



SAN ELIJO JOINT POWERS AUTHORITY

**Adopted
Annual Budget 2014-2015**

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

ADOPTED ANNUAL BUDGET

FISCAL YEAR 2014-2015

BOARD OF DIRECTORS

MARK MUIR, CHAIRPERSON
DAVID ZITO, VICE CHAIRPERSON
TERESA BARTH, MEMBER
THOMAS M. CAMPBELL, MEMBER

MANAGEMENT

MICHAEL T. THORNTON, P.E., GENERAL MANAGER
CHRISTOPHER A. TREES, P.E., DIRECTOR OF OPERATIONS
PAUL F. KINKEL, DIRECTOR OF FINANCE/ADMINISTRATION

MEMBER AGENCIES

CITY OF ENCINITAS
CITY OF SOLANA BEACH

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Cardiff by the Sea, CA 92007
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Transmittal Letter

Honorable Chairperson and Members of the Board of Directors:

I am pleased to present the Adopted Budget for Fiscal Year 2014-2015 for the San Elijo Joint Powers Authority (SEJPA). This budget document reflects the SEJPA's mission to serve our communities by providing safe, reliable, and cost efficient wastewater and recycled water services. Maximizing the use of public funds and fiscal responsibility are the cornerstones of the SEJPA's Adopted Budget.

OPERATING BUDGET OVERVIEW

The SEJPA Adopted Budget for FY 2014-2015 is made up of eight (8) operational programs that are managed by the SEJPA. Each of these programs include personnel, supplies and services, capital outlay, and contingency where required. The contingency amount for this year is budgeted at \$125,000 to provide for unforeseen events that may impact operations.

Program	Adopted Budget 2013-2014	Adopted Budget 2014-2015	Budget Change	% Change
Wastewater Treatment	\$ 2,417,301	\$ 2,513,430	96,129	4.0%
Laboratory	442,251	435,535	(6,716)	-1.5%
Ocean Outfall	622,220	570,032	(52,188)	-8.4%
Cardiff Sanitary Division	226,732	229,377	2,645	1.2%
Encinitas Sanitary Division	130,160	137,439	7,279	5.6%
City of Encinitas	27,621	28,549	928	3.4%
City of Solana Beach	282,818	294,676	11,858	4.2%
	4,149,103	4,209,040	59,937	1.4%
Reclaimed Water	1,039,780	1,114,954	75,174	7.2%
Total Operating Costs	\$ 5,188,883	\$ 5,323,993	\$ 135,110	2.6%

CAPITAL BUDGET OVERVIEW

The Wastewater Treatment and Ocean Outfall Capital Budgets were based on the 2007 Facility Plan recommendations and input from the SEJPA's member agencies and water district partners. The current capital plan recommends \$907,000 for Wastewater Treatment, \$200,000 for Ocean Outfall, and \$150,000 for Reclaimed Water for a combined total of \$1,257,000. In FY 2013-2014, the SEJPA engaged Carollo Engineers to review the agency's capital needs including a comprehensive condition-evaluation of agency infrastructure, update our Wastewater Asset Management database, and review current and future regulatory requirements (and their

potential impacts on infrastructure needs). Once completed, this document will assist the SEJPA in identifying and prioritizing future capital investments in the wastewater, recycled water, and ocean outfall systems.

DEBT SERVICE OVERVIEW

The SEJPA's debt service is stable for FY 2014-2015 with \$1,479,867 related to Wastewater Treatment and \$996,328 related to Reclaimed Water for a combined debt service of \$2,476,195. This level of debt service is relatively unchanged from FY 2013-2014.

ACCOMPLISHMENTS FOR FY 2013-2014 AND GOALS FOR FY 2014-2015

For the year we are concluding, the SEJPA had several notable accomplishments. First, the agency incurred no spills at any of the pump stations operated by the SEJPA and we had only one wastewater spill at the San Elijo Water Reclamation Facility, which was promptly contained and fully recovered with no wastewater leaving the property. For water quality compliance, the SEJPA met all of its requirements for the National Pollutant Discharge Elimination Systems (NPDES) permit for ocean discharge. 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 completed construction of the new Advanced Water Treatment Facility that produces high quality recycled water. This investment in treatment technology is already producing dividends as we are able to reach new customers and new uses due to this improvement in water quality. We have also completed design of two urban runoff stations that will redirect polluted urban runoff and some first-flush storm water away from the San Elijo Lagoon and local beaches and to the reclamation facility for treatment and reuse. Construction of these urban runoff stations is expected to begin in FY 2014-15.



Advanced Water Treatment Facility

In addition to our environmental successes, the SEJPA just finished its sixth year in a row without incurring a "lost workday" due to injury. This impressive achievement is reflective of our staff's commitment to a safe work place and the SEJPA Safety Committee's tireless effort to continuous improvement. This year, the Safety Committee teamed with the Encina Wastewater Authority to conduct a cross-agency safety audit to identify new ideas further reducing workplace risk. Finally, the SEJPA continued to find success in collaborating with fellow agencies to improve service and create cost efficiencies. As part of these efforts, staff teamed with the City of Encinitas to share IT infrastructure and consolidate IT support under the City's existing staff. Also, the SEJPA and the San Dieguito Water District, Santa Fe Irrigation District, and the Olivenhain Municipal Water District are exploring options to further expand recycled water service while keeping the cost of recycled water to the public as low as possible. The SEJPA's efforts in the North San Diego Water Reuse Coalition has produced grant funding commitments of more than \$4.5 million to our region and approximately \$400,000 to the SEJPA's recycled water program.

Going forward, the SEJPA will continue to collaborate with other government agencies to gain efficiencies, reduce costs, expand service and create value in our community by focusing on the greater good. Specifically, the SEJPA is working with Olivenhain Municipal Water District and San Dieguito Water District to expand recycled water service within the City of Encinitas. Similarly, we are working with Santa Fe Irrigation District and the City of Solana Beach to provide recycled water service to the western portion of their city. We will continue to investigate how to utilize resources and capacity at the Encina Wastewater Authority, as well as with our water district partners, where staff, equipment, processes and ideas can be shared.

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

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Resolution No. 2014-03

RESOLUTION NO. 2014-03

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR FISCAL YEAR 2014-2015**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors proposed SEJPA Operating and Capital Projects Budgets for Fiscal Year 2014-2015;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN ELIJO JOINT POWERS AUTHORITY HEREBY RESOLVES AS FOLLOWS:

1. The Board of Directors has reviewed the proposed Operating Budgets and Capital Projects Budget and the funds included herein for the period of July 1, 2014 through June 30, 2015 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2014-2015. Such budgets are hereby adopted.

San Elijo Operations and Maintenance Fund	\$ 5,688,907
San Elijo Water Reclamation Operating Fund	2,111,282
San Elijo Capital Projects Fund	<u>1,257,000</u>
Total	\$9,057,189

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds for the Fiscal Year 2014-2015.

PASSED AND ADOPTED this 9th day of June, 2014, by the following vote:

AYES: Boardmembers: Thomas M. Campbell, Mark Muir, David Zito

NOES: Boardmembers:

ABSENT: Boardmembers: Teresa Barth

ABSTAIN: Boardmembers:



Mark Muir, Chairperson
SEJPA Board of Directors

ATTEST:



Michael T. Thornton, P.E.
Secretary of the Board

Fund Summary

	Wastewater Services	Water Reclamation	State Revolving Fund Debt Reserve	Capital Projects Reserve	Total
Revenues					
Operating	\$ 4,175,749	\$ 2,313,662	\$ -	\$ -	\$ 6,489,411
Capital	832,000	-	-	275,000	1,107,000
Debt	1,479,867	-	-	-	1,479,867
Other	33,291	13,100	-	-	46,391
Total Revenues	<u>6,520,907</u>	<u>2,326,762</u>	<u>-</u>	<u>275,000</u>	<u>9,122,669</u>
Expenses					
Operating	4,209,040	1,114,954	-	-	5,323,993
Capital	832,000	150,000	-	-	1,257,000
Debt Service	1,479,867	996,328	-	-	2,476,195
Total Expenses	<u>6,520,907</u>	<u>2,261,282</u>	<u>-</u>	<u>-</u>	<u>9,057,189</u>
Increase/(Decrease)	-	65,480	-	275,000	65,481
Fund Balance Beginning of the Year	-	1,226,908	630,000	1,033,681	2,890,589
Fund Balance End of the Year	<u>\$ -</u>	<u>\$ 1,292,389</u>	<u>\$ 630,000</u>	<u>\$ 1,308,681</u>	<u>\$ 2,956,070</u>

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

The Capital Projects Reserve revenues annual reserves that are to replace/upgrade the Biosolids Treatment facilities (\$75,000), and for the Ocean Outfall Reballast (\$200,000).

The Capital Projects Reserve ending balance consists of the Digester Reserve (\$59,493), Biosolids Treatment Facilities (\$649,188), and Ocean Outfall Reballast (\$600,000).

Revenue Summary

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
City of Encinitas	\$ 2,175,438	\$ 2,758,192	\$ 2,745,356	\$ 2,835,164	\$ 2,932,176
City of Solana Beach	1,993,314	2,574,364	2,725,693	2,721,157	2,774,747
Rancho Santa Fe CSD	347,571	344,746	360,273	369,156	376,583
City of Escondido	274,408	426,970	659,418	693,819	651,885
Laboratory Services	38,890	29,468	31,216	32,314	27,226
Water Reclamation Revenues	1,911,120	2,169,906	2,264,127	2,186,600	2,313,662
T-Mobile Cell Site Lease	22,960	23,649	24,360	24,360	25,091
Other Revenue	4,309	18,326	6,539	-	4,000
Interest on Wastewater Operations	8,615	8,937	5,060	12,000	4,200
Interest on Water Reclamation	23,918	12,295	12,893	12,000	13,100
Total Revenue Sources	\$ 6,800,543	\$ 8,366,853	\$ 8,834,934	\$ 8,886,570	\$ 9,122,669

Revenue by Source

Basis for Revenue by Source

- Wastewater treatment costs are based on the 2013 calendar year average influent flows for City of Encinitas (Encinitas), City of Solana Beach (Solana Beach), and the Rancho Santa Fe Community Services District (RSF). The Encinitas and the Solana Beach contributions are calculated after the RSF amount is subtracted.
- The RSF Rental Credit is based on a capacity use agreement between Encinitas, Solana Beach, and RSF.
- Laboratory Services are calculated based on the 2013 calendar year average influent flows after outside laboratory services are subtracted.
- Outfall costs are based on the 2013 calendar year average effluent flows.
- 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 2013 influent, 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	1.345	0.678	2.500	2.55
City of Solana Beach	1.213	0.609	2.500	2.55
Rancho Santa Fe CSD's	0.137	0.070	0.250	0.25
City of Escondido	-	8.803	-	20.15
Total	2.695	10.160	5.250	25.500

City of Encinitas – Revenue Detail

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Wastewater Treatment	\$ 1,125,532	\$ 1,125,902	\$ 1,122,709	\$ 1,169,843	\$ 1,229,701
Interest Income Credit	(4,307)	(4,771)	(2,530)	(6,000)	(2,100)
RSF CSD Credit	(64,496)	(64,496)	(64,496)	(64,496)	(64,496)
T-Mobile License Income	(11,480)	(11,825)	(12,180)	(12,180)	(12,545)
Other Income Credit	(2,155)	(9,163)	(3,270)	-	(2,000)
Total Wastewater Revenue	<u>1,043,094</u>	<u>1,035,647</u>	<u>1,040,233</u>	<u>1,087,167</u>	<u>1,148,560</u>
Laboratory Services	157,705	162,654	188,275	198,098	203,845
Ocean Outfall	25,580	21,082	39,761	41,814	38,059
Cardiff Sanitary Division	233,965	201,230	205,083	226,730	229,377
Encinitas Sanitary Division	114,751	113,904	121,251	130,160	137,439
City of Encinitas	26,278	23,772	27,177	27,620	28,549
2011 Revenue Bonds	53,946	694,903	695,004	695,004	694,442
Capital Projects	520,119	505,000	428,571	428,571	451,903
Total Revenue	<u>\$ 2,175,438</u>	<u>\$ 2,758,192</u>	<u>\$ 2,745,356</u>	<u>\$ 2,835,164</u>	<u>\$ 2,932,176</u>

City of Solana Beach – Revenue Detail

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Wastewater Treatment	\$ 1,084,803	\$ 1,015,613	\$ 1,090,184	\$ 1,084,227	\$ 1,105,961
Interest Income Credit	(4,307)	(4,771)	(2,530)	(6,000)	(2,100)
RSF CSD Credit	(64,496)	(64,496)	(64,496)	(64,496)	(64,496)
T-Mobile License Income	(11,480)	(11,825)	(12,180)	(12,180)	(12,545)
Other Income Credit	(2,155)	(9,163)	(3,270)	-	(2,000)
Total Wastewater Revenue	<u>1,002,365</u>	<u>925,358</u>	<u>1,007,708</u>	<u>1,001,551</u>	<u>1,024,820</u>
Laboratory Services	151,998	146,721	182,932	183,599	183,744
Ocean Outfall	24,271	18,892	40,017	38,753	34,179
Solana Beach Pump Stations	241,035	242,966	275,893	275,650	288,546
Storm Drain Sediment	6,535	4,513	4,709	7,170	6,130
2011 Revenue Bonds	57,658	785,914	785,863	785,863	785,425
Capital Projects	509,452	450,000	428,571	428,571	451,903
Total Revenue	<u>\$ 1,993,314</u>	<u>\$ 2,574,364</u>	<u>\$ 2,725,693</u>	<u>\$ 2,721,157</u>	<u>\$ 2,774,747</u>

Rancho Santa Fe Community Services District – Revenue Detail

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Wastewater Treatment	\$ 145,040	\$ 153,598	\$ 164,870	\$ 163,234	\$ 177,768
Laboratory Services	21,363	16,033	19,404	28,239	20,720
Ocean Outfall	3,364	2,123	4,150	5,834	3,909
Capacity Rental-Upgrade	128,992	128,992	128,992	128,992	128,992
Capacity Rental-Other	48,812	44,000	42,857	42,857	45,194
Total Revenue	\$ 347,571	\$ 344,746	\$ 360,273	\$ 369,156	\$ 376,583

City of Escondido – Revenue Detail

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Ocean Outfall	\$ 274,408	\$ 268,970	\$ 501,418	\$ 535,819	\$ 493,885
Capital Projects	-	158,000	158,000	158,000	158,000
Total Revenue	\$ 274,408	\$ 426,970	\$ 659,418	\$ 693,819	\$ 651,885

Laboratory Services-Revenue Detail

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Del Mar	\$ 4,821	\$ 69	\$ -	\$ 4,124	\$ -
Fairbanks Ranch	8,016	6,901	6,901	6,651	6,901
Rancho Santa Fe CSD 1	9,902	8,523	8,523	8,636	8,523
Santa Fe Valley	3,334	3,382	3,382	3,498	3,382
Solana Beach	3,044	2,173	3,990	3,990	-
Whispering Palms	9,773	8,420	8,420	5,415	8,420
Total Revenue	<u>\$ 38,890</u>	<u>\$ 29,468</u>	<u>\$ 31,216</u>	<u>\$ 32,314</u>	<u>\$ 27,226</u>

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

Water Reclamation - Revenue Detail

Revenue Source	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Santa Fe Irrigation District	\$ 597,102	\$ 681,096	\$ 681,838	\$ 668,690	\$ 681,737
San Dieguito Water District	427,059	497,260	511,889	522,060	524,000
City of Del Mar	175,089	152,195	171,728	163,350	147,773
Encinitas Ranch Golf Course	195,000	204,750	214,988	215,000	225,736
Olivenhain Municipal Water District	-	39,918	125,298	62,650	131,023
Total Customers	<u>1,394,250</u>	<u>1,575,219</u>	<u>1,705,741</u>	<u>1,631,750</u>	<u>1,710,269</u>
MWD/CWA Subsidies	516,870	594,687	558,386	554,850	603,393
Total Revenue	<u>\$ 1,911,120</u>	<u>\$ 2,169,906</u>	<u>\$ 2,264,127</u>	<u>\$ 2,186,600</u>	<u>\$ 2,313,662</u>

MWD is the Metropolitan Water District.

CWA is the San Diego County Water Authority.

Cost Summary

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 2,679,039	\$ 2,535,522	\$ 2,663,196	\$ 2,755,120	\$ 2,774,742
Supplies and Services	1,597,894	1,802,232	2,362,044	2,282,503	2,384,251
Capital Outlay	148,499	45,888	90,197	31,000	40,000
Contingency	-	-	-	120,260	125,000
Total Operating Cost	4,425,432	4,383,642	5,115,437	5,188,883	5,323,993
Capital Costs	1,724,909	4,935,193	1,098,000	1,098,000	1,257,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
California Energy Commission	1,009,328	-	-	-	-
2003 Refunding Bonds	11,526,875	-	-	-	-
2011 Refunding Bonds	111,604	1,480,817	1,480,867	1,480,867	1,479,867
Advanced Water Treatment	74,077	148,153	148,153	148,156	148,153
SFID Pipeline Loan	-	52,230	13,500	13,500	13,500
Total Debt Service	13,556,559	2,515,875	2,477,195	2,477,198	2,476,195
Total Costs	<u>\$ 19,706,900</u>	<u>\$ 11,834,710</u>	<u>\$ 8,690,632</u>	<u>\$ 8,764,081</u>	<u>\$ 9,057,189</u>

Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015	% Change
Personnel						
Direct Salaries and Wages	\$ 1,914,164	\$ 1,856,040	\$ 1,931,751	\$ 1,970,896	\$ 1,998,347	1.4%
FICA Tax	-	151	-	-	-	
Medicare Tax	29,177	28,256	29,141	27,183	27,576	1.4%
State Unemployment Tax	9,548	8,922	9,254	9,115	8,679	-4.8%
Standby Pay	13,081	14,645	14,152	13,002	13,591	4.5%
Overtime Pay	42,605	38,032	39,454	47,000	43,998	-6.4%
Dental/Vision	21,322	18,835	21,154	20,580	20,621	0.2%
Employee Assistance Program	4,197	3,862	3,971	4,399	4,102	-6.8%
Life Insurance/Disability	14,213	12,388	14,822	14,566	14,713	1.0%
Workers Comp. Insurance	21,742	(5,938)	5,467	35,998	37,224	3.4%
Medical Insurance - Pers	203,771	198,626	210,912	240,096	230,002	-4.2%
Retirement Plan - PERS	326,397	285,733	296,177	284,702	288,206	1.2%
Deferred Comp-employer	70,013	65,872	78,909	74,985	74,933	-0.1%
Uniforms - Boots	1,508	1,623	1,233	3,801	3,849	1.3%
Payroll Processing Fees	5,335	5,471	6,289	5,199	5,400	3.9%
Other Personnel Costs	1,967	3,001	510	3,598	3,501	-2.7%
	<u>2,679,039</u>	<u>2,535,522</u>	<u>2,663,196</u>	<u>2,755,120</u>	<u>2,774,742</u>	<u>0.7%</u>
Supplies and Services						
Advertising	547	1,741	-	1,000	1,000	0.0%
Bank Service Charges	1,182	2,631	2,074	3,000	3,000	0.0%
Board Expense	174	178	61	1,300	300	-76.9%
Dedication Ceremony	-	-	244	-	-	
Dues & Memberships	17,378	17,482	16,627	18,350	18,580	1.3%
Equipment Rental/Lease	19,694	27,055	34,058	11,800	14,960	26.8%
Fees - Disposal	380	129	1,000	2,000	2,000	0.0%
Fees - Permits	43,500	44,240	60,381	60,400	60,600	0.3%
Fees - Purveyor Admin	-	19,652	22,929	23,800	-	-100.0%
Fuel	19,430	15,576	14,653	30,550	30,956	1.3%
Insurance - Liability	29,036	16,786	31,554	37,500	38,250	2.0%
Insurance - Property	18,202	20,325	25,330	23,000	23,865	3.8%
Licenses	11,178	11,648	5,395	17,400	21,014	20.8%
Minor Equip - Shop & Field	4,988	1,338	5,041	6,700	6,821	1.8%
Postage/Shipping	1,948	2,184	2,385	1,800	1,812	0.7%
Preemployment Screening	250	190	201	601	608	1.2%
Printing	853	1,085	1,612	1,600	1,618	1.1%
Rent	959	11,431	45,835	23,600	46,194	95.7%
Repair Parts Expense	149,947	130,805	188,685	181,850	180,350	-0.8%
Retrofit Expenses	-	2,342	-	20,000	10,000	-50.0%
Seminars/Education	3,486	4,332	4,877	17,000	17,500	2.9%
Services - Accounting	19,475	23,845	22,170	20,000	21,000	5.0%
Services - Alarm	6,696	6,329	7,362	7,750	8,050	3.9%
Services - Biosolids Hauling	147,333	145,208	151,157	160,000	162,000	1.3%

Cost detail continued on next page

Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015	% Change
Services - Engineering	45,025	113,146	130,300	75,000	118,000	57.3%
Services - Grease & Scum	23,211	18,709	20,665	34,500	26,390	-23.5%
Services - Grit & Screenings	14,661	12,560	12,352	19,030	16,750	-12.0%
Services - Janitorial	10,592	10,592	11,476	12,000	12,000	0.0%
Services - Laboratory	22,775	23,802	32,123	55,000	31,750	-42.3%
Services - Landscape	13,850	40,351	27,618	30,400	28,500	-6.3%
Services - Legal	39,969	37,721	47,089	47,500	52,000	9.5%
Services - Lobbying	-	15,323	15,692	16,000	16,000	0.0%
Services - Maintenance	43,562	51,567	57,046	32,800	44,975	37.1%
Services - Medical	1,630	1,518	1,669	2,002	2,000	-0.1%
Services - Other	15,422	8,404	12,407	13,700	13,850	1.1%
Services - Professional	14,285	14,308	33,269	16,000	26,609	66.3%
Services - Temp	-	-	13,658	-	27,000	
Services - IT/GIS Support	-	-	-	-	37,400	
Services - Testing	2,243	1,736	2,920	6,000	5,715	-4.8%
Services - Uniforms	5,314	5,527	6,546	4,500	4,725	5.0%
Subcontractors	55,960	79,343	301,336	250,000	196,000	-21.6%
Subsistence - Meals	1,276	1,132	1,318	2,650	2,725	2.8%
Subsistence - Travel/Rm & Bd	3,648	5,120	4,917	8,500	8,525	0.3%
Supplies - Chem - Ferrous Chlo	53,392	46,772	55,928	50,000	55,000	10.0%
Supplies - Chem - Odor	11,498	16,131	16,531	16,000	17,425	8.9%
Supplies - Chem - Polymer	52,552	56,061	54,279	54,880	57,484	4.7%
Supplies - Chem - Sodium Hypo	31,599	31,085	47,538	53,900	53,818	-0.2%
Supplies - Chemicals	3,244	17,007	31,263	32,200	33,190	3.1%
Supplies - Janitorial	2,180	2,752	2,900	2,000	2,050	2.5%
Supplies - Lab	16,727	10,141	21,652	22,400	17,000	-24.1%
Supplies - Office	9,440	8,972	8,394	10,300	10,300	0.0%
Supplies - Safety	5,849	2,287	2,865	2,100	2,190	4.3%
Supplies - Shop & Field	10,208	8,177	16,821	17,900	17,515	-2.2%
Training	2,842	2,686	5,023	6,499	5,820	-10.4%
Training - Safety	3,186	6,655	7,120	7,400	8,683	17.3%
Utilities - Gas & Electric	479,340	534,107	601,432	578,850	632,706	9.3%
Utilities - Internet	4,189	5,366	4,649	7,102	7,181	1.1%
Utilities - Telephone	17,008	19,395	19,370	19,999	20,000	0.0%
Utilities - Trash	3,249	3,452	3,969	2,900	3,025	4.3%
Utilities - Water	66,809	67,943	73,092	76,500	78,779	3.0%
Utilities - Water (Suppl.)	6,648	10,380	6,943	14,000	9,356	-33.2%
Vehicle Maintenance	7,877	5,474	6,244	10,990	11,338	3.2%
	<u>1,597,894</u>	<u>1,802,232</u>	<u>2,362,044</u>	<u>2,282,503</u>	<u>2,384,251</u>	<u>4.5%</u>
Capital Outlay	148,499	45,888	90,197	31,000	40,000	29.0%
Contingency	-	-	-	120,260	125,000	3.9%
Total Operating Cost	<u>\$ 4,425,432</u>	<u>\$ 4,383,642</u>	<u>\$ 5,115,437</u>	<u>\$ 5,188,883</u>	<u>\$ 5,323,993</u>	<u>2.6%</u>

Cost Detail by Program



Anaerobic Digesters



Cardiff Pump Station



Eden Gardens Pump Station



Reclaimed Water

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 depicting the Actual, Estimated, and Budgets by fiscal year for the Direct Salary and Wages:

Program	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Wastewater Treatment	48.3%	47.7%	45.3%	45.0%	45.3%
Laboratory	12.5%	13.0%	13.8%	13.5%	13.7%
Ocean Outfall	9.2%	8.4%	9.7%	10.7%	9.8%
Cardiff Sanitation District	5.3%	4.9%	5.1%	5.2%	5.3%
Encinitas Sanitation District	2.1%	2.1%	1.9%	2.3%	2.1%
Encinitas	0.8%	0.7%	0.7%	0.8%	0.7%
Solana Beach	5.4%	5.4%	5.9%	5.8%	5.7%
Reclaimed Water	16.3%	17.7%	17.6%	16.9%	17.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Wastewater Treatment

PROGRAM DESCRIPTION

This program is a cost center for all operation and maintenance activities for wastewater treatment at the San Elijo Water Reclamation Facility. Activities currently include full secondary wastewater treatment for the cities of Encinitas and Solana Beach 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.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

Wastewater treatment operations are projected to end the year approximately 1.6%, or roughly \$39,539 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 depict the budgets and estimated expenditures by classification.

Personnel costs for this program are forecast to be approximately \$18,727 below budgeted levels this year. This is primarily due to savings on Direct Salaries and Wages (\$10,585), Overtime Pay (\$10,978) and Workers Comp. Insurance (\$13,567) offset by the Retirement Plan – PERS (\$18,646).

Non-personnel costs such as supplies and services are expected to be approximately \$9,524 above budget. This variance is primarily due to above budget for Equipment Rental/Lease (\$21,494), Services Temp (\$13,658), Utilities–Gas & Electric (\$16,173), offset by below budget in Fuel (\$12,262), Seminars/Education (\$10,036), and Services-Grease & Scum (\$10,534). Capital Outlay is over budget by \$24,084 and this overage was funded with the use of Contingency (\$54,420).

2014-2015 ADOPTED BUDGET

Overall, the Wastewater Treatment operating budget will increase by \$96,129, or 4.0%, from the prior year's budget. Personnel costs will increase by approximately \$11,181 or 0.9%. Supplies and Services are expected to increase \$84,668 or 7.8% primarily due to Services-Temp (\$27,000), Services IT/GIS (\$12,958), and Utilities-Gas and Electric (\$27,934).

Contingency funding has been set at \$58,700 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 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 1,309,848	\$ 1,222,957	\$ 1,234,733	\$ 1,253,460	\$ 1,264,641
Supplies and Services	930,868	983,785	1,097,945	1,088,421	1,173,089
Capital Outlay	113,548	29,472	45,084	21,000	17,000
Contingency	-	-	-	54,420	58,700
Total Operating Cost	<u>2,354,264</u>	<u>2,236,214</u>	<u>2,377,762</u>	<u>2,417,301</u>	<u>2,513,430</u>
Capital Costs	1,025,048	782,000	858,000	858,000	907,000
Debt Service					
California Energy Commission	1,009,328				
2003 Refunding Bonds	11,526,875				
2011 Refunding Bonds	111,604	1,480,817	1,480,867	1,480,867	1,479,867
Total Debt Service	<u>12,647,807</u>	<u>1,480,817</u>	<u>1,480,867</u>	<u>1,480,867</u>	<u>1,479,867</u>
Total Costs	<u>\$ 16,027,119</u>	<u>\$ 4,499,031</u>	<u>\$ 4,716,629</u>	<u>\$ 4,756,168</u>	<u>\$ 4,900,297</u>

Wastewater Treatment Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 925,226	\$ 886,183	\$ 875,402	\$ 885,987	\$ 905,777
FICA Tax	-	110	-	-	-
Medicare Tax	14,022	13,236	13,418	12,783	13,064
State Unemployment Tax	4,416	4,592	4,763	4,286	4,112
Standby Pay	7,740	8,673	8,382	7,700	8,048
Overtime Pay	11,948	9,122	9,022	20,000	10,307
Dental/Vision	11,130	9,712	10,894	9,678	9,768
Employee Assistance Program	2,191	1,992	2,045	2,002	1,942
Life Insurance/Disability	7,419	6,388	7,633	6,850	6,970
Workers Comp. Insurance	11,349	(3,015)	2,816	16,383	17,634
Medical Insurance - Pers	106,368	102,414	108,620	112,909	108,955
Retirement Plan - PERS	170,380	147,233	152,531	133,885	136,527
Deferred Comp-employer	33,107	30,427	35,543	35,263	35,497
Uniforms - Boots	588	696	425	1,729	1,824
Payroll Processing Fees	2,785	2,819	3,239	2,367	2,558
Other Personnel Costs	1,179	2,376	-	1,638	1,658
	<u>1,309,848</u>	<u>1,222,957</u>	<u>1,234,733</u>	<u>1,253,460</u>	<u>1,264,641</u>
Supplies and Services					
Advertising	547	1,741	-	1,000	1,000
Bank Service Charges	1,182	2,631	2,074	3,000	3,000
Board Expense	169	178	59	900	200
Dues & Memberships	15,479	15,256	10,904	17,250	15,125
Equipment Rental/Lease	1,699	19,705	29,194	7,700	11,360
Fees - Disposal	380	129	1,000	2,000	2,000
Fees - Permits	36,493	36,502	37,169	29,500	29,500
Fuel	9,096	7,593	7,322	19,584	19,600
Insurance - Liability	16,123	4,919	15,777	18,750	18,750
Insurance - Property	9,101	10,162	12,665	11,500	12,065
Licenses	4,604	4,661	1,100	7,500	6,712
Minor Equip - Shop & Field	2,462	1,185	2,480	3,000	3,000
Postage/Shipping	1,681	1,900	2,029	1,200	1,200
Preemployment Screening	130	98	104	270	280
Printing	649	867	1,352	1,200	1,200
Rent	913	903	836	1,100	1,100
Repair Parts Expense	87,791	65,938	89,752	90,000	90,000
Seminars/Education	2,066	2,898	2,964	13,000	13,000
Services - Accounting	14,731	17,939	15,690	15,000	15,750
Services - Alarm	1,479	1,375	1,409	1,500	1,600

Cost detail continued on next page

Wastewater Treatment Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Services - Biosolids Hauling	147,333	145,208	151,157	160,000	162,000
Services - Engineering	4,220	39,682	30,000	30,000	33,000
Services - Grease & Scum	21,127	15,861	17,966	28,500	23,690
Services - Grit & Screenings	6,681	6,681	6,028	7,730	7,750
Services - Janitorial	10,592	10,592	11,476	12,000	12,000
Services - Laboratory	-	645	1,514	1,500	1,500
Services - Landscape	13,850	29,599	22,113	22,400	21,500
Services - Legal	37,491	26,962	35,000	37,500	38,000
Services - Maintenance	22,402	27,208	25,589	17,000	18,000
Services - Medical	851	910	905	900	947
Services - Other	9,094	2,105	9,304	10,500	10,650
Services - Professional	10,971	7,299	15,616	10,000	12,500
Services - Temp	-	-	13,658	-	27,000
Services - IT/GIS Support	-	-	-	-	12,958
Services - Testing	390	1,082	1,114	3,000	3,000
Services - Uniforms	2,774	2,848	3,517	2,025	2,126
Subcontractors	6,500	28,967	40,577	35,000	35,000
Subsistence - Meals	990	619	762	1,500	1,500
Subsistence - Travel/Rm & Bd	1,943	2,468	2,324	6,000	6,000
Supplies - Chem - Ferrous Chlo	53,392	46,772	55,928	50,000	55,000
Supplies - Chem - Odor	11,498	15,412	15,790	16,000	16,425
Supplies - Chem - Polymer	52,552	56,061	54,279	52,000	54,604
Supplies - Chem - Sodium Hypo	-	-	-	3,000	2,925
Supplies - Chemicals	1,918	3,415	3,084	3,000	3,000
Supplies - Janitorial	2,180	2,752	2,900	2,000	2,050
Supplies - Lab	-	-	341	-	500
Supplies - Office	9,180	8,242	8,282	9,500	9,500
Supplies - Safety	3,770	1,335	2,235	945	1,200
Supplies - Shop & Field	8,685	6,510	11,544	15,000	14,000
Training	1,558	1,383	2,587	2,925	2,787
Training - Safety	1,685	3,809	3,834	3,329	3,767
Utilities - Gas & Electric	199,896	211,354	226,173	210,000	237,934
Utilities - Internet	2,429	2,934	2,525	3,370	3,418
Utilities - Telephone	7,597	9,375	9,459	8,998	9,500
Utilities - Trash	3,249	3,452	3,969	2,900	3,025
Utilities - Water	62,595	62,512	68,591	70,000	72,341
Vehicle Maintenance	4,698	3,153	3,923	4,945	5,550
	<u>930,868</u>	<u>983,785</u>	<u>1,097,945</u>	<u>1,088,421</u>	<u>1,173,089</u>
Capital Outlay	113,548	29,472	45,084	21,000	17,000
Contingency	-	-	-	54,420	58,700
Total Operating Cost	<u>\$ 2,354,264</u>	<u>\$ 2,236,214</u>	<u>\$ 2,377,762</u>	<u>\$ 2,417,301</u>	<u>\$ 2,513,430</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 2014-2015, contract agreements include the Fairbanks Ranch Community Services District, the Rancho Santa Fe Community Services District, the Santa Fe Valley Community Services District, the Whispering Palms Community Services District, the City of Del Mar, and the City of Solana Beach Storm Water program.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

Laboratory services are expected to be approximately \$20,424 under budget. The savings were primarily in personnel costs (\$18,810) which are charged based on the time spent by staff on each program.

2014-2015 ADOPTED BUDGET

The laboratory services budget for Fiscal Year 2014-2015 will be \$6,716 below last year's budgeted level. The majority of the decrease is in Supplies-Lab (\$6,000) as the ocean outfall intensive monitoring is nearly complete.

Contingency funding has been set at \$4,900, which is approximately 10% of the budgeted supplies and services costs.

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 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 330,687	\$ 324,877	\$ 358,370	\$ 377,180	\$ 375,587
Supplies and Services	34,968	29,999	56,957	55,521	49,048
Capital Outlay	4,301	-	6,500	4,000	6,000
Contingency	-	-	-	5,550	4,900
Total Operating Cost	<u>\$ 369,956</u>	<u>\$ 354,876</u>	<u>\$ 421,827</u>	<u>\$ 442,251</u>	<u>\$ 435,535</u>

Laboratory Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 239,422	\$ 241,882	\$ 266,845	\$ 266,308	\$ 273,515
Medicare Tax	3,566	3,657	3,941	4,118	3,845
State Unemployment Tax	1,216	1,259	1,302	1,381	1,210
Standby Pay	-	6	-	-	-
Overtime Pay	2,215	1,267	2,012	1,500	1,855
Dental/Vision	2,665	2,440	2,750	3,118	2,875
Employee Assistance Program	525	500	516	638	572
Life Insurance/Disability	1,777	1,605	1,927	2,207	2,051
Workers Comp. Insurance	2,718	(803)	711	5,222	5,190
Medical Insurance - Pers	25,471	25,735	27,418	36,372	32,067
Retirement Plan - PERS	40,799	37,088	38,503	43,130	40,182
Deferred Comp-employer	9,013	8,928	10,944	11,359	10,447
Uniforms - Boots	428	447	515	551	537
Payroll Processing Fees	667	710	818	754	753
Other Personnel Costs	206	155	167	522	488
	<u>330,687</u>	<u>324,877</u>	<u>358,370</u>	<u>377,180</u>	<u>375,587</u>

Cost detail continued on next page

Laboratory Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Supplies and Services					
Dues & Memberships	665	614	1,724	500	550
Equipment Rental/Lease	-	-	-	500	-
Fuel	-	-	-	500	500
Insurance - Liability	15	-	-	-	-
Licenses	3,461	2,504	2,637	3,400	3,051
Minor Equip - Shop & Field	98	29	136	1,000	1,000
Postage/Shipping	210	265	263	400	400
Preemployment Screening	31	25	26	86	86
Printing	26	26	27	-	25
Rent	12	19	-	-	25
Repair Parts Expense	373	401	12,111	2,500	2,500
Seminars/Education	25	254	262	1,000	1,000
Services - Engineering	363	-	-	-	-
Services - Laboratory	12,941	13,517	16,557	15,000	15,000
Services - Legal	-	-	170	-	-
Services - Maintenance	1,486	681	2,575	4,500	2,575
Services - Medical	204	163	205	286	279
Services - Other	82	4	1,999	2,000	2,000
Services - Professional	586	931	1,017	1,000	1,000
Services - Testing	153	-	100	-	100
Services - Uniforms	664	718	812	643	675
Services - IT/GIS Support	-	-	-	-	3,624
Subsistence - Meals	35	74	33	250	250
Subsistence - Travel/Rm & Bd	-	142	147	500	500
Supplies - Lab	11,228	6,069	12,467	13,000	7,000
Supplies - Office	7	571	-	300	300
Supplies - Safety	371	76	70	300	300
Supplies - Shop & Field	-	198	563	500	500
Training	336	349	653	929	915
Training - Safety	393	697	772	1,057	1,583
Utilities - Internet	460	651	630	943	650
Utilities - Telephone	742	925	994	2,857	1,160
Vehicle Maintenance	-	97	6	1,570	1,500
	<u>34,968</u>	<u>29,999</u>	<u>56,957</u>	<u>55,521</u>	<u>49,048</u>
Capital Outlay	4,301	-	6,500	4,000	6,000
Contingency	-	-	-	5,550	4,900
Total Operating Cost	<u>\$ 369,956</u>	<u>\$ 354,876</u>	<u>\$ 421,827</u>	<u>\$ 442,251</u>	<u>\$ 435,535</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 with 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).

2013-2014 ESTIMATED ACTUAL EXPENDITURES

The Ocean Outfall Program is expected to be approximately \$36,874 under budget this year. Personnel costs are projected to be \$38,694 under budget. The Supplies and Services are estimated to be over budget by \$17,950. This is due to Services-Engineering (\$30,000) due to the Ocean Outfall Study, and Utilities-Gas and Electric (\$14,192) being over budget. Services-Laboratory (\$23,513) is expected to be under budget. Contingency funding of \$16,130 is not anticipated to be used this fiscal year.

2014-15 ADOPTED BUDGET

The Ocean Outfall Program budget for Fiscal Year 2014-2015 will decrease \$52,188 this year due to the completion of the intensive ocean monitoring program. This results in a \$59,000 reduction in Subcontractors. Personnel Costs are expected to decrease \$17,387. Services-Engineering (\$20,000) and Utilities-Gas and Electric (\$16,685) are expected to increase offset by savings in Services-Laboratory (\$23,250).

Contingency funding is set at \$14,200, which is approximately 5% 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 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 230,815	\$ 204,165	\$ 238,846	\$ 277,540	\$ 260,153
Supplies and Services	96,805	106,902	340,500	322,550	283,679
Capital Outlay	-	-	6,000	6,000	12,000
Contingency	-	-	-	16,130	14,200
Total Operating Cost	327,621	311,067	585,346	622,220	570,032
Capital Costs		200,000	200,000	200,000	200,000
Total Costs	<u>\$ 327,621</u>	<u>\$ 511,067</u>	<u>\$ 785,346</u>	<u>\$ 822,220</u>	<u>\$ 770,032</u>

Ocean Outfall Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 176,423	\$ 156,473	\$ 186,597	\$ 210,806	\$ 195,095
Medicare Tax	2,635	2,371	2,477	2,407	2,417
State Unemployment Tax	603	575	599	807	761
Standby Pay	1,074	1,203	1,163	1,185	1,239
Overtime Pay	866	419	1,044	1,000	824
Dental/Vision	1,514	1,346	1,513	1,822	1,807
Employee Assistance Program	298	276	284	425	359
Life Insurance/Disability	1,009	885	1,060	1,290	1,290
Workers Comp. Insurance	1,544	(428)	391	3,480	3,262
Medical Insurance - Pers	14,468	14,193	15,080	21,256	20,157
Retirement Plan - PERS	23,174	20,424	21,177	25,205	25,258
Deferred Comp-employer	6,632	5,853	6,862	6,639	6,567
Uniforms - Boots	80	97	59	367	337
Payroll Processing Fees	379	391	450	503	473
Other Personnel Costs	117	85	92	348	307
	<u>230,815</u>	<u>204,165</u>	<u>238,846</u>	<u>277,540</u>	<u>260,153</u>

Cost detail continued on next page

Ocean Outfall Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Supplies and Services					
Dues & Memberships	8	8	595	-	-
Fuel	952	1,025	995	2,560	2,500
Insurance - Liability	5,792	6,831	6,311	7,500	7,500
Insurance - Property	3,640	4,065	5,066	4,600	4,800
Licenses	626	1,101	153	1,000	1,285
Minor Equip - Shop & Field	56	16	75	-	75
Postage/Shipping	-	-	11	-	12
Preemployment Screening	18	14	14	60	60
Printing	14	15	15	-	15
Rent	7	10	-	-	15
Repair Parts Expense	203	1,349	4,453	5,000	5,000
Seminars/Education	14	-	-	-	-
Services - Engineering	206	4,500	50,000	20,000	40,000
Services - Laboratory	9,187	8,970	12,487	36,000	12,750
Services - Legal	-	-	94	4,000	4,000
Services - Maintenance	247	165	905	-	900
Services - Medical	116	90	113	199	175
Services - Other	46	5,686	0	-	-
Services - Professional	333	512	4,919	-	5,000
Services - IT/GIS Support	-	-	-	-	2,293
Services - Testing	237	-	-	-	-
Services - Uniforms	377	395	447	447	469
Subcontractors	38,960	22,447	196,911	195,000	136,000
Subsistence - Meals	20	41	18	-	20
Subsistence - Travel/Rm & Bd	-	-	23	-	25
Supplies - Lab	3,808	2,776	6,495	6,900	7,000
Supplies - Office	4	-	-	-	-
Supplies - Safety	207	(26)	39	209	40
Supplies - Shop & Field	-	113	395	200	200
Training	191	192	359	646	645
Training - Safety	223	383	392	736	740
Utilities - Gas & Electric	29,997	44,914	47,942	33,750	50,435
Utilities - Internet	261	359	301	656	300
Utilities - Telephone	422	509	512	1,989	550
Vehicle Maintenance	634	443	461	1,098	875
	<u>96,805</u>	<u>106,902</u>	<u>340,500</u>	<u>322,550</u>	<u>283,679</u>
Capital Outlay	-	-	6,000	6,000	12,000
Contingency	-	-	-	16,130	14,200
Total Operating Cost	<u>\$ 327,621</u>	<u>\$ 311,067</u>	<u>\$ 585,346</u>	<u>\$ 622,220</u>	<u>\$ 570,032</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.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

The CSD remote facilities should see savings this year of approximately \$21,649. It is estimated that \$3,676 of this will be in personnel costs, \$4,623 in supplies and services. Contingency funding of \$13,350 is not anticipated to be used.

2014-2015 ADOPTED BUDGET

Overall, the CSD's pump station budget will increase by \$2,645, or 1.2% from last year's budget. Personnel expense will increase by \$5,485 or 3.8%. Supplies and Services are expected to decrease \$2,890 or 4.1%.

Contingency funding has been set at \$13,400, 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 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 157,743	\$ 129,399	\$ 139,934	\$ 143,610	\$ 149,095
Supplies and Services	76,220	59,755	65,149	69,772	66,882
Capital Outlay	-	12,076	-	-	-
Contingency	-	-	-	13,350	13,400
Total Operating Cost	233,964	201,230	205,083	226,732	229,377
Capital Costs	10,667				
Total Costs	<u>\$ 244,631</u>	<u>\$ 201,230</u>	<u>\$ 205,083</u>	<u>\$ 226,732</u>	<u>\$ 229,377</u>
Cardiff Pump Station	78,860	94,598	94,303	112,210	108,523
Coast Blvd Pump Station	31,540	33,104	39,771	40,051	42,224
Olivenhain Pump Station	123,564	73,528	71,009	74,471	78,630
Total Operating Cost	<u>\$ 233,964</u>	<u>\$ 201,230</u>	<u>\$ 205,083</u>	<u>\$ 226,732</u>	<u>\$ 229,377</u>

Cardiff Sanitary Division Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 102,028	\$ 90,455	\$ 98,433	\$ 101,721	\$ 105,021
FICA Tax	-	2	-	-	-
Medicare Tax	1,746	1,454	1,365	1,435	1,460
State Unemployment Tax	1,270	452	470	482	459
Standby Pay	822	908	877	708	739
Overtime Pay	15,460	4,651	4,641	3,000	5,278
Dental/Vision	1,162	1,018	1,142	1,087	1,092
Employee Assistance Program	229	209	215	229	218
Life Insurance/Disability	774	670	800	768	779
Workers Comp. Insurance	1,185	(318)	295	1,869	1,971
Medical Insurance - Pers	11,106	10,735	11,389	12,671	12,177
Retirement Plan - PERS	17,788	15,435	15,993	15,026	15,258
Deferred Comp-employer	3,732	3,297	3,858	3,958	3,967
Uniforms - Boots	61	73	45	198	204
Payroll Processing Fees	291	296	340	271	286
Other Personnel Costs	90	64	69	187	186
	<u>157,743</u>	<u>129,399</u>	<u>139,934</u>	<u>143,610</u>	<u>149,095</u>

Cost detail continued on next page

Cardiff Sanitary Division Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Supplies and Services					
Dues & Memberships	6	6	449	-	-
Equipment Rental/Lease	17,401	1,506	1,160	-	-
Fees - Permits	1,456	1,076	1,098	1,400	1,400
Fuel	3,393	1,165	1,249	1,330	1,320
Insurance - Liability	7	-	-	-	-
Licenses	481	60	115	1,000	1,183
Minor Equip - Shop & Field	43	12	57	700	700
Postage/Shipping	-	-	8	-	-
Preemployment Screening	14	10	11	31	34
Printing	11	11	11	-	11
Rent	5	8	-	-	12
Repair Parts Expense	3,265	12,468	14,167	14,000	14,000
Seminars/Education	11	-	-	-	-
Services - Alarm	1,641	1,604	1,644	1,500	1,850
Services - Engineering	158	300	-	-	-
Services - Grease & Scum	2,084	2,848	2,699	6,000	2,700
Services - Grit & Screenings	-	-	-	2,300	-
Services - Landscape	-	-	5,505	6,000	5,000
Services - Legal	-	-	71	-	-
Services - Maintenance	2,677	7,908	9,494	2,800	6,500
Services - Medical	89	68	85	104	390
Services - Other	36	2	1	-	-
Services - Professional	256	387	90	-	-
Services - IT/GIS Support	-	-	-	-	1,471
Services - Testing	473	267	275	2,500	1,550
Services - Uniforms	290	299	337	233	245
Subsistence - Meals	15	44	14	-	-
Supplies - Chemicals	983	1,012	834	1,200	1,200
Supplies - Office	3	-	-	-	-
Supplies - Safety	361	268	317	109	110
Supplies - Shop & Field	260	85	596	200	425
Training	146	145	271	336	353
Training - Safety	171	390	501	382	385
Utilities - Gas & Electric	36,784	23,788	19,720	23,000	20,746
Utilities - Internet	201	271	227	341	350
Utilities - Telephone	1,531	1,397	1,428	1,033	1,600
Utilities - Water	1,485	2,016	2,364	2,700	2,773
Vehicle Maintenance	485	334	348	573	575
	<u>76,220</u>	<u>59,755</u>	<u>65,149</u>	<u>69,772</u>	<u>66,882</u>
Capital Outlay	-	12,076	-	-	-
Contingency	-	-	-	13,350	13,400
Total Operating Cost	<u>\$ 233,964</u>	<u>\$ 201,230</u>	<u>\$ 205,083</u>	<u>\$ 226,732</u>	<u>\$ 229,377</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.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

It is anticipated that the ESD pump station will be \$8,909 or 6.8% below budget this year. Contingency funding of \$9,114 was used to rebuild a sewage grinder that failed.

2014-2015 ADOPTED BUDGET

For Fiscal Year 2014-2015, the ESD pump station budget will increase by approximately \$7,279 or 5.6%. Personnel expense will decrease \$2,757 or 4.2% and supplies and services are projected to increase \$8,366 primarily due to Utilities-Gas and Electric (\$3,477) and Services-Maintenance (\$3,500). All major capital improvement projects will be budgeted, funded, and managed by the City of Encinitas.

Contingency funding has been set to \$12,500, 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 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 57,865	\$ 58,297	\$ 56,132	\$ 65,200	\$ 62,443
Supplies and Services	56,887	55,607	56,005	54,130	62,496
Capital Outlay	-	-	9,114	-	-
Contingency	-	-	-	10,830	12,500
Total Operating Cost	114,752	113,904	121,251	130,160	137,439
Capital Costs	10,667				
Total Costs	<u>\$ 125,419</u>	<u>\$ 113,904</u>	<u>\$ 121,251</u>	<u>\$ 130,160</u>	<u>\$ 137,439</u>

Encinitas Sanitary Division is the Moonlight Beach Pump Station.

Encinitas Sanitary Division Pump Station Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 40,167	\$ 39,434	\$ 36,191	\$ 45,203	\$ 41,688
FICA Tax	-	1	-	-	-
Medicare Tax	617	659	545	686	616
State Unemployment Tax	219	202	210	230	194
Standby Pay	358	401	388	322	337
Overtime Pay	947	3,767	3,894	1,500	4,351
Dental/Vision	501	448	503	519	461
Employee Assistance Program	99	92	95	104	92
Life Insurance/Disability	334	294	353	367	329
Workers Comp. Insurance	511	(143)	130	847	832
Medical Insurance - Pers	4,789	4,722	5,020	6,055	5,141
Retirement Plan - PERS	7,670	6,797	7,049	7,180	6,442
Deferred Comp-employer	1,463	1,432	1,554	1,891	1,675
Uniforms - Boots	27	32	20	89	86
Payroll Processing Fees	125	130	150	122	121
Other Personnel Costs	39	28	31	85	78
	<u>57,865</u>	<u>58,297</u>	<u>56,132</u>	<u>65,200</u>	<u>62,443</u>

Cost detail continued on next page

Encinitas Sanitary Division Pump Station Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Supplies and Services					
Dues & Memberships	3	3	198	-	-
Fees - Permits	1,653	1,610	1,650	2,100	2,100
Fuel	761	1,336	374	591	600
Insurance - Liability	3	-	-	-	-
Licenses	207	1,048	51	1,000	1,081
Minor Equip - Shop & Field	18	5	25	-	25
Postage/Shipping	-	-	4	-	-
Preemployment Screening	6	5	5	14	14
Printing	5	5	5	-	5
Rent	2	3	-	-	5
Repair Parts Expense	7,006	8,028	5,929	5,000	5,000
Seminars/Education	5	-	-	-	-
Services - Alarm	547	535	548	750	750
Services - Engineering	68	-	-	-	-
Services - Legal	-	-	31	-	-
Services - Maintenance	7,870	2,319	2,506	1,000	4,500
Services - Medical	38	30	37	46	10
Services - Other	15	1	1	-	-
Services - Professional	110	170	40	-	40
Services - IT/GIS Support	-	-	-	-	681
Services - Testing	237	118	121	-	120
Services - Uniforms	125	131	149	103	108
Subsistence - Meals	7	14	6	-	-
Supplies - Office	1	-	-	-	-
Supplies - Safety	156	118	119	48	50
Supplies - Shop & Field	76	37	263	-	-
Training	63	64	120	149	150
Training - Safety	74	172	172	170	170
Utilities - Gas & Electric	37,393	39,297	43,229	42,000	45,477
Utilities - Internet	87	119	100	152	960
Utilities - Telephone	140	169	169	459	200
Utilities - Water	-	122	-	300	300
Vehicle Maintenance	211	148	154	248	150
	<u>56,887</u>	<u>55,607</u>	<u>56,005</u>	<u>54,130</u>	<u>62,496</u>
Capital Outlay	-	-	9,114	-	-
Contingency	-	-	-	10,830	12,500
Total Operating Cost	<u>\$ 114,752</u>	<u>\$ 113,904</u>	<u>\$ 121,251</u>	<u>\$ 130,160</u>	<u>\$ 137,439</u>

City of Encinitas

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, and the Storm Drain Sediment Drying and Disposal program. The actual costs incurred are borne solely by the City of Encinitas.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

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

2014-2015 ADOPTED BUDGET

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

Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Reclamation Facility, where the wastewater biosolids are treated and dewatered, then hauled by contractor to Arizona for beneficial reuse through land application. 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 Cost Summary

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 21,456	\$ 18,653	\$ 19,894	\$ 20,350	\$ 21,085
Supplies and Services	4,821	5,119	7,283	7,271	7,464
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	26,277	23,772	27,177	27,621	28,549
Capital Costs	10,667				
Total Costs	<u>\$ 36,944</u>	<u>\$ 23,772</u>	<u>\$ 27,177</u>	<u>\$ 27,621</u>	<u>\$ 28,549</u>
Phoebe Storm Drain	\$ 3,000	\$ 2,369	\$ 2,384	\$ 3,700	\$ 3,930
Urban Runoff Station	16,080	15,843	17,885	15,821	17,239
Storm Drain Sediment Drying	7,197	5,560	6,909	8,100	7,380
Total Operating Cost	<u>\$ 26,277</u>	<u>\$ 23,772</u>	<u>\$ 27,177</u>	<u>\$ 27,621</u>	<u>\$ 28,549</u>

City of Encinitas Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 15,752	\$ 13,169	\$ 14,068	\$ 14,923	\$ 14,984
Medicare Tax	239	210	213	199	201
State Unemployment Tax	54	74	76	67	63
Standby Pay	111	127	123	112	118
Overtime Pay	226	687	617	-	740
Dental/Vision	160	141	159	151	151
Employee Assistance Program	32	29	30	32	30
Life Insurance/Disability	107	93	111	106	107
Workers Comp. Insurance	163	(45)	41	261	271
Medical Insurance - Pers	1,528	1,490	1,582	1,765	1,679
Retirement Plan - PERS	2,448	2,143	2,222	2,094	2,103
Deferred Comp-employer	575	475	590	551	546
Uniforms - Boots	9	10	6	28	28
Payroll Processing Fees	40	41	47	36	39
Other Personnel Costs	12	9	10	25	25
	<u>21,456</u>	<u>18,653</u>	<u>19,894</u>	<u>20,350</u>	<u>21,085</u>

Cost detail continued on next page

City of Encinitas Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Supplies and Services					
Dues & Memberships	1	1	62	-	-
Fuel	99	108	105	182	188
Insurance - Liability	1	-	-	-	-
Licenses	66	8	16	-	35
Minor Equip - Shop & Field	6	2	8	-	11
Postage/Shipping	-	-	1	-	-
Preemployment Screening	2	1	2	5	4
Printing	2	2	2	-	2
Rent	1	1	-	-	2
Repair Parts Expense	307	1,601	3,561	1,850	1,850
Seminars/Education	2	-	-	-	-
Services - Engineering	22	-	-	-	-
Services - Grit & Screenings	3,990	2,939	3,162	4,500	4,500
Services - Legal	-	-	10	-	-
Services - Maintenance	26	17	16	-	-
Services - Medical	12	9	12	14	14
Services - Other	5	0	0	-	-
Services - Professional	35	54	13	-	4
Services - Uniforms	40	41	47	32	34
Subsistence - Meals	2	4	2	-	-
Supplies - Office	0	-	-	-	-
Supplies - Safety	22	(3)	4	15	15
Supplies - Shop & Field	-	12	42	-	20
Training	20	20	38	47	49
Training - Safety	24	40	52	54	57
Services - IT/GIS Support	-	-	-	-	195
Utilities - Internet	28	38	32	48	35
Utilities - Telephone	45	53	50	144	70
Utilities - Water	-	122	-	300	300
Vehicle Maintenance	65	47	49	80	80
	<u>4,821</u>	<u>5,119</u>	<u>7,283</u>	<u>7,271</u>	<u>7,464</u>
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	<u>\$ 26,277</u>	<u>\$ 23,772</u>	<u>\$ 27,177</u>	<u>\$ 27,621</u>	<u>\$ 28,549</u>

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, as well as the Storm Drain Sediment Drying & Disposal Program. The actual costs incurred are borne solely by the City of Solana Beach.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

The SB pump stations should be \$2,216 or 0.8% under budget this year. Personnel expense should be at budget; however, Supplies and Services is planned to be over budget by \$18,564 as a result of planned Services Engineering \$11,000 and Services-Maintenance. These expenses are directly related to the Solana Beach Pump Station. Contingency funding was used for the San Elijo Hills generator project (\$11,000) and to address an electrical system failure at the Solana Beach pump station (\$7,000).

The Storm Drain Sediment Drying and Disposal program for the City of Solana Beach is anticipated to be below budget this year by \$2,460.

2014-2015 ADOPTED BUDGET

Overall, the SB pump stations budget will increase \$11,858 or 4.2% from the prior year's budget. Personnel expense will increase \$3,468 or 2.2% and supplies and services are projected to increase \$7,070 or 6.8% as a result of Utilities-Gas and Electric (\$4,537), Services-Maintenance (\$2,500). There is no Capital Outlay budgeted for the pump stations this year. Major capital improvement projects will be budgeted, funded, and managed by the City of Solana Beach with the exception of the San Elijo Hills generator project. The SEJPA will be managing the San Elijo Hills Generator project for the City of Solana Beach.

The Eden Gardens and Solana Beach Pump Stations have planned increases for maintenance that includes both electrical and painting.

Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Reclamation Facility, where the wastewater biosolids are treated and dewatered, then hauled by contractor to Arizona for beneficial reuse through land application. 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 \$21,300, which is approximately 20% of budgeted supplies and services costs for the pump stations that is consistent with contingency funding for prior years. 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 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 147,605	\$ 141,475	\$ 157,420	\$ 158,220	\$ 161,688
Supplies and Services	87,834	106,004	123,182	104,618	111,688
Capital Outlay	12,128	-	-	-	-
Contingency	-	-	-	19,980	21,300
Total Operating Cost	<u>247,567</u>	<u>247,479</u>	<u>280,602</u>	<u>282,818</u>	<u>294,676</u>
Capital Costs	21,334				
Total Costs	<u>\$ 268,901</u>	<u>\$ 247,479</u>	<u>\$ 280,602</u>	<u>\$ 282,818</u>	<u>\$ 294,676</u>
Eden Gardens Pump Station	72,184	75,790	75,883	87,101	91,578
Solana Beach Pump Station	100,099	106,974	128,061	112,078	120,112
San Elijo Hills Pump Station	52,252	41,583	55,868	57,581	58,774
Fletcher Cove Pump Station	16,499	18,619	16,081	18,889	18,082
Storm Drain Sediment Drying	6,533	4,513	4,709	7,169	6,130
Total Operating Cost	<u>\$ 247,567</u>	<u>\$ 247,479</u>	<u>\$ 280,602</u>	<u>\$ 282,818</u>	<u>\$ 294,676</u>

Solana Beach Pump Stations Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 102,467	\$ 100,410	\$ 113,589	\$ 113,524	\$ 114,006
FICA Tax	-	2	-	-	-
Medicare Tax	1,608	1,617	1,386	1,495	1,530
State Unemployment Tax	455	444	463	501	481
Standby Pay	856	916	885	774	809
Overtime Pay	4,602	5,794	6,498	4,000	6,974
Dental/Vision	1,205	1,035	1,159	1,131	1,145
Employee Assistance Program	237	212	218	248	228
Life Insurance/Disability	803	681	812	802	816
Workers Comp. Insurance	1,228	(315)	300	2,037	2,066
Medical Insurance - Pers	11,513	10,914	11,558	13,209	12,767
Retirement Plan - PERS	18,442	15,678	16,230	15,661	15,998
Deferred Comp-employer	3,731	3,648	3,863	4,125	4,160
Uniforms - Boots	63	74	45	216	213
Payroll Processing Fees	301	300	345	294	300
Other Personnel Costs	93	65	70	203	195
	<u>147,605</u>	<u>141,475</u>	<u>157,420</u>	<u>158,220</u>	<u>161,688</u>

Cost detail continued on next page

Solana Beach Pump Stations Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Supplies and Services					
Dues & Memberships	6	6	456	-	-
Equipment Rental/Lease	593	5,844	3,704	-	-
Fees - Permits	1,615	1,864	1,928	1,900	2,100
Fuel	1,633	780	852	1,457	1,448
Insurance - Liability	7	-	-	-	-
Licenses	498	1,083	1,017	1,000	2,241
Minor Equip - Shop & Field	44	12	57	-	10
Postage/Shipping	-	-	8	-	-
Preemployment Screening	14	10	11	34	30
Printing	11	11	11	-	11
Rent	5	8	-	-	35
Repair Parts Expense	10,593	18,805	19,834	23,500	20,000
Seminars/Education	11	-	-	-	-
Services - Alarm	2,187	2,139	2,991	3,000	2,600
Services - Engineering	164	2,738	11,000	-	-
Services - Grit & Screenings	3,990	2,939	3,162	4,500	4,500
Services - Legal	-	-	72	-	-
Services - Maintenance	5,687	8,693	9,935	2,500	5,000
Services - Medical	92	69	86	115	140
Services - Other	37	2	1	-	-
Services - Professional	265	392	92	-	65
Services - Testing	518	269	277	-	445
Services - Uniforms	300	303	342	257	270
Services - IT/GIS Support	-	-	-	-	1,551
Subsistence - Meals	25	71	14	-	55
Supplies - Office	4	-	-	-	-
Supplies - Safety	369	269	255	119	125
Supplies - Shop & Field	181	86	666	-	370
Training	152	147	275	370	346
Training - Safety	177	395	561	423	514
Utilities - Gas & Electric	54,072	53,942	61,442	60,100	64,637
Utilities - Internet	208	275	230	378	254
Utilities - Telephone	1,140	1,344	1,414	1,143	1,520
Utilities - Water	2,730	3,171	2,137	3,200	3,064
Vehicle Maintenance	506	337	351	622	358
	<u>87,834</u>	<u>106,004</u>	<u>123,182</u>	<u>104,618</u>	<u>111,688</u>
Capital Outlay	12,128	-	-	-	-
Contingency	-	-	-	19,980	21,300
Total Operating Cost	<u>\$ 247,567</u>	<u>\$ 247,479</u>	<u>\$ 280,602</u>	<u>\$ 282,818</u>	<u>\$ 294,676</u>

Water Reclamation

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). SEJPA financed, permitted, and constructed the recycled water utility which became operational in September 2000. SEJPA's recycled water program typically delivers between 1,100 and 1,300 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, Ecke YMCA, Del Mar Fairgrounds, local schools, parks, businesses, and street/freeway landscape. The facility can currently produce up to 3.02 million gallons per day of recycled water.

2013-2014 ESTIMATED ACTUAL EXPENDITURES

FY 2013-2014 is the 13th full year of the Water Recycling Program. This program receives revenue from different customers with different levels of service. In FY 2011-2012, the program began selling recycled water directly to the Encinitas Ranch Golf Authority (ERGA) under an interruptible water supply agreement. Under the agreement, the rate charged to ERGA increases by 5% each year. Since ERGA was a customer of SDWD, this agreement decreased the minimum purchase obligation of the SDWD to the SEJPA. In 2012, the SEJPA entered into an interruptible supply agreement with the Olivenhain Municipal Water District (OMWD) to provide recycled water; delivery began in April 2013. The recycled water program also receives performance incentives in the amount of \$250 per AF from the Metropolitan Water District (MWD) and \$200 per AF from the San Diego County Water Authority (SDCWA).

Budgeted revenue for the recycled water program is \$2,186,600, while actual revenues are anticipated to be \$2,264,127.

Budgeted operating expenditures total \$1,039,780 and estimated expenditures are projected to be \$1,096,388, or 5.4% above budget as a result of additional 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 (\$148,156) and the Santa Fe Irrigation District Pipeline (\$13,500) for a total of \$996,331.

2014-2015 ADOPTED BUDGET

Budgeted water sales revenue for this program is planned to be \$2,313,662, which is up 5.8%, or \$127,062 from prior year's budget. This is due primarily to the water deliveries to the Olivenhain Municipal Water District (OMWD).

The Water Reclamation operating cost budget is planned to be \$1,114,954, an increase of approximately \$75,174 over prior year's budget. Personnel costs for the Fiscal Year 2014-2015 budget are based on projections of estimated staff effort required to operate the program and are planned to increase \$20,490 or 4.5%. Supplies and services are planned to increase by \$49,684 or 8.6% primarily due to Rent (\$22,500) that is based on acre feet delivered, Services-Engineering (\$20,000), Services-IT/GIS Support (\$14,627) offset by reductions in Fees-Purveyor Administration (\$23,800). Capital Outlay is budgeted at \$5,000 for this year.

Capital Costs are planned to be \$150,000 for pipeline engineering related to the relocation of the pipeline for the Caltrans right-of-way and the connection of the Wiegand Tank Reservoir.

Debt service is planned to be \$996,328; detailed information on this program can be found in the Debt Service section of this budget.

Contingency funding is not budgeted for the Water Reclamation 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.

Water Reclamation Cost Summary

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel	\$ 423,019	\$ 435,699	\$ 457,866	\$ 459,560	\$ 480,050
Supplies and Services	309,491	455,061	615,024	580,220	629,904
Capital Outlay	18,522	4,340	23,498	-	5,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>751,032</u>	<u>895,099</u>	<u>1,096,388</u>	<u>1,039,780</u>	<u>1,114,954</u>
Capital Costs	646,526	3,953,193	40,000	40,000	150,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
Advanced Water Treatment	74,077	148,153	148,153	148,156	148,153
SFID Pipeline Loan		52,230	13,500	13,500	13,500
Total Debt Service	<u>908,752</u>	<u>1,035,058</u>	<u>996,328</u>	<u>996,331</u>	<u>996,328</u>
Total Costs	<u>\$ 2,306,310</u>	<u>\$ 5,883,350</u>	<u>\$ 2,132,716</u>	<u>\$ 2,076,111</u>	<u>\$ 2,261,282</u>

Water Reclamation Operating Cost Detail

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Personnel					
Direct Salaries and Wages	\$ 312,679	\$ 328,034	\$ 340,625	\$ 332,424	\$ 348,261
FICA Tax	-	37	-	-	-
Medicare Tax	4,744	5,052	5,795	4,060	4,443
State Unemployment Tax	1,315	1,323	1,371	1,361	1,399
Standby Pay	2,120	2,412	2,334	2,201	2,301
Overtime Pay	6,340	12,326	11,727	16,000	13,669
Dental/Vision	2,985	2,695	3,034	3,074	3,322
Employee Assistance Program	588	553	570	721	661
Life Insurance/Disability	1,990	1,772	2,126	2,176	2,371
Workers Comp. Insurance	3,044	(872)	784	5,899	5,998
Medical Insurance - Pers	28,528	28,424	30,245	35,859	37,059
Retirement Plan - PERS	45,695	40,935	42,472	42,521	46,438
Deferred Comp-employer	11,759	11,811	15,695	11,199	12,074
Uniforms - Boots	253	194	118	623	620
Payroll Processing Fees	747	784	902	852	870
Other Personnel Costs	231	218	70	590	564
	<u>423,019</u>	<u>435,699</u>	<u>457,866</u>	<u>459,560</u>	<u>480,050</u>
Supplies and Services					
Board Expense	6	-	2	400	100
Dedication Ceremony	-	-	244	-	-
Dues & Memberships	1,210	1,589	2,238	600	2,905
Equipment Rental/Lease	-	-	-	3,600	3,600
Fees - Permits	2,283	3,188	18,537	25,500	25,500
Fees - Purveyor Admin	-	19,652	22,929	23,800	-
Fuel	3,496	3,568	3,756	4,346	4,800
Insurance - Liability	7,089	5,036	9,466	11,250	12,000
Insurance - Property	5,460	6,097	7,599	6,900	7,000
Licenses	1,235	1,182	306	2,500	5,426
Minor Equip - Shop & Field	2,260	76	2,202	2,000	2,000
Postage/Shipping	57	20	61	200	200
Preemployment Screening	35	27	29	101	100
Printing	135	149	188	400	350
Rent	13	10,479	45,000	22,500	45,000
Repair Parts Expense	40,408	22,216	38,878	40,000	42,000
Retrofit Expenses	-	2,342	-	20,000	10,000
Seminars/Education	1,352	1,180	1,652	3,000	3,500
Services - Accounting	4,744	5,906	6,480	5,000	5,250
Services - Alarm	842	677	770	1,000	1,250

Cost detail continued on next page

Water Reclamation Operating Cost Detail Continued

Operating Cost	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Services - Engineering	39,822	65,926	39,300	25,000	45,000
Services - Laboratory	646	671	1,565	2,500	2,500
Services - Landscape	-	10,752	-	2,000	2,000
Services - Legal	2,478	10,759	11,642	6,000	10,000
Services - Lobbying	-	15,323	15,692	16,000	16,000
Services - Maintenance	3,167	4,575	6,025	5,000	7,500
Services - Medical	228	180	226	338	45
Services - Other	6,108	605	1,101	1,200	1,200
Services - Professional	1,729	4,563	11,482	5,000	8,000
Services - IT/GIS Support	-	-	-	-	14,627
Services - Testing	237	-	1,033	500	500
Services - Uniforms	744	792	896	760	798
Subcontractors	10,500	27,929	63,848	20,000	25,000
Subsistence - Meals	181	267	469	900	900
Subsistence - Travel/Rm & Bd	1,705	2,510	2,423	2,000	2,000
Supplies - Chem - Odor	-	719	741	-	1,000
Supplies - Chem - Polymer	-	-	-	2,880	2,880
Supplies - Chem - Sodium Hypo	31,599	31,085	47,538	50,900	50,893
Supplies - Chemicals	343	12,581	27,345	28,000	28,990
Supplies - Lab	1,691	1,296	2,349	2,500	2,500
Supplies - Office	239	159	112	500	500
Supplies - Safety	594	250	(174)	355	350
Supplies - Shop & Field	1,007	1,136	2,752	2,000	2,000
Training	376	385	720	1,097	575
Training - Safety	440	768	835	1,249	1,467
Utilities - Gas & Electric	121,198	160,812	202,926	210,000	213,478
Utilities - Internet	515	719	604	1,214	1,214
Utilities - Telephone	5,391	5,623	5,345	3,376	5,400
Utilities - Water (Suppl.)	6,648	10,380	6,943	14,000	9,356
Vehicle Maintenance	1,278	915	952	1,854	2,250
	<u>309,491</u>	<u>455,061</u>	<u>615,024</u>	<u>580,220</u>	<u>629,904</u>
Capital Outlay	18,522	4,340	23,498	-	5,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>\$ 751,032</u>	<u>\$ 895,099</u>	<u>\$ 1,096,388</u>	<u>\$ 1,039,780</u>	<u>\$ 1,114,954</u>

Capital Programs



Advanced Water Treatment Facility



Flow Equalization Basin Covers

Capital Programs Project Summary

Program	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Wastewater Treatment	\$ 1,025,048	\$ 782,000	\$ 858,000	\$ 858,000	\$ 907,000
Ocean Outfall	-	200,000	200,000	200,000	200,000
Cardiff Sanitary Division	10,667	-	-	-	-
City of Encinitas	10,667	-	-	-	-
Encinitas Sanitary Division	10,667	-	-	-	-
Solana Beach Pump Stations	21,334	-	-	-	-
City of Solana Beach					
Water Reclamation	646,526	3,953,193	40,000	40,000	150,000
Total Capital Cost	<u>\$ 1,724,909</u>	<u>\$ 4,935,193</u>	<u>\$ 1,098,000</u>	<u>\$ 1,098,000</u>	<u>\$ 1,257,000</u>

Capital Programs Wastewater Treatment Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Electrical Upgrades/FOG	\$ 950,048	\$ -		\$ -	\$ -
Headworks/Grit Project	-	352,000	353,000	353,000	-
Building Improvements	-	-	85,000	85,000	35,000
Biosolids Building Reserve	75,000	75,000	75,000	75,000	75,000
Energy Efficiency Improvements	-	80,000	80,000	80,000	80,000
Hydraulic Management	-	75,000	75,000	75,000	75,000
Digester Rehabilitation/Upgrade	-	200,000	140,000	140,000	102,000
Emergency Generator Replacement	-	-	50,000	50,000	480,000
Miscellaneous Projects	-	-	-	-	60,000
Total Capital Cost	\$ 1,025,048	\$ 782,000	\$ 858,000	\$ 858,000	\$ 907,000

ELECTRICAL UPGRADES & FATS, OILS AND GREASE (FOG) ACCEPTANCE

The Electrical Upgrades Project was identified in the 2007 Facility Plan, prepared by Carollo Engineers. This project provides for the replacement of many existing electrical systems at the San Elijo Water Reclamation Facility and includes the electrical switchgear and panels that included (1) replacing outdated electrical equipment, (2) rehabilitating aging emergency power systems, and (3) replacing aging switchgear and electrical panels. The total cost for these improvements was estimated by Carollo Engineers in 2007 at \$1.46 million. At this time, the construction is completed and the final cost for designing and constructing the Electrical Upgrades was \$1.31 million.

HEADWORKS & GRIT CHAMBER REHABILITATION

The Facility Plan also identified CIP needs to the headworks and grit chamber that included (1) modification of the existing headworks to accommodate additional influent wastewater (2) provision of a redundant washer/compactor, (3) provision of additional free-board, (4) construction of a rock pocket, 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. In addition, SEJPA's staff has identified that the Bar Screens, Grit Pumps, Grit Sump Pumps, and the Grit Chamber Blowers, are nearing the end of their useful lives and should be evaluated for replacement. The total cost for these improvements was estimated by Carollo Engineers in 2007 at \$1.92 million.

BUILDING IMPROVEMENTS

Funding for building improvements will provide new office space for SEJPA staff, and improve compliance with OSHA (Occupational Safety and Health Administration) and ADA (Americans with Disabilities Act) regulations as well as enhance site security.

BIOSOLIDS BUILDING RESERVE

The Biosolids Building Reserve Project was a series of short term projects identified in the 2007 Facility Plan. The biosolids building reserve project includes (1) installation of a biosolids truck scale, (2) DAF No. 2 Rehabilitation, (3) Sludge Hopper and Platform Rehabilitation, (4) recoating piping, pumps and other equipment to prolong life, and (5) construction of a solids transfer station. The project cost for these project elements was estimated by Carollo Engineers at \$905,000. The SEJPA' staff has further identified that the biosolids conveyor system has reached the end of its useful life and needs to be replaced; the belt presses, hydraulic power units, and belt press feed pumps are nearing the end of their useful life and should be evaluated for replacement. Additionally, SEJPA's staff has identified a likely "efficiency" failure with the existing assets. Efficiency failures occur when the identified level of service of an asset or group of assets can be achieved at a lower cost with new assets (including design and reconstruction costs). Optimizing the solids handling systems to correct the likely "efficiency" failure should be evaluated.

ENERGY EFFICIENCY IMPROVEMENTS

The Facility Plan identified the need and benefit of improved energy independence within the SEJPA facility. 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 the preliminary design report and is expected to include cogeneration using excess biogas produced by the sludge digesters and solar electric panels.

HYDRAULIC MANAGEMENT

The Facility Plan identified the need and benefit of hydraulic management within the SEJPA facility. The estimated cost of this project was \$4.3 to 8.1 Million according to the Facility Plan. During critical peak-flow conditions, such as experienced during long-sustained storm events in January 2005, the outfall can reach its maximum operating capacity. Under these conditions, the SEJPA has limited options for managing peak flows within the outfall system. The intent of this project is to provide storage at the San Elijo Water Reclamation Facility (SEWRF) to assist in attenuating peak flows to the ocean outfall. The project was combined with efforts detailed under the SEJPA Water Reclamation Program for the evaluation of a joint use project to provide recycled water storage during the summer and outfall equalization during the winter. In 2009, the SEJPA completed the conceptual design report for the Flow Equalization/Recycled Water Storage Facility which evaluated storage site locations at the SEWRF, tank construction materials, storage size, pumping and conveyance systems, and probable costs. As an interim step, in 2011 the SEJPA entered into a six year agreement with the Encinitas Ranch Golf Authority for recycled water storage at the golf course. This agreement helps with the hydraulic management but does not completely eliminate outfall capacity risk.

DIGESTER REHABILITATION / UPGRADE

The Digester Rehabilitation / Upgrade Project was a series of short term projects and a long term project identified in the Facility Plan. The digester rehabilitation / upgrade project includes (1) digester crack repair, (2) digester No. 2 floating cover rehabilitation, (3) digester mixing, and (4) Class A biosolids upgrade. In 2007, the project cost for these project elements was estimated at \$2,772,000.

EMERGENCY GENERATOR REPLACEMENT (#1 AND #2)

The wastewater treatment plant relies on two emergency generators for backup power supply in the event of an SDG&E power outage. The generators provide power to separate areas of the treatment plant and are not redundant. These generators were identified in the 2007 Facility Plan as assets nearing the end of their useful life and needing to be replaced. A significant mechanical issue was encountered with one of the emergency generators, and prompt replacement is warranted. An engineering evaluation recommended combining the power feeds and replacing both generators with a single generator to provide power to the entire treatment plant. The total cost for this improvement is estimated at \$830,000. Design and bidding was completed in FY 2013-2014, and the project is anticipated to be completed in September 2014.

MISCELLANEOUS PROJECTS FY 2014-2015

Each year staff identifies smaller capital projects that should be completed, but were not identified in the 2007 Facility Plan. This year staff has identified rehabilitation of two primary clarifier mechanical flight systems and one secondary clarifier mechanical flight system for replacement under the Capital Program.

Capital Programs Ocean Outfall Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Reballast Reserve	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Total Capital Cost	<u>\$ -</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>

REBALLAST RESERVE

The ballast rocks that hold the ocean outfall pipe in place move due to erosion 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 the next reballast project, which will likely be required in this decade. The reserve balance at the end of FY 2014-2015 will be \$600,000 and is listed in the Fund Summary section of this budget document.

Capital Programs Cardiff Sanitary Division Pump Stations Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Sediment Drying Pad	\$ 10,667	\$ -	\$ -	\$ -	\$ -
Total Capital Cost	<u>\$ 10,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Programs Encinitas Sanitary Division Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Sediment Drying Pad	\$ 10,667	\$ -	\$ -	\$ -	\$ -
Total Capital Cost	<u>\$ 10,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Programs City of Encinitas Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Sediment Drying Pad	\$ 10,667	\$ -	\$ -	\$ -	\$ -
Total Capital Cost	<u>\$ 10,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Programs Solana Beach Pump Stations Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Sediment Drying Pad	\$ 10,667	\$ -	\$ -	\$ -	\$ -
Total Capital Cost	<u>\$ 10,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Programs City of Solana Beach Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Sediment Drying Pad	\$ 10,667	\$ -	\$ -	\$ -	\$ -
Total Capital Cost	<u>\$ 10,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SEDIMENT DRYING PAD

This project was to construct a new sediment off-loading pad to add to the existing sediment drying structure to comply with storm water best management practices. The project construction was completed in FY 2012-2013.

Capital Programs Water Reclamation Project Detail

Capital Project	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Master Plan Update	\$ -	\$ -	\$ 40,000	\$ 40,000	\$ -
Advanced Water Treatment	646,526	3,953,193	-	-	-
Pipeline Assessment					150,000
Total Capital Cost	<u>\$ 646,526</u>	<u>\$ 3,953,193</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 150,000</u>

RECYCLED WATER ADVANCED WATER TREATMENT PROJECT

The Recycled Water AWT Project began in Fiscal Year 2009-2010, when the SEJPA Board of Directors approved funding to improve and expand the recycled water program. The project is designed to improve recycled water quality by removing unwanted Total Dissolved Solids (TDS). The project provides 1.71 million gallons per day (mgd) of microfiltration treatment followed by 0.54 mgd of reverse osmosis. This treatment system is sited next to the existing recycled water filtration system and increases the facility's overall treatment capacity to 3.02 mgd of recycled water that meets or exceeds all treatment requirements including TDS. The enhanced water quality and increased treatment capacity has attracted new customers and assisted the local water district in reducing their dependency on imported water. The construction contract was awarded in November 2011 and construction was completed in 2013. The total cost of the project was \$5.6 million. This project is being funded by program reserves, a private placement loan, and grant funding from the State of California.

RECYCLED WATER 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. Since 2005, the water agencies have revised their planning documents and the original system study has become dated. This project will allow the SEJPA to update the plan that was produced in 2005 with more recent projects and planning information. This document will also assist in identifying short- and long-term facility needs as well as outline appropriate planning timelines and provide estimated costs. Short-term planning will include an inventory of existing facilities and equipment that lists typical replacement intervals and costs. Long-term planning will include identifying future facilities, site locations, and budgetary costs.

PIPELINE ASSESSMENT

CalTrans recently notified the SEJPA that a portion of the recycled water transmission line is in conflict at various locations with the planned freeway widening project. Also, SEJPA is planning to connect the current distribution system to the Wiegand tank owned by OMWD to have access to 1.0 million gallons of additional storage in the Northern service area and provide recycled water to the Village Park area of the City of Encinitas. These planning and design projects will be funded by this capital program.

Debt Service

Wastewater Treatment Debt Service

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION – CALIFORNIA ENERGY COMMISSION

In December 2007, the SEJPA entered into an agreement with the State of California Energy Resources Conservation and Development Commission (California Energy Commission) for the funding of the Performance Optimization of the Activated Sludge System. The \$1.2 million loan provided funding for energy and wastewater process improvements at the San Elijo Water Reclamation Facility at a fixed interest rate of 3.95% for a term of 12 years. Semi-annual payments of \$64,238 began in December 2009, which were to continue through December 2020. However, this loan was refinanced along with the 2003 bonds. No further payments are due on this loan.

2003 REVENUE BONDS

In April 2003, SEJPA staff led the effort to issue \$18.6 million in Refunding Revenue Bonds for the purpose of retiring the 1993 Refunding Revenue Bonds. This resulted in an average annual interest rate of 4.88% and savings of approximately \$100,000 per year in interest payments for the remaining 17 year life of the bonds. The bonds were callable in March, 2012 and were refinanced along with the California Energy Commission loan.

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%, and 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 in accordance with the bond documents. The current annual payment is \$694,442 for the City of Encinitas and \$785,426 for the City of Solana Beach. As of June 30, 2014, the outstanding balance will be \$6,820,000. The City of Encinitas' portion will be \$3,206,785, and the City of Solana Beach's portion will be \$3,613,215.

Water Reclamation Debt Service

STATE REVOLVING FUND

In March 1998, the SEJPA entered into an agreement with the State Water Resources Control Board for funding the original Water Reclamation Project. The \$12.6 million loan provided funding for water reclamation 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, 2014, the outstanding balance will be \$5,984,736.

The terms of the 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, 2014, the reserve balance is \$630,000.

ADVANCED WATER TREATMENT LOAN

In November 2011, the SEJPA received a private placement loan for the construction of the Advanced Water Treatment Facility in the amount of \$2,000,000 at a fixed interest rate of 4.15%. Annual payments of \$148,156 began in 2011 and will continue for 20 years until 2031. As of July 1, 2014, the outstanding balance will be \$1,757,267.

RECYCLED WATER PIPELINE

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, 2014, the outstanding balance will be \$464,892 based on 30 acre-feet delivered through the pipeline in FY 2013-2014.

Debt Service Summary

	Actual 2011-2012	Actual 2012-2013	Estimated Actual 2013-2014	Adopted Budget 2013-2014	Adopted Budget 2014-2015
Wastewater Debt Service					
State of California					
California Energy Commission					
Principal	\$ 1,009,328	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-
Total Debt Service	<u>1,009,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2003 Refunding Bonds					
Principal	11,360,000	-	-	-	-
Interest	166,875	-	-	-	-
Total Debt Service	<u>11,526,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2011 Refunding Bonds					
Principal	50,000	1,165,000	1,200,000	1,200,000	1,235,000
Interest	61,604	315,817	280,867	280,867	244,867
Total Debt Service	<u>111,604</u>	<u>1,480,817</u>	<u>1,480,867</u>	<u>1,480,867</u>	<u>1,479,867</u>
Total Wastewater Debt Service					
Principal	12,419,328	1,165,000	1,200,000	1,200,000	1,235,000
Interest	228,479	315,817	280,867	280,867	244,867
Total Debt Service	<u>12,647,807</u>	<u>1,480,817</u>	<u>1,480,867</u>	<u>1,480,867</u>	<u>1,479,867</u>
Water Reclamation Debt Service					
State Revolving Fund					
Principal	652,047	668,348	685,057	685,057	702,183
Interest	182,628	166,327	149,618	149,618	132,492
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 Treatment					
Principal	32,577	67,195	70,013	70,015	72,948
Interest	41,500	80,958	78,140	78,141	75,205
Total Debt Service	<u>74,077</u>	<u>148,153</u>	<u>148,153</u>	<u>148,156</u>	<u>148,153</u>
SFID Pipeline Loan					
Principal	-	52,230	8,685	6,360	8,774
Interest	-	-	4,815	7,140	4,726
Total Debt Service	<u>-</u>	<u>52,230</u>	<u>13,500</u>	<u>13,500</u>	<u>13,500</u>
Total Water Reclamation Debt Service					
Principal	684,624	787,773	763,755	761,432	783,905
Interest	224,128	247,285	232,573	234,899	212,423
Total Debt Service	<u>908,752</u>	<u>1,035,058</u>	<u>996,328</u>	<u>996,331</u>	<u>996,328</u>
Total Debt Service					
Total All Debt Service					
Principal	13,103,952	1,952,773	1,963,755	1,961,432	2,018,905
Interest	452,607	563,102	513,440	515,766	457,290
Total Debt Service	<u>\$ 13,556,559</u>	<u>\$ 2,515,875</u>	<u>\$ 2,477,195</u>	<u>\$ 2,477,198</u>	<u>\$ 2,476,195</u>

Personnel Summary

Department Job Title	FY 2013-2014 Approved FTE's	FY 2014-2015 Approved FTE's	Annual Ranges	
			Minimum	Maximum
Administration				
Accounting Technician	1.00	1.00	\$ 48,667	\$ 69,443
Administrative Assistant	1.00	1.00	41,037	60,308
Human Resources/Safety Administrator	1.00	1.00	66,533	91,551
Director of Operations	1.00	1.00	107,863	147,824
Associate Engineer	1.00	1.00	72,360	103,752
Director of Finance/Administration	1.00	1.00	107,863	147,824
General Manager	1.00	1.00	173,230	229,275
	<u>7.00</u>	<u>7.00</u>		
Laboratory				
Laboratory Analyst Series	1.00	1.00	55,870	80,216
Senior Laboratory Analyst	1.00	1.00	68,049	98,631
	<u>2.00</u>	<u>2.00</u>		
Mechanic				
Mechanic Series	2.00	2.00	49,597	81,573
Mechanical Systems Supervisor	1.00	1.00	66,215	108,242
	<u>3.00</u>	<u>3.00</u>		
Systems Integration				
Systems Integration Technician Series	1.00	1.00	58,022	95,452
Systems Integration Supervisor	1.00	1.00	75,875	111,629
	<u>2.00</u>	<u>2.00</u>		
Wastewater Treatment Operator				
Operator Series	4.00	4.00	44,724	81,573
Lead Operator	2.00	2.00	64,967	95,452
Chief Plant Operator	1.00	1.00	89,093	115,885
	<u>7.00</u>	<u>7.00</u>		
Water Reclamation				
Water Reclamation Series	1.00	1.00	58,022	83,212
	<u>1.00</u>	<u>1.00</u>		
Total	<u>22.00</u>	<u>22.00</u>		

Budget percentage allocations of personnel time is based on historical information. Actual allocations are based on personnel time recorded on timesheets.

Organizational Chart

