

AGENDA
SAN ELIJO JOINT POWERS AUTHORITY
MONDAY APRIL 11, 2016 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
 - Carrie Cook – 10 Years of Service
6. * **CONSENT CALENDAR**
7. * APPROVAL OF MINUTES FOR THE MARCH 7, 2016 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. POTABLE REUSE CONCEPT STUDY WITH SANTA FE IRRIGATION DISTRICT AND SAN DIEGUITO WATER DISTRICT
 1. Receive and file the report;
 2. Authorize staff to proceed with the formation of a Potable Reuse Project Management Team; and

3. Discuss and take action as appropriate.

Staff Reference: General Manager

13. PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2016-17 RECOMMENDED BUDGET

1. Review the Fiscal Year 2016-17 Recommended Budget; and
2. Discuss and take action as appropriate.

Staff Reference: Director of Finance and Administration

14. CONSIDERATION FOR WASTEWATER SERVICE AGREEMENT EXTENSION WITH THE RANCHO SANTA FE COMMUNITY SERVICES DISTRICT

1. Discuss and take action as appropriate.

Staff Reference: General Manager

15. ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION FOR UPGRADES AT THE SAN ELIJO WATER RECLAMATION FACILITY

1. Adopt the Proposed Mitigated Negative Declaration for the San Elijo Water Reclamation Facility Upgrades; and
2. Discuss and take other action as appropriate.

Staff Reference: General Manager

16. BUILDING IMPROVEMENT PROGRAM UPDATE

1. Review the draft Building Improvement Program Report and provide guidance and comments to Staff; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager

17. GENERAL MANAGER'S REPORT

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

18. GENERAL COUNSEL'S REPORT

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

19. 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.

20. 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".

21. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Monday, May 9, 2016 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: April 6, 2016



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MARCH 7, 2016
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Catherine Blakespear, Chair

Ginger Marshall, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, March 7, 2016, 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 Blakespear called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Catherine S. Blakespear
Ginger Marshall
Mark Muir (*arrived at 9:20 a.m.*)
David Zito

Directors Absent:

Others Present:

General Manager
Director of Operations
Director of Finance & Administration
Administrative Assistant/Board Clerk
Associate Engineer

Michael Thornton
Christopher Trees
Paul Kinkel
Jennifer Basco
Michael Konicke

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Solana Beach:

City Manager
Director of Engineering/Public Works

Greg Wade
Mohammad "Mo" Sammak

City of Encinitas:

Director of Engineering and Public Works

Glenn Pruim

Helix Environmental Planning, Inc.

Tim Belzman

3. PLEDGE OF ALLEGIANCE

Chair Blakespear led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

None

6. CONSENT CALENDAR

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

Motion carried with the following vote of approval:

AYES: Blakespear, Marshall, Zito
NOES: None
ABSENT: Muir
ABSTAIN: None

Agenda Item No. 7 Approval of Minutes for the February 8, 2016 meeting

Agenda Item No. 8 Approval for Payment of Warrants and Monthly Investment Report

Agenda Item No. 9 San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report

Agenda Item No. 10 San Elijo Joint Powers Authority Recycled Water Program – Monthly Report

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. APPOINTMENT OF THE SAN ELIJO JOINT POWERS AUTHORITY'S AUDITOR

Director of Finance & Administration, Paul Kinkel, stated that the SEJPA's policy for the selection of auditors requires periodic review and possible rotation of the agency's financial audit firms at least every 5 years. Leaf & Cole, LLP has provided audit services to the SEJPA for the last five years, and that contract is now expired. Mr. Kinkel informed the Board of Directors that the SEJPA requested proposals for audit services from several CPA firms and subsequently received four audit proposals. Staff selected the Pun Group, LLP based on the firm's experience, proposed audit team, quality of the proposal, the proposed approach for completing the work, and the value to the SEJPA.

Funding for audit services will be budgeted in both the Wastewater and Recycled Water Funds for FY 2016-17.

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

1. Authorize the General Manager to appoint The Pun Group, LLP as the SEJPA's auditor beginning fiscal year ending June 30, 2016; and
2. Authorize the General Manager to execute a three year contract with The Pun Group, LLP not to exceed \$55,500

Motion carried with the following vote of approval:

AYES: Blakespear, Marshall, Zito
NOES: None
ABSENT: Muir
ABSTAIN: None

13. CLEAN WATER STATE REVOLVING FUND (SRF) LOAN APPLICATION; BOARD RESOLUTIONS FOR WASTEWATER AND RECYCLED WATER PROJECTS

General Manager Thornton informed the Board of Directors the State Water Resources Control Board (SWRCB) SRF Loan Program provides low interest loans to agencies for construction of wastewater and recycled water facilities, and improvements. SRF loans are desirable as the finance rates are approximately one-half the interest rate of the most recent General Obligation Bond Rate at the time of loan approval. Staff recommended that the SEJPA pursue SRF funding as the preferred financing method, with municipal bond financing as a contingency option, to fund the proposed \$22.4 million in wastewater and \$4.8 recycled water capital projects. One of the first steps in receiving financing consideration from the SWRCB is the execution of a series of Board Resolutions.

The resolutions can be briefly described as follows:

- Resolution No. 2016-02 and No. 2016-05, authorize the General Manager or designee to sign and file for Wastewater and Recycled Water loan applications;
- Resolution No. 2016-03 and No. 2016-06, dedicate sources of revenues to repay the loans, and;
- Resolution No. 2016-04 and No. 2016-07, adopt reimbursement resolutions.

The General Manager stated that there is no financial impact associated with this recommendation.

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

1. Adopt Resolution No. 2016-02, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Authorizing the General Manager or designee to sign, file, provide assurances, certifications, commitments, and any and all actions required on behalf of the San Elijo Joint Powers Authority (SEJPA) related to entering into a Financial Assistance Agreement with the State Water Resources Control Board (SWRCB) related to the SEJPA Wastewater Projects;

2. Adopt Resolution No. 2016-03, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Dedicating and Pledging Net Revenues of the SEJPA Wastewater Enterprise Fund and the Wastewater Enterprise Fund to the repayment of any and all SRF financing for the SEJPA Wastewater Projects;
3. Adopt Resolution No. 2016-04, Resolution of the Board of Directors of the San Elijo Joint Powers Authority of Intent to Reimburse Expenditures Related to Construction or Reconstruction of Certain Public Facilities relating to the SEJPA Wastewater Projects;
4. Adopt Resolution No. 2016-05, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Authorizing the General Manager or designee to sign, file, provide assurances, certifications, commitments, and any and all actions required on behalf of the San Elijo Joint Powers Authority (SEJPA) related to entering into a Financial Assistance Agreement with the State Water Resources Control Board (SWRCB) related to the SEJPA Recycled Water Projects;
5. Adopt Resolution No. 2016-06, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Dedicating and Pledging Net Revenues of the SEJPA Recycled Water Enterprise Fund and the Recycled Water Enterprise Fund to the repayment of any and all SRF financing for the SEJPA Recycled Water Projects; and
6. Adopt Resolution No. 2016-07, Resolution of the Board of Directors of the San Elijo Joint Powers Authority of Intent to Reimburse Expenditures Related to Construction or Reconstruction of Certain Public Facilities relating to the SEJPA Recycled Water Projects.

Motion carried with the following vote of approval:

AYES: Blakespear, Marshall, Zito
 NOES: None
 ABSENT: Muir
 ABSTAIN: None

Note: Board Member Muir arrived at 9:20 a.m.

14. CONSTRUCTION CONTRACT FOR BLOWER REPLACEMENT PROJECT

General Manager Thornton provided a brief background on the centrifugal blowers that are at the end of their useful life and were identified in the 2015 Facility Plan as a recommended project. The blowers were installed in 1991 and are used to produce the air volume required to provide the diffused oxygen for activated sludge treatment. Staff researched more energy-efficient replacements for the aging centrifugal blowers, and decided on installing three modern, smaller Turbo blowers. These smaller Turbo blowers will reduce energy consumption and save approximately \$48,000 per year. Mr. Thornton stated that four construction bids were received for the Blower Replacement Project, with Spiess Construction Co., Inc. as the apparent low bidder. Spiess Construction's bid

submission was reviewed for conformity and was found to meet the requirements of the contract.

The proposed project funding is through a combination of a \$34,981 SDG&E grant, a \$500,000 SDG&E zero interest rate loan, and cash available in the Wastewater Program capital fund. It is projected that the electricity savings that is obtained by using the high efficiency turbo blowers will fund the loan payment over the 10 year life of the loan.

Moved by Board Member Muir and seconded by Board Member Zito to:

1. Waive the bid irregularity that has been corrected by Spiess Construction;
2. Authorize the General Manager to enter into an agreement with San Diego Gas & Electric for On-Bill Financing of a 10-year, zero interest loan in the amount of \$500,000; and
3. Authorize the General Manager to enter into a construction contract with Spiess Construction in the amount of \$560,500.

Motion carried with the following vote of approval:

AYES: Blakespear, Marshall, Muir, Zito
NOES: None
ABSENT: None
ABSTAIN: None

15. ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION FOR THE SAN ELIJO LAND OUTFALL REPLACEMENT PROJECT

General Manager Thornton informed the Board of Directors that the SEJPA retained HELIX Environmental Planning, Inc. to prepare the California Environmental Quality Act (CEQA) reporting requirements for the proposed San Elijo Land Outfall Replacement project. HELIX recommended that a Mitigated Negative Declaration (MND) is the appropriate environmental document for project compliance with CEQA. Mr. Thornton stated that the MND was distributed for a 30-day public review period, and that the SEJPA conducted a Citizen Participation Meeting to answer questions. Three MND comment letters were received, and based on those letters, minor revisions were made to the Final MND. Adoption of the proposed MND will complete the review process required by CEQA.

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

1. Adopt the Proposed Mitigated Negative Declaration for the San Elijo Land Outfall Replacement Project.

Motion carried with the following vote of approval:

AYES: Blakespear, Marshall, Muir, Zito
NOES: None
ABSENT: None

ABSTAIN: None

16. REVIEW PROCESS FOR SELECTING BOARD MEMBER ALTERNATES AND VOTING

General Manager Thornton informed the Board of Directors that the SEJPA formation agreement provides allowances for the Board to select Board Member alternates. Each member agency may appoint an alternate to serve in the absence of a regular member of the SEJPA Board. The alternate must be a current council member or an employee of the member agency. For the process of voting, each Board Member (regular or alternate) has one vote. When a regular member of the SEJPA Board is absent, the alternate member may vote, or if an alternate member has not been assigned or is not present, the regular member of the SEJPA Board of the same member agency is entitled to cast their vote and a vote on behalf of the absent member. If the member agency elects to appoint an alternate member, then written notification to the SEJPA is required to recognize the appointment.

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

17. GENERAL MANAGER'S REPORT

General Manager Thornton stated that the potable reuse study prepared in partnership by the SEJPA, San Dieguito Water District, and Santa Fe Irrigation District will be completed in the next week. This study examines the feasibility of purifying water at the San Elijo Water Reclamation Facility, then sending it to R.E. Badger Filtration Plant for further processing. The potable reuse study will be presented to the Board of Directors at the April 2016 Board meeting.

18. GENERAL COUNSEL'S REPORT

Greg Moser informed the Board of Directors that the SEJPA is appealing CalPERS' determination that uniforms should be reported as special compensation. The California Association of Sanitation Agencies (CASA) will be contacting CalPERS to stress the importance of uniforms as safety equipment for sanitation agencies.

19. BOARD MEMBER COMMENTS

None

20. CLOSED SESSION

The Board of Directors adjourned to closed session at 9:45 a.m., per Government Code Section 54957.6/Conference with Labor Negotiator; Agency Negotiator: Michael Thornton, General Manager; Unrepresented Employees: All Non-Contract Employees.

The Board of Directors came out of closed session at 10:01 a.m. with no reportable action.

21. ADJOURNMENT

The meeting adjourned at 10:02 a.m. The next Board of Directors meeting will be held on April 11, 2016.

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****16-04****For the Month of March 2016**

| Warrant # | Vendor Name | G/L Account | Warrant Description | Amount |
|------------------|-------------------------------------|------------------------------|--|---------------|
| 32683 | AGM Electronics Inc. | Repair Parts Expense | Isolator | 256.14 |
| 32684 | All American First Aid & Safety | Supplies - Office | First aid supplies | 177.88 |
| 32685 | Applied Best Practices, LLC | Services - Professional | Bond disclosure requirement | 225.00 |
| 32686 | AT&T | Utilities - Telephone | DSL - 01/20/16 - 02/19/16 | 101.11 |
| 32687 | Atlas Pumping Service Inc. | Services - Grease & Scum | Grease and scum pumping | 277.44 |
| 32688 | American Water Chemicals, Inc. | Supplies - Chemicals | Organophosphonic acid | 5,239.84 |
| 32689 | Barracuda Networks, Inc. | Utilities - Internet | Network back-up | 50.00 |
| 32690 | Brenntag Pacific, Inc. | Supplies - Chemicals | Sodium hydroxide | 2,279.67 |
| 32691 | California Water Technologies | Supplies - Chemicals | Ferric chloride | 4,069.61 |
| 32692 | Calpers | Retirement Plan - PERS | Calpers | 11,906.00 |
| 32693 | EDCO Waste & Recycling Service | Utilities - Trash | Trash service - February | 235.97 |
| 32694 | Jose Garcia | Dues & Memberships | CWEA exam | 155.00 |
| 32695 | Global Capacity | Utilities - Internet | T-1 service - February | 296.03 |
| 32696 | Graphic Products | Supplies - Shop & Field | Labels | 539.36 |
| 32697 | Harrington Industrial Plastics | Repair Parts Expense | Primer, solvent, valve balls, and tube pumps | 842.27 |
| 32698 | Home Depot Credit Services | Supplies - Safety | Tools, field, office, and safety supplies | 1,487.50 |
| 32699 | Jennifer Basco | Subsistence - Travel | Mileage | 45.41 |
| 32700 | The Lawton Group | Services - Intern Program | Week worked - 02/08/16 - 02/19/16 | 887.96 |
| 32701 | Lee's Lock & Safe | Repair Parts Expense | Standard fast board key | 30.24 |
| 32702 | McMaster-Carr Supply Co. | Supplies - Shop & Field | Fuses and lubricant for chains | 160.72 |
| 32703 | Napa Auto Parts | Vehicle Maintenance | Washer fluid, cable, battery box, battery, oil | 205.48 |
| 32704 | Olivenhain Municipal Water District | Services - Professional | NSDCRRWP costs | 1,217.90 |
| 32705 | Pacific Green Landscape | Services - Landscape | Repaired broken mainline | 168.76 |
| 32706 | Public Employees - Retirement | Retirement Plan - PERS | Retirement - 02/13/16 - 02/26/16 | 11,420.39 |
| 32707 | Michael Piper | Dues & Memberships | Backflow exam | 180.00 |
| 32708 | Polydyne Inc. | Supplies - Chemicals | Clarifloc | 8,569.80 |
| 32709 | ReadyRefresh | Supplies - Lab | Kitchen and lab supplies | 318.61 |
| 32710 | Santa Fe Irrigation District | Services - Professional | Potable reuse study | 3,986.67 |
| 32711 | Schubert & Salzer, Inc. | Repair Parts Expense | Valve | 400.53 |
| 32712 | San Diego Union-Tribune | Subscriptions | Newspaper | 585.74 |
| 32713 | Sun Life Financial | Life Insurance/Disability | Life and disability insurance - March | 1,534.50 |
| 32714 | SWRCB | Fees - Permits | Annual permit fee | 1,282.00 |
| 32715 | Test America | Services - Laboratory | Water sample testing | 473.50 |
| 32716 | Unifirst Corporation | Services - Uniforms | Uniform service | 274.68 |
| 32717 | San Diego Union-Tribune | Advertising | Legal notice | 586.00 |
| 32718 | UPS | Postage/Shipping | Mailing reports and parts | 46.50 |
| 32719 | Underground Service Alert/SC | Services - Alarm | Dig alert - February | 93.00 |
| 32720 | USA Bluebook | Repair Parts Expense | Enclosure for two metering pumps | 417.12 |
| 32721 | Vantagepoint Transfer Agents | EE Deduction Benefits | ICMA - 457 | 6,316.81 |
| 32722 | Vantagepoint Transfer Agents | ICMA Retirement | ICMA - 401a | 2,788.18 |
| 32723 | Vinyard Doors, Inc. | Services - Maintenance | Roll-up door | 1,614.00 |
| 32724 | Water Environment Federation | Dues & Memberships | Membership | 71.00 |
| 32725 | San Diego Recorder/County Clerk | Fees - Permits | CEQA Fee | 2,260.25 |
| 32726 | San Diego Recorder/County Clerk | Fees - Permits | Mitigated Negative Declaration | 50.00 |
| 32727 | Abcana Industries | Supplies - Chemicals | Hydrochloric acid | 710.59 |
| 32728 | Aflac | EE Deduction Benefits | Aflac - March | 627.96 |
| 32729 | Ag Tech, LLC | Services - Biosolids Hauling | Biosolids hauling - February | 12,242.09 |
| 32730 | AT&T | Utilities - Telephone | Alarm service | 402.75 |
| 32731 | Atlas Pumping Service Inc. | Services - Grease & Scum | Grease and scum pumping | 277.44 |
| 32732 | B & B SmartWorx, Inc. | Repair Parts Expense | LTE cell router and mount antenna | 1,010.23 |
| 32733 | BankCard Center | Various - Supplies/Travel | Seminars, meetings, repairs, tools, supplies | 6,144.10 |
| 32734 | Bob's Crane Service | Equipment Rental/Lease | Crane rental for digester | 749.00 |
| 32735 | Chevron & Texaco Business Card | Fuel | Fuel | 114.11 |
| 32736 | Coast Waste Management, Inc. | Services - Grit & Screenings | Service charge - 02/01/16 - 02/29/16 | 165.95 |
| 32737 | John Young | Services - Professional | SWAP project labor compliance | 800.00 |
| 32738 | Daniels Tire Corporate Admin | Vehicle Maintenance | Tires | 918.02 |

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****16-04****For the Month of March 2016**

| Warrant # | Vendor Name | G/L Account | Warrant Description | Amount |
|------------------|-------------------------------------|------------------------------|---|----------------------|
| 32739 | DC Frost Associates, Inc. | Repair Parts Expense | Bags for heliclean | 495.79 |
| 32740 | Dudek & Associates | Services - Professional | SRF loan support and SWAP project | 99,536.26 |
| 32741 | Forte of San Diego | Supplies - Janitorial | Service and supplies | 1,313.42 |
| 32742 | Harbor Freight Tools | Supplies - Shop & Field | Tools and supplies | 598.30 |
| 32743 | Harrington Industrial Plastics | Repair Parts Expense | Valves | 621.01 |
| 32744 | Hoch Consulting, APC | Services - Engineering | Blower replacement project and grant support | 3,390.00 |
| 32745 | Hydro Gate, LLC | Repair Parts Expense | Wedge assemblies | 302.40 |
| 32746 | Kennedy/Jenks Consultants | Services - Engineering | Land ocean outfall replacement and final design | 128,584.10 |
| 32747 | Konica Minolta | Services - Maintenance | Copier maintenance service | 94.89 |
| 32748 | The Lawton Group | Services - Temp | Week worked - 02/22/16 - 02/26/16 | 1,018.46 |
| 32749 | McMaster-Carr Supply Co. | Repair Parts Expense | Door closer and pipe fittings | 142.43 |
| 32750 | Napa Auto Parts | Vehicle Maintenance | Radiator fluid | 45.86 |
| 32751 | Olivenhain Municipal Water District | Rent | Pipeline rental payment | 1,215.00 |
| 32752 | OneSource Distributors, Inc. | Repair Parts Expense | Power supply | 200.87 |
| 32753 | Pacific Pipeline Supply | Minor Equip - Shop & Field | Shop and field supplies | 850.50 |
| 32754 | P.E.R.S. | Medical Insurance - Pers | Health - April | 19,259.08 |
| 32755 | Public Employees- Retirement | Retirement Plan - PERS | Retirement - 02/27/16 - 03/11/16 | 11,438.46 |
| 32756 | Preferred Benefit Insurance | Dental/Vision | Vision - March | 308.90 |
| 32757 | ProBuild Company, LLC | Supplies - Safety | Repairs and safety supplies | 106.01 |
| 32758 | Procopio Cory Hargreaves | Services - Legal | General, Legal, and Employment | 7,199.10 |
| 32759 | San Dieguito Water | Utilities - Water | Recycled water | 8,276.58 |
| 32760 | Santa Fe Irrigation District | Utilities - Water | Valley - 01/26/16 - 02/25/16 | 43.84 |
| 32761 | Santa Fe Irrigation District | SFID Distribution Pipeline | Pipeline purchase payment - February | 817.15 |
| 32762 | Smart & Final | Supplies - Office | Kitchen supplies | 101.14 |
| 32763 | Sun Life Financial | Life Insurance/Disability | Life and disability insurance - April | 1,623.05 |
| 32764 | T.S. Industrial Supply | Repair Parts Expense | Suction hoses and clamps - Digester | 220.91 |
| 32765 | Test America | Services - Laboratory | Water sample testing | 705.00 |
| 32766 | Tierra Data Inc. | Services - Laboratory | Water monitoring | 725.00 |
| 32767 | Christopher A. Trees | Subsistence - Travel/Rm & Bd | WateReuse conference | 983.38 |
| 32768 | Trussell Technologies, Inc. | Services - Engineering | Process engineering and evaluation | 210.00 |
| 32769 | Unifirst Corporation | Services - Uniforms | Uniform service | 573.77 |
| 32770 | UPS | Postage/Shipping | Mailing compliance reports | 48.21 |
| 32771 | Vantagepoint Transfer Agents | EE Deduction Benefits | ICMA - 457 | 6,320.19 |
| 32772 | Vantagepoint Transfer Agents | ICMA Retirement | ICMA - 401a | 2,795.52 |
| 32773 | VWR International, Inc. | Supplies - Lab | Laboratory supplies | 750.46 |
| | San Elijo Payroll Account | Payroll | Payroll - 03/04/16 | 61,228.40 |
| | San Elijo Payroll Account | Payroll | Payroll - 03/18/16 | 74,571.93 |
| | | | | <u>\$ 535,002.18</u> |

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

**For the Month of March 2016
As of March 29, 2016**

PAYMENT OF WARRANTS \$ 535,002.18
Reference Number 16-04

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



Paul F. Kinkel
Director of Finance & Administration

STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS
AND INVESTMENT INFORMATION
As of March 29, 2016

| FUNDS ON DEPOSIT WITH | AMOUNT |
|--|---------------------|
| LOCAL AGENCY INVESTMENT FUND <i>(FEBRUARY 2016 YIELD 0.467%)</i> | |
| RESTRICTED SRF RESERVE | \$ 630,000.00 |
| UNRESTRICTED DEPOSITS | \$ 6,148,972.68 |
| CALIFORNIA BANK AND TRUST <i>(FEBRUARY 2016 YIELD 0.01%)</i> | |
| REGULAR CHECKING | \$ 436,876.24 |
| PAYROLL CHECKING | \$ 5,000.00 |
| TOTAL RESOURCES | \$ 7,220,848.92 |

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

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

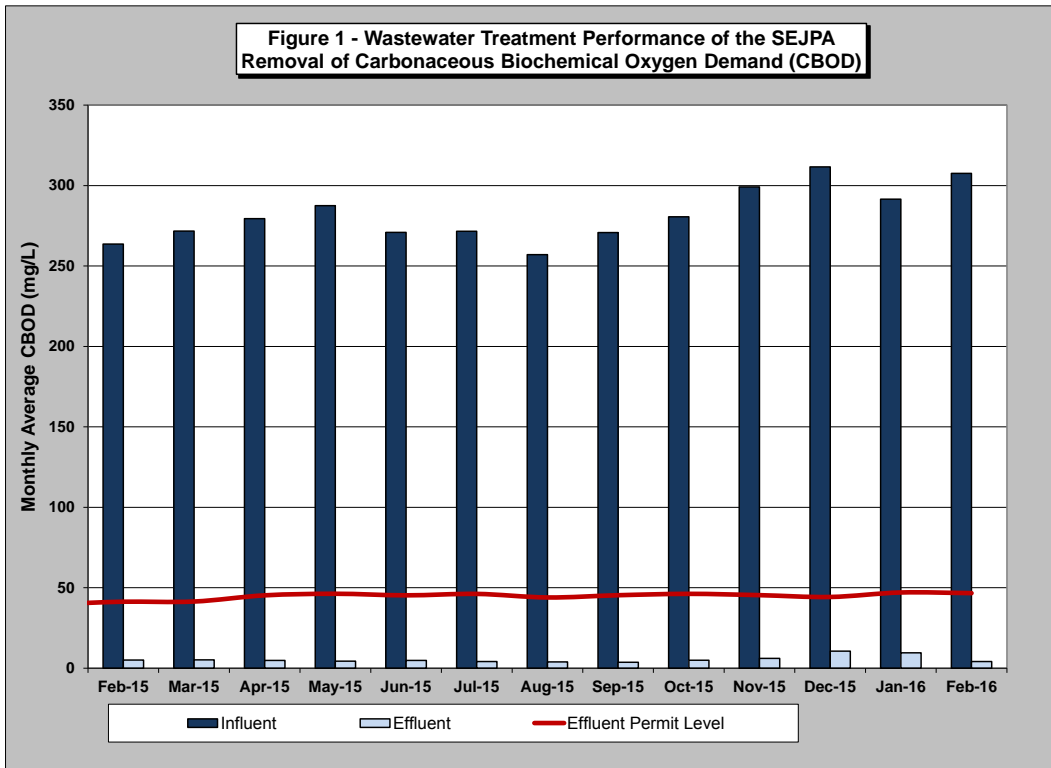
RECOMMENDATION

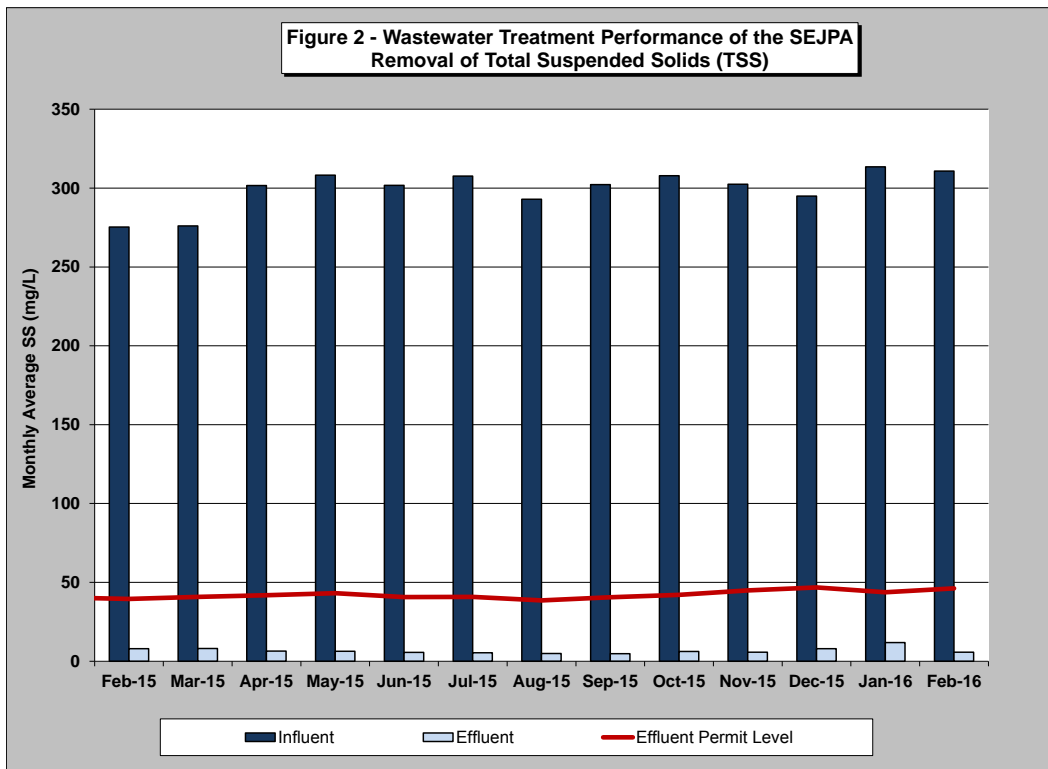
No action required. This memorandum is submitted for information only.

DISCUSSION

Monthly Treatment Plant Performance and Evaluation

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all NPDES ocean effluent limitation requirements for the month of February 2016. 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 February, treatment levels for CBOD and TSS were 98.7 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 February. Average daily influent flows were recorded for each Member Agency. Total effluent flow was calculated for the San Elijo Water Reclamation Facility.

| | February | |
|---------------------------------|-----------------------|------------------------|
| | <u>Influent (mgd)</u> | <u>Effluent (mgd)*</u> |
| Cardiff Sanitary Division | 1.245 | 0.780 |
| City of Solana Beach | 1.008 | 0.631 |
| Rancho Santa Fe SID | 0.112 | 0.070 |
| Total San Elijo WRF Flow | 2.365 | 1.481 |

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

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

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

| MONTH | AVERAGE DAILY INFLUENT FLOW RATE (MGD) | | | | AVERAGE DAILY EFFLUENT FLOW RATE (MGD) | | | | CONNECTED EDUs | | | | AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY) | | | |
|--------|--|---------|-------|-------------|--|---------|-------|-------------|----------------|--------------|---------|------------|---|-----|-----|-------------|
| | CSD | RSF CSD | SB | TOTAL PLANT | CSD | RSF CSD | SB | TOTAL PLANT | CSD EDUS | RSF CSD EDUS | SB EDUS | TOTAL EDUS | CSD | RSF | SB | TOTAL PLANT |
| Feb-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 |
| Dec-14 | 1.323 | 0.147 | 1.229 | 2.699 | 1.163 | 0.129 | 1.081 | 2.373 | 8,355 | 502 | 7,728 | 16,585 | 158 | 293 | 159 | 163 |
| Jan-15 | 1.253 | 0.130 | 1.232 | 2.615 | 0.984 | 0.102 | 0.967 | 2.053 | 8,359 | 503 | 7,977 | 16,838 | 150 | 259 | 154 | 155 |
| Feb-15 | 1.229 | 0.132 | 1.228 | 2.589 | 0.757 | 0.081 | 0.757 | 1.595 | 8,361 | 504 | 7,977 | 16,841 | 147 | 262 | 154 | 154 |
| Mar-15 | 1.269 | 0.135 | 1.231 | 2.635 | 0.583 | 0.062 | 0.566 | 1.211 | 8,365 | 504 | 7,977 | 16,846 | 152 | 268 | 154 | 156 |
| Apr-15 | 1.183 | 0.124 | 1.196 | 2.503 | 0.350 | 0.036 | 0.354 | 0.740 | 8,366 | 504 | 7,977 | 16,847 | 141 | 246 | 150 | 149 |
| May-15 | 1.209 | 0.117 | 1.149 | 2.475 | 0.545 | 0.053 | 0.518 | 1.116 | 8,367 | 505 | 7,977 | 16,848 | 144 | 232 | 144 | 147 |
| Jun-15 | 1.287 | 0.113 | 1.052 | 2.452 | 0.362 | 0.032 | 0.296 | 0.690 | 8,369 | 506 | 7,977 | 16,852 | 154 | 224 | 132 | 146 |
| Jul-15 | 1.282 | 0.110 | 1.176 | 2.568 | 0.392 | 0.034 | 0.359 | 0.785 | 8,370 | 510 | 8,003 | 16,883 | 153 | 216 | 147 | 152 |
| Aug-15 | 1.264 | 0.095 | 1.087 | 2.446 | 0.315 | 0.023 | 0.271 | 0.609 | 8,371 | 510 | 8,003 | 16,884 | 151 | 186 | 136 | 145 |
| Sep-15 | 1.256 | 0.105 | 1.001 | 2.362 | 0.457 | 0.038 | 0.364 | 0.859 | 8,372 | 511 | 8,003 | 16,885 | 150 | 206 | 125 | 140 |
| Oct-15 | 1.243 | 0.106 | 1.002 | 2.351 | 0.681 | 0.058 | 0.549 | 1.288 | 8,373 | 511 | 8,003 | 16,886 | 148 | 208 | 125 | 139 |
| Nov-15 | 1.250 | 0.100 | 0.994 | 2.344 | 0.792 | 0.063 | 0.630 | 1.485 | 8,376 | 511 | 8,003 | 16,889 | 149 | 196 | 124 | 139 |
| Dec-15 | 1.266 | 0.107 | 1.016 | 2.389 | 0.971 | 0.082 | 0.780 | 1.833 | 8,377 | 511 | 8,003 | 16,891 | 151 | 210 | 127 | 141 |
| Jan-16 | 1.342 | 0.131 | 1.037 | 2.510 | 1.189 | 0.116 | 0.918 | 2.223 | 8,380 | 511 | 8,003 | 16,894 | 160 | 257 | 130 | 149 |
| Feb-16 | 1.245 | 0.112 | 1.008 | 2.365 | 0.780 | 0.070 | 0.631 | 1.481 | 8,383 | 512 | 8,003 | 16,897 | 149 | 219 | 126 | 140 |

CSD: Cardiff Sanitary Division

RSF CSD: Ranch Santa Fe Community Service District

SB: Solana Beach

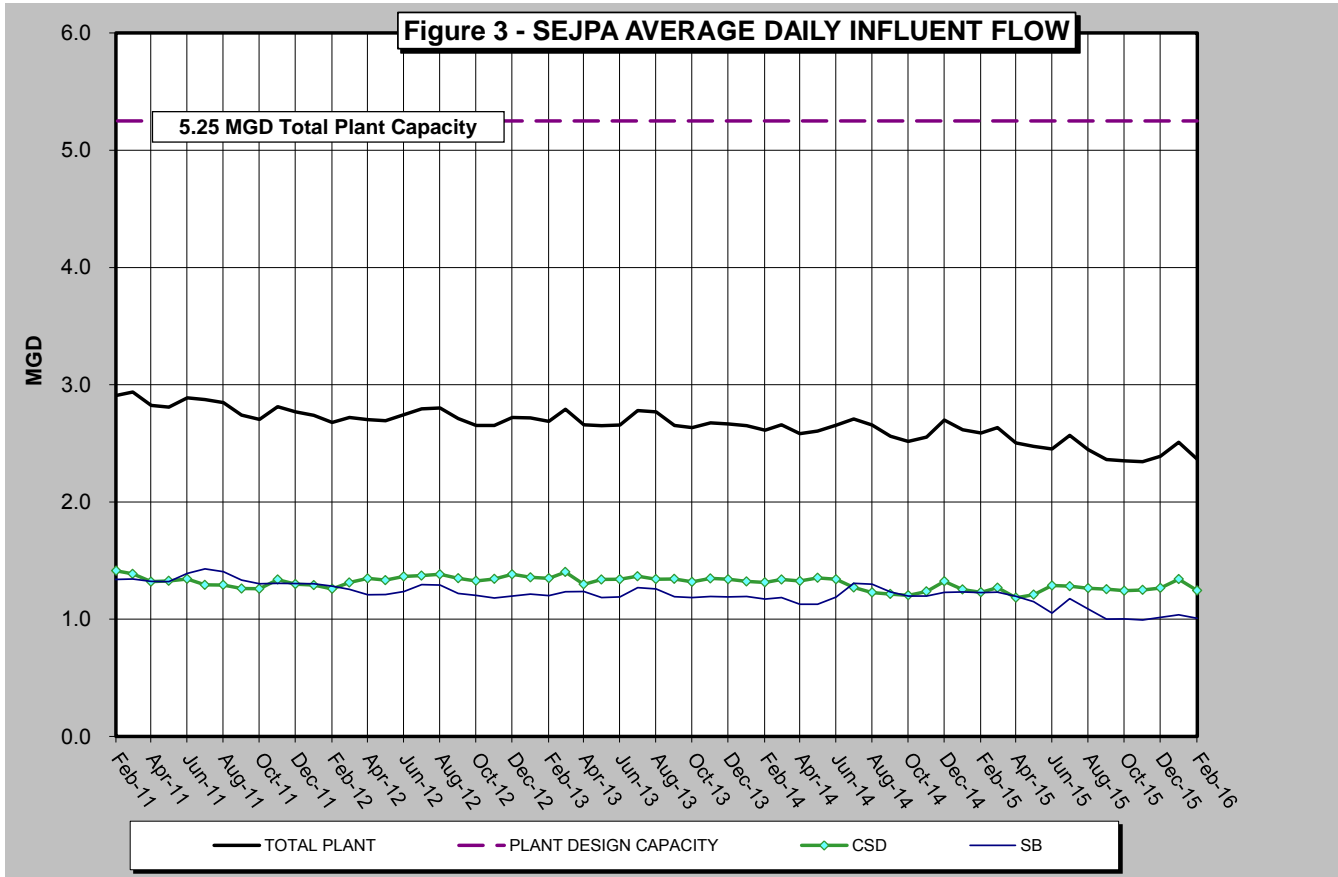
EDU: Equivalent Dwelling Unit

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. 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 leases 0.25 mgd.



City of Escondido Flows

The average and peak flow rate from the City of Escondido Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below. The following average flow rate and peak flow rate is reported by the City of Escondido for the month of February 2016.

| | Flow (mgd) |
|-------------------------------|-------------------|
| Escondido (Average flow rate) | 9.58 |
| Escondido (Peak flow rate) | 17.8 |

Connected Equivalent Dwelling Units

The City of Solana Beach updated the connected EDUs number that is reported to the SEJPA in July 2015. The City of Encinitas and Rancho Santa Fe CSD report their connected EDUs every month. The number of EDUs connected for each of the Member Agencies is as follows:

| | Connected (EDU) |
|-----------------------------|------------------------|
| Cardiff Sanitary Division | 8,383 |
| Rancho Santa Fe SID | 512 |
| City of Solana Beach | 7,666 |
| San Diego (to Solana Beach) | 337 |
| Total EDUs to System | 16,897 |

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO WATER RECLAMATION PROGRAM – MONTHLY REPORT

RECOMMENDATION

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

DISCUSSION

Recycled Water Production

For the month of February 2016, recycled water demand was 70.21 acre-feet (AF), which was met using 70.21 AF of recycled water and 0.00 AF of supplementation with potable water. The distribution system was designed to use potable water during peak summer demands.

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 sixteen fiscal years. Figure 3 (attached) shows the monthly recycled water demand for each February since the program began.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Figure 1 - MONTHLY RECYCLED WATER DEMAND

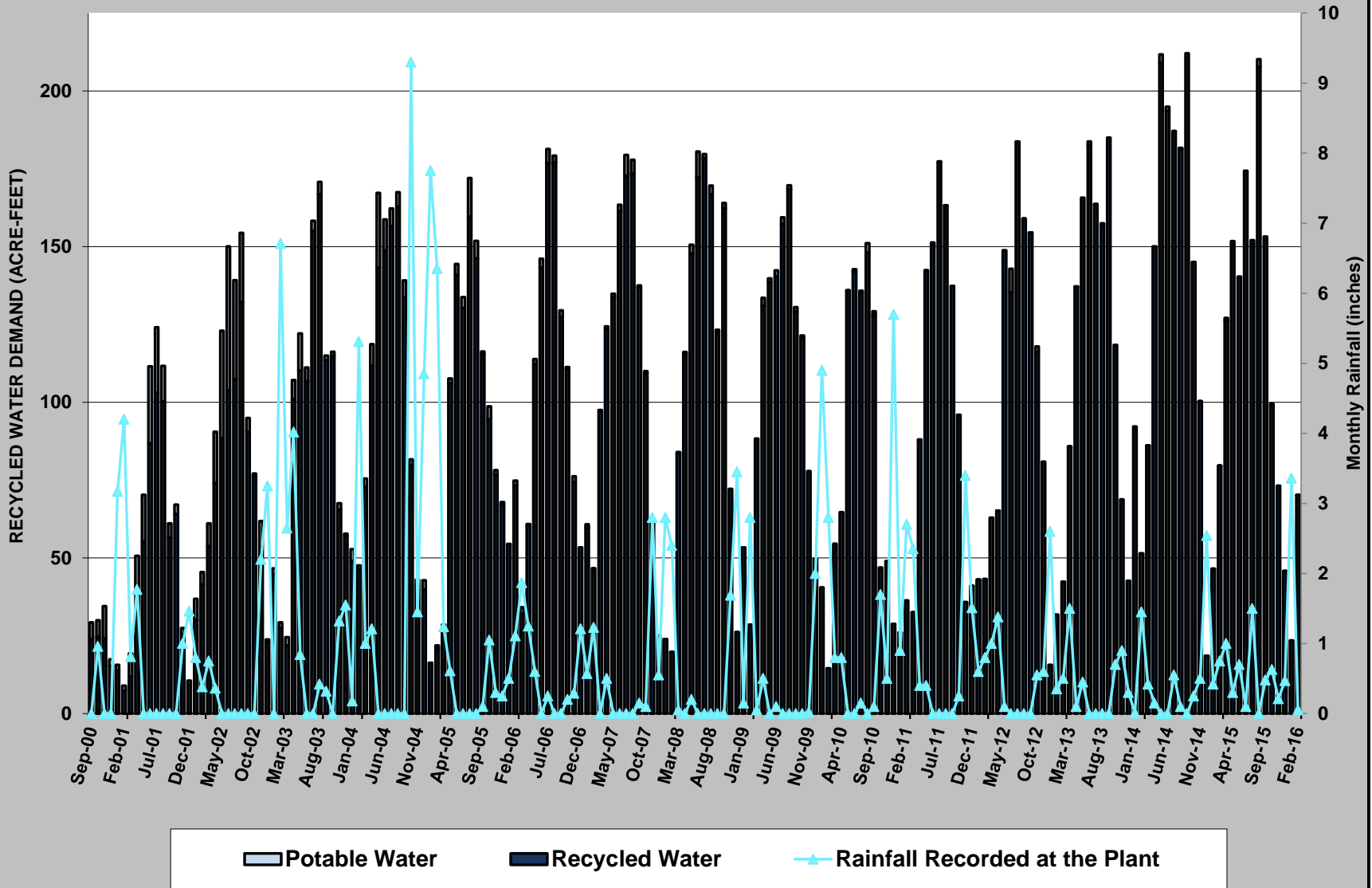


Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR

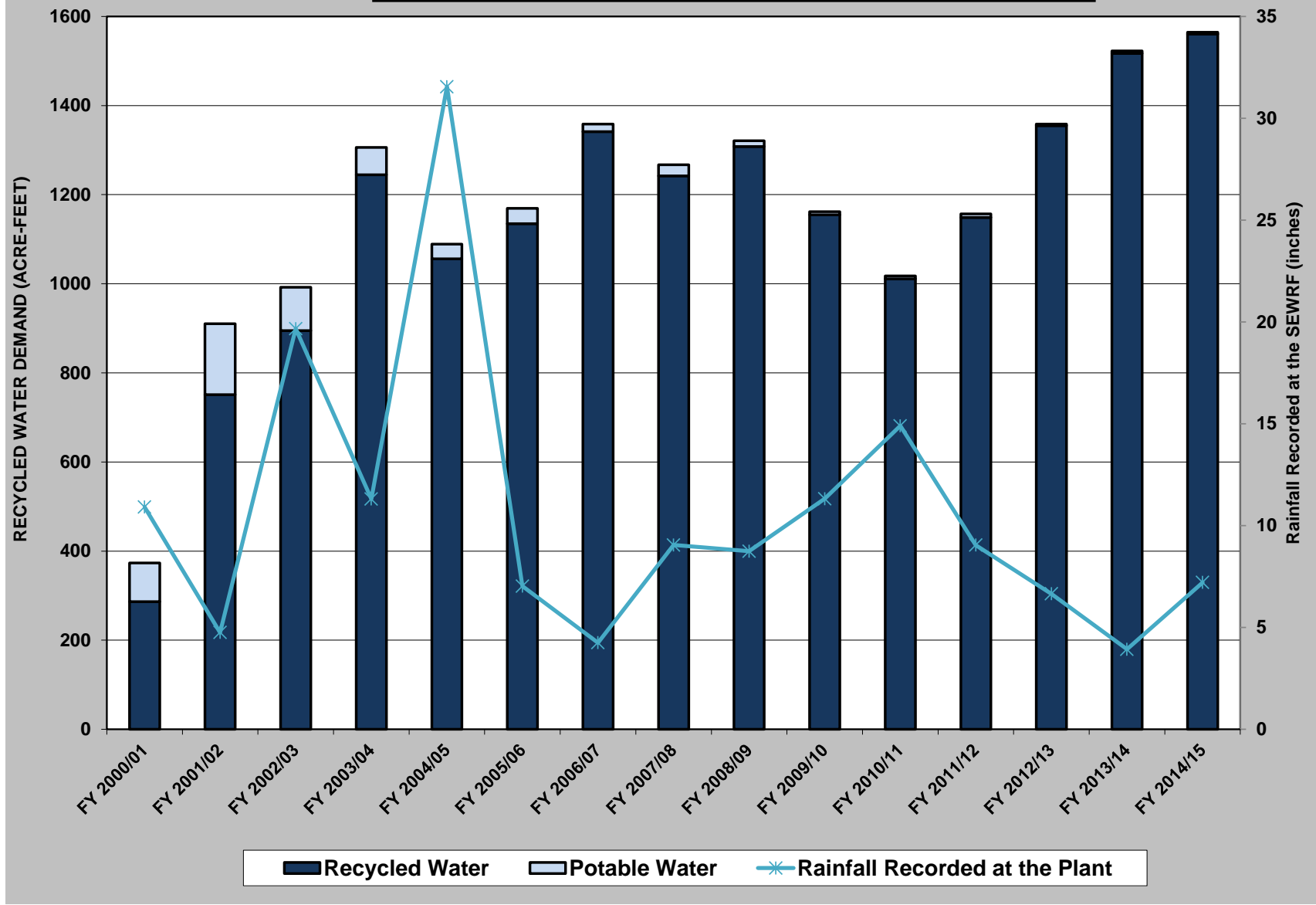
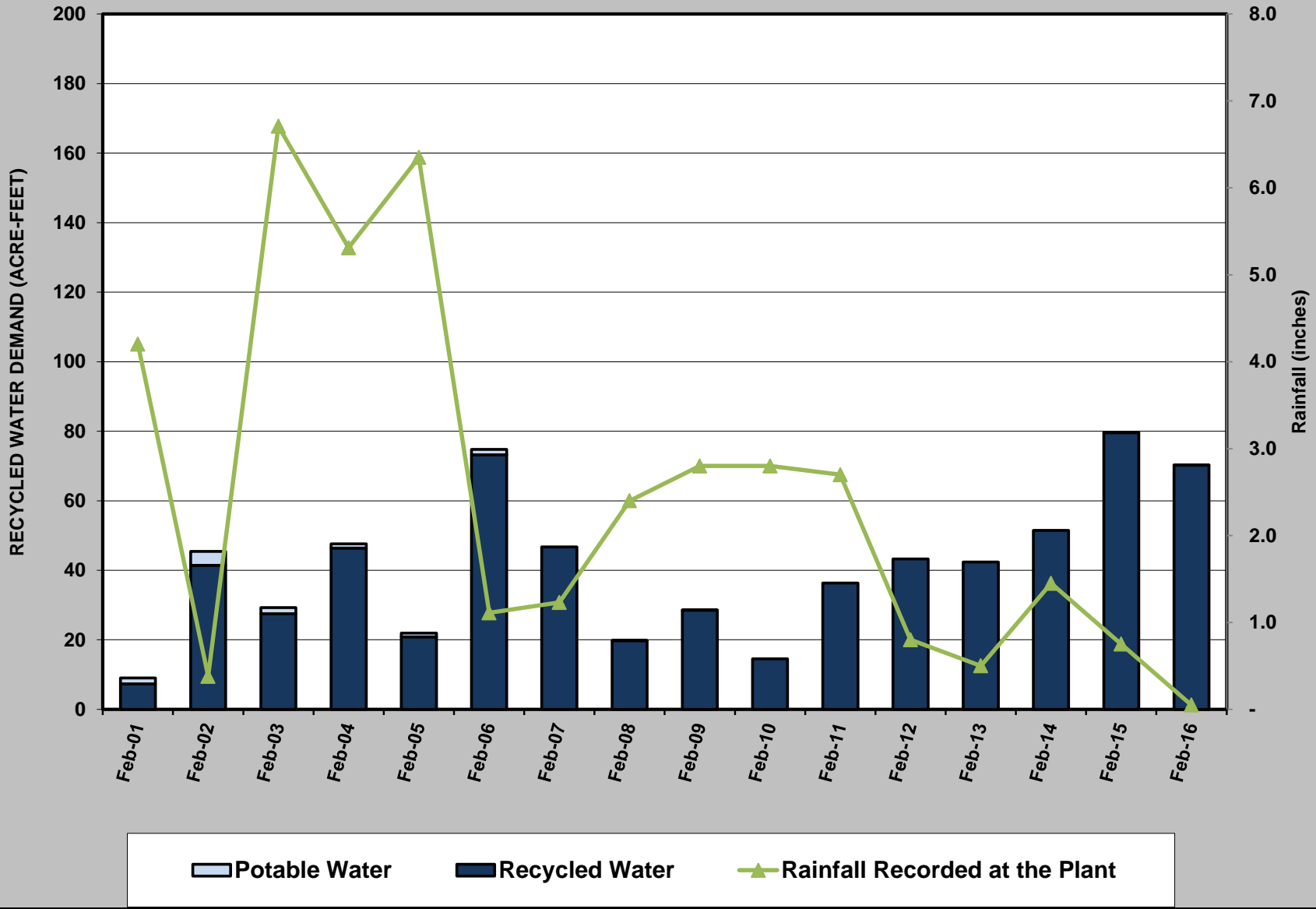


Figure 3 - FEBRUARY RECYCLED WATER DEMAND



SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: POTABLE REUSE CONCEPT STUDY WITH SANTA FE IRRIGATION
DISTRICT AND SAN DIEGUITO WATER DISTRICT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Receive and file the report;
2. Authorize staff to proceed with the formation of a Potable Reuse Project Management Team; and
3. Discuss and take action as appropriate.

BACKGROUND

Due to droughts and other events that strain and limit California's existing water supplies, water agencies are examining options that go beyond current conventional water supplies to create long-term reliable and sustainable water systems. As part of these efforts, water districts are investigating the feasibility of potable reuse projects that can create high quality, locally produced, water.

At the March 9, 2015 San Elijo Joint Powers Authority (SEJPA) Board Meeting, the Board authorized SEJPA's participation in a Potable Reuse Feasibility Study (Study) in partnership with Santa Fe Irrigation District (SFID) and San Dieguito Water District (SDWD). The three agencies worked together to identify and select a uniquely-qualified project team that included Trussell Technologies Inc. (Trussell) and RMC Water and Environment (RMC). Trussell is a leading expert in potable reuse, is actively involved in the development of statewide reuse regulations, and is currently overseeing numerous potable reuse projects throughout the region. RMC has extensive knowledge on current and proposed local water reuse projects, having served as the lead consultant supporting the North San Diego Water Reuse Coalition.

DISCUSSION

The Study consists of three technical memorandums (TM) prepared by Trussell. A hard copy of the Study is available for public review at the SEJPA office. It is also available electronically and may be accessed at www.SEJPA.org

TM 1 – Status of Potable Reuse Projects

TM1 provides a summary of existing potable reuse projects in California, the evolution of the Division of Drinking Water's regulations governing potable reuse, and the timeline for the development of new regulations for surface water augmentation as well as the feasibility of direct potable reuse.

TM 2 – Ultimate Potable Reuse Project

TM2 provides a description of an ultimate potable reuse project that could deliver approximately 4,480 acre-feet (AF) per year of advance treated water from the San Elijo Water Reclamation Facility to the San Dieguito Reservoir by the end of 2025 for an estimated cost of \$1,520 per AF. The ultimate project does not meet the current draft regulatory criteria for a surface water augmentation project and may need to be permitted as a form of direct potable reuse. This ultimate project is building on the concept developed for the City of San Diego's pursuit of a project to augment Miramar Lake and provides the greatest volume of water at the lowest cost, but also faces the most significant challenges.

TM 3 – Near-Term Potable Reuse Project

TM3 provides a description of a smaller scale potable reuse project that could be developed to deliver approximately 1,200 AF per year of advance treated water from the San Elijo Water Reclamation Facility to the San Dieguito Reservoir within the next six years for an expected cost of \$1,890 per AF. This project will conform to the existing draft criteria for surface water augmentation regulations.

Study Conclusions

The primary conclusion of the feasibility study is that a potable reuse project utilizing surface water augmentation could be permitted with the Division of Drinking Water. A near-term project could produce enough drought-proof water to satisfy approximately 6% of SFID's potable water demands and 9% of SDWD's potable water demands. The ultimate project could satisfy approximately 22% of SFID's demands and 35% of SDWD's demands. The cost of potable reuse water is estimated to range between \$1,500 and \$2,000 per acre-foot. Should grant funding be received for this project, the cost per acre-foot will be lower. To give some perspective on these costs, the cost of imported treated water is currently \$1,165 per acre-foot and the cost of water from the Carlsbad Desalination Plant is approximately \$2,300 per acre-foot. Recycled water costs \$1,356 per acre-foot, but its use is highly restricted.

The study identifies some significant challenges associated with developing a potable reuse project. Those challenges include:

- **Utility size, coordination and governance:** establish a governance structure between SFID, SDWD, and SEJPA for this project – a regulatory requirement for permitting authorities is that the participating parties have the Technical, Managerial, and Financial resources dedicated to ensure success.
- **Wastewater supply:** additional wastewater flows need to be identified to provide adequate source water to meet the ultimate project potable reuse goals.
- **Replacing recycled water commitments:** replacement sources for the existing non-potable recycled water customers need to be identified, given that all of the flow from San Elijo Water Reclamation Facility (SEWRF) would be allocated for the Advanced Water Purification Facility (AWPF).

- **Source control:** expanding wastewater flows into SEWRF will require additional evaluation of source control and industrial pre-treatment programs.
- **Improvements to SEWRF:** modifications to the SEWRF are needed prior to the implementation of the AWPf, and will likely be important drivers for schedule.
- **Reservoir modeling:** modeling of the San Dieguito Reservoir (SDR) is required to demonstrate the hydraulics and to quantify dilution and mixing within the reservoir.
- **Modification of SDR operation:** To maximize the benefit of SDR for potable reuse, modifications of the current reservoir operation will be needed. The draft Surface Water Augmentation regulations focus on two main functions of the reservoir: dilution and retention time. Providing adequate mixing of the AWPf water in the reservoir will be critical to achieve sufficient dilution within the reservoir and ensure the treatability of the water in Badger WFP. The retention time of purified water in the reservoir can be maximized by (1) reducing other influent flow sources and (2) increasing the reservoir capacity. Currently, SDR is used for pre-treatment of Lake Hodges water prior to Badger WFP. Improvements at Lake Hodges that eliminate the need for pre-treatment at SDR would increase the available retention time for AWPf water and offer significant advantages for the reservoir augmentation project. Dredging would also increase SDR capacity and increase the retention time for potable reuse.

While there are significant challenges to overcome, it is important to note that SEJPA, SFID, and SDWD have a long track record in partnering to develop successful large-scale projects. In 1970, SDWD and SFID jointly constructed the Badger WFP and have worked together to maintain and upgrade the plant since then. Since 2000, SEJPA, SFID, and SDWD have partnered on a recycled water program. This program now serves approximately 1,300 acre-feet of recycled water to SDWD and SFID customers each year, thereby reducing each agency's reliance on imported potable water. Both of these projects also had challenges that were overcome through strong partnerships.

Recommendation

The establishment of a Project Management Team (PMT) is recommended to support the development of a potable reuse project. The PMT would consist of staff along with engineering, finance/grant, operations, public outreach, and water resource consultants that have experience in potable reuse and/or water supply development projects. The PMT would oversee the following:

- the regulatory permitting process
- the necessary studies to support environmental reporting and project development
- development of preliminary design documentation
- public outreach activities
- identification of funding sources
- assistance in the development of a governance structure for a joint potable reuse project

Should the Board of Directors (Board) of all three agencies agree with this approach, SEJPA, SFID, and SDWD staff will develop a proposed work plan and budget for the establishment of the PMT which will be brought to each agency's Board for approval at a later date.

FINANCIAL IMPACT

The total cost of the feasibility study was \$131,000. SEJPA, SFID, and SDWD agreed to equally share project costs. Therefore, SEJPA's project cost was \$43,666. Funding for the study was paid from the Water Reclamation Fund.

The estimated cost for a near-term potable reuse project is approximately \$29 million and for an ultimate potable reuse project it is approximately \$73 million. The estimated cost includes a 25% contingency.

It is therefore recommended that the Board of Directors:

1. Receive and file the report;
2. Authorize staff to proceed with the formation of a Potable Reuse Project Management Team; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

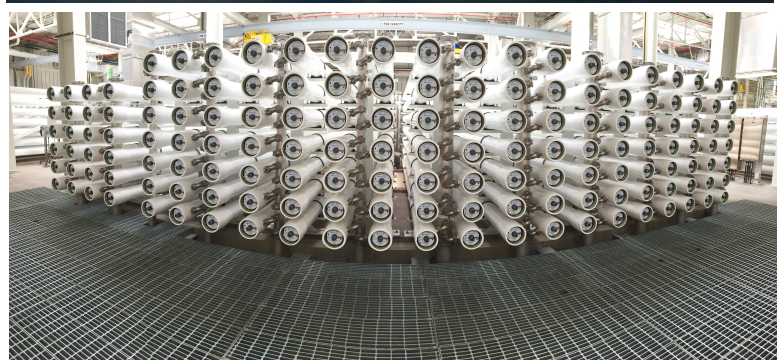
Attachment 1: Potable Reuse Feasibility Study Executive Summary



SAN ELIJO
JOINT POWERS AUTHORITY



Potable Reuse Feasibility Study



March 2016

Trussell
TECHNOLOGIES INC

380 Stevens Ave., Suite 308
Solana Beach, CA 92075

In association with



Executive Summary

California faces an unprecedented set of challenges with regard to water management that is driven by population growth, severe droughts, and climate change. To address these growing challenges, water agencies are developing new local, sustainable water supplies that reduce reliance on imported water. Although many approaches are being pursued to provide a clean, affordable, and local drinking water supply, potable reuse is a highly attractive and cost-effective option that is available year-round and can be safely accomplished with today's technologies. In fact, California is already a worldwide leader in potable reuse practice with 50 years of history and over 200 MGD of recycled water being treated to a level that is safe for potable consumption today. This document provides the results of a potable reuse feasibility study for a partnership project between the Santa Fe Irrigation District, the San Dieguito Water District, and the San Elijo Joint Powers Authority.

Summary of Technical Memorandums

Three technical memorandums have been prepared that provide:

Technical Memorandum 1 – A summary of existing potable reuse projects in California, the evolution of the Division of Drinking Water's regulations governing potable reuse, and the timeline for the development of new regulations for surface water augmentation as well as the feasibility of direct potable reuse. While the 2014 groundwater recharge regulations matured over several decades, the surface water augmentation regulations are legislated for completion by the end of 2016 without the benefit of experience from an operating project. The 2014 groundwater recharge regulations directly benefited from potable reuse projects of different sizes and types that have been in operation since the 1960s in Los Angeles County and the 1970s in Orange County. The information being considered to develop surface water augmentation regulations originated from the City of San Diego's pursuit of reservoir augmentation in the San Vicente Reservoir. Along with a surface water augmentation regulation, the drinking water industry will have a decision on whether direct potable reuse is feasible in California by the end of 2016.

Technical Memorandum 2 - A description of an ultimate potable reuse project that could deliver 4 MGD of advance treated water from the San Elijo Water Reclamation Facility to the San Dieguito reservoir for an estimated cost of \$1520/AF. Assuming that the project proceeds in a timely manner and the challenges outlined below are successfully overcome, first water could be delivered by 2025. The ultimate project does not meet the draft regulatory criteria for a surface water augmentation project and may need to be permitted as a form of direct potable reuse. This ultimate project is building on the concept developed for the City of San Diego's pursuit of a project to augment Miramar Lake and provides the greatest volume of water at the lowest cost, but also faces the most significant challenges; challenges that must be further studied to refine the project cost and ultimate capacity. In fact, this project

dedicates the capacity of the San Elijo Water Reclamation Facility to the production of purified water for delivery to San Dieguito Reservoir. This means that additional engineering studies are required to: (1) evaluate the feasibility of securing additional wastewater flow to the San Elijo Water Reclamation Facility, (2) determine how existing non-potable recycled water demands from the San Elijo Water Reclamation Facility can be met, as well as (3) identify the necessary improvements and develop costs for converting the San Elijo Water Reclamation Facility to a biological nutrient removal facility. Another critical component of furthering the development of a potable reuse project is to determine the governance and organizational structure to demonstrate the required Technical, Managerial, and Financial (TMF) Assessment to the Division of Drinking Water. It is recommended that the pursuit of the ultimate project build off of the City of San Diego's permitting efforts for Miramar Lake, which should be largely completed by the end of 2018.

Technical Memorandum 3 - A description of a short-term potable reuse project that could be developed to deliver 1 MGD of advance treated water from the San Elijo Water Reclamation Facility to the San Dieguito reservoir within the next six years for an expected cost of \$1890/AF. This project will conform to the existing draft criteria for surface water augmentation regulations.

Existing 30-Inch Pipeline

A significant benefit offered to these projects (ultimate and short-term) is the opportunity to significantly reduce conveyance costs by rehabilitating an existing low-pressure 30-inch line from the San Elijo Water Reclamation Facility up to the San Dieguito Reservoir. The San Dieguito Water District owns this existing pipeline. Many reservoir augmentation projects are faced with significant conveyance costs that approach the construction cost of the advanced treatment facilities. It is important to highlight that this existing infrastructure allows potable reuse projects to the San Dieguito Reservoir to provide cost-effective water, even at the smaller capacities considered in this study. Since slip lining the existing pipeline has significantly less impact on the environment, the environmental impacts of construction will also be significantly reduced. However, several sections of open cut pipeline construction will still be required and must be considered in the environmental permitting.

Study Conclusions

The primary conclusion of this feasibility study is that a surface water augmentation project could be permitted with the Division of Drinking Water that is cost-effective, ranging between \$1500/AF and \$2000/AF. However, there are significant challenges associated with each project that need further study and development. Examples of some key challenges identified in these documents are:

- 1) **Utility size, coordination and governance:** Establish a governance structure between SFID, SDWD, and SEJPA for this project – a regulatory

requirement for permitting authorities is that the participating parties have the *Technical, Managerial, and Financial* resources dedicated to ensure success.

- 2) **Wastewater supply:** additional wastewater flows need to be identified to provide adequate source water to meet the 4 MGD potable reuse goals
- 3) **Replacing recycled water commitments:** replacement sources for the existing non-potable recycled water customers need to be identified, given that all of the flow from SEWRF would be allocated for the Advanced Water Purification Facility (AWPF)
- 4) **Source control:** expanding wastewater flows into SEWRF will require additional evaluation of source control and industrial pre-treatment programs
- 5) **Improvements to SEWRF:** modifications to the SEWRF are needed prior to the implementation of the AWPF, and will likely be important drivers for schedule
- 6) **Reservoir modeling:** modeling of the SDR is required to demonstrate the hydraulics and to quantify dilution and mixing within the reservoir
- 7) **Modification of SDR operation:** To maximize the benefit of SDR for potable reuse, modifications of the current reservoir operation will be needed. The draft SWA regulations focus on two main functions of the reservoir: dilution and retention time. Providing adequate mixing of the AWPF water in the reservoir will be critical to achieve sufficient dilution within the reservoir and ensure the treatability of the water in Badger WFP. We can also maximize the retention time of purified water in the reservoir by (1) reducing other influent flow sources and (2) increasing the reservoir capacity. Currently, SDR is used for pre-treatment of Lake Hodges water prior to Badger WFP. Improvements at Lake Hodges that eliminate the need for pre-treatment at SDR would increase the available retention time for AWPF water and offer significant advantages for the reservoir augmentation project. Dredging would also increase SDR capacity and increase the retention time for potable reuse.

Recommendations

The formation of a Program Management Team (PMT) is recommended to support the development of a potable reuse project that maximizes the use of existing facilities and integrates new facilities to ensure water supply reliability of each agency's service area. As a minimum, the PMT would be comprised of staff and consultants from engineering, finance/grant, operations, public outreach, and water resources that have related experience in potable reuse and water supply development projects. The PMT would oversee: 1) the regulatory permitting process, 2) necessary studies to support environmental permitting and project development, 3) development of preliminary design documentation, 4) development of request for proposals to assist with the procurement of final design firms, 5) public outreach activities, 6) identification of funding sources, and 7) assist in the development of a governance structure for jointly constructed/operated

potable reuse projects. This approach allows the agencies to proceed in a timely manner to accomplish the projects developed in this feasibility study while continuing to meet customer demands and provide existing services. Both the City of San Diego and Padre Dam Municipal Water District are following similar approaches for the development of their potable reuse programs.

San Dieguito Water District, San Elijo Joint Powers Authority, and Santa Fe Irrigation District have demonstrated leadership in strategically working together on other joint water supply projects that resulted in the development of: 1) a Title 22 recycled water treatment and distribution infrastructure and 2) jointly owned and operated surface water treatment and distribution systems for potable water. This past collaboration and integration of facilities provides a foundation for the PMT as they evaluate the cost effective development and operation of future potable reuse project(s).

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance/Administration

SUBJECT: PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL
YEAR 2016-17 RECOMMENDED BUDGET

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review the Fiscal Year 2016-17 Recommended Budget; and
2. Discuss and take action as appropriate.

DISCUSSION

The Fiscal Year (FY) 2016-17 San Elijo Joint Powers Authority (SEJPA) Recommended Budget has been prepared in accordance with the SEJPA formation agreement, and the SEJPA's existing and proposed service agreements with other government entities. The budget estimates all expenditures necessary to provide wastewater treatment, waste disposal, water reclamation, laboratory, ocean outfall, pump station services, and other services.

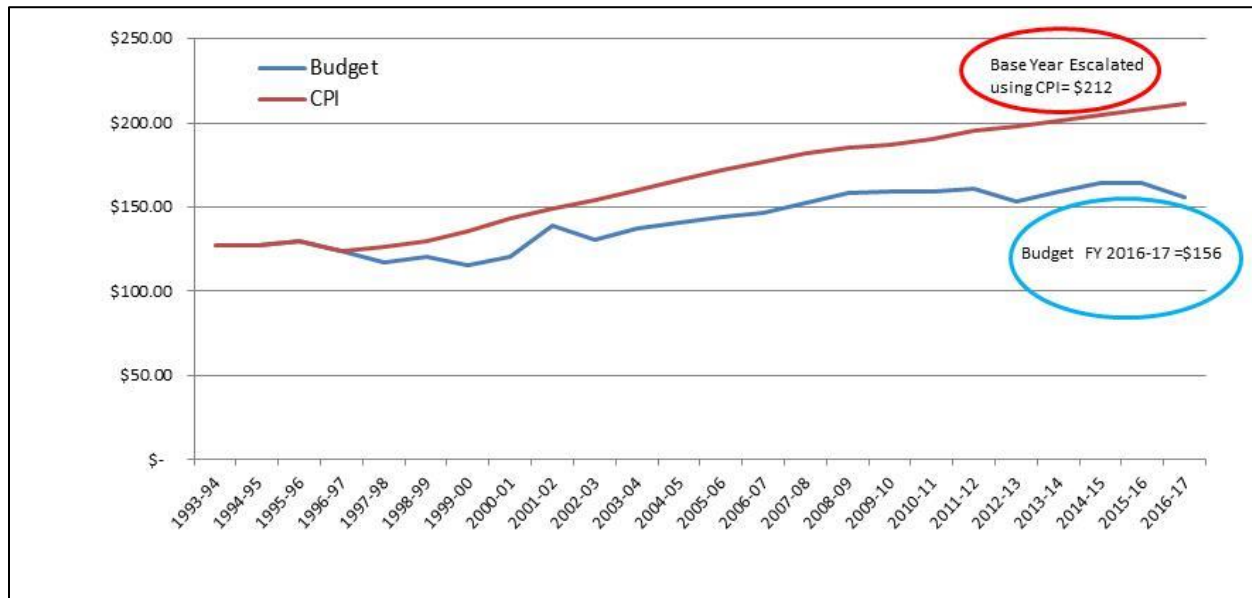
The recommended FY 2016-17 Budget consists of \$6,029,313 operating costs, \$2,472,696 debt service and \$1,659,000 capital projects for a total budget of \$10,161,009. The Wastewater Treatment Fund, which is the largest SEJPA program and includes operations and maintenance for wastewater, laboratory, outfall, and pump stations, as well as bond debt for the 2011 SEJPA Revenue Bonds, has a recommended budget \$7,281,476. The Recycled Water Fund (which includes operations and maintenance, as well as debt service expenses) has a recommended budget of \$2,826,275. The SEJPA provides its Member Agencies storm water, urban runoff, and emergency generator services that have a total recommended budget \$53,258.

SEJPA management has reviewed in detail all aspects of operations to control costs without impacting the agency's ability to perform its vital functions. The proposed operating budget for all programs will increase by \$343,162, of which Wastewater Treatment and Recycled Water Programs represent the majority of the cost increase at \$135,699 and \$134,499, respectively. This increase is primarily due to higher variable costs related to treating wastewater from the City of Del Mar (which is scheduled to begin July 2016) and anticipated cost increases related to pursuing water reuse and other recycled water projects, increased biosolids disposal, legal (capital projects and Caltrans), and chemical and electrical use increase.

The cost for wastewater treatment and disposal services for the Member Agencies are allocated based on use, indicated by measured flows or level of effort, as appropriate. Flows are averaged over a 12 month period and vary from year to year, impacting the level of participation for each agency. On the basis of 16,380 connected equivalent dwelling units (EDU's), wastewater treatment and disposal services are proposed to cost an average of \$155.71 per EDU in FY 2016-17. This represents a decrease of \$8.61 or 5.24 percent from a year ago. The primary driver for the cost reduction is the delivery of wastewater and outfall services to the City of Del Mar.

Below is a graph showing the historic cost per EDU for the Member Agencies compared to the escalated rate using the San Diego CPI index.

Historic SEJPA Wastewater Cost vs CPI



Recycled water revenues from customers and incentives are budgeted to increase by approximately \$27,598 or 1.1 percent from FY 2015-16. In addition, the SEJPA anticipates receiving grant funds of approximately \$200,000 from Proposition 84, Integrated Regional Water Management (IRWM) program as part of partnering with Olivenhain Municipal Water District for the design and construction of the Village Park Recycled Water Project.

The SEJPA is planning for recycled water sales volume will be approximately 1,507 acre-feet (AF) in the upcoming fiscal year, which is approximately the same as the FY 2015-16. The program is projected to generate \$2.83 million in recycled water revenues for FY 2016-17 including the IRWM grant revenue and investment interest. The total recommended FY 2016-17 operating budget which includes operating costs, debt service and capital costs is \$2.83 million. Operating costs increased by \$134,449 and is comprised of \$65,000 for engineering related to process optimization, security and system modeling, \$15,170 for labor, \$11,250 for infrastructure rental, \$10,000 for legal, \$20,250 in energy costs

The SEJPA Capital Improvement Program includes both new and ongoing projects for improvements to the wastewater treatment, ocean outfall, and the water reclamation programs. Most of these projects were identified in the Facility Plan prepared in 2007 and updated in the 2015 Facility Plan. The capital improvement programs are budgeted at \$1,029,000, \$300,000, and \$330,000 for wastewater treatment, ocean outfall, and recycled water programs, respectively, for a total of \$1,659,000.

The wastewater treatment program capital projects include Preliminary Treatment Upgrades, Building Improvements, Biosolids Reserves, Energy Efficiency Improvements, Digester Rehabilitation Upgrades, and Miscellaneous Projects. Preliminary Treatment consists of modification and/or replacement of headworks and grit chamber components. Building Improvements consist of, but not limited to code deficiencies, security, seismic improvements, and operational issues related to the Administration and Operations Buildings. The Biosolids Reserve consists of projects related to processing sludge. Energy Efficiency Improvements is related to efficiency or energy generation projects at the SEJPA facility. Digester Improvements are required to ensure proper treatment of solids removed from the wastewater. Miscellaneous Projects for FY 2016-17 has been designated for resurfacing the facility asphalt.

The Ocean Outfall Reserve consists of projects to address the replacement of the land outfall portion and re-ballasting of the ocean portion.

The Recycled Water capital improvements are related to conveyance and storage of recycled water in addition to projects related to potable reuse. The conveyance portion of the project consists of relocating pipelines in the Caltrans' freeway widening project, and extending pipelines to increase recycled water use and to conserve potable water. As a result of the severe drought in California, a potable reuse study is being pursued to identify required improvements for delivering purified water to the R.E. Badger Water Filtration Plant.

Debt service for the SEJPA is budgeted at \$2,472,696, which is approximately the same as last fiscal year. The annual debt service consists of the following:

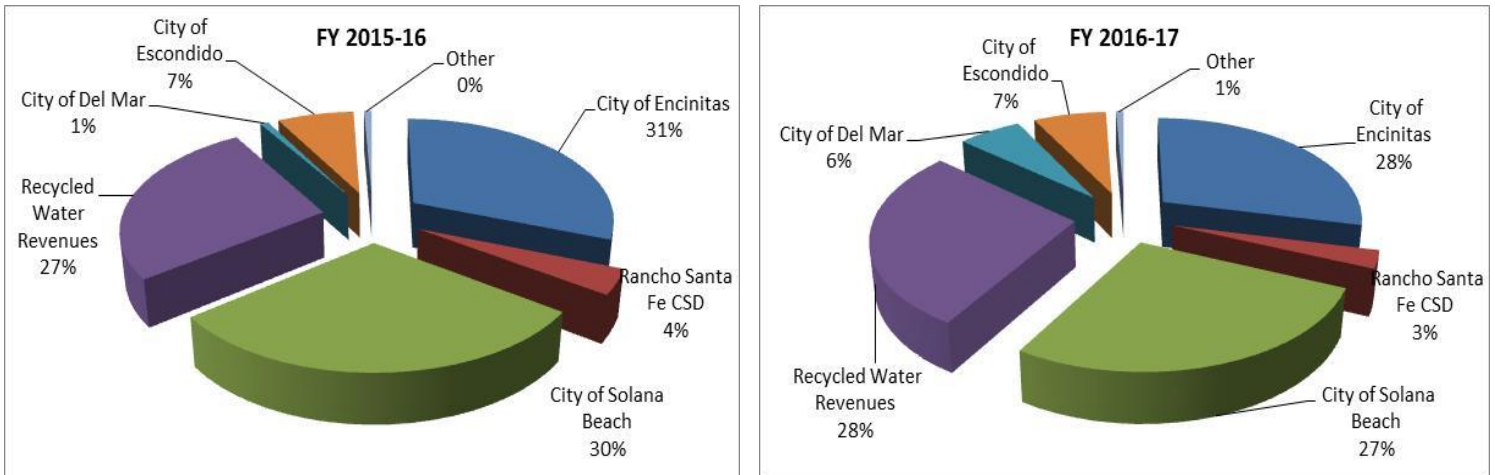
- 2011 Revenue Bond payment of \$1,474,868 (1991 Secondary Upgrades Project)
- State Revolving Fund loan payment of \$834,675 (2000 Recycled Water Project)
- Advanced Water Purification (AWP) loan payment of \$148,153 (constructed in 2013)
- SFID pipeline acquisition of \$15,000 (4th year)

Further information for the FY 2015-16 Recommended Budget is discussed in detail in the budget document, along with information regarding the contribution requirements of the various agencies served by the SEJPA.

SUMMARY

The recommended FY 2016-17 Budget for the Wastewater Services is \$7,334,733. The Recycled Water Program recommended FY 2016-17 budget is \$2,826,275. The SEJPA receives revenues from seven primary sources, with the three largest customers being the City of Encinitas, the City of Solana Beach, and the Recycled Water Program, which are expected to provide \$2,917,416, \$2,754,979, and \$2,821,001, respectively. The graph below shows the revenue source percentages for FY 2015-16 and FY 2016-17.

Revenue Source Percentage



The May 9, 2016 Board Agenda will include a budget discussion item for the Board to publicly discuss any changes or comments on the recommended budget. The budget will be brought to the June 13, 2016 meeting for Board approval.

It is therefore recommended that the Board of Directors:

1. Review the Fiscal Year 2016-17 Recommended Budget; and
2. Discuss and take action as appropriate.

Respectfully submitted,

Paul F. Kinkel
Director of Finance/Administration

Attachment 1: San Elijo Joint Powers Authority Recommended Annual Budget FY 2016-17



SAN ELIJO _____
JOINT POWERS AUTHORITY

**Recommended Annual Budget
FY 2016-17**



Mission of the San Elijo Joint Powers Authority

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

Vision

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

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

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

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

Responsibility – Be accountable for one’s conduct and actions.

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

Courtesy – Be respectful, considerate, aware, and caring.

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

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

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

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

SAN ELIJO JOINT POWERS AUTHORITY***RECOMMENDED ANNUAL BUDGET******FISCAL YEAR 2016-17*****BOARD OF DIRECTORS**

CATHERINE BLAKESPEAR, CHAIRPERSON

GINGER MARSHALL, VICE CHAIRPERSON

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

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PAUL F. KINKEL, DIRECTOR OF FINANCE/ADMINISTRATION

MEMBER AGENCIES

CITY OF ENCINITAS
CITY OF SOLANA BEACH

2695 Manchester Avenue
Cardiff by the Sea, CA 92007

www.sejpa.org

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Transmittal Letter

Honorable Chairperson and Members of the Board of Directors:

I am pleased to present the Fiscal Year (FY) 2016-17 Recommended Budget for the San Elijo Joint Powers Authority (SEJPA). The agency has been in existence for over 50 years with its origination to provide safe and reliable wastewater treatment and disposal for the coastal communities of Cardiff by the Sea and Solana Beach. The agency has evolved to become more than a leader in wastewater treatment, but an innovator in recycling water, and actively collaborating with local water agencies on water reuse technology. The San Elijo Water Reclamation Facility is an award winning facility, recognized for its dedicated personnel, commitment to safety, and recycled water program. This budget document reflects the SEJPA's commitment to providing the best value to our stakeholders by balancing each decision made using a cost, performance, and schedule criteria.

OPERATING BUDGET OVERVIEW

The SEJPA Recommended Budget for FY 2016-17 is made up of ten operational programs that are managed and operated by the SEJPA. There are no new programs for FY 2016-17; however, the SEJPA welcomes the City of Del Mar to its wastewater treatment facility. The operation and maintenance of Del Mar's 21st Pump Station was planned in the FY 2015-16 budget, but is now anticipated to begin when the City of Del Mar's wastewater is re-directed to the San Elijo Water Reclamation Facility (SEWRF). These new revenue sources provide the SEJPA an opportunity to improve operational cost effectiveness and lower future cost impacts to the participating agencies in addition to improving the financial strength of the agency.

The total increase in Operating Costs year over year is \$343,962 or 6.0%. The Wastewater Treatment and Recycled Water programs account for \$270,198 or 4.8% of the increase. Details for these increases are discussed in each program section.

| Program | Adopted Budget 2015-16 | Recommended Budget 2016-17 | Budget Change | % Change |
|---|---------------------------------------|---|--------------------------|---------------------|
| Wastewater Treatment | \$ 2,575,466 | \$ 2,711,166 | 135,699 | 5.3% |
| Laboratory | 442,046 | 468,658 | 26,612 | 6.0% |
| Ocean Outfall | 522,957 | 542,096 | 19,139 | 3.7% |
| Cardiff Sanitary Division Pump Stations | 233,397 | 238,545 | 5,148 | 2.2% |
| Encinitas Sanitary Division Pump Stations | 141,734 | 146,544 | 4,811 | 3.4% |
| City of Encinitas Urban and Storm Water Services | 29,209 | 30,236 | 1,027 | 3.5% |
| City of Solana Beach Pump Stations | 293,275 | 307,098 | 13,824 | 4.7% |
| City of Solana Beach Generator Maintenance Services | 9,137 | 9,245 | 108 | 1.2% |
| City of Del Mar Pump Station | 74,981 | 77,277 | 2,296 | 3.1% |
| Recycled Water | 1,363,948 | 1,498,447 | 134,499 | 9.9% |
| Total Operating Costs | \$ 5,686,151 | \$ 6,029,313 | \$ 343,162 | 6.0% |

CAPITAL BUDGET OVERVIEW

The Wastewater Treatment and Ocean Outfall Capital Budgets are based on the 2015 Facility Plan recommendations and input from the SEJPA's member agencies and water district partners. The capital plan recommends \$1,029,000 for Wastewater Treatment projects, \$300,000 for the Ocean Outfall Program, and \$330,000 for the Recycled Water Program, for a combined total of \$1,659,000. The 2015 Facility Plan, which provided a comprehensive condition-evaluation of agency infrastructure, updated our Wastewater Asset Management database and reviewed current and future regulatory requirements (and their potential impacts on infrastructure needs). The 2015 Facility Plan prioritized the SEJPA's current and future capital investments in the wastewater, recycled water, and ocean outfall systems.

DEBT SERVICE OVERVIEW

The SEJPA's debt service is stable for FY 2016-17 with \$1,474,868 related to Wastewater Treatment and \$997,828 related to Recycled Water for a combined debt service of \$2,472,696. This level of debt service is relatively unchanged from FY 2014-15. This budget document does not include debt service that is being pursued to fund projects identified in the 2015 Facility Plan.

ACCOMPLISHMENTS FOR FY 2015-16 AND GOALS FOR FY 2016-17

This year, the SEJPA had several notable accomplishments. For water quality compliance, the SEJPA met all of its requirements for the NPDES ocean discharge permit. The SEJPA embraces its responsibility to protect the ocean water quality and maintaining ocean discharge permit compliance is paramount to this goal. The SEJPA also began the planning, design, and permitting for the Ocean Outfall replacement project. This is a complex project not only due to its location in an environmentally sensitive area, but requires collaboration and communication with multiple governmental agencies as well as the public.

In addition to our environmental successes, the SEJPA just finished its 16th year in a row without incurring a "lost workday" due to injury. This impressive achievement was acknowledged at both the San Diego local level and the State level by the California Water Environment Association's (CWEA) Safety Awards for first and second place respectively. The SEJPA staff is proud to be recognized by CWEA and its peers.

CWEA also recognized three SEJPA staff members with awards in their areas of expertise. The awards were given for Lab Person, Operator, and Electrical and Instrumentation person of the year. Finally, the SEJPA was recognized by WaterReuse California for its successful recycled water program and was awarded "Recycled Water Agency of the Year" for agencies of our size.

This budget also reflects the City of Del Mar sending its influent flows to the SEJPA. This new revenue source will improve service, create cost efficiencies, utilize unused capacity, absorb costs that would otherwise be incurred, and provide future rate stabilization. Furthermore, the SEJPA reduced administrative costs by outsourcing Human Resources to the Encina Wastewater Authority.

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

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

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Background

History

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

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



Since that time the SEJPA has grown from preparing water for waste discharge into the ocean to an award winning recycle water utility that can produce more than 480 million gallons per year.

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

- 1965 basic treatment plant & ocean outfall constructed
- 1969 Porter-Cologne Water Quality Control Act (California)
- 1972 Federal Clean Water Act (federal – NPDES Permits)
- 1982 Proposition M (local - funding for Recycled Water Facility)
- 1986 – 1992 Drought & mandatory water cutbacks
 - ✓ State shuts off water to farmers, and cut deliveries to cities by half.
 - ✓ U.S. officials cut water to farms by 75%; urban areas by up to 50%.
 - ✓ Metropolitan Water District reduced deliveries by 31%.
- 1991 SEJPA Wastewater treatment upgraded (Clean Water Act Compliance)

As a result of the 1986-1992 drought and water reductions by the Metropolitan Water District, the agency developed a strategy to take pressure off the potable water supply by investing in a new recycled water utility. The yearly milestones are shown below:

- 1991-1998 Planning, design, permitting, & financing recycled water
- 1998-2000 Construction of recycled water utility
- 2000 Recycled water utility – Health Department certification completed & system became operational
- 2004 SEJPA delivered 1 billion gallons of recycled water since inception
- 2010 North San Diego Water Reuse Coalition
- 2013 Advanced water purification – completed & operational
- 2014 Small scale storm water capture, treatment, and recycling – commenced
- 2014 SEJPA delivered 5 billion gallons of recycled water since inception

Our focus is on how the SEJPA can provide:

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



Encinitas Ranch Golf Course, Par 3, Hole #17
Reservoir filled with San Elijo Joint Powers Authority's Recycled Water

Fund Summary

| | Wastewater Services | Recycled Water | State Revolving Fund Debt Reserve | Capital Projects | Total |
|------------------------------------|----------------------------|-----------------------|--|-------------------------|---------------------|
| Revenues | | | | | |
| Operating | \$ 4,491,248 | \$ 2,821,001 | \$ - | \$ - | \$ 7,312,249 |
| Capital | - | - | - | 1,329,000 | 1,329,000 |
| Debt | 1,474,868 | - | - | - | 1,474,868 |
| Other | 39,618 | 6,200 | - | - | 45,818 |
| Total Revenues | <u>6,005,734</u> | <u>2,827,201</u> | <u>-</u> | <u>1,329,000</u> | <u>10,161,935</u> |
| Expenses | | | | | |
| Operating | 4,530,866 | 1,498,447 | - | - | 6,029,313 |
| Capital | - | 330,000 | - | 1,450,000 | 1,780,000 |
| Debt Service | 1,474,868 | 997,828 | - | - | 2,472,696 |
| Total Expenses | <u>6,005,734</u> | <u>2,826,275</u> | <u>-</u> | <u>1,450,000</u> | <u>10,282,009</u> |
| Increase/(Decrease) | - | 926 | - | (121,000) | (120,074) |
| Fund Balance Beginning of the Year | 874,216 | 741,722 | 630,000 | 4,838,818 | 7,084,756 |
| Fund Balance End of the Year | <u>\$ 874,216</u> | <u>\$ 742,648</u> | <u>\$ 630,000</u> | <u>\$ 4,717,818</u> | <u>\$ 6,964,682</u> |

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

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

Capital Projects includes projects for Preliminary Treatment Upgrades, Building Program, Biosolids Treatment Upgrades, Energy Efficiency Improvements, Hydraulic Management, Digester Rehabilitation, Land Outfall Replacement, Ocean Outfall Re-ballast, and other Miscellaneous Projects.

Revenue Summary

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| City of Encinitas | \$ 2,809,482 | \$ 2,786,288 | \$ 2,970,694 | \$ 2,991,526 | \$ 2,917,416 |
| City of Solana Beach | 2,659,845 | 2,759,543 | 2,803,320 | 2,881,168 | 2,754,979 |
| City of Del Mar | | | | 74,981 | 611,294 |
| Rancho Santa Fe CSD | 319,513 | 361,955 | 364,030 | 376,569 | 278,905 |
| City of Escondido | 560,744 | 574,686 | 678,213 | 703,709 | 705,224 |
| Laboratory Services | 28,995 | 27,226 | 27,226 | 27,226 | 27,300 |
| Recycled Water | 3,300,680 | 2,634,527 | 2,380,836 | 2,593,403 | 2,821,001 |
| T-Mobile Cell Site Lease | 24,359 | 25,089 | 25,089 | 25,842 | 26,617 |
| Other Revenue | 7,383 | 4,421 | 1,000 | 1,000 | 1,000 |
| Interest on Wastewater Operations | 4,526 | 12,259 | 12,013 | 10,000 | 12,000 |
| Interest on Water Reclamation | 14,154 | 10,477 | 7,500 | 5,600 | 6,200 |
| Total Revenue Sources | \$ 9,729,681 | \$ 9,196,470 | \$ 9,269,921 | \$ 9,691,024 | \$ 10,161,936 |

Revenue by Source

Basis for Revenue by Source

- Wastewater treatment costs are based on the 2015 calendar year average influent flows for City of Encinitas (Encinitas), City of Solana Beach (Solana Beach), and the Rancho Santa Fe Community Services District (RSFCSD). The City of Del Mar influent flows have been estimated based on projected flows because Del Mar is new to the SEJPA for FY 2016-17, and the timing of the connection is based on the completion of the ongoing construction.
- The RSFCSD Rental Credit is based on a capacity use agreement between Encinitas, Solana Beach, and RSFCSD. This revenue has been modified to remove the 33% premium in anticipation of a new agreement to extend wastewater treatment and ocean disposal services for an additional 20 years.
- Laboratory Services are calculated based on the 2015 calendar year average influent flows after outside laboratory services are subtracted.
- Outfall costs are based on the 2015 calendar year average effluent flows with the exception of the City of Del Mar which is based on projected flows because Del Mar is new to the SEJPA for FY 2016-17, and the timing of the connection has not been established.
- Cardiff Sanitary Division and Encinitas Sanitary Division are solely supported by the City of Encinitas.
- Capital projects are based on owned/leased capacity for both the Wastewater Treatment and the Ocean Outfall.

Below is a table of the calendar year 2015 average daily influent and effluent, and owned/leased capacity for each member and government agency:

| Entity | Millions of Gallons Per Day (MGD) | | | |
|-----------------------|--|-----------------|-----------------|-------------------------|
| | Influent | Effluent | Capacity | Outfall Capacity |
| City of Encinitas | 1.249 | 0.599 | 2.200 | 2.250 |
| City of Solana Beach | 1.114 | 0.534 | 2.200 | 2.250 |
| Rancho Santa Fe CSD's | 0.115 | 0.055 | 0.250 | 0.250 |
| City of Del Mar | 0.360 | 0.173 | 0.600 | 0.600 |
| City of Escondido | - | 8.621 | - | 20.150 |
| Total | 2.837 | 9.982 | 5.250 | 25.500 |

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

City of Encinitas – Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|--|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Treatment | \$ 1,200,866 | \$ 1,174,014 | \$ 1,248,335 | \$ 1,242,251 | \$ 1,193,665 |
| Interest Income Credit | (2,283) | (6,146) | (6,006) | (5,000) | (6,000) |
| RSF CSD Credit | (64,496) | (64,496) | (64,496) | (64,496) | (48,372) |
| T-Mobile License Income | (12,179) | (12,546) | (12,545) | (12,921) | (13,309) |
| Other Income Credit | (5,407) | (2,323) | (501) | (500) | (501) |
| Total Wastewater Revenue | <u>1,116,502</u> | <u>1,088,504</u> | <u>1,164,787</u> | <u>1,159,334</u> | <u>1,125,483</u> |
| Laboratory Services | 183,990 | 176,636 | 208,411 | 204,054 | 194,320 |
| Ocean Outfall | 26,881 | 25,990 | 30,657 | 27,813 | 32,534 |
| Cardiff Sanitary Division Pump Stations | 171,045 | 187,538 | 212,495 | 233,397 | 238,545 |
| Encinitas Sanitary Division Pump Station | 115,964 | 134,895 | 130,105 | 141,734 | 146,544 |
| Encinitas Urban and Storm Water Services | 24,005 | 26,380 | 28,253 | 29,209 | 30,236 |
| 2011 Revenue Bonds | 694,904 | 694,442 | 691,225 | 691,225 | 692,081 |
| Capital Projects | 476,190 | 451,903 | 504,761 | 504,761 | 457,673 |
| Total Revenue | <u>\$ 2,809,482</u> | <u>\$ 2,786,288</u> | <u>\$ 2,970,694</u> | <u>\$ 2,991,526</u> | <u>\$ 2,917,416</u> |

City of Solana Beach – Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|---|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Treatment | \$ 1,076,676 | \$ 1,145,262 | \$ 1,110,346 | \$ 1,158,981 | \$ 1,064,114 |
| Interest Income Credit | (2,283) | (6,146) | (6,006) | (5,000) | (6,000) |
| RSF CSD Credit | (64,496) | (64,496) | (64,496) | (64,496) | (48,372) |
| T-Mobile License Income | (12,179) | (12,546) | (12,545) | (12,921) | (13,309) |
| Other Income Credit | (5,407) | (2,323) | (501) | (500) | (501) |
| Total Wastewater Revenue | 992,311 | 1,059,752 | 1,026,799 | 1,076,064 | 995,932 |
| Laboratory Services | 155,442 | 172,395 | 185,792 | 190,642 | 173,230 |
| Ocean Outfall | 21,347 | 25,163 | 27,339 | 25,696 | 29,013 |
| Solana Beach Pump Stations | 224,807 | 256,693 | 259,858 | 287,065 | 299,342 |
| Solana Beach Urban and Storm Water Services | 3,834 | 7,073 | 9,029 | 6,210 | 7,756 |
| Solana Beach Generator Maintenance Services | - | 1,140 | 8,150 | 9,137 | 9,245 |
| 2011 Revenue Bonds | 785,914 | 785,425 | 781,593 | 781,593 | 782,787 |
| Capital Projects | 476,190 | 451,903 | 504,761 | 504,761 | 457,673 |
| Total Revenue | <u>\$ 2,659,845</u> | <u>\$ 2,759,543</u> | <u>\$ 2,803,320</u> | <u>\$ 2,881,168</u> | <u>\$ 2,754,979</u> |

City of Del Mar – Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Treatment | | | | \$ - | \$ 343,982 |
| Laboratory Services | | | | | 55,998 |
| Ocean Outfall | | | | | 9,379 |
| Del Mar Pump Station | | | | 74,981 | 77,277 |
| Capital Projects | | | | | 124,658 |
| Total Revenue | | | | <u>\$ 74,981</u> | <u>\$ 611,294</u> |

Rancho Santa Fe Community Services District – Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Treatment | \$ 122,191 | \$ 167,300 | \$ 162,686 | \$ 174,235 | \$ 109,405 |
| Laboratory Services | 18,360 | 17,808 | 19,102 | 20,124 | 17,810 |
| Ocean Outfall | 2,698 | 2,661 | 2,832 | 2,798 | 3,005 |
| 1991 Capital Upgrade | 128,992 | 128,992 | 128,992 | 128,992 | 96,744 |
| Capital Projects | 47,272 | 45,194 | 50,418 | 50,420 | 51,940 |
| Total Revenue | <u>\$ 319,513</u> | <u>\$ 361,955</u> | <u>\$ 364,030</u> | <u>\$ 376,569</u> | <u>\$ 278,905</u> |

City of Escondido – Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Ocean Outfall | \$ 402,744 | \$ 416,686 | \$ 441,154 | \$ 466,650 | \$ 468,165 |
| Capital Projects | 158,000 | 158,000 | 237,059 | 237,059 | 237,059 |
| Total Revenue | <u>\$ 560,744</u> | <u>\$ 574,686</u> | <u>\$ 678,213</u> | <u>\$ 703,709</u> | <u>\$ 705,224</u> |

Laboratory Services-Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Fairbanks Ranch | \$ 6,901 | \$ 6,901 | \$ 6,901 | \$ 6,901 | \$ 7,000 |
| Rancho Santa Fe CSD 1 | 8,523 | 8,523 | 8,523 | 8,523 | 8,500 |
| Santa Fe Valley | 3,382 | 3,382 | 3,382 | 3,382 | 3,400 |
| Solana Beach | 1,769 | - | - | - | - |
| Whispering Palms | 8,420 | 8,420 | 8,420 | 8,420 | 8,400 |
| Total Revenue | <u>\$ 28,995</u> | <u>\$ 27,226</u> | <u>\$ 27,226</u> | <u>\$ 27,226</u> | <u>\$ 27,300</u> |

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

Recycled Water – Revenue Detail

| Revenue Source | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-------------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Santa Fe Irrigation District | \$ 738,004 | \$ 724,137 | \$ 687,492 | \$ 732,240 | \$ 707,344 |
| San Dieguito Water District | 511,011 | 527,789 | 542,400 | 583,080 | 589,453 |
| City of Del Mar | 217,622 | 171,062 | 166,788 | 176,280 | 179,643 |
| Encinitas Ranch Golf Course | 214,988 | 225,736 | 237,024 | 237,023 | 248,875 |
| Olivenhain Municipal Water District | 173,190 | 184,389 | 131,532 | 176,280 | 217,536 |
| Total Customers | <u>1,854,815</u> | <u>1,833,113</u> | <u>1,765,236</u> | <u>1,904,903</u> | <u>1,942,851</u> |
| MWD/CWA Subsidies | 653,940 | 702,675 | 615,600 | 688,500 | 678,150 |
| IRWM Grant | 791,925 | 98,739 | - | - | 200,000 |
| Total Revenue | <u>\$ 3,300,680</u> | <u>\$ 2,634,527</u> | <u>\$ 2,380,836</u> | <u>\$ 2,593,403</u> | <u>\$ 2,821,001</u> |

MWD is the Metropolitan Water District of Southern California.

CWA is the San Diego County Water Authority.

IRWM is Integrated Regional Water Management. IRWM is a collaborative effort to manage all aspects of water resources in a region.

Cost Summary

| | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Operating Cost | | | | | |
| Personnel | \$ 2,568,426 | \$ 2,741,235 | \$ 2,859,156 | \$ 2,898,444 | \$ 2,955,207 |
| Supplies and Services | 2,203,430 | 2,327,728 | 2,546,979 | 2,623,307 | 2,883,406 |
| Capital Outlay | 170,313 | 64,770 | 50,505 | 34,500 | 51,500 |
| Contingency | - | - | - | 129,900 | 139,200 |
| Total Operating Cost | 4,942,169 | 5,133,732 | 5,456,639 | 5,686,151 | 6,029,313 |
| Capital Costs | 1,098,000 | 1,257,000 | 1,597,000 | 1,597,000 | 1,659,000 |
| Debt Service | | | | | |
| State Revolving Fund | 834,675 | 834,675 | 834,675 | 834,675 | 834,675 |
| 2011 Refunding Bonds | 1,480,867 | 1,479,867 | 1,472,818 | 1,472,818 | 1,474,868 |
| Advanced Water Purification | 148,153 | 148,153 | 148,153 | 148,153 | 148,153 |
| SFID Pipeline Loan | 13,500 | 13,359 | 15,000 | 15,000 | 15,000 |
| Total Debt Service | 2,477,195 | 2,476,054 | 2,470,646 | 2,470,646 | 2,472,696 |
| Total Costs | <u>\$ 8,517,364</u> | <u>\$ 8,866,786</u> | <u>\$ 9,524,285</u> | <u>\$ 9,753,797</u> | <u>\$ 10,161,009</u> |

Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 | % Change |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|---------------------|
| Personnel | | | | | | |
| Direct Salaries and Wages | \$ 1,895,020 | \$ 1,902,259 | \$ 2,051,504 | \$ 2,096,592 | \$ 2,084,932 | -0.6% |
| FICA Tax | - | 1,617 | - | - | - | - |
| Medicare Tax | 27,919 | 28,336 | 29,581 | 28,933 | 28,775 | -0.5% |
| State Unemployment Tax | 7,928 | 7,109 | 7,109 | 9,114 | 9,114 | 0.0% |
| Standby Pay | 13,300 | 13,182 | 14,552 | 13,781 | 14,318 | 3.9% |
| Overtime Pay | 32,421 | 36,846 | 36,822 | 43,397 | 43,620 | 0.5% |
| Dental/Vision | 21,310 | 18,250 | 20,098 | 20,140 | 15,967 | -20.7% |
| Employee Assistance Program | 3,812 | 3,812 | 3,963 | 4,101 | 4,101 | 0.0% |
| Life Insurance/Disability | 11,880 | 11,609 | 12,824 | 15,492 | 16,384 | 5.8% |
| Workers Comp. Insurance | 32,371 | 31,701 | 34,820 | 37,227 | 39,108 | 5.1% |
| Medical Insurance - Pers | 190,533 | 212,832 | 235,738 | 247,197 | 266,254 | 7.7% |
| Retirement Plan - PERS | 257,414 | 394,023 | 328,098 | 290,344 | 335,065 | 15.4% |
| Deferred Comp-employer | 65,466 | 67,403 | 72,281 | 78,861 | 83,397 | 5.8% |
| Uniforms - Boots | 1,318 | 1,443 | 1,172 | 3,848 | 3,674 | -4.5% |
| Payroll Processing Fees | 7,846 | 8,401 | 7,947 | 5,400 | 7,998 | 48.1% |
| Other Personnel Costs | (113) | 2,412 | 2,647 | 4,017 | 2,500 | -37.8% |
| | <u>2,568,426</u> | <u>2,741,235</u> | <u>2,859,156</u> | <u>2,898,444</u> | <u>2,955,207</u> | <u>2.0%</u> |
| Supplies and Services | | | | | | |
| Advertising | 1,371 | 1,360 | 1,000 | 1,000 | 1,010 | 1.0% |
| Bank Service Charges | 2,134 | 291 | 3,000 | 3,000 | 3,000 | 0.0% |
| Board Expense | 133 | 393 | 297 | 300 | 300 | 0.0% |
| Dedication Ceremony | 244 | - | 1,989 | - | - | - |
| Dues & Memberships | 30,789 | 24,160 | 19,182 | 19,630 | 19,490 | -0.7% |
| Equipment Rental/Lease | 29,315 | 10,173 | 8,677 | 9,600 | 9,400 | -2.1% |
| Fees - Disposal | 908 | 1,770 | 2,000 | 2,000 | 2,000 | 0.0% |
| Fees - Permits | 52,711 | 60,004 | 59,388 | 68,100 | 60,600 | -11.0% |
| Fees - Purveyor Admin | 22,929 | - | - | - | - | - |
| Fuel | 14,370 | 11,346 | 27,812 | 31,628 | 23,721 | -25.0% |
| Insurance - Liability | 32,613 | 31,770 | 35,790 | 36,650 | 39,563 | 7.9% |
| Insurance - Property | 25,330 | 24,506 | 24,035 | 24,500 | 26,338 | 7.5% |
| Licenses | 21,331 | 19,563 | 31,682 | 23,640 | 25,125 | 6.3% |
| Services - Construction | - | - | 23,500 | - | - | - |
| Miscellaneous | - | - | - | - | - | - |
| Minor Equip - Shop & Field | 10,571 | 8,068 | 7,463 | 7,321 | 7,467 | 2.0% |
| Postage/Shipping | 2,691 | 1,835 | 2,232 | 2,312 | 2,315 | 0.1% |
| Preemployment Screening | 209 | 290 | 464 | 600 | 625 | 4.2% |
| Printing | 1,472 | 1,709 | 1,490 | 1,694 | 2,040 | 20.4% |
| Rent | 67,720 | 66,235 | 44,718 | 59,694 | 71,338 | 19.5% |
| Repair Parts Expense | 126,135 | 163,390 | 169,315 | 174,350 | 177,937 | 2.1% |
| Retrofit Expenses | - | - | - | 10,000 | 10,000 | 0.0% |
| Seminars/Education | 2,621 | 8,123 | 16,540 | 21,000 | 21,420 | 2.0% |
| Services - Accounting | 24,270 | 17,150 | 20,400 | 22,000 | 22,440 | 2.0% |
| Services - Alarm | 7,299 | 6,617 | 4,620 | 9,000 | 9,000 | 0.0% |
| Services - Biosolids Hauling | 144,706 | 171,675 | 164,541 | 165,528 | 175,000 | 5.7% |

Cost detail continued on next page

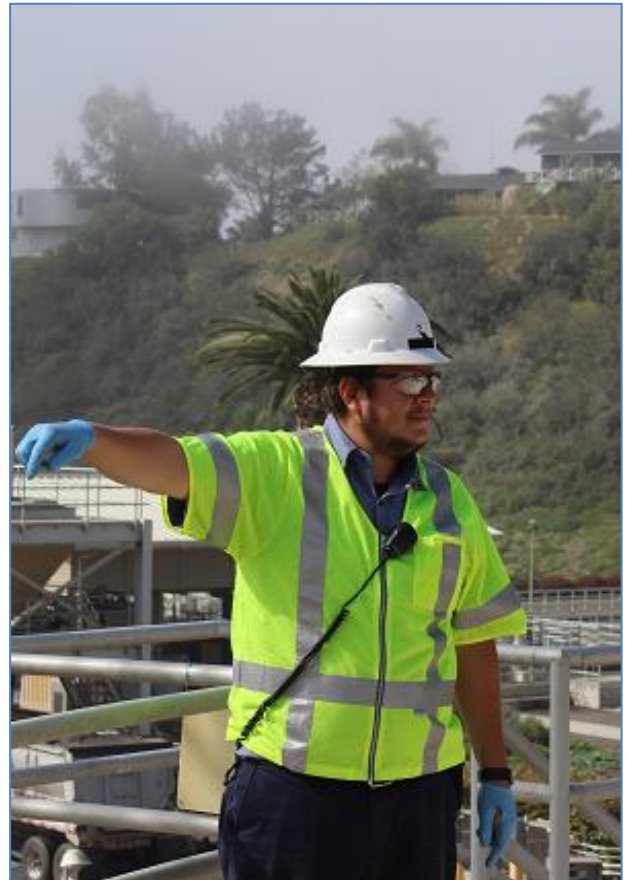
Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 | % Change |
|---------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|---------------------|
| Services - Engineering | 98,638 | 150,887 | 107,746 | 160,000 | 246,768 | 54.2% |
| Services - Grease & Scum | 16,645 | 21,403 | 27,604 | 28,855 | 30,420 | 5.4% |
| Services - Grit & Screenings | 10,876 | 15,757 | 17,816 | 18,250 | 20,500 | 12.3% |
| Services - Janitorial | 10,592 | 10,592 | 11,883 | 12,000 | 12,500 | 4.2% |
| Services - Laboratory | 14,941 | 22,310 | 30,820 | 30,200 | 31,200 | 3.3% |
| Services - Landscape | 27,955 | 24,485 | 32,270 | 28,800 | 39,000 | 35.4% |
| Services - Legal | 24,227 | 45,679 | 49,522 | 52,160 | 64,260 | 23.2% |
| Services - Lobbying | 29,978 | 14,555 | 15,000 | 16,000 | 16,000 | 0.0% |
| Services - Maintenance | 55,489 | 44,960 | 47,382 | 61,477 | 71,057 | 15.6% |
| Services - Medical | 1,755 | 4,485 | 1,023 | 2,000 | 2,013 | 0.7% |
| Services - Other | 186 | 35 | 13,724 | 14,150 | 14,150 | 0.0% |
| Services - Professional | 19,007 | 86,287 | 83,053 | 54,733 | 58,743 | 7.3% |
| Services - Temp | 32,410 | 27,499 | 38,781 | 27,000 | 28,500 | 5.6% |
| Services - IT/GIS Support | 24,200 | 35,551 | 57,812 | 31,000 | 31,700 | 2.3% |
| Service - EWA Support | - | - | 20,833 | - | 39,999 | |
| Services - Contractors | 198,368 | 90,548 | 141,136 | 140,000 | 142,000 | 1.4% |
| Services - Testing | 1,133 | 550 | 5,715 | 6,190 | 6,190 | 0.0% |
| Services - Uniforms | 6,554 | 8,199 | 8,188 | 6,760 | 7,977 | 18.0% |
| Subsistence - Meals | 1,289 | 1,628 | 1,022 | 2,725 | 2,725 | 0.0% |
| Subsistence - Travel/Rm & Bd | 4,089 | 3,731 | 7,845 | 8,525 | 8,525 | 0.0% |
| Supplies - Chem - Ferrrous Chlo | 53,633 | 45,721 | 55,800 | 56,700 | 57,816 | 2.0% |
| Supplies - Chem - Odor | 17,411 | 17,196 | 18,933 | 19,230 | 21,125 | 9.9% |
| Supplies - Chem - Polymer | 57,132 | 68,558 | 59,932 | 57,484 | 59,508 | 3.5% |
| Supplies - Chem - Sodium Hypo | 39,123 | 44,561 | 57,485 | 57,778 | 58,185 | 0.7% |
| Supplies - Chemicals | 27,497 | 24,702 | 30,587 | 34,720 | 38,550 | 11.0% |
| Supplies - Janitorial | 2,672 | 2,618 | 2,434 | 2,700 | 2,900 | 7.4% |
| Supplies - Lab | 23,811 | 18,045 | 19,552 | 18,800 | 20,800 | 10.6% |
| Supplies - Office | 9,141 | 13,420 | 14,691 | 10,500 | 10,600 | 1.0% |
| Supplies - Safety | 5,831 | 9,680 | 9,859 | 3,993 | 3,699 | -7.4% |
| Supplies - Shop & Field | 10,983 | 9,669 | 17,621 | 17,960 | 19,060 | 6.1% |
| Training | 2,870 | 6,663 | 3,010 | 6,000 | 6,120 | 2.0% |
| Training - Safety | 4,592 | 10,210 | 6,949 | 10,635 | 10,848 | 2.0% |
| Utilities - Gas & Electric | 620,368 | 656,392 | 706,874 | 776,628 | 828,984 | 6.7% |
| Utilities - Internet | 4,693 | 4,592 | 3,391 | 6,949 | 6,261 | -9.9% |
| Utilities - Telephone | 19,467 | 23,466 | 29,549 | 20,700 | 20,586 | -0.6% |
| Utilities - Trash | 3,941 | 2,776 | 2,832 | 3,125 | 3,350 | 7.2% |
| Utilities - Water | 85,010 | 112,728 | 96,188 | 102,071 | 107,071 | 4.9% |
| Utilities - Water (Suppl.) | 10,036 | 11,667 | 11,853 | 10,824 | 11,000 | 1.6% |
| Vehicle Maintenance | 5,017 | 5,499 | 10,129 | 12,138 | 12,588 | 3.7% |
| | <u>2,203,430</u> | <u>2,327,728</u> | <u>2,546,979</u> | <u>2,623,307</u> | <u>2,883,406</u> | <u>9.9%</u> |
| Capital Outlay | 170,313 | 64,770 | 50,505 | 34,500 | 51,500 | 49.3% |
| Contingency | - | - | - | 129,900 | 139,200 | 7.2% |
| Total Operating Cost | <u>\$ 4,942,169</u> | <u>\$ 5,133,732</u> | <u>\$ 5,456,639</u> | <u>\$ 5,686,151</u> | <u>\$ 6,029,313</u> | <u>6.0%</u> |

Cost Detail by Program



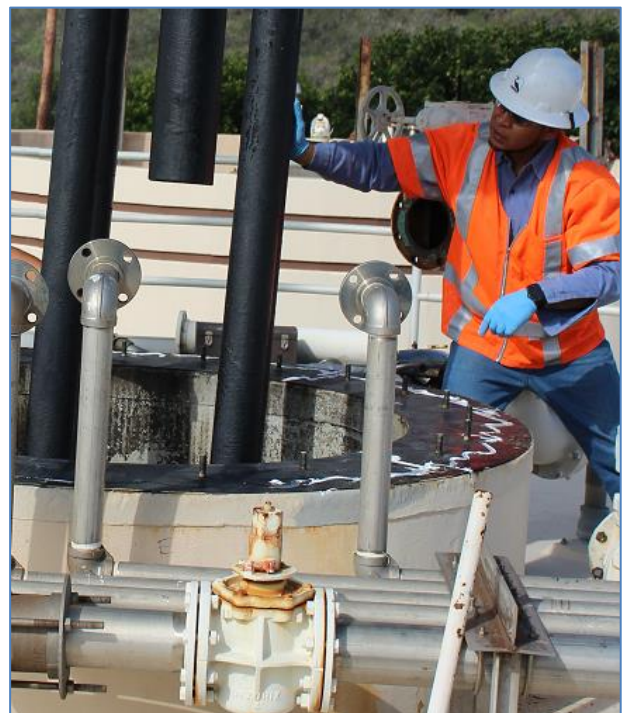
Headworks Repair



Crane Safety Supervision



Ocean Shore Sampling



Digester Cleaning

Staff Allocation

Staff time is budgeted based on estimates of actual time required by each program. Actual program staff time is recorded daily. Administrative time is allocated to all programs.

Below is a table showing the percentages of direct labor for each program by fiscal year:

| Program | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|---|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Treatment | 46.6% | 44.6% | 43.8% | 43.3% | 42.7% |
| Laboratory | 13.6% | 14.3% | 13.4% | 13.4% | 13.7% |
| Ocean Outfall | 9.1% | 10.0% | 9.7% | 9.7% | 9.8% |
| Cardiff Sanitation District Pump Stations | 4.3% | 4.3% | 5.0% | 5.1% | 5.0% |
| Encinitas Sanitation District Pump Station | 1.9% | 1.9% | 2.1% | 2.2% | 2.2% |
| Encinitas Urban and Storm Water Services | 0.8% | 0.7% | 0.7% | 0.7% | 0.7% |
| Solana Beach Pump Stations | 5.2% | 5.8% | 5.7% | 5.6% | 5.7% |
| Solana Beach Urban and Storm Water Services | 0.0% | 0.0% | 0.2% | 0.2% | 0.2% |
| Del Mar Pump Station | 0.0% | 0.0% | 0.0% | 2.0% | 2.1% |
| Recycled Water | 18.5% | 18.4% | 19.3% | 17.7% | 17.9% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

Wastewater Treatment

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

Wastewater treatment operations are projected to end the year approximately 2.1%, or roughly \$54,098 under budget. Major components of the wastewater treatment budget include personnel, insurances, chemicals, repair and maintenance parts, professional services, utilities, waste hauling and disposal, and capital outlay. The following tables show the budgets and estimated expenditures by classification.

Personnel costs for this program are forecast to be at budget this year. Direct Salaries and Wages, Overtime, Medical Insurance, and Deferred Compensation were under budget; however, these cost savings were offset by cost increases in employee retirement plans.

Non-personnel costs, including supplies and services, are expected to be \$21,224 above budget. This is due to a combination of multiple variances consisting of the following:

| Operating Cost | Difference to Budget | Explanation |
|----------------------------|-----------------------------|--|
| Services – Landscape | \$ 5,325 | Fire hazard vegetation clearing |
| Services – Legal | -9,980 | Lower than planned expense |
| Services – Temp | 11,890 | Higher than planned expense |
| Services – IT/GIS Support | 12,456 | Cyber Security for SCADA |
| Service – EWA Support | 8,372 | Outsourcing to Encina Wastewater |
| Utilities – Gas & Electric | -28,235 | Lower than planned electrical usage |
| Utilities – Water | 20,876 | Increase in water rates due to the drought |
| All other accounts | 520 | |
| Net Supplies & Services | \$ 21,224 | |

Capital Outlay of \$13,000 is not expected to be spent, and Contingency in the amount of \$61,600 will offset the \$21,224 overage.

2016-17 RECOMMENDED BUDGET

Overall, the Wastewater Treatment operating budget is proposed to increase by \$135,699, or 5.3%, from the prior year's budget. The primary driver is the expectation of increased wastewater flows by approximately 15% with the initiation of wastewater service to the City of Del Mar. FY 2016-17 is the first year of a twenty year agreement with the City of Del Mar for wastewater treatment and disposal services. Personnel costs will increase by approximately \$15,804 or 1.2%. Supplies and Services are expected to increase \$99,646 or 8.1% primarily due to \$9,472 of planned increase in Services – Biosolids Hauling, \$21,768 for Services Engineering for process improvements, \$10,000 for Landscape Services, \$7,530 for Services-Maintenance, \$18,251 for outsourcing to Encina Wastewater Authority for Human Resources (EWA HR) support, and an anticipated increase of \$17,400 in Utilities for electric.

Contingency funding has been set at \$66,600 which is approximately 5% of the budgeted supplies and services costs. This provides funding for unforeseen events impacting the wastewater program.

Wastewater Treatment Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 1,217,999 | \$ 1,259,781 | \$ 1,267,522 | \$ 1,268,245 | \$ 1,284,048 |
| Supplies and Services | 1,030,429 | 1,183,752 | 1,253,846 | 1,232,621 | 1,332,267 |
| Capital Outlay | 159,850 | 14,067 | - | 13,000 | 28,250 |
| Contingency | - | - | - | 61,600 | 66,600 |
| Total Operating Cost | <u>2,408,278</u> | <u>2,457,601</u> | <u>2,521,368</u> | <u>2,575,466</u> | <u>2,711,166</u> |
| Capital Costs | 858,000 | 907,000 | 997,000 | 997,000 | 1,029,000 |
| Debt Service | | | | | |
| 2011 Refunding Bonds | 1,480,867 | 1,479,867 | 1,472,818 | 1,472,818 | 1,474,868 |
| Total Debt Service | <u>1,480,867</u> | <u>1,479,867</u> | <u>1,472,818</u> | <u>1,472,818</u> | <u>1,474,868</u> |
| Total Costs | <u>\$ 4,747,145</u> | <u>\$ 4,844,468</u> | <u>\$ 4,991,186</u> | <u>\$ 5,045,284</u> | <u>\$ 5,215,034</u> |

Wastewater Treatment Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-------------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| <u>Personnel</u> | | | | | |
| Direct Salaries and Wages | \$ 882,569 | \$ 847,655 | \$ 898,080 | \$ 907,000 | \$ 889,761 |
| FICA Tax | - | 687 | - | - | - |
| Medicare Tax | 13,005 | 12,679 | 13,098 | 13,229 | 13,128 |
| State Unemployment Tax | 4,074 | 3,428 | 3,428 | 4,167 | 4,158 |
| Standby Pay | 7,856 | 7,304 | 7,893 | 8,025 | 8,113 |
| Overtime Pay | 12,685 | 17,237 | 10,544 | 12,735 | 15,524 |
| Dental/Vision | 10,861 | 8,573 | 9,384 | 9,208 | 7,286 |
| Employee Assistance Program | 1,963 | 1,819 | 1,908 | 1,875 | 1,871 |
| Life Insurance/Disability | 6,118 | 5,543 | 5,987 | 7,084 | 7,475 |
| Workers Comp. Insurance | 16,671 | 16,326 | 15,635 | 17,020 | 17,845 |
| Medical Insurance - Pers | 96,457 | 101,551 | 110,318 | 113,026 | 121,485 |
| Retirement Plan - PERS | 132,568 | 201,619 | 153,541 | 132,752 | 152,882 |
| Deferred Comp-employer | 29,385 | 29,605 | 32,131 | 36,059 | 38,052 |
| Uniforms - Boots | 609 | 615 | 547 | 1,760 | 1,677 |
| Payroll Processing Fees | 4,041 | 3,990 | 3,711 | 2,469 | 3,650 |
| Other Personnel Costs | (863) | 1,150 | 1,318 | 1,836 | 1,141 |
| | <u>1,217,999</u> | <u>1,259,781</u> | <u>1,267,522</u> | <u>1,268,245</u> | <u>1,284,048</u> |
| <u>Supplies and Services</u> | | | | | |
| Advertising | 699 | 1,011 | 600 | 600 | 600 |
| Bank Service Charges | 2,122 | 291 | 2,000 | 2,000 | 2,000 |
| Board Expense | 131 | 393 | 197 | 200 | 200 |
| Dues & Memberships | 14,325 | 16,571 | 11,899 | 15,725 | 15,725 |
| Equipment Rental/Lease | 25,212 | 9,424 | 5,400 | 6,000 | 5,800 |
| Fees - Disposal | 908 | 1,770 | 2,000 | 2,000 | 2,000 |
| Fees - Permits | 29,277 | 33,453 | 32,000 | 32,000 | 32,000 |
| Fuel | 6,734 | 4,787 | 19,199 | 19,600 | 14,700 |
| Insurance - Liability | 16,307 | 15,885 | 17,500 | 18,000 | 19,350 |
| Insurance - Property | 12,665 | 12,253 | 12,018 | 12,250 | 13,169 |
| Licenses | 10,216 | 7,449 | 10,343 | 7,662 | 7,750 |
| Minor Equip - Shop & Field | 5,041 | 4,454 | 4,867 | 3,300 | 3,366 |
| Miscellaneous | - | - | - | - | - |
| Postage/Shipping | 2,198 | 1,425 | 1,673 | 1,700 | 1,700 |
| Preemployment Screening | 107 | 137 | 200 | 276 | 300 |
| Printing | 1,016 | 1,016 | 1,155 | 1,250 | 1,250 |
| Rent | 936 | 1,246 | 1,100 | 1,100 | 1,500 |
| Repair Parts Expense | 60,466 | 113,735 | 88,738 | 90,000 | 91,800 |
| Seminars/Education | 1,387 | 3,300 | 9,505 | 13,500 | 13,770 |
| Services - Accounting | 18,203 | 12,863 | 15,300 | 16,000 | 16,320 |
| Services - Alarm | 1,360 | 1,375 | 1,130 | 1,600 | 1,600 |

Cost detail continued on next page

Wastewater Treatment Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|--------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Services - Biosolids Hauling | 144,706 | 171,675 | 164,541 | 165,528 | 175,000 |
| Services - Engineering | 29,792 | 56,160 | 33,927 | 35,000 | 56,768 |
| Services - Grease & Scum | 13,819 | 17,499 | 25,064 | 25,255 | 26,820 |
| Services - Grit & Screenings | 5,939 | 5,939 | 7,000 | 7,750 | 8,000 |
| Services - Janitorial | 10,592 | 10,592 | 11,883 | 12,000 | 12,500 |
| Services - Laboratory | 837 | 576 | 1,400 | 1,500 | 1,500 |
| Services - Landscape | 20,942 | 18,634 | 26,825 | 21,500 | 31,500 |
| Services - Legal | 21,488 | 39,720 | 28,020 | 38,000 | 40,000 |
| Services - Maintenance | 22,786 | 20,092 | 21,860 | 22,000 | 29,530 |
| Services - Medical | 986 | 2,087 | 478 | 947 | 950 |
| Services - Other | 19 | 17 | 10,511 | 10,650 | 10,650 |
| Services - Professional | 5,244 | 28,820 | 15,349 | 13,150 | 13,150 |
| Services - Temp | 24,679 | 13,750 | 19,390 | 7,500 | 9,000 |
| Services - IT/GIS Support | 5,620 | 13,051 | 25,755 | 13,299 | 14,000 |
| Service - EWA Support | - | - | 8,372 | - | 18,251 |
| Services - Contractors | 34,240 | 20,312 | 73,257 | 75,000 | 75,000 |
| Services - Testing | - | 550 | 3,000 | 3,000 | 3,000 |
| Services - Uniforms | 3,375 | 3,894 | 3,823 | 2,900 | 3,900 |
| Subsistence - Meals | 856 | 1,371 | 920 | 1,500 | 1,500 |
| Subsistence - Travel/Rm & Bd | 2,580 | 2,273 | 5,462 | 6,000 | 6,000 |
| Supplies - Chem - Ferrous Chlo | 53,633 | 45,721 | 55,800 | 56,700 | 57,816 |
| Supplies - Chem - Odor | 14,200 | 14,792 | 16,381 | 16,425 | 16,790 |
| Supplies - Chem - Polymer | 57,132 | 68,558 | 57,132 | 54,604 | 55,188 |
| Supplies - Chem - Sodium Hypo | - | - | 2,900 | 2,925 | 2,925 |
| Supplies - Chemicals | 5,631 | 2,090 | 3,346 | 5,000 | 5,000 |
| Supplies - Janitorial | 2,672 | 2,618 | 2,434 | 2,700 | 2,700 |
| Supplies - Lab | 1,779 | 2,212 | 2,309 | 2,300 | 2,300 |
| Supplies - Office | 8,897 | 13,301 | 13,763 | 9,650 | 9,750 |
| Supplies - Safety | 2,994 | 6,293 | 6,425 | 1,863 | 1,900 |
| Supplies - Shop & Field | 7,006 | 8,003 | 13,639 | 14,000 | 15,000 |
| Training | 1,478 | 3,206 | 1,405 | 2,574 | 2,626 |
| Training - Safety | 3,035 | 4,836 | 4,093 | 4,563 | 4,654 |
| Utilities - Gas & Electric | 214,316 | 216,659 | 232,765 | 261,000 | 278,400 |
| Utilities - Internet | 2,474 | 2,187 | 1,596 | 3,000 | 1,800 |
| Utilities - Telephone | 10,033 | 10,905 | 16,962 | 9,500 | 9,500 |
| Utilities - Trash | 3,770 | 2,776 | 2,832 | 3,025 | 3,250 |
| Utilities - Water | 80,345 | 107,366 | 90,876 | 70,000 | 75,000 |
| Vehicle Maintenance | 3,226 | 2,383 | 5,530 | 5,550 | 5,750 |
| | <u>1,030,429</u> | <u>1,183,752</u> | <u>1,253,846</u> | <u>1,232,621</u> | <u>1,332,267</u> |
| Capital Outlay | 159,850 | 14,067 | - | 13,000 | 28,250 |
| Contingency | - | - | - | 61,600 | 66,600 |
| Total Operating Cost | <u>\$ 2,408,278</u> | <u>\$ 2,457,601</u> | <u>\$ 2,521,368</u> | <u>\$ 2,575,466</u> | <u>\$ 2,711,166</u> |

Laboratory Services

PROGRAM DESCRIPTION

The laboratory located at the San Elijo Water Reclamation Facility provides analytical laboratory services for the SEJPA's wastewater and recycled water programs as well as to other entities through contract agreements. For the Fiscal Year 2016-17, contract agreements include the Fairbanks Ranch Community Services District, the Rancho Santa Fe Community Services District, the Santa Fe Valley Community Services District, and the Whispering Palms Community Services District.

2015-16 ESTIMATED ACTUAL EXPENDITURES

Laboratory services are expected to be approximately \$1,515 under budget. Personnel expenses are expected to be \$1,641 under budget. Supplies and Services are estimated to exceed budget by \$3,626; however, Contingency will cover this excess.

2016-17 RECOMMENDED BUDGET

The laboratory services budget for Fiscal Year 2016-17 will be \$26,812 or 6.0% higher than last year's budgeted level. Personnel expense accounts for \$13,579 of this increase. \$5,454 is attributed to the EWA HR support allocation. The replacement of a Desiccator costing approximately \$3,300 is included in the Capital Outlay budget. Desiccators are sealable enclosures containing desiccants used for preserving moisture-sensitive items

Contingency funding has been set at \$4,200, which is approximately 7% of the budgeted supplies and services expense.

STAFF ALLOCATION

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

Laboratory Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 343,340 | \$ 372,425 | \$ 384,141 | \$ 385,782 | \$ 399,361 |
| Supplies and Services | 39,467 | 42,142 | 53,890 | 50,264 | 59,297 |
| Capital Outlay | 10,463 | 11,880 | 2,500 | 2,500 | 5,800 |
| Contingency | - | - | - | 3,500 | 4,200 |
| Total Operating Cost | <u>\$ 393,269</u> | <u>\$ 426,447</u> | <u>\$ 440,531</u> | <u>\$ 442,046</u> | <u>\$ 468,658</u> |

Laboratory Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 258,210 | \$ 271,596 | \$ 275,526 | \$ 281,987 | \$ 286,049 |
| FICA Tax | - | 210 | - | - | - |
| Medicare Tax | 3,737 | 3,969 | 4,049 | 3,945 | 3,923 |
| State Unemployment Tax | 1,064 | 934 | 934 | 1,243 | 1,243 |
| Standby Pay | 17 | (45) | - | - | - |
| Overtime Pay | 1,625 | 1,624 | 3,217 | 2,255 | 2,545 |
| Dental/Vision | 2,801 | 2,566 | 2,798 | 2,746 | 2,177 |
| Employee Assistance Program | 496 | 528 | 522 | 559 | 559 |
| Life Insurance/Disability | 1,544 | 1,608 | 1,785 | 2,113 | 2,234 |
| Workers Comp. Insurance | 4,208 | 4,121 | 5,048 | 5,076 | 5,333 |
| Medical Insurance - Pers | 25,499 | 29,502 | 32,833 | 33,707 | 36,305 |
| Retirement Plan - PERS | 33,464 | 44,278 | 45,695 | 39,590 | 45,688 |
| Deferred Comp-employer | 9,132 | 9,705 | 9,977 | 10,753 | 11,372 |
| Uniforms - Boots | 290 | 327 | 163 | 525 | 501 |
| Payroll Processing Fees | 1,020 | 1,169 | 1,106 | 736 | 1,091 |
| Other Personnel Costs | 232 | 334 | 487 | 547 | 341 |
| | <u>343,340</u> | <u>372,425</u> | <u>384,141</u> | <u>385,782</u> | <u>399,361</u> |

Cost detail continued on next page

Laboratory Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Supplies and Services | | | | | |
| Advertising | 114 | - | - | - | - |
| Dues & Memberships | 1,994 | 574 | 255 | 600 | 600 |
| Equipment Rental/Lease | - | - | - | - | - |
| Fuel | - | 182 | 278 | 500 | 375 |
| Insurance - Liability | - | - | 80 | - | 80 |
| Licenses | 3,987 | 3,075 | 3,251 | 3,251 | 3,251 |
| Minor Equip - Shop & Field | 3,385 | - | 990 | 1,000 | 1,020 |
| Postage/Shipping | 270 | 340 | 364 | 400 | 400 |
| Preemployment Screening | 27 | 40 | 80 | 85 | 85 |
| Printing | 18 | 266 | - | 25 | 275 |
| Rent | - | - | 25 | 25 | 25 |
| Repair Parts Expense | 2,316 | 329 | 2,373 | 2,500 | 2,550 |
| Seminars/Education | - | 2,618 | 2,204 | 3,000 | 3,060 |
| Services - Engineering | - | - | - | - | - |
| Services - Laboratory | 12,916 | 14,635 | 15,807 | 15,000 | 16,000 |
| Services - Legal | 170 | - | - | - | - |
| Services - Maintenance | 1,197 | 804 | 236 | 2,575 | 2,575 |
| Services - Medical | 206 | 614 | 142 | 279 | 279 |
| Services - Other | 4 | 5 | 2,003 | 2,000 | 2,000 |
| Services - Professional | 747 | 436 | 769 | 1,000 | 1,000 |
| Service - EWA Support | - | - | 2,809 | - | 5,454 |
| Services - Testing | 100 | - | 100 | 100 | 100 |
| Services - Uniforms | 852 | 1,141 | 1,140 | 876 | 876 |
| Services - IT/GIS Support | 1,040 | 3,841 | 7,679 | 4,017 | 4,017 |
| Subsistence - Meals | 14 | 53 | 17 | 250 | 250 |
| Subsistence - Travel/Rm & Bd | - | 79 | 465 | 500 | 500 |
| Supplies - Lab | 7,871 | 8,083 | 7,964 | 5,500 | 7,500 |
| Supplies - Office | 39 | 81 | 374 | 350 | 350 |
| Supplies - Safety | 48 | 50 | 142 | 466 | 466 |
| Supplies - Shop & Field | 76 | 85 | 210 | 500 | 500 |
| Supplies - Janitorial | - | - | - | - | 200 |
| Training | 373 | 916 | 419 | 777 | 793 |
| Training - Safety | 417 | 1,423 | 755 | 1,378 | 1,406 |
| Utilities - Internet | 507 | 465 | 476 | 650 | 650 |
| Utilities - Telephone | 779 | 1,475 | 1,482 | 1,160 | 1,160 |
| Vehicle Maintenance | 0 | 532 | 1,000 | 1,500 | 1,500 |
| | <u>39,467</u> | <u>42,142</u> | <u>53,890</u> | <u>50,264</u> | <u>59,297</u> |
| Capital Outlay | 10,463 | 11,880 | 2,500 | 2,500 | 5,800 |
| Contingency | - | - | - | 3,500 | 4,200 |
| Total Operating Cost | <u>\$ 393,269</u> | <u>\$ 426,447</u> | <u>\$ 440,531</u> | <u>\$ 442,046</u> | <u>\$ 468,658</u> |

Ocean Outfall

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

The Ocean Outfall Program is expected to be approximately \$20,976 under budget this year. Personnel costs are projected to be approximately at budget. The Supplies and Services are estimated to be under budget by \$5,092. Capital Outlay is forecasted to be at about budget. Contingency funding of \$15,500 is not planned to be used.

2016-17 RECOMMENDED BUDGET

The Ocean Outfall Program budget for Fiscal Year 2016-17 will increase \$19,139 this year. Personnel Costs are expected to increase \$8,383 or 3.1%. Supplies and Services is expected to increase \$10,556 or 4.8% primarily due to \$4,500 in Utilities-Gas and Electric.

Contingency funding is set at \$16,200, which is approximately 7% of the budgeted supplies and services costs. This provides funding for unforeseen events or repairs for facilities within the Ocean Outfall Program.

STAFF ALLOCATION

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

Ocean Outfall Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 220,944 | \$ 260,994 | \$ 273,532 | \$ 273,584 | \$ 281,967 |
| Supplies and Services | 235,365 | 200,241 | 215,782 | 220,873 | 231,430 |
| Capital Outlay | - | 9,266 | 12,668 | 13,000 | 12,500 |
| Contingency | - | - | - | 15,500 | 16,200 |
| Total Operating Cost | 456,309 | 470,501 | 501,982 | 522,957 | 542,096 |
| Capital Costs | 200,000 | 200,000 | 300,000 | 300,000 | 300,000 |
| Total Costs | <u>\$ 656,309</u> | <u>\$ 670,501</u> | <u>\$ 801,982</u> | <u>\$ 822,957</u> | <u>\$ 842,096</u> |

Ocean Outfall Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 171,609 | \$ 191,166 | \$ 198,975 | \$ 203,598 | \$ 205,171 |
| FICA Tax | - | 229 | - | - | - |
| Medicare Tax | 2,506 | 2,826 | 2,922 | 2,628 | 2,620 |
| State Unemployment Tax | 439 | 715 | 715 | 828 | 830 |
| Standby Pay | 1,097 | 1,336 | 1,567 | 1,228 | 1,365 |
| Overtime Pay | 878 | 869 | 2,135 | 1,127 | 1,462 |
| Dental/Vision | 1,540 | 1,594 | 1,863 | 1,829 | 1,454 |
| Employee Assistance Program | 273 | 329 | 348 | 372 | 373 |
| Life Insurance/Disability | 850 | 1,000 | 1,189 | 1,407 | 1,492 |
| Workers Comp. Insurance | 2,315 | 2,267 | 3,362 | 3,381 | 3,561 |
| Medical Insurance - Pers | 14,025 | 18,358 | 21,810 | 22,450 | 24,244 |
| Retirement Plan - PERS | 18,405 | 32,335 | 30,355 | 26,369 | 30,510 |
| Deferred Comp-employer | 6,235 | 6,916 | 7,188 | 7,162 | 7,594 |
| Uniforms - Boots | 85 | 114 | 109 | 350 | 335 |
| Payroll Processing Fees | 561 | 732 | 737 | 490 | 728 |
| Other Personnel Costs | 127 | 210 | 258 | 365 | 228 |
| | <u>220,944</u> | <u>260,994</u> | <u>273,532</u> | <u>273,584</u> | <u>281,967</u> |

Cost detail continued on next page

Ocean Outfall Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Supplies and Services | | | | | |
| Advertising | 63 | - | 140 | 140 | 150 |
| Dues & Memberships | 595 | 1,373 | 1,187 | 140 | - |
| Fees - Permits | - | 3,025 | 3,000 | 3,000 | 3,000 |
| Fuel | 898 | 853 | 2,424 | 2,500 | 1,875 |
| Insurance - Liability | 6,523 | 6,354 | 7,367 | 7,200 | 7,740 |
| Insurance - Property | 5,066 | 4,901 | 4,807 | 4,900 | 5,268 |
| Licenses | 896 | 450 | 2,255 | 1,585 | 1,585 |
| Postage/Shipping | 129 | 13 | 10 | 12 | 15 |
| Preemployment Screening | 15 | 25 | 50 | 59 | 60 |
| Printing | 10 | 35 | - | 15 | 40 |
| Rent | - | - | 15 | 15 | 15 |
| Repair Parts Expense | 4,644 | 13 | 4,513 | 5,000 | 5,100 |
| Seminars/Education | - | 181 | 205 | - | - |
| Minor Equip - Shop & Field | 62 | - | 60 | 75 | 77 |
| Services - Engineering | 17,953 | 43,355 | 40,000 | 40,000 | 40,000 |
| Services - Laboratory | - | 4,350 | 8,646 | 8,700 | 8,700 |
| Services - Legal | 544 | - | 1,019 | 4,000 | 4,100 |
| Services - Maintenance | 143 | 1,457 | - | 2,700 | 2,700 |
| Services - Medical | 113 | 386 | 95 | 175 | 175 |
| Services - Other | 2 | 3 | 2 | - | - |
| Services - Professional | 411 | 14,224 | 9,464 | 10,000 | 10,000 |
| Services - IT/GIS Support | 572 | 2,413 | 5,114 | 2,921 | 2,921 |
| Services - Contractors | 121,486 | 39,772 | 39,882 | 40,000 | 42,000 |
| Services - Temp | 3,092 | 5,500 | 7,756 | 7,500 | 7,500 |
| Services - Testing | - | - | - | - | - |
| Services - Uniforms | 469 | 715 | 759 | 637 | 637 |
| Service - EWA Support | - | - | 2,162 | - | 3,642 |
| Subsistence - Meals | 8 | 33 | 11 | 20 | 20 |
| Subsistence - Travel/Rm & Bd | 23 | 50 | - | 25 | 25 |
| Supplies - Lab | 11,872 | 7,013 | 6,934 | 8,500 | 8,500 |
| Supplies - Office | 21 | - | - | - | - |
| Supplies - Safety | 27 | 30 | 91 | 62 | 62 |
| Supplies - Shop & Field | 53 | 54 | 40 | 200 | 200 |
| Training | 205 | 575 | 279 | 565 | 577 |
| Training - Safety | 230 | 894 | 477 | 1,002 | 1,022 |
| Utilities - Gas & Electric | 58,177 | 60,610 | 65,213 | 67,500 | 72,000 |
| Utilities - Internet | 279 | 289 | 317 | 300 | 300 |
| Utilities - Telephone | 428 | 927 | 987 | 550 | 550 |
| Vehicle Maintenance | 359 | 366 | 500 | 875 | 875 |
| | <u>235,365</u> | <u>200,241</u> | <u>215,782</u> | <u>220,873</u> | <u>231,430</u> |
| Capital Outlay | - | 9,266 | 12,668 | 13,000 | 12,500 |
| Contingency | - | - | - | 15,500 | 16,200 |
| Total Operating Cost | <u>\$ 456,309</u> | <u>\$ 470,501</u> | <u>\$ 501,982</u> | <u>\$ 522,957</u> | <u>\$ 542,096</u> |

Cardiff Sanitary Division Pump Stations

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

The CSD pump stations are expected to be under budget by \$20,901. It is estimated that \$7,869 of this will be in personnel costs. Contingency funding of \$13,900 is not anticipated to be used.

2016-17 RECOMMENDED BUDGET

Overall, the CSD's pump station budget will increase by \$5,148, or 2.2% from last year's budget. Personnel expense will be about the same as prior year's budget. Supplies and Services are expected to increase by \$4,709 or 6.7%. This increase is primarily due to an anticipated increases associated with Utilities-Gas & Electric.

Contingency funding has been set at \$14,900, which is approximately 20% of budgeted supplies and services costs consistent with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at any of the CSD pump stations.

STAFF ALLOCATION

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

Cardiff Sanitary Division Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 118,781 | \$ 124,842 | \$ 141,820 | \$ 149,690 | \$ 149,129 |
| Supplies and Services | 52,264 | 62,696 | 70,675 | 69,807 | 74,516 |
| Capital Outlay | - | - | - | - | - |
| Contingency | - | - | - | 13,900 | 14,900 |
| Total Operating Cost | 171,045 | 187,538 | 212,495 | 233,397 | 238,545 |
| Capital Costs | | | | | |
| Total Costs | <u>\$ 171,045</u> | <u>\$ 187,538</u> | <u>\$ 212,495</u> | <u>\$ 233,397</u> | <u>\$ 238,545</u> |
| Cardiff Pump Station | 82,787 | 87,607 | 101,420 | 113,857 | 113,344 |
| Coast Blvd Pump Station | 30,522 | 40,102 | 43,154 | 46,596 | 47,953 |
| Olivenhain Pump Station | 57,736 | 59,828 | 67,921 | 72,944 | 77,248 |
| Total Operating Cost | <u>\$ 171,045</u> | <u>\$ 187,538</u> | <u>\$ 212,495</u> | <u>\$ 233,397</u> | <u>\$ 238,545</u> |

Cardiff Sanitary Division Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 81,902 | \$ 80,991 | \$ 103,556 | \$ 106,901 | \$ 104,616 |
| FICA Tax | - | 94 | - | - | - |
| Medicare Tax | 1,229 | 1,218 | 1,109 | 1,460 | 1,431 |
| State Unemployment Tax | 277 | 350 | 350 | 460 | 454 |
| Standby Pay | 823 | 815 | 869 | 827 | 870 |
| Overtime Pay | 2,895 | 2,111 | 1,600 | 4,407 | 3,258 |
| Dental/Vision | 1,163 | 984 | 1,035 | 1,016 | 794 |
| Employee Assistance Program | 206 | 202 | 193 | 207 | 204 |
| Life Insurance/Disability | 642 | 616 | 660 | 782 | 815 |
| Workers Comp. Insurance | 1,748 | 1,712 | 1,868 | 1,877 | 1,944 |
| Medical Insurance - Pers | 10,592 | 11,298 | 11,369 | 12,465 | 13,236 |
| Retirement Plan - PERS | 13,900 | 21,019 | 15,831 | 14,641 | 16,656 |
| Deferred Comp-employer | 2,819 | 2,791 | 2,725 | 3,977 | 4,146 |
| Uniforms - Boots | 64 | 69 | 60 | 194 | 183 |
| Payroll Processing Fees | 424 | 446 | 409 | 272 | 397 |
| Other Personnel Costs | 96 | 127 | 186 | 203 | 125 |
| | <u>118,781</u> | <u>124,842</u> | <u>141,820</u> | <u>149,690</u> | <u>149,129</u> |

Cost detail continued on next page

Cardiff Sanitary Division Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Supplies and Services | | | | | |
| Advertising | 47 | - | - | - | - |
| Dues & Memberships | 449 | - | - | - | - |
| Equipment Rental/Lease | 400 | - | - | - | - |
| Fees - Permits | 1,098 | 1,390 | 1,400 | 1,400 | 1,400 |
| Fuel | 773 | 773 | 447 | 1,320 | 990 |
| Insurance - Liability | - | - | 30 | - | 32 |
| Licenses | 676 | 272 | 1,853 | 1,183 | 1,183 |
| Minor Equip - Shop & Field | 883 | 48 | 33 | 700 | 714 |
| Postage/Shipping | 8 | 8 | - | - | - |
| Preemployment Screening | 11 | 15 | 23 | 34 | 30 |
| Printing | 7 | 21 | - | 11 | 25 |
| Rent | - | - | 12 | 12 | 12 |
| Repair Parts Expense | 5,797 | 7,276 | 13,474 | 12,000 | 12,240 |
| Seminars/Education | - | 41 | 56 | - | - |
| Services - Alarm | 1,587 | 1,604 | 1,121 | 1,950 | 1,950 |
| Services - Engineering | - | - | - | - | - |
| Services - Grease & Scum | 2,826 | 3,904 | 2,540 | 2,700 | 2,700 |
| Services - Grit & Screenings | - | - | - | - | - |
| Services - Landscape | 5,013 | 5,301 | 5,445 | 5,300 | 5,500 |
| Services - Legal | 71 | - | - | - | - |
| Services - Maintenance | 4,192 | 896 | 2,056 | 6,000 | 6,000 |
| Services - Medical | 86 | 233 | 53 | 390 | 390 |
| Services - Other | 1 | 2 | 1 | - | - |
| Services - Professional | 310 | 166 | 287 | 195 | 195 |
| Services - IT/GIS Support | 432 | 1,460 | 2,841 | 1,646 | 1,646 |
| Services - Testing | - | - | 1,550 | 1,550 | 1,550 |
| Services - Uniforms | 354 | 435 | 422 | 359 | 359 |
| Service - EWA Support | - | - | 918 | - | 1,989 |
| Subcontractors | - | 6,716 | 639 | - | - |
| Subsistence - Meals | 6 | 20 | 6 | - | - |
| Subsistence - Meals | - | 30 | - | - | - |
| Supplies - Chemicals | 419 | 1,214 | 1,499 | 1,200 | 1,200 |
| Supplies - Office | 16 | - | - | - | - |
| Supplies - Safety | 740 | 639 | 625 | 171 | 171 |
| Supplies - Shop & Field | 338 | 197 | 721 | 425 | 425 |
| Training | 155 | 348 | 155 | 319 | 325 |
| Training - Safety | 173 | 541 | 287 | 565 | 576 |
| Utilities - Gas & Electric | 20,830 | 22,932 | 25,712 | 24,349 | 26,784 |
| Utilities - Internet | 211 | 178 | 176 | 350 | 350 |
| Utilities - Telephone | 1,196 | 1,730 | 1,755 | 1,700 | 1,800 |
| Utilities - Water | 2,888 | 3,757 | 4,039 | 3,405 | 3,405 |
| Vehicle Maintenance | 270 | 547 | 500 | 575 | 575 |
| | <u>52,264</u> | <u>62,696</u> | <u>70,675</u> | <u>69,807</u> | <u>74,516</u> |
| Capital Outlay | - | - | - | - | - |
| Contingency | - | - | - | 13,900 | 14,900 |
| Total Operating Cost | <u>\$ 171,045</u> | <u>\$ 187,538</u> | <u>\$ 212,495</u> | <u>\$ 233,397</u> | <u>\$ 238,545</u> |

Encinitas Sanitary Division Pump Station

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

It is anticipated that the ESD pump station will be \$11,629 or 8.2% below budget this year. This positive variance is forecasted because \$13,000 of Contingency is not expected to be used.

2016-17 RECOMMENDED BUDGET

For Fiscal Year 2016-17, the ESD pump station budget will increase by approximately \$4,811 or 3.4%. Contingency funding has been set to \$13,700, which is approximately 20% of budgeted supplies and services costs that is consistent with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at the pump station.

STAFF ALLOCATION

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

Encinitas Sanitary Division Pump Station Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 50,602 | \$ 56,128 | \$ 60,651 | \$ 63,555 | \$ 64,456 |
| Supplies and Services | 65,362 | 56,032 | 69,454 | 65,178 | 68,389 |
| Capital Outlay | - | 22,735 | 0 | - | - |
| Contingency | - | - | - | 13,000 | 13,700 |
| Total Operating Cost | 115,964 | 134,895 | 130,105 | 141,734 | 146,544 |
| Capital Costs | | | | | |
| Total Costs | \$ 115,964 | \$ 134,895 | \$ 130,105 | \$ 141,734 | \$ 146,544 |

Encinitas Sanitary Division includes the Moonlight Beach Pump Station.

Encinitas Sanitary Division Pump Station Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 35,263 | \$ 36,346 | \$ 42,860 | \$ 45,603 | \$ 45,407 |
| FICA Tax | - | 32 | - | - | - |
| Medicare Tax | 518 | 558 | 508 | 626 | 623 |
| State Unemployment Tax | 120 | 148 | 148 | 197 | 197 |
| Standby Pay | 364 | 345 | 375 | 364 | 378 |
| Overtime Pay | 417 | 1,833 | 1,040 | 1,469 | 1,086 |
| Dental/Vision | 513 | 418 | 444 | 436 | 346 |
| Employee Assistance Program | 91 | 86 | 83 | 89 | 89 |
| Life Insurance/Disability | 283 | 261 | 283 | 335 | 355 |
| Workers Comp. Insurance | 770 | 754 | 802 | 806 | 847 |
| Medical Insurance - Pers | 4,668 | 4,792 | 5,269 | 5,351 | 5,763 |
| Retirement Plan - PERS | 6,126 | 9,016 | 7,334 | 6,285 | 7,253 |
| Deferred Comp-employer | 1,212 | 1,267 | 1,219 | 1,707 | 1,805 |
| Uniforms - Boots | 28 | 29 | 26 | 83 | 80 |
| Payroll Processing Fees | 187 | 189 | 176 | 117 | 173 |
| Other Personnel Costs | 42 | 54 | 84 | 87 | 54 |
| | 50,602 | 56,128 | 60,651 | 63,555 | 64,456 |

Cost detail continued on next page

Encinitas Sanitary Division Pump Station Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Supplies and Services | | | | | |
| Advertising | 21 | - | - | - | - |
| Dues & Memberships | 198 | - | - | - | - |
| Fees - Permits | 1,610 | 1,610 | 2,100 | 2,100 | 2,100 |
| Fuel | 341 | 599 | 193 | 600 | 450 |
| Insurance - Liability | - | - | 13 | - | 13 |
| Licenses | 298 | 115 | 1,751 | 1,081 | 1,081 |
| Minor Equip - Shop & Field | 21 | 20 | 14 | 25 | 26 |
| Postage/Shipping | 4 | 3 | - | - | - |
| Preemployment Screening | 5 | 6 | 10 | 14 | 15 |
| Printing | 3 | 9 | - | 5 | 10 |
| Rent | - | - | 5 | 5 | - |
| Repair Parts Expense | 14,904 | 4,374 | 4,967 | 5,000 | 5,100 |
| Seminars/Education | - | 17 | 24 | - | - |
| Services - Alarm | 529 | 535 | 614 | 750 | 750 |
| Services - Engineering | - | - | - | - | - |
| Services - Legal | 31 | - | - | - | - |
| Services - Maintenance | 5,034 | 912 | 2,632 | 2,000 | 2,000 |
| Services - Medical | 38 | 99 | 23 | 10 | 10 |
| Services - Other | 1 | 1 | 1 | - | - |
| Services - Professional | 137 | 70 | 123 | 40 | 40 |
| Services - IT/GIS Support | 190 | 617 | 1,219 | 691 | 691 |
| Service - EWA Support | - | - | 310 | - | 866 |
| Services - Testing | - | - | 120 | 120 | 120 |
| Services - Uniforms | 156 | 184 | 181 | 151 | 151 |
| Subcontractors | - | - | 2,359 | - | - |
| Subsistence - Meals | 3 | 9 | 3 | - | - |
| Subsistence - Travel | - | 13 | - | - | - |
| Supplies - Office | 7 | - | - | - | - |
| Supplies - Safety | 287 | 345 | 332 | 78 | 78 |
| Supplies - Shop & Field | 149 | 83 | 309 | - | - |
| Training | 68 | 147 | 67 | 134 | 136 |
| Training - Safety | 76 | 229 | 121 | 237 | 242 |
| Utilities - Gas & Electric | 40,898 | 45,490 | 51,504 | 50,529 | 52,800 |
| Utilities - Internet | 93 | 76 | 76 | 960 | 960 |
| Utilities - Telephone | 143 | 237 | 235 | 200 | 300 |
| Utilities - Water | - | - | - | 300 | 300 |
| Vehicle Maintenance | 120 | 231 | 150 | 150 | 150 |
| | <u>65,362</u> | <u>56,032</u> | <u>69,454</u> | <u>65,178</u> | <u>68,389</u> |
| Capital Outlay | - | 22,735 | - | - | - |
| Contingency | - | - | - | 13,000 | 13,700 |
| Total Operating Cost | <u>\$ 115,964</u> | <u>\$ 134,895</u> | <u>\$ 130,105</u> | <u>\$ 141,734</u> | <u>\$ 146,544</u> |

City of Encinitas Urban and Storm Water Services

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

The City of Encinitas facilities, which include the Phoebe Storm Drain, the Urban Runoff Station, and the Storm Drain Sediment Drying and Disposal program, are anticipated to end the year at budgeted levels.

2016-17 RECOMMENDED BUDGET

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

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

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

STAFF ALLOCATION

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

City of Encinitas Urban and Storm Water Services Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 20,022 | \$ 19,927 | \$ 21,364 | \$ 21,637 | \$ 21,880 |
| Supplies and Services | 3,983 | 6,453 | 6,889 | 7,573 | 8,356 |
| Capital Outlay | - | - | - | - | - |
| Contingency | - | - | - | - | - |
| Total Operating Cost | 24,005 | 26,380 | 28,253 | 29,209 | 30,236 |
| Capital Costs | | | | | |
| Total Costs | <u>\$ 24,005</u> | <u>\$ 26,380</u> | <u>\$ 28,253</u> | <u>\$ 29,209</u> | <u>\$ 30,236</u> |
| Phoebe Storm Drain | \$ 2,409 | \$ 3,391 | \$ 2,701 | \$ 3,924 | \$ 4,049 |
| Urban Runoff Station | 16,152 | 16,148 | 17,000 | 17,727 | 18,043 |
| Storm Drain Sediment Drying | 5,444 | 6,841 | 8,551 | 7,558 | 8,145 |
| Total Operating Cost | <u>\$ 24,005</u> | <u>\$ 26,380</u> | <u>\$ 28,253</u> | <u>\$ 29,209</u> | <u>\$ 30,236</u> |

City of Encinitas Urban and Storm Water Services Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 14,845 | \$ 13,802 | \$ 15,249 | \$ 15,373 | \$ 15,355 |
| FICA Tax | - | 11 | - | - | - |
| Medicare Tax | 219 | 205 | 269 | 213 | 212 |
| State Unemployment Tax | 45 | 51 | 51 | 67 | 67 |
| Standby Pay | 115 | 111 | 127 | 119 | 123 |
| Overtime Pay | 275 | 225 | 285 | 661 | 422 |
| Dental/Vision | 162 | 136 | 151 | 148 | 117 |
| Employee Assistance Program | 29 | 28 | 28 | 31 | 31 |
| Life Insurance/Disability | 89 | 85 | 96 | 114 | 121 |
| Workers Comp. Insurance | 243 | 238 | 272 | 275 | 288 |
| Medical Insurance - Pers | 1,471 | 1,557 | 1,714 | 1,820 | 1,960 |
| Retirement Plan - PERS | 1,931 | 2,903 | 2,384 | 2,138 | 2,467 |
| Deferred Comp-employer | 519 | 488 | 661 | 580 | 614 |
| Uniforms - Boots | 9 | 9 | 9 | 28 | 26 |
| Payroll Processing Fees | 59 | 61 | 60 | 40 | 59 |
| Other Personnel Costs | 13 | 18 | 10 | 30 | 18 |
| | <u>20,022</u> | <u>19,927</u> | <u>21,364</u> | <u>21,637</u> | <u>21,880</u> |

Cost detail continued on next page

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

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Supplies and Services | | | | | |
| Advertising | 7 | - | - | - | - |
| Dues & Memberships | 62 | - | - | - | - |
| Fuel | 95 | 70 | 65 | 200 | 150 |
| Insurance - Liability | - | - | 4 | - | 5 |
| Licenses | 94 | 37 | 24 | 24 | 21 |
| Minor Equip - Shop & Field | 6 | - | 5 | 11 | 11 |
| Postage/Shipping | 1 | 1 | - | - | - |
| Preemployment Screening | 2 | 2 | - | 4 | - |
| Printing | 1 | 3 | - | 2 | 5 |
| Rent | - | - | 2 | 2 | 1 |
| Repair Parts Expense | 742 | 836 | 900 | 1,850 | 1,887 |
| Seminars/Education | - | 6 | 8 | - | - |
| Services - Engineering | - | - | - | - | - |
| Services - Grit & Screenings | 2,469 | 4,909 | 4,958 | 4,500 | 5,000 |
| Services - Legal | 10 | - | - | - | - |
| Services - Maintenance | 15 | 4 | - | - | - |
| Services - Medical | 12 | 32 | 8 | 14 | 14 |
| Services - Other | 0 | 0 | 0 | - | - |
| Services - Professional | 43 | 23 | 41 | 21 | 21 |
| Services - Uniforms | 49 | 60 | 61 | 52 | 52 |
| Service - EWA Support | - | - | 149 | - | 294 |
| Subsistence - Meals | 1 | 3 | 1 | - | - |
| Subsistence - Travel/Rm & Bd | - | 4 | - | - | - |
| Supplies - Office | 2 | - | - | - | - |
| Supplies - Safety | 63 | 2 | 7 | 23 | 23 |
| Supplies - Shop & Field | 6 | 4 | 3 | 20 | 20 |
| Training | 22 | 48 | 23 | 46 | 47 |
| Training - Safety | 24 | 75 | 40 | 81 | 83 |
| Services - IT/GIS Support | 60 | 201 | 414 | 237 | 237 |
| Utilities - Internet | 29 | 24 | 26 | 35 | 35 |
| Utilities - Telephone | 45 | 77 | 80 | 70 | 70 |
| Utilities - Trash | 86 | - | - | - | - |
| Utilities - Water | - | - | - | 300 | 300 |
| Vehicle Maintenance | 38 | 30 | 70 | 80 | 80 |
| | <u>3,983</u> | <u>6,453</u> | <u>6,889</u> | <u>7,573</u> | <u>8,356</u> |
| Capital Outlay | - | - | - | - | - |
| Contingency | - | - | - | - | - |
| Total Operating Cost | \$ 24,005 | \$ 26,380 | \$ 28,253 | \$ 29,209 | \$ 30,236 |

Solana Beach Pump Stations

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

The SB pump stations are forecasted to be below budget this year by \$24,388 or 8.3%. This positive variance is primarily due to forecasting that \$18,500 of Contingency will not be used, and positive budget savings in the Utility costs.

The Eden Gardens and Solana Beach Pump Stations are expected to be under budget by \$18,340 and \$12,871 respectively; however, the Seascape Sur Low Flow Diverter is forecasted to be over budget by \$6,976 as a result of additional water sampling and testing.

2016-17 RECOMMENDED BUDGET

Overall, the SB pump stations budget will increase \$13,824 or 4.7% from the prior year's budget. \$5,500 of the increase is due the anticipated increase in utility costs as a result of the City of Del Mar influent flows through the City of Solana Beach's collection system.

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

Contingency funding has been set to \$19,700, which is approximately 17% of budgeted supplies and services costs for the pump stations. This provides sufficient funding for unforeseen events and repairs.

STAFF ALLOCATION

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

Solana Beach Pump Stations Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|---------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 137,258 | \$ 159,393 | \$ 164,035 | \$ 165,912 | \$ 167,816 |
| Supplies and Services | 91,382 | 97,551 | 104,851 | 108,863 | 119,582 |
| Capital Outlay | - | 6,821 | - | - | - |
| Contingency | - | - | - | 18,500 | 19,700 |
| Total Operating Cost | <u>228,641</u> | <u>263,766</u> | <u>268,886</u> | <u>293,275</u> | <u>307,098</u> |
| Capital Costs | - | - | - | - | - |
| Total Costs | <u>\$ 228,641</u> | <u>\$ 263,766</u> | <u>\$ 268,886</u> | <u>\$ 293,275</u> | <u>\$ 307,098</u> |
| Eden Gardens Pump Station | 67,301 | 73,408 | 74,110 | 92,449 | 95,076 |
| Solana Beach Pump Station | 92,508 | 98,090 | 101,326 | 114,107 | 119,284 |
| San Elijo Hills Pump Station | 49,019 | 65,963 | 56,159 | 56,404 | 60,385 |
| Fletcher Cove Pump Station | 15,980 | 18,964 | 16,192 | 18,584 | 18,575 |
| Storm Drain Sediment Drying | 3,834 | 7,073 | 9,029 | 6,210 | 7,756 |
| Seascape Sur Low Flow Diverter | - | 269 | 9,736 | 2,760 | 3,171 |
| Fletcher Cove Low Flow Diverter | - | - | 2,335 | 2,760 | 2,850 |
| Total Operating Cost | <u>\$ 228,641</u> | <u>\$ 263,766</u> | <u>\$ 268,886</u> | <u>\$ 293,275</u> | <u>\$ 307,098</u> |

Solana Beach Pump Stations Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 99,118 | \$ 111,032 | \$ 117,100 | \$ 118,241 | \$ 117,883 |
| FICA Tax | - | 95 | - | - | - |
| Medicare Tax | 1,478 | 1,676 | 1,570 | 1,590 | 1,583 |
| State Unemployment Tax | 326 | 399 | 399 | 501 | 501 |
| Standby Pay | 831 | 852 | 949 | 858 | 911 |
| Overtime Pay | 2,801 | 3,554 | 4,091 | 5,877 | 4,364 |
| Dental/Vision | 1,181 | 1,027 | 1,126 | 1,108 | 878 |
| Employee Assistance Program | 209 | 211 | 210 | 225 | 225 |
| Life Insurance/Disability | 651 | 644 | 718 | 850 | 900 |
| Workers Comp. Insurance | 1,774 | 1,737 | 2,031 | 2,046 | 2,149 |
| Medical Insurance - Pers | 10,749 | 11,800 | 13,110 | 13,589 | 14,639 |
| Retirement Plan - PERS | 14,106 | 21,773 | 18,243 | 15,962 | 18,421 |
| Deferred Comp-employer | 3,443 | 3,922 | 3,779 | 4,335 | 4,585 |
| Uniforms - Boots | 65 | 72 | 65 | 212 | 201 |
| Payroll Processing Fees | 430 | 466 | 445 | 297 | 439 |
| Other Personnel Costs | 98 | 133 | 200 | 221 | 137 |
| | <u>137,258</u> | <u>159,393</u> | <u>164,035</u> | <u>165,912</u> | <u>167,816</u> |

Cost detail continued on next page

Solana Beach Pump Stations Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Supplies and Services | | | | | |
| Advertising | 48 | - | - | - | - |
| Dues & Memberships | 456 | - | - | - | - |
| Equipment Rental/Lease | 3,704 | - | - | - | - |
| Fees - Permits | 2,189 | 1,605 | 2,100 | 2,100 | 2,100 |
| Fuel | 1,307 | 1,039 | 488 | 1,484 | 1,113 |
| Insurance - Liability | - | - | 32 | - | 32 |
| Licenses | 686 | 285 | 3,564 | 2,224 | 2,224 |
| Minor Equip - Shop & Field | 47 | 191 | 36 | 10 | 10 |
| Postage/Shipping | 8 | 19 | - | - | - |
| Preemployment Screening | 11 | 16 | 11 | 30 | 35 |
| Printing | 8 | 22 | - | 11 | 35 |
| Rent | - | - | 35 | 35 | 35 |
| Repair Parts Expense | 4,869 | 10,448 | 10,126 | 13,500 | 13,770 |
| Seminars/Education | - | 43 | 59 | - | - |
| Services - Alarm | 2,915 | 2,139 | 1,135 | 2,700 | 2,700 |
| Services - Engineering | 3,138 | - | - | - | - |
| Services - Grit & Screenings | 2,469 | 4,909 | 5,858 | 4,500 | 6,000 |
| Services - Legal | 72 | - | - | - | - |
| Services - Maintenance | 8,514 | 4,848 | 6,300 | 3,000 | 4,800 |
| Services - Medical | 87 | 244 | 57 | 140 | 140 |
| Services - Other | 1 | 2 | 1 | - | - |
| Services - Professional | 315 | 923 | 309 | 127 | 127 |
| Services - Testing | - | - | 445 | 445 | 445 |
| Services - Uniforms | 359 | 455 | 458 | 403 | 401 |
| Services - IT/GIS Support | 438 | 1,529 | 3,089 | 1,847 | 1,847 |
| Service - EWA Support | - | - | 1,444 | - | 2,199 |
| Subcontractor | - | 4,067 | - | - | - |
| Subsistence - Meals | 22 | 21 | 7 | 55 | 55 |
| Subsistence - Travel/Rm & Bd | - | 31 | - | - | - |
| Supplies - Office | 16 | - | - | - | - |
| Supplies - Safety | 1,107 | 753 | 724 | 194 | 195 |
| Supplies - Shop & Field | 623 | 491 | 752 | 370 | 370 |
| Training | 157 | 365 | 169 | 357 | 365 |
| Training - Safety | 176 | 567 | 301 | 634 | 646 |
| Utilities - Gas & Electric | 53,997 | 58,600 | 63,735 | 69,500 | 75,000 |
| Utilities - Internet | 213 | 186 | 191 | 254 | 254 |
| Utilities - Telephone | 1,296 | 1,578 | 1,806 | 1,520 | 1,260 |
| Utilities - Trash | 86 | - | - | - | - |
| Utilities - Water | 1,777 | 1,605 | 1,274 | 3,066 | 3,066 |
| Vehicle Maintenance | 273 | 570 | 345 | 358 | 358 |
| | <u>91,382</u> | <u>97,551</u> | <u>104,851</u> | <u>108,863</u> | <u>119,582</u> |
| Capital Outlay | - | 6,821 | - | - | - |
| Contingency | - | - | - | 18,500 | 19,700 |
| Total Operating Cost | <u>\$ 228,641</u> | <u>\$ 263,766</u> | <u>\$ 268,886</u> | <u>\$ 293,275</u> | <u>\$ 307,098</u> |

Solana Beach Generator Maintenance Services

PROGRAM DESCRIPTION

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

2015-16 ESTIMATED ACTUAL EXPENDITURES

The Solana Beach Generator Maintenance Services are forecasted to be at or about the budget.

2016-17 RECOMMENDED BUDGET

The current year budget is expected to be \$108 or 1.2% greater than FY 2015-16.

STAFF ALLOCATION

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

Solana Beach Generator Maintenance Services Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | \$ 118 | \$ 5,046 | \$ 5,244 | \$ 5,356 |
| Supplies and Services | | 1,022 | 3,104 | 3,893 | 3,889 |
| Capital Outlay | | - | - | - | - |
| Contingency | | - | - | - | - |
| Total Operating Cost | | 1,140 | 8,150 | 9,137 | 9,245 |
| Capital Costs | | - | - | - | - |
| Total Costs | | <u>\$ 1,140</u> | <u>\$ 8,150</u> | <u>\$ 9,137</u> | <u>\$ 9,245</u> |
| SB City Hall Generator | | 866 | 3,516 | 4,840 | 4,625 |
| SB Lomas SF Fire Generator | | 274 | 4,634 | 4,297 | 4,620 |
| Total Operating Cost | | <u>\$ 1,140</u> | <u>\$ 8,150</u> | <u>\$ 9,137</u> | <u>\$ 9,245</u> |

Solana Beach Generator Maintenance Services Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | | \$ 111 | \$ 3,608 | \$ 3,900 | \$ 3,880 |
| Medicare Tax | | 2 | 64 | 52 | 52 |
| State Unemployment Tax | | - | - | 16 | 16 |
| Standby Pay | | - | 29 | - | 8 |
| Overtime Pay | | - | 23 | - | 7 |
| Dental/Vision | | - | 36 | 36 | 28 |
| Employee Assistance Program | | - | 7 | 8 | 8 |
| Life Insurance/Disability | | - | 23 | 28 | 30 |
| Workers Comp. Insurance | | - | 65 | 68 | 70 |
| Medical Insurance - Pers | | - | 423 | 446 | 480 |
| Retirement Plan - PERS | | - | 589 | 524 | 604 |
| Deferred Comp-employer | | 5 | 160 | 142 | 150 |
| Uniforms - Boots | | - | 2 | 6 | 6 |
| Payroll Processing Fees | | - | 14 | 10 | 14 |
| Employee Rewards Program | | - | 1 | 8 | 4 |
| | | <u>118</u> | <u>5,046</u> | <u>5,244</u> | <u>5,356</u> |
| Supplies and Services | | | | | |
| Fuel | | - | 15 | 24 | 18 |
| Insurance - Liability | | - | 1 | - | 2 |
| Licenses | | - | 30 | 30 | 30 |
| Repair Parts Expense | | 222 | 363 | - | 100 |
| Training | | - | 5 | 11 | 11 |
| Training - Safety | | - | 1 | 19 | 19 |
| Minor Equip - Shop & Field | | - | 1 | - | - |
| Services - Maintenance | | 800 | 2,483 | 3,200 | 3,200 |
| Services - Uniforms | | - | 15 | 12 | 12 |
| Services - Medical | | - | 2 | - | 5 |
| Services - Professional | | - | 7 | - | 10 |
| Services - Professional IT Support | | - | 99 | 55 | 54 |
| Service - EWA Support | | - | 38 | - | 72 |
| Supplies - Shop & Field | | - | 19 | - | 100 |
| Supplies - Safety | | - | 1 | 543 | 204 |
| Utilities - Internet | | - | 6 | - | 12 |
| Utilities - Telephone | | - | 19 | - | 40 |
| | | <u>1,022</u> | <u>3,104</u> | <u>3,893</u> | <u>3,889</u> |
| Contingency | | - | - | - | - |
| Total Operating Cost | | <u>\$ 1,140</u> | <u>\$ 8,150</u> | <u>\$ 9,137</u> | <u>\$ 9,245</u> |

Del Mar Pump Station

PROGRAM DESCRIPTION

Under this program, the SEJPA will provide pump station operation and maintenance services to the City of Del Mar. This facility is the 21st Street pump station. The actual costs incurred will be paid for by the City of Del Mar.

2015-16 ESTIMATED ACTUAL EXPENDITURES

The Del Mar Pump Station program did not begin in FY 2015-16; hence, there are no estimates.

2016-17 RECOMMENDED BUDGET

This budget is based on similar staff time, Supplies, and Services required to operate, and maintain similar pump stations serviced by the SEJPA. Contingency funding has been set to \$3,700, which is approximately 30% of budgeted supplies and services costs.

STAFF ALLOCATION

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

Del Mar Pump Station Cost Summary

| <u>Operating Cost</u> | <u>Actual 2013-14</u> | <u>Actual 2014-15</u> | <u>Estimated Actual 2015-16</u> | <u>Adopted Budget 2015-16</u> | <u>Recommended Budget 2016-17</u> |
|-----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | \$ 59,138 | \$ 60,365 |
| Supplies and Services | | | | 11,943 | 13,013 |
| Capital Outlay | | | | - | - |
| Contingency | | | | 3,900 | 3,900 |
| Total Operating Cost | | | | <u>74,981</u> | <u>77,277</u> |
| Capital Costs | | | | - | - |
| Total Costs | | | | <u>\$ 74,981</u> | <u>\$ 77,277</u> |

Del Mar Pump Station Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | | | | \$ 42,510 | \$ 42,742 |
| Medicare Tax | | | | 589 | 586 |
| State Unemployment Tax | | | | 186 | 186 |
| Overtime Pay | | | | 1,469 | 1,086 |
| Dental/Vision | | | | 410 | 325 |
| Employee Assistance Program | | | | 83 | 83 |
| Life Insurance/Disability | | | | 315 | 333 |
| Workers Comp. Insurance | | | | 758 | 796 |
| Medical Insurance - Pers | | | | 5,032 | 5,420 |
| Retirement Plan - PERS | | | | 5,911 | 6,821 |
| Deferred Comp-employer | | | | 1,605 | 1,698 |
| Uniforms - Boots | | | | 78 | 75 |
| Payroll Processing Fees | | | | 110 | 163 |
| Other Personnel Costs | | | | 82 | 51 |
| | | | | <u>59,138</u> | <u>60,365</u> |
| Supplies and Services | | | | | |
| Fuel | | | | 600 | 450 |
| Insurance - Liability | | | | 650 | 699 |
| Repair Parts Expense | | | | 2,500 | 2,550 |
| Services - Alarm | | | | 750 | 750 |
| Services - Grit & Screenings | | | | 1,500 | 1,500 |
| Services - Legal | | | | 160 | 160 |
| Services - Maintenance | | | | 1,595 | 1,595 |
| Services - Testing | | | | 475 | 475 |
| Services - Uniforms | | | | 139 | 139 |
| Services - Other | | | | 300 | 300 |
| Services - IT/GIS Support | | | | 637 | 637 |
| Service - EWA Support | | | | - | 814 |
| Services - Grease & Scum | | | | 900 | 900 |
| Supplies - Safety | | | | 50 | 50 |
| Supplies - Shop & Field | | | | 445 | 445 |
| Training | | | | 123 | 126 |
| Training - Safety | | | | 219 | 223 |
| Utilities - Telephone | | | | - | 300 |
| Utilities - Trash | | | | 100 | 100 |
| Vehicle Maintenance | | | | 800 | 800 |
| | | | | <u>11,943</u> | <u>13,013</u> |
| Contingency | | | | 3,900 | 3,900 |
| Total Operating Cost | | | | <u>\$ 74,981</u> | <u>\$ 77,277</u> |

Recycled Water

PROGRAM DESCRIPTION

The SEJPA owns and operates a recycled water utility which wholesales recycled water to the Santa Fe Irrigation District (SFID), the San Dieguito Water District (SDWD), the City of Del Mar, and Olivenhain Municipal Water District (OMWD), as well as a direct sales agreement with Encinitas Ranch Golf Authority (ERGA). SEJPA financed, permitted, and constructed the recycled water utility which became operational in September 2000. Since addition of the Advanced Water Purification (AWP) in 2013, SEJPA's recycled water program delivers between 1,300 and 1,600 acre-feet (AF) per year of recycled water to its retail partners. Local customers that use the recycled water for landscape irrigation include the Encinitas Ranch Golf Course, Lomas Santa Fe Executive and Country Club Golf Courses, Ecker YMCA, Del Mar Fairgrounds, local schools, parks, businesses, and street/freeway landscape. Industrial use customers include Scripps Hospital, the Del Mar Fairgrounds and the San Elijo Water Recycled Water Facility. The facility can currently produce up to 3.02 million gallons per day of recycled water.

2014-15 ESTIMATED ACTUAL EXPENDITURES

FY 2015-16 is the 15th full year of the Water Recycling Program. This program receives revenue from different customers with different levels of service. During FY 2014-15, the SEJPA obtained a Cost of Service Study in order to decouple from water rates being indexed to 85% of potable water rates. This report supported the rates that were subsequently agreed to by all the water purveyors; thus eliminating different rates being charged by the SEJPA to the different water purveyors. The SEJPA is currently preparing an updated Cost of Service Study to support the recycled water rates for FY 2016-17 and forward. The recycled water program also receives performance incentives in the amount of \$250 per AF from the Metropolitan Water District of Southern California (MWD) and \$200 per AF from the San Diego County Water Authority (SDCWA).

Budgeted revenue for FY 2015-16 was \$2,593,403, while actual revenues are anticipated to be \$2,380,836. This is \$212,567 or 8.2% less than planned. This is a result of statewide and local drought messaging resulting in sales of 162 acre-feet less than expected.

Budgeted operating expenditures total \$1,363,948 and estimated expenditures are projected to be \$1,344,870, or 1.4% lower than planned as a result of lower water sales. Contingency funding for this program is provided by the Recycled Water Program Unrestricted Reserves. Infrastructure debt service for the Water Recycling Program consists of the State Revolving Fund (\$834,675), Advanced Water Treatment (\$148,153) and the Santa Fe Irrigation District Pipeline (\$15,000) for a total of \$997,828.

2016-17 RECOMMENDED BUDGET

Budgeted water sales revenue for this program is planned to be \$2,621,001, which is up 1.1%, or \$27,597 from prior year's budget. This is due to a proposed price per acre-foot increase of 3.5% and a conservative outlook for the number of acre-feet sold to the water purveyors (1,530 acre-feet for FY 2015-16, and 1507 acre-feet for FY 2016-17).

The Recycled Water operating cost budget is planned to be \$1,498,447, an increase of approximately \$134,449 over prior year's budget. Personnel costs for the Fiscal Year 2015-16 budget are based on projections of estimated staff effort required to operate the program and are planned to increase \$15,170 or 3.0%. Supplies and services are planned to increase by \$120,379 or 14.1%. This increase is due to an increase of \$65,000 for engineering related to water reuse, legal costs of \$10,000 and anticipated electrical increase of \$20,250. Capital Outlay is budgeted at \$4,950 for this year.

Capital Costs are planned to be \$330,000 for pipeline engineering related to recycled water conveyance, storage and potable reuse studies.

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

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

STAFF ALLOCATION

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

Recycled Water Cost Summary

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-----------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | \$ 459,480 | \$ 487,628 | \$ 541,045 | \$ 505,658 | \$ 520,828 |
| Supplies and Services | 685,179 | 677,838 | 768,488 | 852,290 | 972,669 |
| Capital Outlay | 0 | - | 35,337 | 6,000 | 4,950 |
| Contingency | - | - | - | - | - |
| Total Operating Cost | <u>1,144,658</u> | <u>1,165,466</u> | <u>1,344,870</u> | <u>1,363,948</u> | <u>1,498,447</u> |
| Capital Costs | 40,000 | 150,000 | 300,000 | 300,000 | 330,000 |
| Debt Service | | | | | |
| State Revolving Fund | 834,675 | 834,675 | 834,675 | 834,675 | 834,675 |
| Advanced Water Purification | 148,153 | 148,153 | 148,153 | 148,153 | 148,153 |
| SFID Pipeline Loan | 13,500 | 13,359 | 15,000 | 15,000 | 15,000 |
| Total Debt Service | <u>996,328</u> | <u>996,187</u> | <u>997,828</u> | <u>997,828</u> | <u>997,828</u> |
| Total Costs | <u>\$ 2,180,986</u> | <u>\$ 2,311,653</u> | <u>\$ 2,642,698</u> | <u>\$ 2,661,776</u> | <u>\$ 2,826,275</u> |

Recycled Water Operating Cost Detail

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Personnel | | | | | |
| Direct Salaries and Wages | \$ 351,503 | \$ 349,561 | \$ 396,551 | \$ 371,479 | \$ 374,068 |
| FICA Tax | - | 260 | - | - | - |
| Medicare Tax | 5,229 | 5,204 | 5,991 | 4,601 | 4,617 |
| State Unemployment Tax | 1,582 | 1,086 | 1,086 | 1,449 | 1,462 |
| Standby Pay | 2,197 | 2,464 | 2,743 | 2,360 | 2,549 |
| Overtime Pay | 10,846 | 9,392 | 13,888 | 13,397 | 13,867 |
| Dental/Vision | 3,090 | 2,953 | 3,262 | 3,203 | 2,562 |
| Employee Assistance Program | 547 | 609 | 663 | 652 | 658 |
| Life Insurance/Disability | 1,704 | 1,851 | 2,081 | 2,464 | 2,629 |
| Workers Comp. Insurance | 4,642 | 4,546 | 5,737 | 5,920 | 6,275 |
| Medical Insurance - Pers | 27,072 | 33,973 | 38,892 | 39,311 | 42,722 |
| Retirement Plan - PERS | 36,913 | 61,079 | 54,127 | 46,172 | 53,763 |
| Deferred Comp-employer | 12,721 | 12,706 | 14,441 | 12,541 | 13,381 |
| Uniforms - Boots | 169 | 209 | 190 | 612 | 590 |
| Payroll Processing Fees | 1,125 | 1,349 | 1,290 | 859 | 1,284 |
| Other Personnel Costs | 141 | 386 | 102 | 638 | 401 |
| | <u>459,480</u> | <u>487,628</u> | <u>541,045</u> | <u>505,658</u> | <u>520,828</u> |
| Supplies and Services | | | | | |
| Advertising | 374 | 349 | 260 | 260 | 260 |
| Bank Charges | 12 | - | 1,000 | 1,000 | 1,000 |
| Board Expense | 2 | - | 100 | 100 | 100 |
| Dedication Ceremony | 244 | - | 1,989 | - | - |
| Dues & Memberships | 12,710 | 5,642 | 5,841 | 3,165 | 3,165 |
| Equipment Rental/Lease | - | 749 | 3,277 | 3,600 | 3,600 |
| Fees - Permits | 18,537 | 18,921 | 18,788 | 27,500 | 20,000 |
| Fees - Purveyor Admin | 22,929 | - | - | - | - |
| Fuel | 4,221 | 3,042 | 4,703 | 4,800 | 3,600 |
| Insurance - Liability | 9,784 | 9,531 | 10,762 | 10,800 | 11,610 |
| Insurance - Property | 7,599 | 7,352 | 7,211 | 7,350 | 7,901 |
| Licenses | 4,478 | 7,879 | 8,611 | 6,600 | 8,000 |
| Minor Equip - Shop & Field | 1,127 | 3,354 | 1,456 | 2,200 | 2,244 |
| Postage/Shipping | 73 | 25 | 186 | 200 | 200 |
| Preemployment Screening | 30 | 47 | 90 | 99 | 100 |
| Printing | 409 | 337 | 336 | 375 | 400 |
| Rent | 66,785 | 64,989 | 43,524 | 58,500 | 69,750 |
| Repair Parts Expense | 32,397 | 26,157 | 43,861 | 42,000 | 42,840 |
| Retrofit Expenses | - | - | - | 10,000 | 10,000 |
| Seminars/Education | 1,234 | 1,916 | 4,480 | 4,500 | 4,590 |
| Services - Accounting | 6,068 | 4,288 | 5,100 | 6,000 | 6,120 |
| Services - Construction | - | - | 23,500 | - | - |
| Services - Alarm | 908 | 965 | 621 | 1,250 | 1,250 |

Cost detail continued on next page

Recycled Water Operating Cost Detail Continued

| Operating Cost | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|-------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Services - Engineering | 47,755 | 51,372 | 33,819 | 85,000 | 150,000 |
| Services - Laboratory | 1,188 | 2,749 | 4,967 | 5,000 | 5,000 |
| Services - Landscape | 2,000 | 550 | - | 2,000 | 2,000 |
| Services - Legal | 1,841 | 5,959 | 20,483 | 10,000 | 20,000 |
| Services - Lobbying | 29,978 | 14,555 | 15,000 | 16,000 | 16,000 |
| Services - Maintenance | 13,608 | 15,147 | 11,815 | 18,407 | 18,657 |
| Services - Medical | 227 | 790 | 166 | 45 | 50 |
| Services - Other | 158 | 6 | 1,204 | 1,200 | 1,200 |
| Services - Professional | 11,799 | 41,625 | 56,704 | 30,200 | 34,200 |
| Services - IT/GIS Support | 15,847 | 12,438 | 11,603 | 5,650 | 5,650 |
| Service - EWA Support | - | - | 4,633 | - | 6,418 |
| Services - Contractors | 42,642 | 19,682 | 25,000 | 25,000 | 25,000 |
| Services - Temp | 4,638 | 8,250 | 11,634 | 12,000 | 12,000 |
| Services - Testing | 1,033 | - | 500 | 500 | 500 |
| Services - Uniforms | 940 | 1,317 | 1,329 | 1,232 | 1,450 |
| Subsistence - Meals | 379 | 118 | 56 | 900 | 900 |
| Subsistence - Travel/Rm & Bd | 1,487 | 1,251 | 1,918 | 2,000 | 2,000 |
| Supplies - Chem - Odor | 3,211 | 2,404 | 2,552 | 2,805 | 4,335 |
| Supplies - Chem - Polymer | - | - | 2,800 | 2,880 | 4,320 |
| Supplies - Chem - Sodium Hypo | 39,123 | 44,561 | 54,585 | 54,853 | 55,260 |
| Supplies - Chemicals | 21,448 | 21,398 | 25,743 | 28,520 | 32,350 |
| Supplies - Lab | 2,290 | 736 | 2,346 | 2,500 | 2,500 |
| Supplies - Office | 144 | 38 | 554 | 500 | 500 |
| Supplies - Safety | 565 | 1,568 | 1,509 | 543 | 550 |
| Supplies - Shop & Field | 2,732 | 750 | 1,929 | 2,000 | 2,000 |
| Training | 412 | 1,058 | 489 | 1,094 | 1,116 |
| Training - Safety | 460 | 1,645 | 874 | 1,938 | 1,977 |
| Utilities - Gas & Electric | 232,151 | 252,102 | 267,946 | 303,750 | 324,000 |
| Utilities - Internet | 888 | 1,186 | 527 | 1,400 | 1,900 |
| Utilities - Telephone | 5,547 | 6,536 | 6,223 | 6,000 | 5,606 |
| Utilities - Water | - | - | - | 25,000 | 25,000 |
| Utilities - Water (Suppl.) | 10,036 | 11,667 | 11,853 | 10,824 | 11,000 |
| Vehicle Maintenance | 732 | 839 | 2,034 | 2,250 | 2,500 |
| Miscellaneous | - | - | - | - | - |
| | 685,179 | 677,838 | 768,488 | 852,290 | 972,669 |
| Capital Outlay | 0 | - | 35,337 | 6,000 | 4,950 |
| Contingency | - | - | - | - | - |
| Total Operating Cost | \$ 1,144,658 | \$ 1,165,466 | \$ 1,344,870 | \$ 1,363,948 | \$ 1,498,447 |

Capital Programs



Geotechnical sampling for land outfall replacement



Capital project planning



The City of Del Mar's Sewer, Water, Arterial, Paving ("SWAP") Project

Capital Programs Project Summary

| Program | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|----------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Treatment | \$ 858,000 | \$ 907,000 | \$ 997,000 | \$ 997,000 | \$ 1,029,000 |
| Ocean Outfall | 200,000 | 200,000 | 300,000 | 300,000 | 300,000 |
| Water Reclamation | 40,000 | 150,000 | 300,000 | 300,000 | 330,000 |
| Total Capital Cost | <u>\$ 1,098,000</u> | <u>\$ 1,257,000</u> | <u>\$ 1,597,000</u> | <u>\$ 1,597,000</u> | <u>\$ 1,659,000</u> |

Capital Programs Wastewater Treatment Project Detail

| Capital Project | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|---------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Preliminary Treatment Upgrades | 353,000 | - | 420,000 | 420,000 | 420,000 |
| Building Improvements | 85,000 | 35,000 | 220,000 | 220,000 | 220,000 |
| Biosolids Building Reserve | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| Energy Efficiency Improvements | 80,000 | 80,000 | | | |
| Hydraulic Management | 75,000 | 75,000 | | | |
| Digester Rehabilitation/Upgrade | 140,000 | 102,000 | 212,000 | 212,000 | 212,000 |
| Emergency Generator Replacement | 50,000 | 480,000 | | | |
| Miscellaneous Projects | - | 60,000 | 70,000 | 70,000 | 102,000 |
| Total Capital Cost | \$ 858,000 | \$ 907,000 | \$ 997,000 | \$ 997,000 | \$ 1,029,000 |

PRELIMINARY TREATMENT UPGRADES (formerly Headworks/Grit Project)

The 2007 Facility Plan and the 2015 Facility Plan Update identified modernization needs to the headworks and grit chamber that included (1) modification of the existing headworks to accommodate peak influent wastewater flows of greater than 10 million gallons per day, (2) provision of a redundant washer/compactor equipment, (3) provision of additional free-board, (4) replace the aging bar screens, and (5) a grit chamber rehabilitation that included replacement of covers, re-lining of the concrete chamber, replacement of channel slide gates, and improvements to the mechanical grit conveyance system. The total cost for these improvements was estimated by Carollo Engineers in 2015 at \$2.34 million.

BUILDING IMPROVEMENT PROGRAM

The need and drivers for the Building Improvement Program are to address safety, security, operational, and code deficiencies associated with the Administrative and Operations Buildings. The 2015 Facility Plan expressed that creating a safe and secure work place that provides both open and, as necessary, restricted public access is paramount to managing risk and liability. There are risk and liability associated with continuing to operate with the known deficiencies associated with the American Disabilities Act and California Building Code compliance. The current Administrative Building was installed as a “temporary” facility 16 years ago, is not properly anchored to a foundation, is located under high voltage power lines in an easement held by SDG&E, does not provide adequate site security to restrict access to valuable and essential equipment, does not have a proper ADA access ramp or proper ADA turning radius, lacks necessary plumbing fixtures and adequate work space, and does not comply with energy efficiency standards. It is anticipated that this project will cost between \$5 million and \$8 million dollars.

BIOSOLIDS RESERVE

The Biosolids Reserve Project is a series of short term projects identified in the 2007 Facility Plan and re-evaluated in the 2015 Facility Plan Update as Dewatering Upgrades. The biosolids reserve project includes (1) Installation of new sludge dewatering equipment, (2) New digested sludge feed pumps, (3) Sludge Hopper and Platform Rehabilitation, (4) recoating piping, pumps and other equipment to prolong life, and (5) modifications to odor control piping. The project cost was estimated by Carollo Engineers at \$1.79 million in 2015.

ENERGY EFFICIENCY IMPROVEMENTS

The 2007 Facility Plan identified the need and benefit of improved energy independence within the SEJPA facility. This project is still an important part of the overall strategy at SEJPA, however; the project priority has dropped slightly relative to other equipment and facility needs. The estimated cost of this project was \$300,000 to \$1.8 million depending on the scope and type of projects pursued, according to the Facility Plan. This project will be further defined by a preliminary design report and may include cogeneration using excess biogas produced by the sludge digesters and solar electric panels.

DIGESTER IMPROVEMENTS PROJECT

The Digester Rehabilitation / Upgrade Project is a series of short term projects and a long term project identified in the 2007 Facility Plan. In the 2015 Facility Plan Update Carollo revised this project as the Digester Improvements Project to include (1) Digester crack repair, (2) Digester No. 2 lining and floating cover rehabilitation, (3) Heat exchanger replacement, (4) Sludge recirculation pumps replacement. The project is required to ensure proper treatment of the solids removed from the wastewater. Failure to implement the recommended upgrades could lead to inadequate treatment resulting in extended digestions times, reduced solids treatment capacity, and potential EPA permit violations.

MISCELLANEOUS PROJECTS FY 2016-17

Each year staff identifies smaller capital projects that should be completed, but were not identified in the 2015 Facility Plan. This year staff has identified rehabilitation of the facility asphalt including grinding, crack repair, and a rubberized asphalt slurry seal under the Capital Program.

Capital Programs Ocean Outfall Project Detail

| Capital Project | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Outfall Reserve | \$ 200,000 | \$ 200,000 | \$ 300,000 | \$ 300,000 | \$ 300,000 |
| Total Capital Cost | <u>\$ 200,000</u> | <u>\$ 200,000</u> | <u>\$ 300,000</u> | <u>\$ 300,000</u> | <u>\$ 300,000</u> |

OUTFALL RESERVE

The Land Outfall portion of the ocean outfall which was installed across the lagoon in 1965 was identified in the 2015 Facility Plan as a critical asset that requires continuous operation, yet has zero redundancy. The land outfall, which is constructed with 30-inch diameter asbestos cement pipe, has been identified for replacement due to age and the corrosive nature of the lagoon soils. Further adding urgency to this project is the planned San Elijo Lagoon Restoration Project, and the North County Transit District Double-Track Project that will significantly disturb the area around this pipeline, and increase the potential for the failure of the pipeline. The SEJPA has completed 100% of the design to replace the land outfall, and is waiting to obtain project permits.

Additionally, the ballast rocks that hold the ocean outfall pipe in place move due to sand movement and ocean currents and the SEJPA must occasionally add additional ballast. The last reballast project was conducted in 2005 and historically these projects have been performed every 7-10 years at a cost of approximately \$2.0 Million. This reserve has been created to collect funds in anticipation of upcoming ocean outfall projects, which will likely be required in this decade.

Capital Programs Recycled Water Project Detail

| Capital Project | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Master Plan Update | \$ 40,000 | | \$ - | \$ - | \$ 55,000 |
| Conveyance and Storage | | 150,000 | 255,000 | 255,000 | 200,000 |
| Potable Reuse Study | | | 45,000 | 45,000 | 75,000 |
| Total Capital Cost | <u>\$ 40,000</u> | <u>\$ 150,000</u> | <u>\$ 300,000</u> | <u>\$ 300,000</u> | <u>\$ 330,000</u> |

MASTER PLAN UPDATE

In 2005 the SEJPA completed a Recycled Water System study to identify new users and projected growth in the recycled water distribution system. The study serves as a planning document to help anticipate required capital expenditures for the recycled water treatment and distribution system.

Conveyance and Storage

In 2015, Caltrans notified the SEJPA that a portion of the recycled water transmission line is in conflict at various locations with the planned Interstate 5 freeway widening project. This project will fund design and relocation efforts related to the Interstate 5 widening project.

The SEJPA planned and connected the current distribution system to the Wiegand tank owned by Olivenhain Municipal Water District to have access to 1.0 million gallons of additional storage in the Northern service area, and to provide recycled water to the Village Park area of the City of Encinitas. These planning and design projects were funded by this capital program.

POTABLE REUSE STUDY

During FY 2014-15 the SEJPA partnered with SDWD and SFID to fund a joint Potable Reuse Concept Study to identify needed improvements in order to provide recycled water to the Badger Filtration Plant as a new source of water. Short-term planning will include an inventory of existing facilities and potential supply requirements. Long-term planning will include identifying future facilities, site locations, and budgetary costs.

Debt Service

Wastewater Treatment Debt Service

2011 REVENUE BONDS

In December 2011, SEJPA refinanced the 2003 Revenue Bonds and the California Energy Commission Loan at an average rate of 3.05%, producing savings of approximately \$1.2 million over the remaining life of these obligations. Interest payments are made on September 1 and March 1, principal payments on March 1. The payments are submitted directly by the Member Agencies. The annual payments vary slightly as the Member Agencies borrowed different amounts. The FY 2016-17 annual payments will be \$692,081 for the City of Encinitas and \$782,787 for the City of Solana Beach. As of June 30, 2016, the outstanding balance will be \$4,320,000. The City of Encinitas' portion will be \$2,033,889, and the City of Solana Beach's portion will be \$2,286,111.

Recycled Water Debt Service

STATE REVOLVING FUND (SRF)

In March 1998, the SEJPA entered into an agreement with the State Water Resources Control Board for funding the original Recycled Water Project. The \$12.6 million loan provided funding for recycling water at a fixed interest rate of 2.5% for a term of 20 years. Annual payments of \$834,675 began in August 2001 and will continue through August 2020. As of June 30, 2016, the outstanding balance will be \$3,877,760.

The terms of the SRF loan required the SEJPA to create a reserve and fund \$63,000 per year for 10 years. The reserve is to be maintained until the loan is paid in full, however, the funds can be used for expansion, major repair, replacement, or other similar and related expenditures related to the production of recycled water. In the event of such use, the SEJPA is required to deposit, on an annual basis, a minimum of ten percent of the expended amount. As of March 31, 2016, the reserve balance is \$630,000.

ADVANCED WATER PURIFICATION FACILITY LOAN

In November 2011, the SEJPA received a private placement loan for the construction of the Advanced Water Purification Facility in the amount of \$2,000,000 at a fixed interest rate of 4.15%. Annual payments of \$148,153 began in 2011 and will continue for 20 years until 2031. As of July 1, 2016, the outstanding balance will be \$1,681,261.

SFID PIPELINE LOAN

In 2013, the SEJPA entered into an agreement with the Santa Fe Irrigation District to purchase a recycled water distribution pipeline for \$526,149 with an initial down payment of \$50,000 and annual interest between 1.0% and 2.5% based on the Local Agency Investment Fund rate. The repayment schedule is \$450 per acre foot of water delivered through the pipeline. It is estimated at June 30, 2016, the outstanding balance is estimated to be \$444,000 based on 33.3 acre-feet delivered through the pipeline in FY 2014-15.

Debt Service Summary

| | Actual 2013-14 | Actual 2014-15 | Estimated Actual 2015-16 | Adopted Budget 2015-16 | Recommended Budget 2016-17 |
|---------------------------------------|---------------------------|---------------------------|---|---------------------------------------|---|
| Wastewater Debt Service | | | | | |
| 2011 Refunding Bonds | | | | | |
| Principal | 1,200,000 | 1,235,000 | 1,265,000 | 1,265,000 | 1,305,000 |
| Interest | 280,867 | 244,867 | 207,818 | 207,818 | 169,868 |
| Total Debt Service | <u>1,480,867</u> | <u>1,479,867</u> | <u>1,472,818</u> | <u>1,472,818</u> | <u>1,474,868</u> |
| Total Wastewater Debt Service | | | | | |
| Principal | 1,200,000 | 1,235,000 | 1,265,000 | 1,265,000 | 1,305,000 |
| Interest | 280,867 | 244,867 | 207,818 | 207,818 | 169,868 |
| Total Debt Service | <u>1,480,867</u> | <u>1,479,867</u> | <u>1,472,818</u> | <u>1,472,818</u> | <u>1,474,868</u> |
| Water Reclamation Debt Service | | | | | |
| State Revolving Fund | | | | | |
| Principal | 685,057 | 702,183 | 719,738 | 719,738 | 737,731 |
| Interest | 149,618 | 132,492 | 114,937 | 114,937 | 96,944 |
| Total Debt Service | <u>834,675</u> | <u>834,675</u> | <u>834,675</u> | <u>834,675</u> | <u>834,675</u> |
| Advanced Water Purification | | | | | |
| Principal | 70,013 | 72,948 | 76,007 | 76,007 | 79,194 |
| Interest | 78,140 | 75,205 | 72,146 | 72,146 | 68,959 |
| Total Debt Service | <u>148,153</u> | <u>148,153</u> | <u>148,153</u> | <u>148,153</u> | <u>148,153</u> |
| SFID Pipeline Loan | | | | | |
| Principal | 8,685 | 8,718 | 10,000 | 10,000 | 10,000 |
| Interest | 4,815 | 4,641 | 5,000 | 5,000 | 5,000 |
| Total Debt Service | <u>13,500</u> | <u>13,359</u> | <u>15,000</u> | <u>15,000</u> | <u>15,000</u> |
| Total Water Reclamation Debt Service | | | | | |
| Principal | 763,755 | 783,849 | 805,745 | 805,745 | 826,925 |
| Interest | 232,573 | 212,338 | 192,083 | 192,083 | 170,903 |
| Total Debt Service | <u>996,328</u> | <u>996,187</u> | <u>997,828</u> | <u>997,828</u> | <u>997,828</u> |
| Total Debt Service | | | | | |
| Total All Debt Service | | | | | |
| Principal | 1,963,755 | 2,018,849 | 2,070,745 | 2,070,745 | 2,131,925 |
| Interest | 513,440 | 457,205 | 399,901 | 399,901 | 340,771 |
| Total Debt Service | <u>\$ 2,477,195</u> | <u>\$ 2,476,054</u> | <u>\$ 2,470,646</u> | <u>\$ 2,470,646</u> | <u>\$ 2,472,696</u> |

Classification and Compensation Schedule

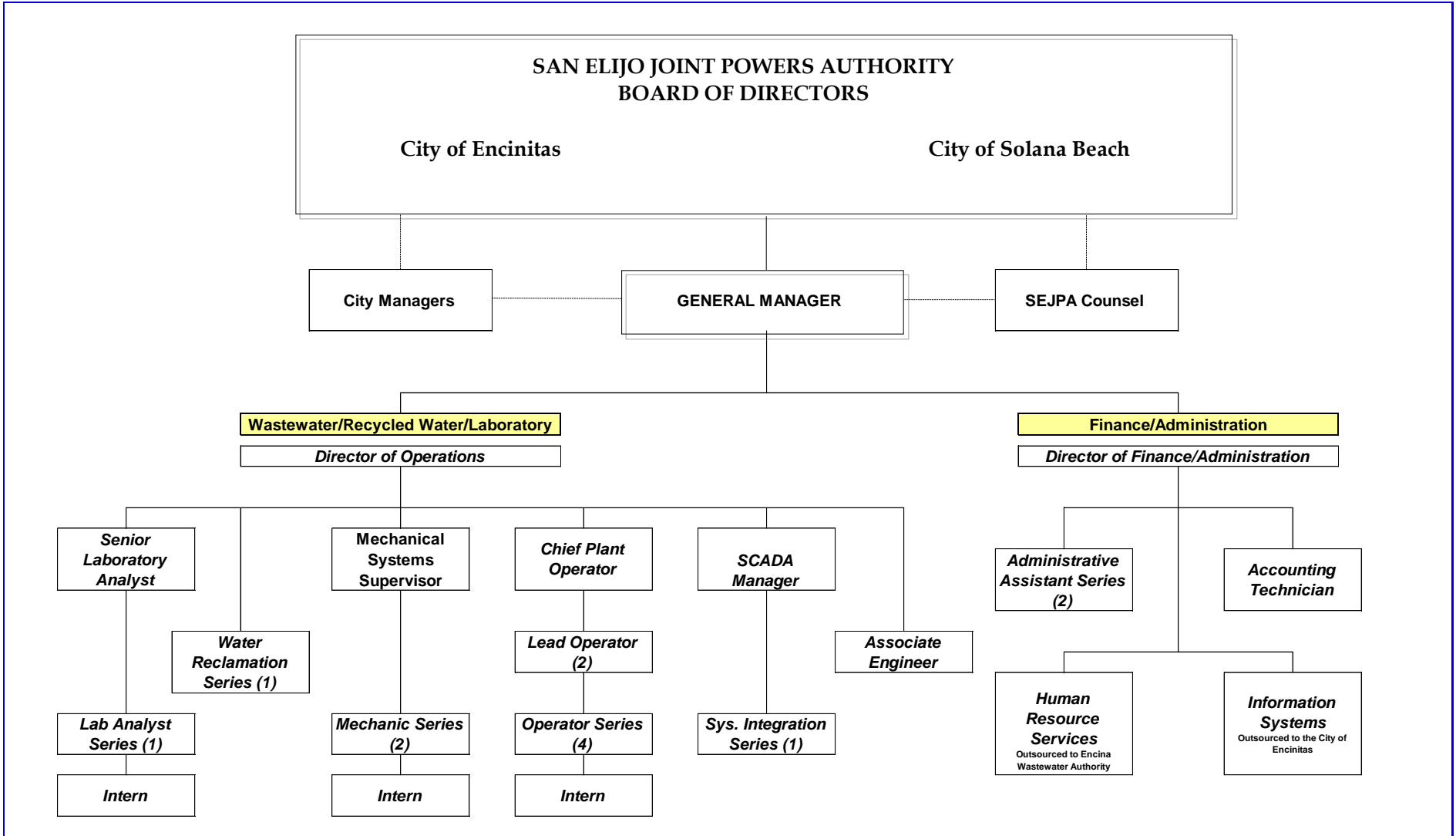
**SAN ELIJO JOINT POWERS AUTHORITY
CLASSIFICATION AND COMPENSATION SCHEDULE**

January 11, 2016

| Position | Full-Time Equivalent (FTE) | Compensation | | | |
|--|----------------------------------|--------------|----------|-----------|-----------|
| | | Monthly | | Annual | |
| | | Minimum | Maximum | Minimum | Maximum |
| Accounting Technician | 1 | \$ 4,133 | \$ 5,897 | \$ 49,596 | \$ 70,764 |
| Administrative Assistant I | 1 | 2,253 | 3,520 | 27,036 | 42,240 |
| Administrative Assistant II | 1 | 3,484 | 5,121 | 41,808 | 61,452 |
| Director of Operations | 1 | 9,160 | 13,468 | 109,920 | 161,616 |
| Associate Engineer | 1 | 6,262 | 8,978 | 75,144 | 107,736 |
| Director of Finance/Administration | 1 | 9,160 | 13,468 | 109,920 | 161,616 |
| General Manager (Under Contract) | 1 | 15,212 | 15,212 | 182,539 | 182,539 |
| Laboratory Series | 2 | | | | |
| <i>Laboratory Analyst I</i> | | 4,169 | 5,693 | 50,028 | 68,316 |
| <i>Laboratory Analyst II</i> | | 4,744 | 6,812 | 56,928 | 81,744 |
| <i>Senior Laboratory Analyst</i> | | 5,778 | 8,790 | 69,336 | 105,480 |
| Mechanic Series | 3 | | | | |
| <i>Mechanic I</i> | | 4,212 | 5,750 | 50,544 | 69,000 |
| <i>Mechanic II</i> | | 4,831 | 6,597 | 57,972 | 79,164 |
| <i>Mechanical Systems Supervisor</i> | | 5,623 | 9,740 | 67,476 | 116,880 |
| Systems Integration Series | 2 | | | | |
| <i>Systems Integration Technician I</i> | | 4,212 | 5,749 | 50,544 | 68,988 |
| <i>Systems Integration Technician II</i> | | 4,831 | 6,597 | 57,972 | 79,164 |
| <i>SCADA Manager</i> | | 7,431 | 10,600 | 89,172 | 127,200 |
| Wastewater Treatment Operator Series | 4 | | | | |
| <i>Operator-In-Training</i> | | 3,870 | 5,284 | 46,440 | 63,408 |
| <i>Operator I</i> | | 4,212 | 5,750 | 50,544 | 69,000 |
| <i>Operator II</i> | | 4,831 | 6,927 | 57,972 | 83,124 |
| Lead Operator | 2 | 5,517 | 8,106 | 66,204 | 97,272 |
| Chief Plant Operator | 1 | 7,565 | 9,840 | 90,780 | 118,080 |
| Water Reclamation Series | 1 | | | | |
| Water Reclamation Specialist | | 4,928 | 7,067 | 59,136 | 84,804 |

Approved by the SEJPA Board of Directors on January 11, 2016.

Organizational Chart



SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CONSIDERATION FOR WASTEWATER SERVICE AGREEMENT
EXTENSION WITH THE RANCHO SANTA FE COMMUNITY SERVICES
DISTRICT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

BACKGROUND

Since the approximately 1981, the San Elijo Joint Powers Authority (SEJPA) has been providing wastewater treatment and disposal services to the Rancho Santa Fe Community Services District (Rancho CSD). In or about 1991, the SEJPA and Rancho CSD entered into a long term agreement that provides 0.25 million gallons per day (MGD) of leased wastewater treatment and ocean disposal capacity to Rancho CSD. As part of this agreement, Rancho CSD is responsible to pay its allocated costs, plus a 33% premium, 1991 capital upgrade project, and for operational expenses required to maintain and upgrade the wastewater and ocean outfall systems. This agreement expires in March 2020, and Rancho CSD has expressed interest in replacing the agreement with a new twenty year agreement.

DISCUSSION

Rancho CSD desires to continue leasing wastewater and ocean outfall capacity from the SEJPA for an additional 20 years to July 1, 2036. Rancho CSD currently leases 4.76% of wastewater treatment capacity at the San Elijo Water Reclamation Facility (SEWRF) and approximately 1% of the ocean outfall capacity. Rancho CSD proposed to maintain the current level of leased capacity.

Based on wastewater flow projections by the SEJPA's member agencies, it is feasible and beneficial to the SEJPA to continue leasing wastewater and ocean outfall capacity to Rancho CSD. Wastewater flow from the SEJPA member agencies is on a declining trend, resulting in average daily wastewater flows being lower by approximately 0.4 MGD, or 15%, over the last five years. The flow reduction is likely a result of increased indoor water conservation by the

member agency residents and businesses. This provides sufficient allowance to commit treatment and disposal capacity to Rancho CSD for an additional 20 years. Furthermore, treating Rancho CSD wastewater provides increased economy of scale for facility operations that reduces costs to all parties.

Staff has been working with Rancho CSD to prepare the new lease agreement. The agreement is modeled from the recently executed Del Mar Wastewater Lease Agreement (July 2014). The agreement also includes flow measurement requirements that are consistent with those from the agreement between the City of Encinitas and Rancho CSD for cost sharing on the recently upgraded Olivenhain Pump Station.

The most significant change between the existing and the proposed agreements is the elimination of a 33% premium on operation and the 1991 capital upgrade project. Eliminating the premium is consistent with other SEJPA wastewater and recycled water agreements, where only actual costs incurred are included in the determination of the cost of service provided by the SEJPA.

At this time, Staff requests Board guidance on the proposed new lease agreement. Staff anticipates having a draft of the new lease agreement ready for Board consideration at the May 2016 Board meeting.

FINANCIAL IMPACT

There is no financial impact associated with the staff recommendation for Board consideration of extending the wastewater services agreement with the Rancho CSD.

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION FOR
UPGRADES AT THE SAN ELIJO WATER RECLAMATION FACILITY

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt the Proposed Mitigated Negative Declaration for the San Elijo Water Reclamation Facility Upgrades; and
2. Discuss and take action as appropriate.

BACKGROUND

In April 2015, San Elijo Joint Powers Authority (SEJPA) completed the 2015 Facility Plan for the SEJPA's San Elijo Water Reclamation Facility (SEWRF) to update the condition assessments (provided in a previous 2007 Facility Plan) and identify necessary component replacement or rehabilitation. The 2015 Facility Plan recommends that multiple components of the SEWRF be upgraded based on a combination of factors such as risk, safety, physical condition, code compliance, potential for improving process efficiency, reducing labor, and improving energy efficiency. The SEJPA is pursuing State Revolving Fund (SRF) loan from the State Water Resources Control Board (SWRCB) for wastewater, outfall, and recycled water upgrades identified in the 2015 Facility Plan. The SEJPA has divided the capital projects into two groupings; wastewater/outfall and recycled water. The proposed Mitigated Negative Declaration for the San Elijo Water Reclamation Facility Upgrades that is being presented in this report is for wastewater projects.

DISCUSSION

The SEJPA retained the professional services of DUDEK to prepare the California Environmental Quality Act (CEQA) reporting requirements for the proposed SEWRF Treatment Facility Upgrades project. Based on the findings of the Initial Study Environmental Checklist, DUDEK recommended that a Mitigated Negative Declaration (MND) is the appropriate environmental document for project compliance with CEQA.

The final MND was prepared by DUDEK with the SEJPA as the lead agency, and is in conformance with Section 15070(a) of the CEQA Guidelines. The purpose of the MND and the Initial Study Checklist is to determine any potentially significant impacts associated with the proposed project, and to incorporate mitigation measures into the project design.

The SEJPA determined that the project (which components are discussed in the Final Mitigated Negative Declaration) will not have a significant adverse effect on the environment based on the Initial Study/Mitigated Negative Declaration performed by DUDEK. Some potentially significant effects have been identified and mitigation measures have been incorporated into the project to ensure that these effects remain at less than significant levels. The MND therefore satisfies the requirements of CEQA (PRC 21000 et. seq.; 14 CCR 15000 et. seq.). These conclusions are supported by the findings in the attached SEWRF Treatment Facility Upgrades, Mitigated Negative Declaration.

The MND was distributed February 12, 2016 through March 14, 2016 for a 30-day public review period. One MND comment letter was received from the California Department of Transportation on March 15, 2016. The SEJPA was advised by the State Clearinghouse and DUDEK to accept the late submission. As a result, responses to the comment letter were included in the Final MND. No substantive comments were received that change the determination of impacts or mitigation measures.

CEQA guidelines require the decision-making body to consider the proposed MND, and any comments received during the public review process prior to project approval. To date, all concerns raised have been addressed by the SEJPA.

Adoption of the proposed MND will complete the public review process required by CEQA.

It is therefore recommended that the Board of Directors:

1. Adopt the Proposed Mitigated Negative Declaration for the San Elijo Water Reclamation Facility Upgrades; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment 1: Introduction to the San Elijo Water Reclamation Facility Upgrades – Final Mitigated Negative Declaration (April 2016)

Attachment 2: Public Comment Letters and Responses to the proposed Mitigated Negative Declaration for the San Elijo Water Reclamation Facility Upgrades

Note: The San Elijo Water Reclamation Facility Upgrades – Final Mitigated Negative Declaration is posted on the SEJPA website at the following link: www.sejpa.org under Capital Projects/Public Notices.



Final Mitigated Negative Declaration for the **San Elijo** **Water Reclamation Facility Upgrades**



APRIL 2016

PREPARED FOR:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff By The Sea, California 92007

Contact: Mike Konicke

PREPARED BY:

DUDEK
605 Third Street
Encinitas, CA 92024

~~PUBLIC REVIEW DRAFT~~ FINAL

San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

Prepared for:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff By The Sea, California 92007
Contact: Mike Konicke

Prepared by:

DUDEK
605 Third Street
Encinitas, California 92024
Contact: Carey Fernandes, AICP

~~FEBRUARY~~ APRIL 2016

San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

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San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

1 INTRODUCTION

1.1 Project Description and Overview

1.1.1 Purpose and Need

In April 2015, San Elijo Joint Powers Authority (SEJPA) completed the 2015 Facility Plan for the SEJPA's San Elijo Water Reclamation Facility (SEWRF). The purpose of the 2015 Facility Plan was to provide a planning document that would identify and prioritize potential improvements at the SEWRF. The 2015 Facility Plan recommends that multiple components of the SEWRF be upgraded or replaced based on a combination of factors such as risk, safety, physical condition, code compliance, potential for improving process efficiency, reducing labor, and improving energy efficiency.

SEJPA is pursuing State Revolving Loan Fund (SRF) support from the State Water Resources Control Board (SWRCB) for portions of the identified upgrades in the 2015 Facility Plan. Select portions of the SEWRF upgrades that would be funded through SRF support constitute the proposed project under the California Environmental Quality Act (CEQA). This project would be included in the SWRCB's "CEQA Plus" Environmental Package along with a separate San Elijo Water Reclamation Facility Land Outfall Replacement Project.

1.1.2 Project Location and Setting

All facility upgrades would occur within the existing SEWRF site (project site) approximately 16.7 acres and located at 2695 Manchester Avenue, Cardiff by the Sea, California 92007 (Assessor's Parcel Number 2610101302), as shown in Figure 1, Regional Map, and Figure 2, Vicinity Map. The project site is surrounded by existing residential development to the north, west, and southeast. Interstate 5 (I-5) is located immediately to the east of the project site. San Elijo Lagoon is located to the south across Manchester Avenue. The project site is located approximately 0.4 mile east of the Pacific Ocean.

Currently, the project site is fully developed as the existing SEWRF, associated landscaping, and stormwater drainage facilities, as shown in Figure 3, Project Site. The existing facilities within the SEWRF are shown in Figure 4, Existing Site Plan. The existing facilities are separated from surrounding development by extensive existing landscape that consists of shrubs and trees. The project site is zoned as Public/Semi-Public. The project is within the Coastal Zone.

San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

1.1.3 Proposed Project Components

1.1.3.1 *Water Reclamation Facility Upgrades*

The following is a summary of the proposed SEWRF upgrades, rehabilitations, and replacements as recommended by the 2015 Facility Plan, in the general order of implementation. Refer to Figure 5, Proposed Project Components, for a layout of the project site and the location of project components, as described below.

Administration and Operations Buildings and Seismic Upgrades. The operations building, cogeneration building, and chlorine building would receive a seismic roof to wall connections retrofit. A new administration building would be constructed at the southern end of the project site, near the SEWRF entrance off Manchester Avenue. The proposed administration building would be located approximately 250 feet from the southern property line and approximately 85 feet from the western property line. The proposed administration building would be approximately 12,500 square feet and 30 feet in height (two stories), with associated parking lot with lighting and landscaping. The current design and location is conceptual and subject to change. Although the design would be finalized at a later date, building material would likely consist of concrete masonry and exterior finishes would be similar to existing structures within the SEWRF. The building would include a mechanical heating, ventilation, and air conditioning system. Depth of excavation for the building would be approximately 5 to 10 feet.

Site Improvements and Security. Site access and use would be improved by replacing the open storm channels with storm pipes or culverts. Work on the open storm channel would extend approximately 10 feet west of the existing channel. This area of work is within the 20 foot fire management zone that is cleared periodically, as required by the City of Encinitas Fire Department. Additionally, this area had previously been developed for underground pipelines that exist today. Site asphalt would be replaced. Fencing surrounding the SEWRF site would be improved for proper height along with the installation of climbing deterrents (also to be installed at the block wall located at the gate). Video surveillance would be improved at critical facility areas.

Preliminary Treatment Upgrades. Two existing mechanical screens would be replaced with new screens in new concrete channels, duty/standby compactors, and a new screenings conveyor/sluice would be installed. New screenings and grit inlet channels would be constructed. Corrosion in the existing screenings channels, grit chamber and channels, and primary influent channels would be repaired. Additional foul air ducting would be installed at the headworks channels and Grit and Screenings Building to improve odor control.

San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

Electrical Upgrades. Switchboard MS-2 in the cogeneration building and the odor control panel in the headworks would be replaced. As part of the electrical upgrades, the Arc Flash Study would be updated and Arc Flash labels included on all electrical panels.

Dewatering Upgrades. These upgrades would include replacement of the existing belt filter presses, feed pumps, and electrical equipment and controls. The condition of the truck loading hopper would be evaluated, and the hopper would be repaired or retrofitted as necessary. The mezzanine and roof decking in the dewatering building would be repaired.

Digester Improvements. Digester improvements would include replacement of Sludge Circulation Pumps Nos. 2, 3, and 5, heat exchangers, and the floating cover on Digester No. 2. Repair would occur on Digester No. 2 (concrete and lining), and Digester No. 3 (seals around cover), Digester No. 4 (joint between cover and walls). Additionally, further inspection of cracks on Digesters Nos. 2, 3, and 4 may require further repair.

Aeration and Return Upgrades. These upgrades would include the installation of mixing in anoxic zones, high efficiency blowers, diffusers, permanent baffles, a fall arrest system, and Return Flow Pump No. 4. The drain pump, all discharge piping, and all pump rails would be replaced.

Dissolved Air Flotation (DAF) Upgrades and Co-thickening. Three pumps and the DAF No. 2 Drive would be replaced and a Pressurization Pump No. 2 (for DAF No. 2) would be installed. These upgrades would implement co-thickening of waste activated sludge and primary sludge.

Supervisory Control and Data Acquisition (SCADA) System. SCADA system hardware would be installed and the software would be updated. This upgrade would include transitioning to a single platform, adding missing equipment (alarms, signals, etc.), and updating the control room working station.

Solar Fields. The proposed project includes four proposed solar fields. The locations of the solar fields align with the identified areas shown on Figure 5. The solar component of the proposed project is conceptual and is subject to change upon final design. Conceptual plans for solar fields include an approximate 80-panel carport on the west of the generator, an approximate 300-panel ground-mounted field east of the generator, an approximate 200-panel carport west of the existing headworks, and an approximate 230-panel ground-mounted field north of the proposed 200-panel carport.

San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

1.1.3.2 Construction

Project construction would be phased intermittently over several years beginning in January 2017 and ending in September 2019. Water required for construction would be supplied by on-site recycled water.

Equipment would vary greatly between project components, and construction of the new administration building would require the largest construction equipment. The following is potential equipment required for construction of the proposed project:

- Medium-sized excavation and earth moving equipment
- Dump trucks
- Cement mixers
- Portable welders
- Cranes

1.1.3.3 Operations and Maintenance

The overall function and purpose of the SEWRF would remain unchanged with implementation of the proposed project. The proposed project would improve the safety and efficiency of the SEWRF, improving its reliability. Regular maintenance activities within the SEWRF would continue generally unchanged from existing conditions. The capacity and number of operational staff would not change as a result of the proposed project.

1.1.4 Discretionary Actions

The following discretionary actions are required for the proposed project:

- San Elijo Joint Powers Authority Board of Directors approval and adoption of the MND
- State Water Resources Control Board approval and CEQA plus approval:
 - In addition to standard CEQA compliance, SEJPA has the potential to apply for the SRF Loan Program, which is partially funded by the U.S. Environmental Protection Agency (USEPA). This makes the project subject to federal environmental regulations guiding the General Conformity Rule for the Clean Air Act, the Endangered Species Act, and the National Historic Preservation Act. USEPA has allowed a modified CEQA, called CEQA plus, to be the compliance base for projects applying for SRF funds. This draft MND has been prepared in compliance with the CEQA plus requirements for SRF funding.
- Coastal Development Permit

San Elijo Water Reclamation Facility Upgrades Mitigated Negative Declaration

1.2 California Environmental Quality Act Compliance

As the Lead Agency for the proposed project under the CEQA (Public Resources Code Section 21000 et seq.), SEJPA prepared an Initial Study to determine if the proposed project would have a significant effect on the environment. The Initial Study identifies potentially significant effects to biological resources and cultural resources during construction and operations, but mitigation measures incorporated into the proposed project by SEJPA before the Initial Study and this Mitigated Negative Declaration (MND) were circulated for public review would mitigate the biological resources and cultural resources effects to a point where no significant effects would occur. There is no substantial evidence, in light of the whole record before the agency, that the project as revised may have a significant effect on the environment. Therefore, pursuant to the *Guidelines for Implementation of the California Environmental Quality Act* (CEQA Guidelines) (Section 15070[b]), SEJPA has prepared an MND for the proposed project. Included in this draft of the MND is the Initial Study documenting the reasons supporting this finding.

1.3 Public Review Process

The Draft MND is available for a 30-day public review period (Guidelines Section 15105). The public review period will begin on February 12, 2016. Written comments regarding the adequacy of the Draft MND must be received by March 14, 2016. Comments should be addressed, emailed, or faxed to:

Michael Thornton, PE
2695 Manchester Avenue
Cardiff, California 92007
thornton@sejpa.org

SEJPA shall prepare written responses to comments on environmental issues received during the noticed public review period. Written comments received by SEJPA will be included in the public record.

Copies of the Draft MND and supporting materials are available online at http://www.sejpa.org/index.php?parent_id=51&page_id=57 and at the SEJPA offices at the address provided above. Copies of the Draft MND are also available at the following locations:

- **Cardiff Library:** 2081 Newcastle Avenue, Cardiff, California 92007
- **City of Encinitas:** 505 S. Vulcan Avenue, Encinitas, California 92024
- **City of Solana Beach:** 635 Highway 101, Solana Beach, California 92075

APPENDIX F
Responses to Comments

Comment Letter A



EDMUND G. BROWN JR.
GOVERNOR

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



KEN ALEX
DIRECTOR

March 15, 2016

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

Subject: San Elijo Water Reclamation Facility Upgrades
SCH#: 2016021055

Dear Mike Konicke:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on March 14, 2016, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

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JOINT POWERS AUTHORITY
2016 MAR 18 AM 6:34

A-1

1400 10th Street P.O. Box 3044 Sacramento, California 95812-3044
(916) 445-0613 FAX (916) 323-3018 www.opr.ca.gov

Reponses to Comments

Document Details Report State Clearinghouse Data Base

SCH# 2016021055
Project Title San Elijo Water Reclamation Facility Upgrades
Lead Agency San Elijo Joint Powers Authority

Type MND Mitigated Negative Declaration

Description SEJPA proposes several SEWRF upgrades, rehabilitations, and replacements, including: administration and operations buildings and seismic upgrades; site improvements and security; preliminary treatment upgrades; electrical upgrades; dewatering upgrades; digester improvements; aeration and return upgrades; dissolved air flotation upgrades and co-thickening; supervisory control and data acquisition system installation; and installation of solar fields. A new administration building would be constructed at the southern end of the project site, near the SEWRF entrance off Manchester Avenue.

Lead Agency Contact

Name Mike Konicke
Agency San Elijo Joint Powers Authority
Phone 760-753-6203 **Fax**
email
Address 2695 Manchester Avenue
City Cardiff **State** CA **Zip** 92007

Project Location

County San Diego
City Encinitas
Region
Lat / Long 33° 01' 0.20" N / 117° 15' 25.3" W
Cross Streets 2695 Manchester Avenue
Parcel No. 2610101302
Township **Range** **Section** **Base**

Proximity to:

Highways I-5
Airports
Railways NCTD
Waterways San Elijo Lagoon, Pacific Ocean
Schools Cardiff Elem.
Land Use Public/Semi-Public

Project Issues Agricultural Land; Archaeologic-Historic; Air Quality; Aesthetic/Visual; Biological Resources; Coastal Zone; Drainage/Absorption; Flood Plain/Flooding; Forest Land/Fire Hazard; Geologic/Seismic; Minerals; Noise; Population/Housing Balance; Public Services; Recreation/Parks; Schools/Universities; Septic System; Sewer Capacity; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Vegetation; Water Quality; Water Supply; Wetland/Riparian; Growth Inducing; Landuse; Cumulative Effects; Other Issues

Reviewing Agencies California Coastal Commission; Department of Fish and Wildlife, Region 5; Department of Parks and Recreation; Department of Water Resources; California Highway Patrol; Caltrans, District 11; Resources Agency; Air Resources Board; State Water Resources Control Board, Division of Drinking Water; State Water Resources Control Board, Division of Financial Assistance; State Water Resources Control Board, Division of Water Rights; Regional Water Quality Control Board, Region 9; Native American Heritage Commission; California Energy Commission; Public Utilities Commission

Date Received 02/12/2016 **Start of Review** 02/12/2016 **End of Review** 03/14/2016

Note: Blanks in data fields result from insufficient information provided by lead agency.

Response to Comment Letter A

**State Clearinghouse
Scott Morgan, Director
March 15, 2016**

- A-1** This comment letter indicates that San Elijo Joint Powers Authority (SEJPA) has complied with the public review requirements for the San Elijo Water Reclamation Facility (SEWRF) Mitigated Negative Declaration (MND), pursuant to the California Environmental Quality Act (CEQA).

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Reponses to Comments

Comment Letter B

STATE OF CALIFORNIA—CALIFORNIA STATE TRANSPORTATION AGENCY

EDMUND G. BROWN Jr., Governor

DEPARTMENT OF TRANSPORTATION
DISTRICT 11
PLANNING DIVISION
4050 TAYLOR STREET, M.S. 240
SAN DIEGO, CA 92110
PHONE (619) 688-6960
FAX (619) 688-4299
TTY 711



*Serious drought.
Help save water!*

March 11, 2016

11-SD-5
PM R3862
San Elijo Water Reclamation Facility Upgrades
MND / SCH#2016021055

Mr. Mike Konicke
San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007

Dear Mr. Konicke:

The California Department of Transportation (Caltrans) received a copy of the Draft Mitigated Negative Declaration (MND) for the San Elijo Water Reclamation Facility Upgrades near Interstate 5 (I-5). Caltrans has the following comments:

- The map on Page 97 shows the “Administration Facilities” in a location that Caltrans understood was going to the City as an easement for parking for the visitors’ facility at the San Elijo Lagoon Nature Center. Please clarify if this area is still going to be used for parking or a structure. Please see attached design map.
- There needs to remain Construction Access from the entrance into the facility along the west side.
- A bike trail is proposed on existing channel along the west side of the property. The map on page 97 shows the Solar Fields as encroaching onto the bike trail. Please clarify.
- Caltrans is proposing a roundabout at the Manchester Avenue entrance near the “Administration Facility”. Please see attached design map.
- Any work performed within Caltrans R/W will require discretionary review and approval by Caltrans and an encroachment permit will be required for any work within the Caltrans R/W prior to construction. As part of the encroachment permit process, the applicant must provide an approved final environmental document including the California Environmental Quality Act (CEQA) determination addressing any environmental impacts with the Caltrans’ R/W, and any corresponding technical studies. Please see Section 600 of the Encroachment Permits Manual for requirements regarding utilities and state R/W:
http://www.dot.ca.gov/hq/traffops/developserv/permits/pdf/manual/Chapter_6.pdf

B-1
B-2
B-3
B-4
B-5
B-6

*“Provide a safe, sustainable, integrated and efficient transportation system
to enhance California’s economy and livability”*


Reponses to Comments

Mr. Mike Konicke
March 11, 2016
Page 2

Caltrans appreciates the continued coordination with City staff on this plan. If you have any questions, please contact Kimberly Dodson, of the Caltrans Development Review Branch, at (619) 688-2510 or kimberly.dodson@dot.ca.gov.

| B-7

Sincerely,



JACOB ARMSTRONG, Chief
Development Review Branch

Attachment: Draft Design Map

*"Provide a safe, sustainable, integrated and efficient transportation system
to enhance California's economy and livability"*



B-8

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Response to Comment Letter B

Caltrans, District 11
Jacob Armstrong, Chief
March 11, 2016

- B-1** Comment noted. SEJPA is coordinating with Caltrans on the North Coast Corridor projects to ensure maximum compatibility and integration. This comment is introductory in nature and does not raise any specific environmental issues regarding the adequacy of the MND.
- B-2** The area identified as “Administration Facilities” on Figure 5, Proposed Project Components, presents a general conceptual boundary. As described in Section 1.1.3, Proposed Project Components, of the MND, the administration facilities include both a new building and a new parking lot. There are ongoing discussion regarding parking for visitors of the San Elijo Lagoon Nature Center at the southern end of the SEWRF, however, no agreements have been executed.
- B-3** Construction access would remain along the west side of the SEWRF. This comment does not raise any specific environmental issues regarding the adequacy of the MND and no further response is required.
- B-4** The area identified as “Solar Fields” on Figure 5, Proposed Project Components, presents a general conceptual boundary. SEJPA is aware of the proposed bicycle trail that would travel along the western boundary of the SEWRF. The proposed solar fields would not conflict with the proposed alignment of the Caltrans bicycle path. This comment is introductory in nature and does not raise any specific environmental issues regarding the adequacy of the MND.
- B-5** SEJPA is aware of the roundabout proposed by Caltrans at the Manchester Avenue entrance to the SEWRF. The proposed project would not conflict or interfere with the development of this roundabout. This comment is introductory in nature and does not raise any specific environmental issues regarding the adequacy of the MND.
- B-6** SEJPA would comply with necessary review and obtain required permits for any work within the Caltrans right of way. This comment does not raise any specific environmental issues regarding the adequacy of the MND and no further response is required.
- B-7** Comment noted. This comment concludes the letter and does not raise any specific environmental issues regarding the adequacy of the MND.

Reponses to Comments

B-8 The provided map is noted. SEJPA is coordinating with Caltrans regarding the proposed and planned Caltrans infrastructure indicated on the provided map. However, a specific plan for accommodating the proposed Caltrans projects has not be finalized. This comment does not raise any specific environmental issues regarding the adequacy of the MND and no further response is required.



EDMUND G. BROWN JR.
GOVERNOR

STATE OF CALIFORNIA
GOVERNOR'S OFFICE of PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



KEN ALEX
DIRECTOR

March 16, 2016

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

Subject: San Elijo Water Reclamation Facility Upgrades
SCH#: 2016021055

Dear Mike Konicke:

The enclosed comment (s) on your Mitigated Negative Declaration was (were) received by the State Clearinghouse after the end of the state review period, which closed on March 14, 2016. We are forwarding these comments to you because they provide information or raise issues that should be addressed in your final environmental document.

The California Environmental Quality Act does not require Lead Agencies to respond to late comments. However, we encourage you to incorporate these additional comments into your final environmental document and to consider them prior to taking final action on the proposed project.

Please contact the State Clearinghouse at (916) 445-0613 if you have any questions concerning the environmental review process. If you have a question regarding the above-named project, please refer to the ten-digit State Clearinghouse number (2016021055) when contacting this office.

Sincerely,

Scott Morgan
Director, State Clearinghouse

Enclosures
cc: Resources Agency

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1400 10th Street P.O. Box 3044 Sacramento, California 95812-3044
(916) 445-0613 FAX (916) 323-3018 www.opr.ca.gov

Reponses to Comments

STATE OF CALIFORNIA—CALIFORNIA STATE TRANSPORTATION AGENCY

LATE
3-14-16

EDMUND G. BROWN Jr., Governor

DEPARTMENT OF TRANSPORTATION
DISTRICT 11
PLANNING DIVISION
4050 TAYLOR STREET, M.S. 240
SAN DIEGO, CA 92110
PHONE (619) 688-6960
FAX (619) 688-4299
TTY 711

E



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STATE CLEARINGHOUSE

March 11, 2016

11-SD-5
PM R3862
San Elijo Water Reclamation Facility Upgrades
MND / SCH#2016021055

Mr. Mike Konicke
San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007

Dear Mr. Konicke:

The California Department of Transportation (Caltrans) received a copy of the Draft Mitigated Negative Declaration (MND) for the San Elijo Water Reclamation Facility Upgrades near Interstate 5 (I-5). Caltrans has the following comments:

- The map on Page 97 shows the "Administration Facilities" in a location that Caltrans understood was going to the City as an easement for parking for the visitors' facility at the San Elijo Lagoon Nature Center. Please clarify if this area is still going to be used for parking or a structure. Please see attached design map.
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http://www.dot.ca.gov/hq/traffops/developserv/permits/pdf/manual/Chapter_6.pdf

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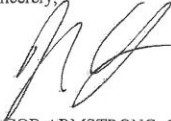
"Provide a safe, sustainable, integrated and efficient transportation system
to enhance California's economy and livability."

Reponses to Comments

Mr. Mike Konicke
March 11, 2016
Page 2

Caltrans appreciates the continued coordination with City staff on this plan. If you have any questions, please contact Kimberly Dodson, of the Caltrans Development Review Branch, at (619) 688-2510 or kimberly.dodson@dot.ca.gov.

Sincerely,



JACOB ARMSTRONG, Chief
Development Review Branch

Attachment: Draft Design Map

↑
C-1
Cont.
↓

*"Provide a safe, sustainable, integrated and efficient transportation system
to enhance California's economy and livability"*



C-1
Cont.

Response to Comment Letter C

State Clearinghouse
Scott Morgan, Director
March 16, 2016

- C-1** This comment letter indicates that a late comment was received by the State Clearinghouse by Caltrans. This comment letter is the same letter received from Caltrans by SEJPA identified as Comment Letter B above. Refer to Responses to Comments B-1 through B-8.

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 11, 2016

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: BUILDING IMPROVEMENT PROGRAM UPDATE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review the draft Building Improvement Program Report and provide guidance and comments to Staff; and
2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) 2015 Facility Plan prepared by Carollo Engineers defines and prioritizes future capital projects for the Agency. As part of this effort, Carollo examined the existing buildings at the San Elijo Water Reclamation Facility (SEWRF). Based on their assessment, and confirmed by peer review, the SEJPA Administration and Operations Buildings do not meet all current code, accessibility, safety, and operational requirements. The report identified Building and Seismic Upgrades as the second ranked capital improvement project due to significant deficiencies including FLS (fire, life, and safety), Americans with Disabilities Act (ADA) accessibility, and seismic code issues.

In response to the findings of the Facility Plan, the SEJPA initiated a Building Improvement Program. The first step in the process, the Building Needs Assessment, included an evaluation of existing facilities and identified workspace and organizational needs. Next, a Building Alternatives Analysis was performed to identify and examine potential building alternatives to meet these needs. In order to further refine building alternatives, a draft of the Building Improvement Program report was presented at the September 2015 Board meeting and the following comments were incorporated into the current draft:

- Develop a project that is financially responsible
- Focus on immediate needs with consideration for future demands
- Minimize building size and cost where feasible to provide the best value
- Consider phased construction to provide adaptability to future conditions
- Evaluate agency consolidation concurrently

Based on additional direction provided by the Board at the December 2015 Board meeting, Staff and RNT Architects began researching methods to reduce capital costs and develop

financing strategies. The building options originally developed were revisited to ensure the appropriate size and scale of the project, and to eliminate unnecessary expense. Staff also researched the viability of an administration building with tenant lease space to create revenues to offset building costs. Finally, Staff met with the Encina Wastewater Authority (EWA) to revisit co-locating administrative and laboratory functions with EWA.

DISCUSSION

Working with RNT Architects, Staff evaluated the option of constructing tenant lease space as part of the building project. It was determined that the tenant lease space would likely require a zoning change to the property and a lot split. The zoning change may require approval by vote of the citizenry, which would add additional expense and time to the project and reduce the overall feasibility of this option. Under certain conditions, such as leasing the space to a wastewater research firm or other entity that has similar functions as the SEJPA, then a zoning change may not be required. Therefore, the tenant lease option could be feasible, but only to a limited pool of potential lease candidates. At this time, this option was placed on hold to focus on other more viable options.

Concurrently, Staff and RNT Architects refined the original building options that were presented to the SEJPA Board at the September 2015 Board meeting. All three options meet immediate Agency needs, eliminate current deficiencies, and provide flexibility for future expansion. As requested by the Board, space requirements were reexamined and project size reduced to lower the cost of the proposed buildings alternatives.

Three building options are presented below for Board consideration:

Alternative 1: One Building

Construct a 11,000 square foot (sf) building located near the SEWRF site entrance, allowing all staff to work within a single building.

- Improves site security by siting building near plant entrance
- Reduces potential for unauthorized plant entries
- Reduces health and safety risks associated with overhead power lines
- Provides better public access and community outreach opportunities
- Provides for public overflow parking for the lagoon nature center
- Increases operational efficiency with all staff on-site within close proximity
- Provides flexibility and adaptability for future processes and staffing needs
- Anticipated higher up front cost; lower long term cost
- Estimated cost: \$7.1 Million

Alternative 2: Two Buildings

Construct a new 6,000 sf building located near the SEWRF site entrance and renovate existing 6,500 sf Operations building.

- Improves site security by siting building near plant entrance
- Reduces potential for unauthorized plant entries
- Reduces health and safety risks associated with overhead power lines
- Provides better public access and community outreach opportunities
- Provides for public overflow parking for the lagoon nature center
- Divides staff into two buildings; potentially reduces work flow efficiency

- Potential unknowns and hidden costs associated with renovation of existing building
- Anticipated lower up front cost, potential higher long term cost
- Estimated cost: \$6.5 Million

Alternative 3: Encina/SEJPA Consolidation

Provides for SEJPA and Encina space sharing as part of a path to agency consolidation. This alternative includes the construction of 6,000 sf building near SEWRF site entrance and tenant improvement of approximately 1,500 sf of office space at Encina.

- Improves site security by siting building near plant entrance
- Reduces potential for unauthorized plant entries
- Reduces health and safety risks associated with overhead power lines
- Provides better public access and community outreach opportunities
- Provides for public overflow parking for the lagoon nature center
- Reduces the need for two fully functioning laboratories at both EWA and SEJPA
- Operates the SEWRF as a remote facility, centralizing administration at EWA
- Requires organizational changes to EWA and SEJPA
- Requires support and approval by EWA
- Anticipated lowest cost project
- Estimated cost: \$4.5 Million



Figure 1. Conceptual plan of the new Operations and Administration building located at the entrance to the San Elijo Water Reclamation Facility (Alternative 1).

The Building Improvement Program is anticipated to include the following steps:



The expected project duration is approximately 40 months. Obtaining the necessary project permits is expected to require an estimated 12 months. Staff, working with the project environmental consultant, is near completion of the California Environmental Quality Act (CEQA) documentation for the project, which covers all three proposed building options. Upon completion of the CEQA documentation, the next step in the permit process is to obtain a Major Use Permit issued by the City of Encinitas and receive Coastal Commission approval. These permits will require more fully developed project designs. Once the SEJPA Board selects the preferred building alternative, Staff can direct RNT Architects to develop the project design documents required for the permit approval process.

At this time, Staff requests Board guidance on the proposed alternatives.

FINANCIAL IMPACT

There are no financial impacts associated with the Staff recommendation. Based on current conceptual budgets, the estimated cost of the proposed Building Improvement Program is \$4.5 to \$7.1 Million.

It is recommended that the Board of Directors:

1. Review the draft Building Improvement Program Report and provide guidance and comments to Staff; and
2. Discuss and take action as appropriate.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

Attachment 1: Building Improvement Program Report



SAN ELIJO _____
JOINT POWERS AUTHORITY

BUILDING IMPROVEMENT PROGRAM



April 5, 2016

Prepared by:



ROESLING NAKAMURA ARCHITECTS, INC.
363 Fifth Avenue, Suite 202
San Diego, CA 92101
(619) 233-1023

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1.0 INTRODUCTION

The San Elijo Joint Powers Authority (SEJPA) owns and operates the San Elijo Water Reclamation Facility (SEWRF) in Cardiff-by-the-Sea, California which serves the Cities of Encinitas, Solana Beach, Del Mar, and portions of Rancho Santa Fe. Support buildings for the facility include an Operations Building (originally constructed in 1965) and an Administration Building, a temporary portable trailer placed onsite in 2000. These buildings provide working space for the employees who perform the various functions required to safely and efficiently treat and recycle wastewater for beneficial reuse in the community. The Building Improvement Program study was initiated in response to the findings of the 2015 Facility Plan Update performed by Carollo Engineers. The Facility Plan identified deficiencies relating to the existing Operations and Administration Buildings, including ADA accessibility, Code compliance, and safety issues. The buildings range in age from 16 to 51 years old and require significant modernization and/or demolition in order to meet current requirements. The SEJPA anticipates a continued increase in demand for purified wastewater and could position the Agency to meet these needs. Proper planning and forethought in the development of the SEJPA Building Program will likely minimize long term costs and ensure the highest level of service to the ratepayers. SEJPA Staff and Roesling Nakamura Terada (RNT) Architects began development of this report in order to provide a tool to help guide future design efforts. The report examines:

- Strategic goals.
- Facility building inventory.
- Facility condition assessment.
- Current and future space needs.
- Site organization for operational efficiency.
- Site security.
- Conceptual building solutions.

2.0 STRATEGIC GOALS

The following strategic goals were developed to guide the decision-making process:

- Provide Code compliant facilities, recognizing water treatment plants are “Essential Facilities”.
- Improve site security.
- Improve operational efficiency.
- Develop facilities that complement SEJPA’s Mission and Vision.
- Develop facilities that can accommodate future needs.

3.0 ASSUMPTIONS

- SEJPA Mission and Vision remains the same.
- Top priority placed on water purification processes.
- SEJPA is positioned to respond to the changing dynamics in wastewater treatment, water recycling and water purification.

4.0 HISTORY

By examining the efficacy of past improvement projects, this report provides insight to improve the likelihood of success for future projects. Success will ultimately be judged by the level of accuracy with which both immediate and

future needs are met at the lowest long term cost to the community. The goal is to provide facilities that are viable and adaptable well into the future and to minimize inefficient interim measures. In the past, important plant modifications were deferred until mandated and performed at a significant, likely higher than necessary cost to the ratepayers. An examination of the past portrays a history of treatment expansion and increasing technical sophistication. Properly appointed facilities are required to continue to provide best in class service and meet the technical demands of future process improvements. The SEWRF has expanded considerably since its inception. The following is a timeline of the past improvements and the government policies that affected the growth and development of the facility:

- Pre-1963 Cardiff and Solana Beach discharge wastewater to treatment ponds in the San Elijo Lagoon.
- 1963 San Elijo Joint Powers Authority is formed by Solana Beach Sanitation District and Cardiff Sanitation District.
- 1965 San Elijo Water Pollution Control Facility is built for the communities of Cardiff and Solana Beach and operated by the County of San Diego. Facility provides primary treatment only. Ocean outfall constructed to 4000 feet offshore.
- 1969 California enacts the Porter Cologne Water Quality Act and sets wastewater discharge standards.
- 1972 Federal Government passes Clean Water Act.
- 1974 City of Escondido connects to the San Elijo ocean outfall. Outfall extended to 8000 feet offshore.
- 1978 Clean Water Act is promulgated. This gives legislation enforcement. Mandates municipalities must implement secondary treatment by 1990.
- 1982 Rancho Santa Fe Community Services District begins leasing treatment capacity from SEJPA.
- 1982 Cardiff Sanitation District passes Prop M. Mandates construction of recycled water facility. Fee of \$1000 per sewer connection is collected for new building permits.
- 1987 Encinitas and Solana Beach incorporated as cities. Operation of the facility is transferred from the county to the SEJPA. City Council members become Board Members.
- 1991-92 Facility undergoes major expansion to 5.25 MGD, and adds secondary treatment facilities.
- 2000 SEJPA completed construction of recycled water utility.
- 2013 Construction of advanced water treatment facility completed. Recycled water capacity increased to 3.02 MGD.

5.0 EXISTING CONDITIONS - SITE

The SEWRF is located in Cardiff-By-The-Sea, in a finger canyon just north of the San Elijo Lagoon. The facility is accessed from Manchester Avenue, and is just west of Interstate 5. The site has a long, narrow configuration following the canyon bottom in a north-south orientation (**See Exhibit A**). When the original facility was built, it was located out of sight at the north end of the canyon. The Operations building was placed just north of the treatment plant. The site's gated entry is positioned at the southernmost end of the property at Manchester Avenue. All SEJPA staff are currently located at the SEWRF.

The remote location of the site's entry point from the Operations and Administration buildings is problematic for site safety and access control, which presents a liability. Visitors must traverse the entire treatment plant to reach site personnel. This is a major potential security issue as wastewater treatment plants are essential public facilities with hazardous chemicals and working areas and vandalism may result in significant property damage and permit violations. Additionally, this is also a public safety issue, as treatment facilities only provide minimal public safety (i.e. fall protection) for unattended visitors as they are intended only to be accessed by trained maintenance and

operations personnel (See Photo 1). Thus, while guardrails around the equipment and open water tanks meet fall protection requirements for personnel, they do not meet the more stringent requirements for the general public.



Photo 1
Maintenance-Rated Guardrails at Treatment Facilities

Overhead Power Line Conflict: The existing Administration Building is currently located directly under overhead high-voltage power lines. A portion of the Main Building also borders the power lines and is within the power line easement (See Photo 2). This condition poses an immediate safety concern, in addition to violating the utility easement setback requirements.



Exhibit A
Existing Site

6.0 EXISTING CONDITIONS – OPERATIONS BUILDINGS

The SEJPA operational facilities consist of two buildings housed at the north end of the site. The main building is a single story 6,550 square foot (sf) concrete masonry structure. The building is an assemblage of multiple additions, resulting in a piece-meal and poorly organized spatial layout. The second building is a 1,440 sf portable trailer structure, consisting of a light-frame building on a temporary foundation. As noted in the 2015 Facility Plan, numerous Code and ADA access issues exist in both buildings. Additionally, there is a shortage of space to adequately house staff and serve the operational needs of the facility. A brief synopsis of each building is as follows:

Operations Building

1965 Original Operations building constructed. 1,670 sf concrete masonry with wood-frame roof.

1981 SEJPA adds 2,340 sf to building. Expansion adds laboratory function. Building is adjoined, but is seismically separated, creating double masonry walls where the new addition meets the existing building. Total building area is 4,010 sf.

1991 SEJPA adds another 2,135 sf to the building. Addition was part of the overall Plant expansion.

Deficiencies:

- Disabled Access (ADA): ADA deficiencies occur throughout the facility, including the building entry, restrooms and egress maneuvering clearances.
- Fire Life Safety: Deficiencies include egress access, occupant loading and outdated fire alarm and fire sprinkler systems.
- Structural: Original construction predates Code adoption of 1976 seismic safety standards. Deficiencies include inadequate roof diaphragm to wall connections.
- Energy Efficiency: Building built before adoption of Energy Codes. Building envelope lacks insulated walls, roof, and windows. Building lacks energy efficient HVAC and water heating equipment
- Overhead Power Lines: Portions of building are within high-voltage power line footprint & easement.
- Repurposed Spaces: Former boiler room serves as office space, former electrical room serves as Control Room, with poor working efficiency.
- Piecemealed Additions: Building contains numerous double masonry walls making remodel difficult and impractical (See Exhibit B).
- Laboratory: Facility ventilation is deficient. Laboratory facilities are at end of their useful life.
- Space: Facility lacks adequate space for staff and operational functions.

Administration Building

2000 SEJPA adds 1,440 sf portable trailer building adjacent to the Operations Building. This facility was originally installed as temporary office space for SEJPA staff added for the Recycled Water system. Fifteen years later, this facility is still in use.

Deficiencies:

- Overhead Power Lines: Building is sited underneath high-voltage power lines (See Photo 2). This condition poses an immediate safety concern.
- Disabled Access (ADA): Building's elevated stair entry lacks access ramp (See Photo 3).
- Fire Life Safety: Building lacks fire sprinkler and fire alarm systems.

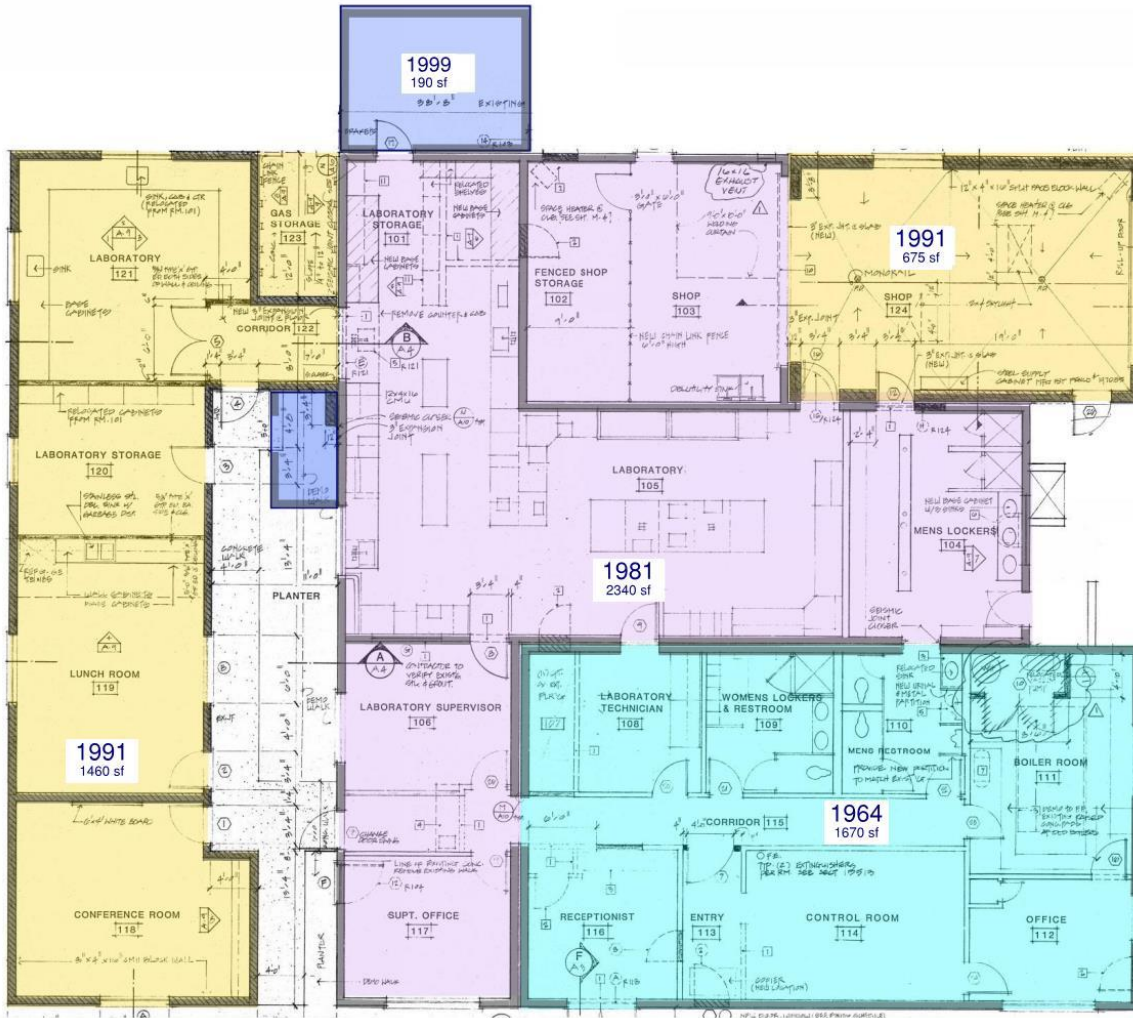
- Structural: Building lacks a permanent foundation, with inadequate anchorage to grade.
- Plumbing: Building lacks restroom facilities. Staff must traverse uncovered site area to the Operations Building restrooms. This situation is both inefficient and problematic in inclement weather.



Photo 2
Buildings under power lines



Photo 3
Non-ADA compliant Administration Building entry



Legend
 — Indicates Concrete Masonry Walls

Exhibit B
 Main Building – Diagram of Building Additions

7.0 PROGRAMMING

A detailed inventory of administration and operational spatial needs was developed as the first step of the SEWRF facilities assessment. Through a series of meetings with agency staff, space needs for all the operations components were reviewed and evaluated. Evaluations were based on the appropriate size and relationship of facilities for optimal operational efficiency and future adaptability. The evaluations included projections for future program elements to build in long term flexibility. The inventory categories are as follows:

- **Administration:** Includes administrative staff offices and auxiliary spaces including Board facilities, reception, conference, staff work areas, storage, and appurtenances.
- **Operations:** Includes staff office space, control room, and auxiliary program areas including locker rooms, training, technical work areas, and appurtenances.
- **Laboratory:** Includes laboratory, office area, and auxiliary spaces.
- **Support:** Includes technology support, custodial, and equipment rooms.

| <i>Room Designation</i> | <i>Existing Square Footage</i> | <i>Proposed/Future Square Footage</i> |
|------------------------------------|--------------------------------|---------------------------------------|
| Administration | | |
| Reception | 80 | 120 |
| Waiting/Lobby | 150 | 350 |
| General Manager | 190 | 250 |
| Director of Finance/Administration | 110 | 180 |
| Administrative Assistant | 125 | 120 |
| Accounting Technician | 110 | 120 |
| Conference Room | | 250 |
| Plan Room | 70 | 180 |
| Workroom/Files | 600 | 300 |
| Break Room | 345 | 360 |
| Board Room | 320 | 1100 |
| Storage Room | | 150 |
| Men's Restroom | | 200 |
| Women's Restroom | | 200 |
| Showers | | 160 |
| Subtotal | | 4040 |

| <i>Room Designation</i> | <i>Existing Square Footage</i> | <i>Proposed/Future Square Footage</i> |
|-------------------------------|--------------------------------|---------------------------------------|
| Operations | | |
| Director of Operations | 170 | 180* |
| Associate Engineer | 105 | 150* |
| Water Reclamation Specialist | 200 | 120 |
| Chief Plant Operator | 105 | 150 |
| Lead Operator 1 | 90 | 80 |
| Lead Operator 2 | 90 | 80 |
| Lead Operator 3 | | 80 |
| Operator 1 | 50 | 60 |
| Operator 2 | 50 | 60 |
| Operator 3 | 50 | 60 |
| Operator 4 | 50 | 60 |
| Intern | | 60 |
| Control Room | 120 | 250 |
| Mechanical Systems Supervisor | 140 | 150 |
| Lead Mechanic | 50 | 80 |
| Mechanic 1 | 50 | 60 |
| Mechanic 2 | 50 | 60 |
| Intern | | 60 |
| Tech Library | | 120 |
| Men's Restroom | 100 | 150 |
| Women's Restroom | 70 | 150 |
| Men's Lockers | 280 | 350 |
| Women's Lockers | 60 | 150 |
| Subtotal | | 2720 |

* Indicates space should be co-located with Administration.

| <i>Room Designation</i> | <i>Existing Square Footage</i> | <i>Proposed/Future Square Footage</i> |
|-------------------------|--------------------------------|---------------------------------------|
| Laboratory | | |
| Senior Lab Analyst | 100 | 120 |
| Lab Analyst 1 | 80 | 80 |
| Lab Analyst 2 | | 80 |
| Laboratory | 1500 | 1500 |
| Chemical Storage | 160 | 100 |
| Subtotal | | 1880 |

| <i>Room Designation</i> | <i>Existing Square Footage</i> | <i>Proposed/Future Square Footage</i> |
|-------------------------|--------------------------------|---------------------------------------|
| Support | | |
| SCADA Manager | | 150 |
| Systems Integrator | | 120 |
| SCADA Closet | 16 | 80 |
| IT/Data | | 80 |
| Mechanical | | 80 |
| Electrical | | 80 |
| Custodial | | 80 |
| Subtotal | | 670 |

| Overall Program Summary | | |
|--------------------------------|--|-----------------|
| Administration | | 4040 |
| Operations | | 2720 |
| Laboratory | | 1880 |
| Support | | 670 |
| Subtotal | | 9310 |
| Circulation Net/Gross (18%) | | 1676 |
| Total | | 10,986 |
| | | (11,000) |

8.0 PROGRAM ANALYSIS - SITE

Working through multiple programming meetings with the SEJPA, site issues were discussed and prioritized. Site security was identified as the highest priority for site programming. The priorities for site program are:

- Security - Controlled Access: Enable the public to meet with staff without entering the secured perimeter of the plant.
- Security – Visibility: Provide high visibility of the secured plant entrance gate.
- Safety: Remove Administration building from beneath the existing SDG&E overhead power lines.
- Circulation: Widen access driveways throughout the site to meet Fire Department width requirement for improved vehicular movement and safety.
- Parking - Public: Develop additional parking at the front of the site, on the public side of the secured entrance, for both SEJPA and adjacent Visitor's Center use.
- Path Of Travel: Improve path of travel throughout site for both staff circulation and Code requirements for Accessibility.

9.0 PROGRAM ANALYSIS - BUILDINGS

Working through multiple programming meetings with the SEJPA, building program issues were discussed and prioritized. The priorities for the buildings are:

- Security: Enable staff to meet with public without having to enter the secured perimeter of the plant. Enable Board meetings to occur on the public side of the facility.
- Safety: Provide facilities that meet Code requirements for essential facilities.
- Accessibility: Provide facilities that comply with California Title 24 Disabled Access and ADA requirements, incorporating appropriate principles of Universal Design.
- Working Proximity: Provide close working proximity for all staff.
- Working Spaces: Provide adequate working area for all program elements.
- Flexibility: Design facilities to provide flexibility and adaptability to future program needs.
- Energy Efficiency: Provide facilities that meet or exceed current California Energy Standards.

10.0 ALTERNATE ANALYSIS SITE DIAGRAMS

Based on the established strategic goals and priorities, SEJPA and the design team brainstormed multiple options for organizing the operations facilities onsite. To capture as broad an approach as possible, options also included relocating off-site, possibly renting office space as well as co-locating facilities at the Encina Wastewater Authority facility in the event of an agency merger. Additionally, the team looked at the possibility of building leasable commercial space as part of a new building. A synopsis of the options developed is presented below:



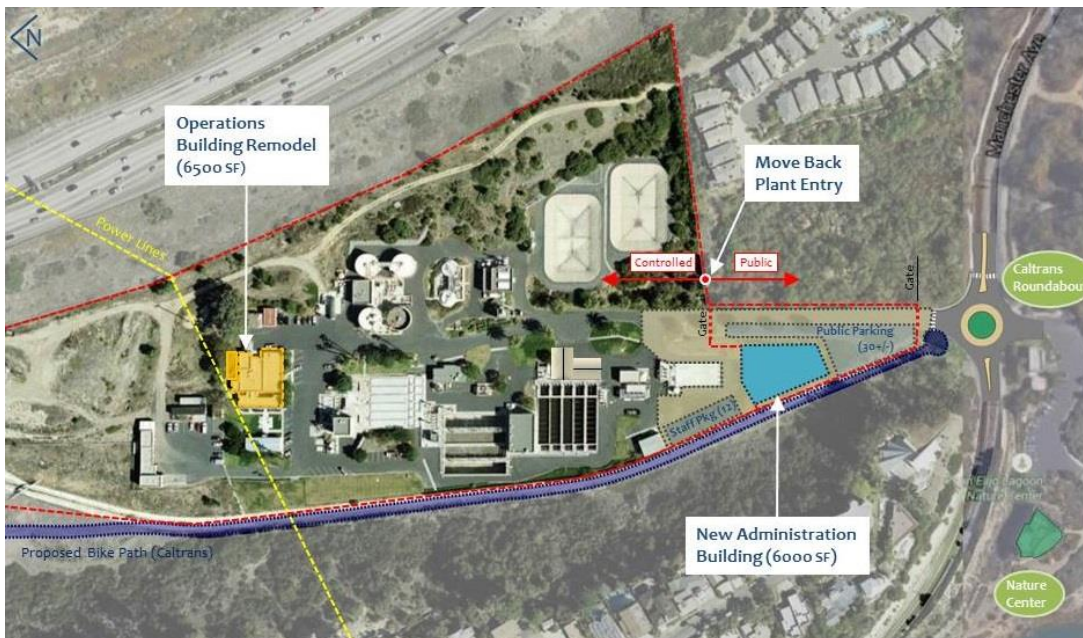
Option A

- Demolish existing Administration building
- Construct new Administration building directly adjacent to Operations building.
- Renovate Operations building.



Option B

- Construct a single Administration/Operations building at front entry.
- Repurpose former Operations building for Workshop & Storage.



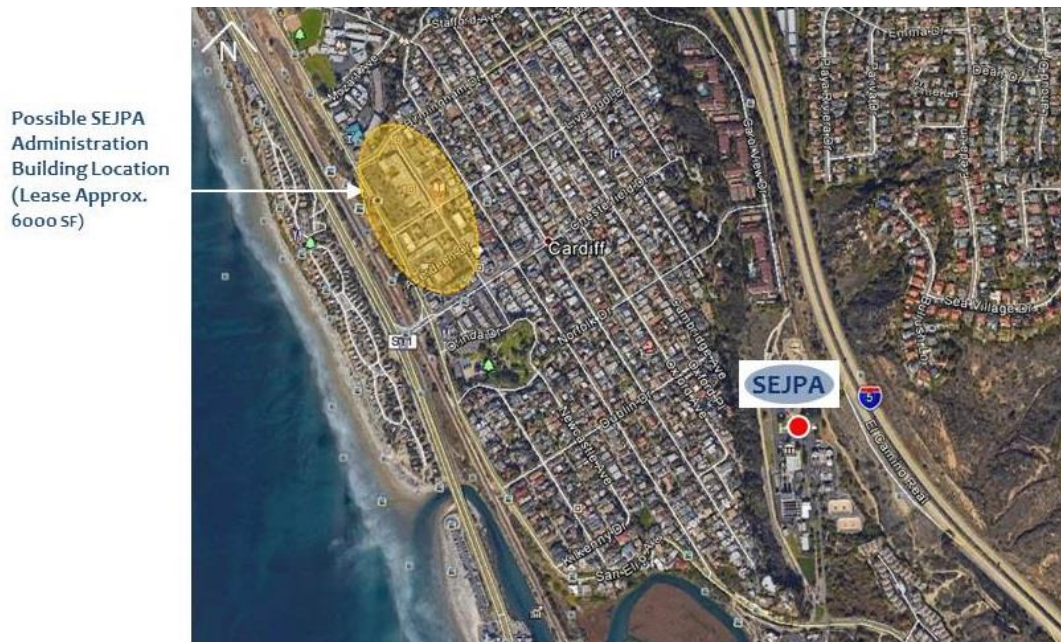
Option C

- Construct new Administration building at front entry.
- Demolish existing Administration building.
- Renovate Operations building.



Option D

- Construct new Administration building with tenant space at front entry.
- Demolish existing Administration building.
- Renovate Operations building.



Option E

- Lease Administration space offsite.
- Renovate Operations building.



Option F

- Co-locate Administration facilities at Encina site.
- Construct new Operations building at front entry of SEJPA site.

For all the options developed, pros and cons were established. Viability for each option was discussed and considered, and a Pro/Con matrix for all the options was developed.

| SEJPA Alternative Analysis – Pro/Con Matrix | Options | | | | | |
|---|---------|----|----|----|---|----|
| Pros | A | B | C | D | E | F |
| SEJPA owns the land | X | X | X | X | | |
| Locates all staff on SEJPA site | X | X | X | X | | |
| Provides closer working proximity for staff | X | X | | | | |
| Increases parking for Nature Center overflow | X | X | X | X | | X |
| Improves site security | X | X | X | X | | X |
| Improves traffic calming with secondary gate | X | X | X | X | X | X |
| Reduces risk from overhead power lines | X | X | X | X | X | X |
| Eliminates risk from overhead power lines | | X | | | | X |
| Improves site security with visual control of gate | | X | X | X | | X |
| Improves site security by allowing public interface without entering the site | | X | X | X | | X |
| Provides public presence at site entrance | | X | X | X | | X |
| Provides collaborative opportunities with Nature Center | | X | X | X | | X |
| Provides flexibility and adaptability for future needs | | X | X | X | X | X |
| Provides revenue stream with tenant | | | | X | X | |
| Apparent lowest construction cost | | | | | X | X |
| Totals | 7 | 13 | 11 | 12 | 5 | 11 |
| Cons | A | B | C | D | E | F |
| Inadequate site control. Public must enter plant to access Administration | X | | | | X | |
| Building site is limited and constrained | X | | | | | |
| Existing Operations Building not conducive to remodel due to numerous masonry bearing walls | X | | X | X | X | |
| Lacks public presence | X | | | | X | |
| Construction impacts operations and requires Interim Housing during construction | X | | | | | |
| Cost premium due to phasing, extended construction duration, and multiple moves | X | | X | X | X | |
| Requires large building footprint at front of campus | | X | | X | | |
| Requires difficult Discretionary Permitting through the City | | | | X | | |
| Requires management of tenant | | | | X | | |
| Requires construction at two sites | | | | | X | X |
| Requires additional effort and expense for rezoning | | | | X | | |
| Totals | 6 | 1 | 2 | 6 | 5 | 1 |

11.0 SITE DIAGRAM RECOMMENDATIONS

After weighing all the factors based on the SEJPA's operational and strategic goals, Options B, C and D emerge for further study. Additionally, Option F, which represents the potential partnership with the Encina Wastewater Authority offers intriguing possibilities for Agency consolidation and collaboration. As an outlier, this option also warrants further study.

For Option D, the feasibility of a lease space within the SEWRF was reviewed with the City of Encinitas Planning Department. Currently, the SEJPA site is zoned "Public/Semi-Public". Within this zone designation, commercial/professional office space is not permitted. A commercial tenant lease space would likely require a zoning change to the property and a lot split. The zoning change may require approval by vote of the citizenry, which would add additional expense and time to the project and reduce the overall feasibility of this option. Under certain conditions, such as leasing the space to a wastewater research firm or other entity that has similar functions as the SEJPA, then a zoning change may not be required. Therefore, the tenant lease option could be feasible, but only to a limited pool of potential lease candidates. At this time, this option was placed on hold to focus on other more viable options.

Thus, the three options that emerge are B, C and F. These options have been re-catalogued as Alternative 1, 2 and 3 respectively. All three options will address and resolve security, Code and life-safety issues. To help the evaluation process, the main advantages and drawbacks for each alternative is discussed in more detail.

Alternative 1:

This Scheme consists of constructing a new 11,000 sf Administration and Operations building near the site entrance (See Exhibit F). The existing Operations building would be repurposed to a workshop and storage functions. The advantages of this option are:

- Security: Enables SEJPA staff to meet with vendors, consultants, and other members of the public without entering the secured perimeter of the plant.
- Work Efficiency: All SEJPA staff located in a single location, improving work efficiency, collaboration, and morale.
- Flexibility: Allows for greater adaptability to respond for future processes and staff functional needs, as area at former Operations building is available for future facilities.
- Public Presence: Location at the front of the facility allows for more public interface and possible collaboration with the adjacent Nature Center.
- Best Long Term Value: While having a higher initial cost, this option has the best long term value based on expected life span of a new facility.

The drawbacks to Alternative 1 are:

- This option has a higher initial cost than Alternative 2 and 3.

The Preliminary Project Budget for Alternative 1 is approximately \$7.1 Million (See Exhibit C).

Alternative 2:

This Scheme consists of constructing a new Administration building (6,000sf) near the site entrance, and renovating the existing Operations Building (See Exhibit G). Preliminary Program evaluation finds 6,000 sf would be needed for the Administration building, with the balance of the program occupying the renovated Operations Building. The advantages of this option are:

- Security: Enables SEJPA staff to meet with vendors, consultants and other members of the public without entering the secured perimeter of the plant.

- Flexibility: Although not as adaptable to future needs as Alternative 1, this option is adaptable to a possible future merger.
- Public Presence: Location at the front of the facility allows for more public interface and possible collaboration with the adjacent Nature Center.
- Initial Cost: This option is a lower initial cost than Alternative 1.

The drawbacks to Alternative 2 are:

- Work Efficiency: Lacks working proximity of all staff in one location.
- Long Term Value: Renovation of problematic, dated building has a lower long term value and may require additional long term capital improvements.

The Preliminary Project Budget for Alternative 2 is approximately \$6.5 Million (See Exhibit D).

Alternative 3:

This Scheme is predicated on a partnership between SEJPA and the Encina Wastewater Authority. This option would involve moving SEJPA Administrative staff to the Encina facility. A new facility would be constructed at the SEJPA site to accommodate the Operations and Maintenance personnel. The new SEJPA Operations facility would be located near the front of the facility to provide security and access control, similar to Alternatives 1 and 2.

This option would also require some tenant improvements at the Encina facility to accommodate the relocated SEJPA staff. The advantages of this option are:

- Security: Similar to Alternatives 1 and 2, building at the front entrance enables SEJPA staff to meet with vendors, consultants and other members of the public without entering the secured perimeter of the plant.
- Flexibility: Option offers added flexibility via resource sharing with Encina, as well setting aside more area for future expansions.
- Public Presence: Location at the front of the facility allows for more public interface and possible collaboration with the adjacent Nature Center.
- Long Term Value: This option has good long term value with the amount of newly constructed facility at the SEJPA site.
- Collaboration: This option potentially offers greater efficiency and opportunity for increased water purification and distribution through Agency partnership.
- Cost: Potentially the lowest investment cost for facilities. However, the collateral cost associated with the partnering of the agencies is unknown at this time.

The drawbacks to Alternative 3 are:

- Work Efficiency: Operating SEJPA as a remote facility will potentially lose some work efficiency between Administrative and Operational staff.
- Merger Logistics: The physical facilities associated with this option seem beneficial with a reasonable cost/benefit relationship. However, the collateral impacts associated with the agency partnership are unknown at this time.

The Preliminary Project Budget for Alternative 1 is approximately \$4.5 Million (See Exhibit E).

12.0 Conclusion

A review of the SEJPA facilities leads to the conclusion that existing operations buildings are obsolete and require attention. As SEJPA plans for upcoming facility improvements, there is a great opportunity to fix chronic problems and position the agency to respond to future water purification needs. After an extensive and thoughtful programming effort with the SEJPA staff, three alternatives have been identified for further consideration.

All three alternatives locate a new building at the front entry of the SEJPA plant to resolve site security issues. The frontal building position also gives SEJPA increased opportunities for public interface and collaboration with the adjacent Nature Center.

Alternative 1 consists of a single two-story building at the front of the plant to house both Administration and Operations personnel. This option has the advantages of housing all the staff in one location, providing life cycle cost value, and a high level of flexibility and adaptability for future needs.

Alternative 2 consists of providing two facilities, with a new Administration building at the front of the SEJPA plant, and remodeling the existing Operations building. This option has a lower initial cost, but also a lower life cycle value since it involves renovation of an older building. It also has the disadvantage of dividing staff in two separate locations.

Alternative 3 is predicated on a partnership between SEJPA and the Encina Wastewater Authority. This option would involve moving Administrative and Laboratory staff to the Encina facility, with new facilities constructed at SEWRF for plant Operations and Maintenance staff. The new SEJPA Operations building would be strategically placed at the front of the site, similar to Alternatives 1 and 2, to address site security. There are potential advantages to the consolidating of the agencies including leveraging infrastructure investments and resource sharing to produce cost savings and operational efficiencies. However, the collateral impacts associated with the agency partnership are unknown. If this option is to be pursued further, an analysis of the merger and operational logistics should be studied in more detail.

Exhibit C

Alternative 1A - Conceptual Project Budget

New Stand Alone Administration Bldg near Site Entrance To House Entire Staff

| | Area | Unit | Unit Cost | Total |
|---|--------|------|-----------|------------------|
| Construct 2-Story Admin Bldg | 11,000 | SF | \$350 | 3,850,000 |
| Minor Repurposing of Operations Building | 1 | LS | \$150,000 | 150,000 |
| Sitework at Front Entry | 1 | LS | \$900,000 | 900,000 |
| | | | | 4,900,000 |
| Contingency (20%) | | | | 980,000 |
| Total | | | | 5,880,000 |
| Soft Costs - Design | | | | |
| A/E Design (7%) | | | | 411,600 |
| Discretionary Permitting/Environmental | | | | 75,000 |
| Plan Review & Building Permit | | | | 100,000 |
| CM - Predesign (Constructability + Cost Est) (2.5%) | | | | 122,500 |
| | | | | 709,100 |
| Soft Costs - Construction | | | | |
| A/E Construction Administration (2%) | | | | 117,600 |
| CM (4%) | | | | 235,200 |
| Testing & Inspection (3%) | | | | 176,400 |
| | | | | 529,200 |
| Grand Total | | | | 7,118,300 |

Exhibit D

Alternative 1B - Conceptual Project Budget

New Stand Alone Administration Bldg near Site Entrance & Remodel Operations Building

| | Area | Unit | Unit Cost | Total |
|---|------|------|-----------|------------------|
| Construct 2-Story Admin Bldg | 6000 | SF | \$350 | 2,100,000 |
| Renovate Existing Operations Bldg | 6500 | SF | \$240 | 1,560,000 |
| Sitework at Operations Area | 1 | LS | \$100,000 | 100,000 |
| Sitework at Front Entry | 1 | LS | \$600,000 | 600,000 |
| Subtotal | | | | 4,360,000 |
| Premium for extended construction duration | | | 3% | 130,800 |
| | | | | 4,490,800 |
| Contingency (20%) | | | | 898,160 |
| Total | | | | 5,388,960 |
| Soft Costs - Design | | | | |
| A/E Design (7%) | | | | 377,227 |
| Discretionary Permitting/Environmental | | | | 75,000 |
| Plan Review & Building Permit | | | | 100,000 |
| CM - Predesign (Constructability + Cost Est) (2.5%) | | | | 112,270 |
| | | | | 664,497 |
| Soft Costs - Construction | | | | |
| A/E Construction Administration (2%) | | | | 107,779 |
| CM (4%) | | | | 215,558 |
| Testing & Inspection (3%) | | | | 161,669 |
| | | | | 485,006 |
| Grand Total | | | | 6,538,464 |

Exhibit E

Alternative 3 - Conceptual Project Budget

Encina/SEJPA Merger

- *New Stand Alone SEJPA Operations Building at Front of Site*
- *Minor Remodel at Encina for Added SEJPA Staff*

| | Area | Unit | Unit Cost | Total |
|---|-------|------|-----------|------------------|
| Construct 1-Story Operations Building at SEJPA | 6,000 | SF | \$350 | 2,100,000 |
| Sitework at Front Entry | 1 | LS | \$600,000 | 600,000 |
| Minor Remodel of existing Operations bldg | 1 | LS | \$150,000 | 150,000 |
| Encina Tenant Improvements for added SEJPA Staff | 1 | LS | \$200,000 | 200,000 |
| Subtotal | | | | 3,050,000 |
| Contingency (20%) | | | | 610,000 |
| Total | | | | 3,660,000 |
| Soft Costs - Design | | | | |
| A/E Design (7%) | | | | 256,200 |
| Discretionary Permitting/Environmental | | | | 75,000 |
| Plan Review & Building Permit | | | | 100,000 |
| CM - Predesign (Constructability + Cost Est) (2.5%) | | | | 76,250 |
| | | | | 507,450 |
| Soft Costs - Construction | | | | |
| A/E Construction Administration (2%) | | | | 73,200 |
| CM (4%) | | | | 146,400 |
| Testing & Inspection (3%) | | | | 109,800 |
| | | | | 329,400 |
| Grand Total | | | | 4,496,850 |