicizing the accomplishments or results of this Agreement that provides the opportunity for OMWD, SDCWA, or DWR representatives to attend and participate. LPP shall notify OMWD at least 28 calendar days before the event.

c. Completion of work on a subproject.

d. Final inspection of a subproject by a California Registered Professional (Civil Engineer or Geologist, as appropriate). LPP shall notify DWR, SDCWA, and OMWD at least 28 calendar days before the inspection and provide DWR, SDCWA, and OMWD the opportunity to participate in the inspection.

30. Project managers. Any party may change its Project Manager upon written notice to the other parties.

- DWR's Project Manager shall be the Chief, Division of Integrated Regional Water Management, Department of Water Resources. DWR's Project Manager shall be DWR's representative and shall have the authority to make determinations and findings with respect to each controversy arising under or in connection with the interpretation, performance, or payment for work performed under DWR grant agreement.
- SDCWA's Project Manager shall be Mark Stadler, Principal Water Resources Specialist. SDCWA's Project Manager shall be its representative for the administration of this Agreement and shall have full authority to act on behalf of SDCWA, including authority to execute all payment requests.
- OMWD's Project Manager, Kimberly Thorner, shall be its representative for the administration of this Agreement and shall have full authority to act on behalf of OMWD including authority to execute all payment requests.

31. Notices. All notice, demand, request, consent, or approval that any party desires or is requested to give to one or more of the other parties shall be in writing. Notices may be sent by mail, courier, electronic mail, or any other means of delivery. Any party may, by written notice to the others, designate a different address that shall be substituted for the one below.

State of California
Department of Water Resources
Division of Integrated Regional Water Management
Attention: Chief, Division, of Integrated Regional Water Management Financial
Assistance Branch
P.O. Box 942836
Sacramento, CA 94236-0001

Mark Stadler
Principal Water Resources Specialist
San Diego County Water Authority
4677 Overland Avenue
San Diego, CA 92123

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

Wendy Chambers
General Manager
Carlsbad Municipal Water District
5950 El Camino Real
Carlsbad, CA 92008

Chris McKinney
Director of Utilities
City of Escondido
201 North Broadway
Escondido, CA 92025

Paul Bushee
General Manager
Leucadia Wastewater District
1960 La Costa Avenue
Carlsbad, CA 92009

Cari Dale
Water Utilities Director
City of Oceanside
300 North Coast Highway
Oceanside, CA 92054

Greg Thomas
General Manager
Rincon del Diablo Municipal Water District
1920 North Iris Lane
Escondido, CA 92026

Michael Thornton
General Manager

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff, CA 92007

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

Dennis Lamb
General Manager
Vallecitos Water District
201 Vallecitos de Oro
San Marcos, CA 92069

Roy Coox
General Manager
Vista Irrigation District
1391 Engineer Street
Vista, CA 92081

32. Termination, immediate repayment, interest. The Agreement may be terminated by written notice at any time before completion of the IRWM Program at the option of OMWD, SDCWA, or DWR if LPP breaches the Agreement, and has been asked to cure the breach within a reasonable time and fails to do so. If the Agreement is terminated, LPP shall, upon demand, immediately repay to DWR an amount equal to the amount of grant funds disbursed to LPP. Interest shall accrue on all amounts due at the State of California's general obligation bond interest rate from the date that notice of termination is mailed to LPP to the date of full repayment.

33. Indemnification.

a. To the fullest extent permitted by law, LPP shall (1) immediately defend, and (2) indemnify and hold harmless OMWD, SDCWA, and DWR and their directors, officers, and employees from and against all liabilities including inverse condemnation regardless of nature or type arising out of or resulting from LPP's performance of services under this contract, or any negligent or wrongful act or omission of the LPP or LPP's officers, employees, agents, or subcontractors. Liabilities subject to the duties to defend and indemnify include, without limitation all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. The LPP's obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole negligence or willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the

comparative active negligence or willful misconduct of an indemnified party, the LPP indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

b. The duty to defend is a separate and distinct obligation from the LPP's duty to indemnify. The LPP shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by OMWD, SDCWA, and DWR, and their directors, officers, and employees, immediately upon tender to the LPP of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of comparative active negligence or willful misconduct by an indemnified party does not relieve the LPP from its separate and distinct obligation to defend OMWD, SDCWA, and DWR. The obligation to defend extends through final judgment, including exhaustion of any appeals.

c. The review, acceptance, or approval of LPP's work or work product by any indemnified party shall not affect, relieve, or reduce the LPP's indemnification or defense obligations. This section survives completion of the services or the termination of this contract. The provisions of this section are not limited by and do not affect the provisions of this contract relating to insurance.

d. LPP shall require its contractors or subcontractors to name OMWD, SDCWA, and DWR, its officers, agents, and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.

34. Insurance.

a. The LPP shall procure and maintain during the period of performance of this Agreement insurance from insurance companies admitted to do business in the State of California, as set forth in this section or as additionally required by supplemental condition. An approved combination of pooled and self-insurance coverage is an acceptable alternative for general liability, automobile coverage, or workers compensation. These policies shall be primary insurance as to OMWD so that any other coverage held by OMWD shall not contribute to any loss under LPP's insurance. Coverage may be provided by a combination of primary and excess insurance policies, provided all insurers meet the requirements of this section.

b. All insurance shall cover occurrences during the coverage period.

c. The coverage amount of each policy of insurance shall be as required by OMWD.

i. The following insurance and limits are required for the contract:

Commercial General Liability: Coverage at least as broad as ISO form GC
00 01 10 01

Limit per occurrence: \$2,000,000

d. The insurance policies shall be endorsed as follows:

i. For the general commercial liability as well as excess or umbrella insurance covering risks within the scope of that type insurance, OMWD, its directors, officers, employees and agents are included as additional insureds with regard to liability and defense of suits or claims arising from the operations, products and activities performed by or on behalf of the named insured. The LPP's insurance applies separately to each insured, including insureds added pursuant to this paragraph, against whom claim is made or suit is brought except with respect to the policy limits of liability. The inclusion of any person or entity as an insured shall not affect any right which the person or entity would have as a claimant if not so included. Any failure of the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the insureds added pursuant to this paragraph. The additional insured endorsement shall provide coverage at least as broad as ISO form CG 20 10 10 93.

ii. The LPP's insurance shall be primary. Any other insurance or self-insurance available to OMWD or persons stated in paragraph (i) shall be in excess of and shall not contribute to the contractor's insurance.

iii. The insurance shall not be canceled or materially reduced in coverage except after 30 days prior written notice receipted delivery has been given to OMWD, except 10 days' notice shall be allowed for non-payment of premium.

e. Unless otherwise specified, the insurance shall be provided by an acceptable insurance provider, as determined by OMWD, which satisfies the following minimum requirements: An insurance carrier admitted to do business in California and maintaining an agent for process within the State of California. Such insurance carrier shall maintain a current A.M. Best rating classification of "A-" (A minus) or better and a financial size of \$10 million to \$24 million (Class V) or better, or a Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for process in the State of California and the program assures a financial capability at least equal to the required classification and size for admitted insurers.

f. Certificates of insurance and endorsements shall be provided by the LPP and approved by OMWD before execution of the contract. Endorsements may be provided on forms provided by OMWD, or substantially equivalent forms provided by the insurer. All consultants/contractors performing the scope of work on behalf of the LPP shall name OMWD, SDCWA, and DWR (including their directors, officers, employees, and agents) as an additional insured on their Commercial General Liability policy and the policy shall be endorsed with use of an ISO form CG 20 10 10 93 or equivalent.

35. **Laws and venue.** This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court in San Diego County.

36. **Assignment.** A party shall not assign, sublet, or transfer this Agreement or any rights or interest in this Agreement without the written consent of OMWD, which may be withheld for any reason.

37. **Integration.** This Agreement represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding should be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by the parties.

38. **Incorporation of standard conditions and grantee commitments.** The following exhibits are attached and made a part of this Agreement by this reference:

Exhibit A – Local Project Sponsor Agreement

Exhibit B – Grant Agreement

39. **Signatures.** The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below:

DATED: _____

OLIVENHAIN MUNICIPAL WATER DISTRICT

By: _____
Kimberly Thorner, General Manager

DATED: _____

CARLSBAD MUNICIPAL WATER DISTRICT

By: _____
Wendy Chambers, General Manager

DATED: _____

CITY OF ESCONDIDO

By: _____
Chris McKinney, Director of Utilities

DATED: _____

LEUCADIA WASTEWATER DISTRICT

By: _____
Paul Bushee, General Manager

DATED: _____

CITY OF OCEANSIDE

By: _____
Cari Dale, Water Utilities Director

DATED: _____

RINCON DEL DIABLO MUNICIPAL WATER DISTRICT

By: _____
Greg Thomas, General Manager

DATED: _____

SAN ELIJO JOINT POWERS AUTHORITY

By: _____
Michael Thornton, General Manager

DATED: _____

SANTA FE IRRIGATION DISTRICT

By: _____
Michael Bardin, General Manager

DATED: _____

VALLECITOS WATER DISTRICT

By: _____
Dennis Lamb, General Manager

DATED: _____

VISTA IRRIGATION DISTRICT

By: _____
Roy Coox, General Manager