



SAN ELIJO _____ **JOINT POWERS AUTHORITY**

Adopted Annual Budget FY 2015-2016



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 2015-16

BOARD OF DIRECTORS

DAVID ZITO, CHAIRPERSON
CATHERINE BLAKESPEAR, VICE CHAIRPERSON
MARK MUIR, MEMBER
GINGER MARSHALL, 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 Fiscal Year (FY) 2015-16 Adopted budget for the San Elijo Joint Powers Authority (SEJPA). This year marks the 50th anniversary of the agency, which was originally created to provide safe and reliable wastewater treatment and disposal for the coastal communities of Cardiff by the Sea and Solana Beach. Five decades later, the agency has become a local leader in wastewater treatment and water recycling. The San Elijo Water Reclamation Facility is an award winning facility, recognized for its energy efficiency, innovative practices, and impressive water recycling program. The success of the Agency is based in its collaborative spirit, commitment to exceptional customer service, and the pursuit of continuous improvement. This budget document reflects the SEJPA's core values of serving our community by providing safe, reliable, and cost efficient wastewater and recycled water services, while investing prudently in new opportunities and replacing aging infrastructure.

OPERATING BUDGET OVERVIEW

The SEJPA Adopted Budget for FY 2015-16 is made up of ten operational programs that are managed and operated by the SEJPA. There are two new programs for FY 2015-16: 1) Solana Beach Services, which consist of servicing emergency power generators owned by the City and 2) the operation and maintenance of Del Mar's 21st Pump Station. These new programs are small in size, but provide the SEJPA an opportunity to incrementally improve operational cost effectiveness and create new revenues to augment the financial strength of the agency. Small steps, in the right direction, that can build to greater future success.

Overall, the FY 2015-16 Operating Budget is very similar to the prior year with the notable exceptions of the Ocean Outfall and Recycled Water Programs. The Ocean Outfall Program will decrease by \$47,075 or 8.3% due to the completion of intensive ocean monitoring effort required by the agency's National Pollution Discharge Elimination Systems (NPDES) permit. The Recycled Water Program will increase by \$248,995 or 22.3%, due to higher expenses associated with increased recycled water production and delivery, as well as planning efforts for regional system expansion.

Program	Adopted Budget 2014-15	Adopted Budget 2015-16	Budget Change	% Change
Wastewater Treatment	\$ 2,513,430	\$ 2,575,466	62,036	2.5%
Laboratory	435,535	442,046	6,511	1.5%
Ocean Outfall	570,032	522,957	(47,075)	-8.3%
Cardiff Sanitary Division	229,377	233,397	4,019	1.8%
Encinitas Sanitary Division	137,439	141,734	4,294	3.1%
City of Encinitas	28,549	29,209	660	2.3%
City of Solana Beach	294,676	293,275	(1,402)	-0.5%
City of Solana Beach Services	-	9,137	9,137	
City of Del Mar Services	-	74,981	74,981	
Reclaimed Water	1,114,954	1,363,948	248,995	22.3%
Total Operating Costs	\$ 5,323,993	\$ 5,686,151	\$ 362,157	6.8%

CAPITAL BUDGET OVERVIEW

The Wastewater Treatment and Ocean Outfall Capital Budgets are based on the 2007 Facility Plan recommendations and input from the SEJPA's member agencies and water district partners, as well with consideration for proposed recommendations from the draft-Final 2015 Facility Plan. The capital plan recommends \$997,000 for Wastewater Treatment projects, \$300,000 for the Ocean Outfall Program, and \$300,000 for Reclaimed Water Program, for a combined total of \$1,597,000. The SEJPA is in the process of completing the 2015 Facility Plan which provides a comprehensive condition-evaluation of agency infrastructure, update our Wastewater Asset Management database, and reviewing current and future regulatory requirements (and their potential impacts on infrastructure needs). The 2015 Facility Plan 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 2015-16 with \$1,472,818 related to Wastewater Treatment and \$997,828 related to Reclaimed Water for a combined debt service of \$2,470,646. This level of debt service is relatively unchanged from FY 2014-15. This budget document does not include debt service that may be initiated in FY 2015-16 to fund projects identified in the 2015 Facility Plan.

ACCOMPLISHMENTS FOR FY 2014-15 AND GOALS FOR FY 2015-16

For this last year, the SEJPA had several notable accomplishments. First, the agency incurred no spills at any of the pump stations operated by the SEJPA. For water quality compliance, the SEJPA met all of its requirements for the NPDES ocean discharge permit. The SEJPA embraces its responsibility to protect the ocean water quality and maintaining ocean discharge permit compliance is paramount to this goal. The SEJPA also completed construction of two urban runoff stations that redirects polluted urban runoff and some first-flush storm water away from the San Elijo Lagoon and local beaches to the reclamation facility for treatment and reuse. Completion of the Emergency Generator Consolidation and Replacement Project at the reclamation facility will streamline operations and maintenance activities, as well.

In addition to our environmental successes, the SEJPA just finished its 15th 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.

The SEJPA was also California Water Environment Association's (CWEA) 2014 Plant of the Year for plants greater than 5 mgd and less than 20 mgd for the San Diego section. In addition, the SEJPA was awarded the American Membrane Technology Association (AMTA) 2015 Facility of the Year.

Finally, the SEJPA continued to find success in collaborating with fellow agencies to improve service and create cost efficiencies. As part of these efforts, the SEJPA and the City of Del Mar finalized an agreement to provide wastewater services to Del Mar. This agreement will utilize unused capacity at the SEJPA, absorb costs that the SEJPA would otherwise incur, and provide future rate stabilization. Also, in FY 2014-15, the SEJPA reached agreement with its water district partner to unify the wholesale pricing structure of recycled water to a single rate provided to all districts, thus reducing confusion and concerns that the previous pricing system created.

Going forward, the SEJPA will continue to collaborate with our member agencies and water district partners to reduce costs, gain efficiencies, expand service, and create value in our community.

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

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Board Resolution No. 2015-02 Approving FY 2015-16 Budget

RESOLUTION NO. 2015-02

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR FISCAL YEAR 2015-16**

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 2015-16;

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, 2015 through June 30, 2016 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2015-16. Such budgets are hereby adopted.

San Elijo JPA Operations and Maintenance Fund	\$ 5,795,021
San Elijo JPA Water Reclamation Operating Fund	2,361,776
San Elijo JPA Capital Projects Fund	<u>1,597,000</u>
Total	\$ <u>9,753,797</u>

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds for the Fiscal Year 2015-16.

PASSED AND ADOPTED this 8th day of June, 2015, by the following vote:

AYES: Boardmembers: David Zito, Catherine Blakespear,
Ginger Marshall, Mark Muir

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:



David Zito, Chairperson
SEJPA Board of Directors

ATTEST:



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

Background

History

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

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

The SEJPA has grown from preparing water for discharge into the ocean to recycling water for irrigation.

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

- 1965-66 basic treatment plant & ocean outfall constructed
- 1969 Porter-Cologne Water Quality Control Act
- 1972 Federal Clean Water Act (federal – NPDES Permits)
- 1982 Proposition M (local - funding for Recycled Water Facility)
- 1986 – 1992 Drought & mandatory water cutbacks
 - ✓ State shuts off water to farmers, and cut deliveries to cities by half.
 - ✓ U.S. officials cut water to farms by 75%; urban areas by up to 50%.
 - ✓ Metropolitan Water District reduced deliveries by 31%.
- 1991 Wastewater treatment upgraded (Clean Water Act Compliance)



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

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

Today, as we prepare our budget, our focus is on how the SEJPA can provide:

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



Fund Summary

	Wastewater Services	Water Reclamation	State Revolving Fund Debt Reserve	Capital Projects Reserve	Total
Revenues					
Operating	\$ 4,285,361	\$ 2,593,403	\$ -	\$ -	\$ 6,878,763
Capital	922,000	-	-	375,000	1,297,000
Debt	1,472,818	-	-	-	1,472,818
Other	36,842	5,600	-	-	42,442
Total Revenues	<u>6,717,021</u>	<u>2,599,003</u>	<u>-</u>	<u>375,000</u>	<u>9,691,023</u>
Expenses					
Operating	4,322,203	1,363,948	-	-	5,686,151
Capital	922,000	900,000	-	-	1,597,000
Debt Service	1,472,818	997,828	-	-	2,470,646
Total Expenses	<u>6,717,021</u>	<u>3,261,776</u>	<u>-</u>	<u>-</u>	<u>9,753,797</u>
Increase/(Decrease)	-	(662,773)	-	375,000	(62,773)
Fund Balance Beginning of the Year	-	1,962,882	630,000	1,308,681	3,901,563
Fund Balance End of the Year	<u>\$ -</u>	<u>\$ 1,300,109</u>	<u>\$ 630,000</u>	<u>\$ 1,683,681</u>	<u>\$ 3,838,790</u>

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

The Capital Projects Reserve revenues are reserves to replace/upgrade the Biosolids Treatment Facilities (\$75,000), and the Ocean Outfall (\$300,000).

The Capital Projects Reserve ending balance consists of the Digester Reserve (\$59,493), Biosolids Treatment Facilities (\$724,188) and Ocean Outfall (\$900,000).

Revenue Summary

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
City of Encinitas	\$ 2,758,192	\$ 2,809,482	\$ 2,792,558	\$ 2,932,174	\$ 2,991,526
City of Solana Beach	2,574,364	2,659,845	2,716,152	2,774,747	2,881,168
City of Del Mar					74,981
Rancho Santa Fe CSD	344,746	319,513	359,390	376,583	376,569
City of Escondido	426,970	560,744	657,571	651,885	703,709
Laboratory Services	29,468	28,995	31,496	27,226	27,226
Water Reclamation Revenues	2,169,906	2,508,755	2,509,567	2,313,662	2,593,403
T-Mobile Cell Site Lease	23,649	24,359	25,089	25,091	25,842
Other Revenue	18,326	7,383	3,000	4,000	1,000
Interest on Wastewater Operations	8,937	4,526	12,517	4,200	10,000
Interest on Water Reclamation	12,295	14,154	4,200	13,100	5,600
Total Revenue Sources	\$ 8,366,853	\$ 8,937,757	\$ 9,111,541	\$ 9,122,668	\$ 9,691,024

Revenue by Source

Basis for Revenue by Source

- Wastewater treatment costs are based on the 2014 calendar year average influent flows for City of Encinitas (Encinitas), City of Solana Beach (Solana Beach), and the Rancho Santa Fe Community Services District (RSFCSD).
- The RSF Rental Credit is based on a capacity use agreement between Encinitas, Solana Beach, and RSFCSD.
- Laboratory Services are calculated based on the 2014 calendar year average influent flows after outside laboratory services are subtracted.
- Outfall costs are based on the 2014 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 2014 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	1.289	0.531	2.500	2.55
City of Solana Beach	1.205	0.491	2.500	2.55
Rancho Santa Fe CSD's	0.127	0.053	0.250	0.25
City of Escondido	-	8.909	-	20.15
Total	2.621	9.984	5.250	25.500

City of Encinitas – Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Wastewater Treatment	\$ 1,125,902	\$ 1,200,866	\$ 1,186,272	\$ 1,229,701	\$ 1,242,251
Interest Income Credit	(4,771)	(2,283)	(6,258)	(2,100)	(5,000)
RSF CSD Credit	(64,496)	(64,496)	(64,496)	(64,496)	(64,496)
T-Mobile License Income	(11,825)	(12,179)	(12,545)	(12,545)	(12,921)
Other Income Credit	(9,163)	(5,407)	(1,500)	(2,000)	(500)
Total Wastewater Revenue	<u>1,035,647</u>	<u>1,116,502</u>	<u>1,101,472</u>	<u>1,148,560</u>	<u>1,159,334</u>
Laboratory Services	162,654	183,990	190,151	203,845	204,054
Ocean Outfall	21,082	26,881	29,773	38,059	27,813
Cardiff Sanitary Division	201,230	171,045	167,879	229,377	233,397
Encinitas Sanitary Division	113,904	115,964	132,216	137,439	141,734
City of Encinitas	23,772	24,005	27,626	28,549	29,209
2011 Revenue Bonds	694,903	694,904	694,442	694,442	691,225
Capital Projects	505,000	476,190	449,000	451,903	504,761
Total Revenue	<u>\$ 2,758,192</u>	<u>\$ 2,809,482</u>	<u>\$ 2,792,558</u>	<u>\$ 2,932,174</u>	<u>\$ 2,991,526</u>

City of Solana Beach – Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Wastewater Treatment	\$ 1,015,613	\$ 1,076,676	\$ 1,106,771	\$ 1,105,961	\$ 1,158,981
Interest Income Credit	(4,771)	(2,283)	(6,258)	(2,100)	(5,000)
RSF CSD Credit	(64,496)	(64,496)	(64,496)	(64,496)	(64,496)
T-Mobile License Income	(11,825)	(12,179)	(12,545)	(12,545)	(12,921)
Other Income Credit	(9,163)	(5,407)	(1,500)	(2,000)	(500)
Total Wastewater Revenue	<u>925,358</u>	<u>992,311</u>	<u>1,021,972</u>	<u>1,024,820</u>	<u>1,076,064</u>
Laboratory Services	146,721	155,442	177,652	183,744	190,642
Ocean Outfall	18,892	21,347	27,507	34,179	25,696
Solana Beach Pump Stations	242,966	224,807	247,911	288,546	287,065
Storm Drain Sediment	4,513	3,834	6,685	6,130	6,210
City Services	-	-	-	-	9,137
2011 Revenue Bonds	785,914	785,914	785,425	785,425	781,593
Capital Projects	450,000	476,190	449,000	451,903	504,761
Total Revenue	<u>\$ 2,574,364</u>	<u>\$ 2,659,845</u>	<u>\$ 2,716,152</u>	<u>\$ 2,774,747</u>	<u>\$ 2,881,168</u>

City of Del Mar – Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Del Mar Pump Station					\$ 74,981

Rancho Santa Fe Community Services District – Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Wastewater Treatment	\$ 153,598	\$ 122,191	\$ 165,831	\$ 177,768	\$ 174,235
Laboratory Services	16,033	18,360	18,753	20,720	20,124
Ocean Outfall	2,123	2,698	2,995	3,909	2,798
Capacity Rental-Upgrade	128,992	128,992	128,992	128,992	128,992
Capacity Rental-Other	44,000	47,272	42,818	45,194	50,420
Total Revenue	\$ 344,746	\$ 319,513	\$ 359,390	\$ 376,583	\$ 376,569

City of Escondido – Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Ocean Outfall	\$ 268,970	\$ 402,744	\$ 499,532	\$ 493,885	\$ 466,650
Capital Projects	158,000	158,000	158,039	158,000	237,059
Total Revenue	\$ 426,970	\$ 560,744	\$ 657,571	\$ 651,885	\$ 703,709

Laboratory Services-Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Del Mar	\$ 69	\$ -	\$ -	\$ -	\$ -
Fairbanks Ranch	6,901	6,901	6,901	6,901	6,901
Rancho Santa Fe CSD 1	8,523	8,523	8,523	8,523	8,523
Santa Fe Valley	3,382	3,382	3,382	3,382	3,382
Solana Beach	2,173	1,769	4,270	-	-
Whispering Palms	8,420	8,420	8,420	8,420	8,420
Total Revenue	\$ 29,468	\$ 28,995	\$ 31,496	\$ 27,226	\$ 27,226

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

Water Reclamation – Revenue Detail

Revenue Source	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Santa Fe Irrigation District	\$ 681,096	\$ 738,004	\$ 700,583	\$ 681,737	\$ 732,240
San Dieguito Water District	497,260	511,011	524,000	524,000	583,080
City of Del Mar	152,195	217,622	170,118	147,773	176,280
Encinitas Ranch Golf Course	204,750	214,988	225,736	225,736	237,023
Olivenhain Municipal Water District	39,918	173,190	205,130	131,023	176,280
Total Customers	1,575,219	1,854,815	1,825,567	1,710,269	1,904,903
MWD/CWA Subsidies	594,687	653,940	684,000	603,393	688,500
Total Revenue	\$ 2,169,906	\$ 2,508,755	\$ 2,509,567	\$ 2,313,662	\$ 2,593,403

MWD is the Metropolitan Water District.

CWA is the San Diego County Water Authority.

Cost Summary

	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Operating Cost					
Personnel	\$ 2,535,525	\$ 2,568,426	\$ 2,644,552	\$ 2,774,742	\$ 2,898,444
Supplies and Services	1,802,232	2,203,430	2,392,505	2,384,251	2,623,307
Capital Outlay	45,888	170,313	130,964	40,000	34,500
Contingency	-	-	-	125,000	129,900
Total Operating Cost	<u>4,383,644</u>	<u>4,942,169</u>	<u>5,168,021</u>	<u>5,323,993</u>	<u>5,686,151</u>
Capital Costs	4,935,193	1,098,000	1,257,000	1,257,000	1,597,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
2011 Refunding Bonds	1,480,817	1,480,867	1,479,867	1,479,867	1,472,818
Advanced Water Purification	148,153	148,153	148,153	148,153	148,153
SFID Pipeline Loan	52,230	13,500	13,500	13,500	15,000
Total Debt Service	<u>2,515,875</u>	<u>2,477,195</u>	<u>2,476,195</u>	<u>2,476,195</u>	<u>2,470,646</u>
Total Costs	<u>\$ 11,834,712</u>	<u>\$ 8,517,364</u>	<u>\$ 8,901,216</u>	<u>\$ 9,057,188</u>	<u>\$ 9,753,797</u>

Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16	% Change
Personnel						
Direct Salaries and Wages	\$ 1,856,040	\$ 1,895,020	\$ 1,914,212	\$ 1,998,347	\$ 2,096,592	4.9%
FICA Tax	154	-	1,462	-	-	
Medicare Tax	28,256	27,919	28,751	27,576	28,933	4.9%
State Unemployment Tax	8,922	7,928	8,029	8,679	9,114	5.0%
Standby Pay	14,645	13,300	13,325	13,591	13,781	1.4%
Overtime Pay	38,032	32,421	33,224	43,998	43,397	-1.4%
Dental/Vision	18,835	21,310	19,868	20,621	20,140	-2.3%
Employee Assistance Program	3,862	3,812	3,795	4,102	4,101	0.0%
Life Insurance/Disability	12,388	11,880	12,956	14,713	15,492	5.3%
Workers Comp. Insurance	(5,938)	32,371	31,701	37,224	37,227	0.0%
Medical Insurance - Pers	198,626	190,533	221,894	230,002	247,197	7.5%
Retirement Plan - PERS	285,733	257,414	274,592	288,206	290,344	0.7%
Deferred Comp-employer	65,872	65,466	66,971	74,933	78,861	5.2%
Uniforms - Boots	1,623	1,318	1,416	3,849	3,848	0.0%
Payroll Processing Fees	5,471	7,846	8,008	5,400	5,400	0.0%
Other Personnel Costs	3,001	(113)	4,348	3,501	4,017	14.7%
	<u>2,535,525</u>	<u>2,568,426</u>	<u>2,644,552</u>	<u>2,774,742</u>	<u>2,898,444</u>	<u>4.5%</u>
Supplies and Services						
Advertising	1,741	1,371	-	1,000	1,000	0.0%
Bank Service Charges	2,631	2,134	1,800	3,000	3,000	0.0%
Board Expense	178	133	533	300	300	0.0%
Dedication Ceremony	-	244	-	-	-	
Dues & Memberships	17,482	30,789	22,592	18,580	19,630	5.7%
Equipment Rental/Lease	27,055	29,315	11,360	14,960	9,600	-35.8%
Fees - Disposal	129	908	1,684	2,000	2,000	0.0%
Fees - Permits	44,240	52,711	58,202	60,600	68,100	12.4%
Fees - Purveyor Admin	19,652	22,929	-	-	-	
Fuel	15,576	14,370	13,122	30,956	31,628	2.2%
Insurance - Liability	16,786	32,613	38,251	38,250	36,650	-4.2%
Insurance - Property	20,325	25,330	24,506	23,865	24,500	2.7%
Licenses	11,648	21,331	21,097	21,014	23,640	12.5%
Miscellaneous	-	-	-	-	-	
Minor Equip - Shop & Field	1,338	10,571	8,789	6,821	7,321	7.3%
Postage/Shipping	2,184	2,691	2,783	1,812	2,312	27.6%
Preemployment Screening	190	209	210	608	600	-1.3%
Printing	1,085	1,472	1,170	1,618	1,694	4.7%
Rent	11,431	67,720	72,912	46,194	59,694	29.2%
Repair Parts Expense	130,805	126,135	151,479	180,350	174,350	-3.3%
Retrofit Expenses	2,342	-	-	10,000	10,000	0.0%
Seminars/Education	4,332	2,621	3,668	17,500	21,000	20.0%
Services - Accounting	23,845	24,270	20,000	21,000	22,000	4.8%
Services - Alarm	6,329	7,299	7,190	8,050	9,000	11.8%
Services - Biosolids Hauling	145,208	144,706	163,450	162,000	165,528	2.2%

Cost detail continued on next page

Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16	% Change
Services - Engineering	113,146	98,638	117,994	118,000	160,000	35.6%
Services - Grease & Scum	18,709	16,645	24,605	26,390	28,855	9.3%
Services - Grit & Screenings	12,560	10,876	14,920	16,750	18,250	9.0%
Services - Janitorial	10,592	10,592	10,592	12,000	12,000	0.0%
Services - Laboratory	23,802	14,941	19,677	31,750	30,200	-4.9%
Services - Landscape	40,351	27,955	28,085	28,500	28,800	1.1%
Services - Legal	37,721	24,227	46,126	52,000	52,160	0.3%
Services - Lobbying	15,323	29,978	17,600	16,000	16,000	0.0%
Services - Maintenance	51,567	55,489	53,468	44,975	61,477	36.7%
Services - Medical	1,518	1,755	4,143	2,000	2,000	0.0%
Services - Other	8,404	186	11,464	13,850	14,150	2.2%
Services - Professional	14,308	19,007	30,599	37,009	54,733	47.9%
Services - Temp	-	32,410	45,948	27,000	27,000	0.0%
Services - IT/GIS Support	-	24,200	22,000	27,000	31,000	14.8%
Services - Contractors	79,343	198,368	191,165	196,000	140,000	-28.6%
Services - Testing	1,736	1,133	-	5,715	6,190	8.3%
Services - Uniforms	5,527	6,554	8,444	4,725	6,760	43.1%
Subsistence - Meals	1,132	1,289	1,536	2,725	2,725	0.0%
Subsistence - Travel/Rm & Bd	5,120	4,089	2,354	8,525	8,525	0.0%
Supplies - Chem - Ferrous Chlo	46,772	53,633	55,000	55,000	56,700	3.1%
Supplies - Chem - Odor	16,131	17,411	16,723	17,425	19,230	10.4%
Supplies - Chem - Polymer	56,061	57,132	61,703	57,484	57,484	0.0%
Supplies - Chem - Sodium Hypo	31,085	39,123	53,247	53,818	57,778	7.4%
Supplies - Chemicals	17,007	27,497	22,428	33,190	34,720	4.6%
Supplies - Janitorial	2,752	2,672	2,999	2,050	2,700	31.7%
Supplies - Lab	10,141	23,811	17,276	17,000	18,800	10.6%
Supplies - Office	8,972	9,141	12,856	10,300	10,500	1.9%
Supplies - Safety	2,287	5,831	5,850	2,190	3,993	82.3%
Supplies - Shop & Field	8,177	10,983	16,994	17,515	17,960	2.5%
Training	2,686	2,870	6,663	5,820	6,000	3.1%
Training - Safety	6,655	4,592	6,167	8,683	10,635	22.5%
Utilities - Gas & Electric	534,107	620,368	693,970	632,706	776,628	22.7%
Utilities - Internet	5,366	4,693	4,341	7,181	6,949	-3.2%
Utilities - Telephone	19,395	19,467	19,623	20,000	20,700	3.5%
Utilities - Trash	3,452	3,941	2,734	3,025	3,125	3.3%
Utilities - Water	67,943	85,010	99,855	78,779	102,071	29.6%
Utilities - Water (Suppl.)	10,380	10,036	12,019	9,356	10,824	15.7%
Vehicle Maintenance	5,474	5,017	6,542	11,338	12,138	7.1%
	<u>1,802,232</u>	<u>2,203,430</u>	<u>2,392,505</u>	<u>2,384,251</u>	<u>2,623,307</u>	<u>10.0%</u>
Capital Outlay	45,888	170,313	130,964	40,000	34,500	-13.8%
Contingency	-	-	-	125,000	129,900	3.9%
Total Operating Cost	<u>\$ 4,383,644</u>	<u>\$ 4,942,169</u>	<u>\$ 5,168,021</u>	<u>\$ 5,323,993</u>	<u>\$ 5,686,151</u>	<u>6.8%</u>

Cost Detail by Program



Headworks Repair



Heliclean Maintenance



Secondary Clarifiers



Lomas Santa Fe Golf Course

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 2012-13	Actual 2013-14	Adopted Budget 2014-15	Adopted Budget 2015-16
Wastewater Treatment	47.7%	46.6%	45.3%	43.3%
Laboratory	13.0%	13.6%	13.7%	13.4%
Ocean Outfall	8.4%	9.1%	9.8%	9.7%
Cardiff Sanitation District	4.9%	4.3%	5.3%	5.1%
Encinitas Sanitation District	2.1%	1.9%	2.1%	2.2%
City of Encinitas	0.7%	0.8%	0.7%	0.7%
Solana Beach Pump Stations	5.4%	5.2%	5.7%	5.6%
Solana Beach Services	0.0%	0.0%	0.0%	0.2%
Del Mar Services	0.0%	0.0%	0.0%	2.0%
Reclaimed Water	17.7%	18.5%	17.4%	17.7%
Total	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.

2014-15 ESTIMATED ACTUAL EXPENDITURES

Wastewater treatment operations are projected to end the year approximately 2.2%, or roughly \$54,644 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 \$54,109 below budgeted levels this year. This is primarily due to \$37,939 from Direct Salaries and Wages as a result of staff turnover and the timing of replacing these positions.

Non-personnel costs such as supplies and services are expected to be approximately \$2,998 below budget. This variance is primarily due to \$13,821 as a result of lower fuel prices and \$10,951 of unused Seminars/Education offset by \$22,974 of higher costs for Utilities-Water. Capital Outlay is over budget by \$61,162 primarily due to clarifier repairs; the majority of this overage was funded with the \$58,700 of Contingency.

2015-16 ADOPTED BUDGET

Overall, the Wastewater Treatment operating budget will increase by \$62,036, or 2.5%, from the prior year's budget. Personnel costs will increase by approximately \$3,604 or 0.3%. Supplies and Services are expected to increase \$59,532 or 5.1% primarily due to \$5,360 of lower Equipment Rental/Lease for the temporary generator and \$19,500 of lower Services-Temp (San Diego County Water Internship Program). Costs are planned to increase \$40,000 for Contractors as a result of the updated facility plan and anticipated increase of \$23,066 in Utilities-Gas & Electric due to projected electrical cost.

Contingency funding has been set at \$61,600 which is approximately 5% of the budgeted supplies and services costs. This provides funding for unforeseen events impacting the wastewater program.

Wastewater Treatment Cost Summary

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 1,222,957	\$ 1,217,999	\$ 1,210,532	\$ 1,264,641	\$ 1,268,245
Supplies and Services	983,785	1,030,429	1,170,092	1,173,089	1,232,621
Capital Outlay	29,472	159,850	78,162	17,000	13,000
Contingency	-	-	-	58,700	61,600
Total Operating Cost	<u>2,236,214</u>	<u>2,408,278</u>	<u>2,458,786</u>	<u>2,513,430</u>	<u>2,575,466</u>
Capital Costs	782,000	858,000	907,000	907,000	997,000
Debt Service					
2011 Refunding Bonds	1,480,817	1,480,867	1,479,867	1,479,867	1,472,818
Total Debt Service	<u>1,480,817</u>	<u>1,480,867</u>	<u>1,479,867</u>	<u>1,479,867</u>	<u>1,472,818</u>
Total Costs	<u>\$ 4,499,031</u>	<u>\$ 4,747,145</u>	<u>\$ 4,845,653</u>	<u>\$ 4,900,297</u>	<u>\$ 5,045,284</u>

Wastewater Treatment Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 886,183	\$ 882,569	\$ 867,838	\$ 905,777	\$ 907,000
FICA Tax	110	-	614	-	-
Medicare Tax	13,236	13,005	13,038	13,064	13,229
State Unemployment Tax	4,592	4,074	4,041	4,112	4,167
Standby Pay	8,673	7,856	7,383	8,048	8,025
Overtime Pay	9,122	12,685	11,222	10,307	12,735
Dental/Vision	9,712	10,861	9,350	9,768	9,208
Employee Assistance Program	1,992	1,963	1,811	1,942	1,875
Life Insurance/Disability	6,388	6,118	6,181	6,970	7,084
Workers Comp. Insurance	(3,015)	16,671	16,326	17,634	17,020
Medical Insurance - Pers	102,414	96,457	106,315	108,955	113,026
Retirement Plan - PERS	147,233	132,568	130,508	136,527	132,752
Deferred Comp-employer	30,427	29,385	29,352	35,497	36,059
Uniforms - Boots	696	609	662	1,824	1,760
Payroll Processing Fees	2,819	4,041	3,815	2,558	2,469
Other Personnel Costs	2,376	(863)	2,075	1,658	1,836
	<u>1,222,957</u>	<u>1,217,999</u>	<u>1,210,532</u>	<u>1,264,641</u>	<u>1,268,245</u>
Supplies and Services					
Advertising	1,741	699	-	1,000	600
Bank Service Charges	2,631	2,122	1,800	3,000	2,000
Board Expense	178	131	533	200	200
Dues & Memberships	15,256	14,325	15,200	15,125	15,725
Equipment Rental/Lease	19,705	25,212	11,360	11,360	6,000
Fees - Disposal	129	908	1,684	2,000	2,000
Fees - Permits	36,502	29,277	31,651	29,500	32,000
Fuel	7,593	6,734	5,779	19,600	19,600
Insurance - Liability	4,919	16,307	18,751	18,750	18,000
Insurance - Property	10,162	12,665	12,253	12,065	12,250
Licenses	4,661	10,216	6,712	6,712	7,662
Minor Equip - Shop & Field	1,185	5,041	4,152	3,000	3,300
Miscellaneous	-	-	-	-	-
Postage/Shipping	1,900	2,198	2,294	1,200	1,700
Preemployment Screening	98	107	103	280	276
Printing	867	1,016	670	1,200	1,250
Rent	903	936	997	1,100	1,100
Repair Parts Expense	65,938	60,466	89,889	90,000	90,000
Seminars/Education	2,898	1,387	2,049	13,000	13,500
Services - Accounting	17,939	18,203	15,000	15,750	16,000
Services - Alarm	1,375	1,360	1,512	1,600	1,600

Cost detail continued on next page

Wastewater Treatment Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Services - Biosolids Hauling	145,208	144,706	163,450	162,000	165,528
Services - Engineering	39,682	29,792	32,992	33,000	35,000
Services - Grease & Scum	15,861	13,819	20,094	23,690	25,255
Services - Grit & Screenings	6,681	5,939	7,424	7,750	7,750
Services - Janitorial	10,592	10,592	10,592	12,000	12,000
Services - Laboratory	645	837	1,267	1,500	1,500
Services - Landscape	29,599	20,942	20,784	21,500	21,500
Services - Legal	26,962	21,488	38,000	38,000	38,000
Services - Maintenance	27,208	22,786	21,581	18,000	22,000
Services - Medical	910	986	1,963	947	947
Services - Other	2,105	19	10,650	10,650	10,650
Services - Professional	7,299	5,244	12,336	12,500	13,150
Services - Temp	-	24,679	27,000	27,000	7,500
Services - IT/GIS Support	-	5,620	10,421	12,958	13,299
Services - Contractors	28,967	34,240	35,000	35,000	75,000
Services - Testing	1,082	-	-	3,000	3,000
Services - Uniforms	2,848	3,375	4,021	2,126	2,900
Subsistence - Meals	619	856	1,372	1,500	1,500
Subsistence - Travel/Rm & Bd	2,468	2,580	1,724	6,000	6,000
Supplies - Chem - Ferrous Chlo	46,772	53,633	55,000	55,000	56,700
Supplies - Chem - Odor	15,412	14,200	13,972	16,425	16,425
Supplies - Chem - Polymer	56,061	57,132	61,703	54,604	54,604
Supplies - Chem - Sodium Hypo	-	-	-	2,925	2,925
Supplies - Chemicals	3,415	5,631	5,073	3,000	5,000
Supplies - Janitorial	2,752	2,672	2,999	2,050	2,700
Supplies - Lab	-	1,779	2,310	500	2,300
Supplies - Office	8,242	8,897	12,597	9,500	9,650
Supplies - Safety	1,335	2,994	5,138	1,200	1,863
Supplies - Shop & Field	6,510	7,006	14,000	14,000	14,000
Training	1,383	1,478	3,206	2,787	2,574
Training - Safety	3,809	3,035	3,735	3,767	4,563
Utilities - Gas & Electric	211,354	214,316	235,917	237,934	261,000
Utilities - Internet	2,934	2,474	1,745	3,418	3,000
Utilities - Telephone	9,375	10,033	9,030	9,500	9,500
Utilities - Trash	3,452	3,770	2,734	3,025	3,025
Utilities - Water	62,512	80,345	95,315	72,341	70,000
Vehicle Maintenance	3,153	3,226	2,557	5,550	5,550
	<u>983,785</u>	<u>1,030,429</u>	<u>1,170,092</u>	<u>1,173,089</u>	<u>1,232,621</u>
Capital Outlay	29,472	159,850	78,162	17,000	13,000
Contingency	-	-	-	58,700	61,600
Total Operating Cost	<u>\$ 2,236,214</u>	<u>\$ 2,408,278</u>	<u>\$ 2,458,786</u>	<u>\$ 2,513,430</u>	<u>\$ 2,575,466</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 2015-16, contract agreements include the Fairbanks Ranch Community Services District, the Rancho Santa Fe Community Services District, the Santa Fe Valley Community Services District, and the Whispering Palms Community Services District.

2014-15 ESTIMATED ACTUAL EXPENDITURES

Laboratory services are expected to be approximately \$17,483 under budget. The positive differences were primarily \$3,986 in personnel costs, \$2,123 in Service-Laboratory, \$1,996 in Services-Other, \$1,712 in Supplies-Lab, and \$1,366 in Vehicle Maintenance. Capital Outlay exceeded budget due to unforeseen equipment replacement; however, unspent funds remaining in supplies and services is available to absorb the additional cost.

2015-16 ADOPTED BUDGET

The laboratory services budget for Fiscal Year 2015-16 will be \$6,511 or 1.5% higher than last year's budgeted level. The majority of the increase is \$8,472 in Direct Salaries and Wages.

Contingency funding has been set at \$3,500, which is approximately 7% 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 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 324,877	\$ 343,340	\$ 371,601	\$ 375,587	\$ 385,782
Supplies and Services	29,999	39,467	34,571	49,048	50,264
Capital Outlay	-	10,463	11,880	6,000	2,500
Contingency	-	-	-	4,900	3,500
Total Operating Cost	\$ 354,876	\$ 393,269	\$ 418,052	\$ 435,535	\$ 442,046

Laboratory Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 241,882	\$ 258,210	\$ 273,413	\$ 273,515	\$ 281,987
FICA Tax	-	-	188	-	-
Medicare Tax	3,657	3,737	4,039	3,845	3,945
State Unemployment Tax	1,259	1,064	1,068	1,210	1,243
Standby Pay	6	17	(45)	-	-
Overtime Pay	1,267	1,625	2,926	1,855	2,255
Dental/Vision	2,440	2,801	2,789	2,875	2,746
Employee Assistance Program	500	496	526	572	559
Life Insurance/Disability	1,605	1,544	1,796	2,051	2,113
Workers Comp. Insurance	(803)	4,208	4,121	5,190	5,076
Medical Insurance - Pers	25,735	25,499	30,658	32,067	33,707
Retirement Plan - PERS	37,088	33,464	38,179	40,182	39,590
Deferred Comp-employer	8,928	9,132	9,974	10,447	10,753
Uniforms - Boots	447	290	255	537	525
Payroll Processing Fees	710	1,020	1,111	753	736
Other Personnel Costs	155	232	602	488	547
	<u>324,877</u>	<u>343,340</u>	<u>371,601</u>	<u>375,587</u>	<u>385,782</u>

Cost detail continued on next page

Laboratory Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Supplies and Services					
Advertising	-	114	-	-	-
Dues & Memberships	614	1,994	602	550	600
Equipment Rental/Lease	-	-	-	-	-
Fuel	-	-	65	500	500
Insurance - Liability	-	-	-	-	-
Licenses	2,504	3,987	3,051	3,051	3,251
Minor Equip - Shop & Field	29	3,385	675	1,000	1,000
Postage/Shipping	265	270	288	400	400
Preemployment Screening	25	27	28	86	85
Printing	26	18	53	25	25
Rent	19	-	-	25	25
Repair Parts Expense	401	2,316	1,252	2,500	2,500
Seminars/Education	254	-	-	1,000	3,000
Services - Engineering	-	-	-	-	-
Services - Laboratory	13,517	12,916	12,877	15,000	15,000
Services - Legal	-	170	-	-	-
Services - Maintenance	681	1,197	1,366	2,575	2,575
Services - Medical	163	206	577	279	279
Services - Other	4	4	4	2,000	2,000
Services - Professional	931	747	511	1,000	1,000
Services - Testing	-	100	-	100	100
Services - Uniforms	718	852	1,172	675	876
Services - IT/GIS Support	-	1,040	3,067	3,624	4,017
Subsistence - Meals	74	14	23	250	250
Subsistence - Travel/Rm & Bd	142	-	140	500	500
Supplies - Lab	6,069	7,871	5,288	7,000	5,500
Supplies - Office	571	39	176	300	350
Supplies - Safety	76	48	-	300	466
Supplies - Shop & Field	198	76	160	500	500
Training	349	373	916	915	777
Training - Safety	697	417	647	1,583	1,378
Utilities - Internet	651	507	500	650	650
Utilities - Telephone	925	779	998	1,160	1,160
Vehicle Maintenance	97	0	134	1,500	1,500
	<u>29,999</u>	<u>39,467</u>	<u>34,571</u>	<u>49,048</u>	<u>50,264</u>
Capital Outlay	-	10,463	11,880	6,000	2,500
Contingency	-	-	-	4,900	3,500
Total Operating Cost	<u>\$ 354,876</u>	<u>\$ 393,269</u>	<u>\$ 418,052</u>	<u>\$ 435,535</u>	<u>\$ 442,046</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).

2014-15 ESTIMATED ACTUAL EXPENDITURES

The Ocean Outfall Program is expected to be approximately \$10,225 under budget this year. Personnel costs are projected to be \$1,473 under budget. The Supplies and Services are estimated to be over budget by \$5,449. This is due to \$12,750 in Services-Laboratory due to less planned outside laboratory expense countered by overages of \$11,494 and \$6,979 in Utilities-Gas and Electric and Services-Temp respectively. Electrical costs were higher than anticipated. Contingency funding of \$5,449 is anticipated to be used this fiscal year to cover the shortfall.

2015-16 ADOPTED BUDGET

The Ocean Outfall Program budget for Fiscal Year 2015-16 will decrease \$47,075 this year due to the completion of the intensive ocean monitoring program. Personnel Costs are expected to decrease \$13,431 as a result of staff time reviewing the outfall replacement project. An increase of \$17,065 in Utilities-Gas and Electric is expected.

Contingency funding is set at \$15,500, which is approximately 7% of the budgeted supplies and services costs. This provides funding for unforeseen events or repairs for facilities within the Ocean Outfall Program.

STAFF ALLOCATION

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

Ocean Outfall Cost Summary

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 204,165	\$ 220,944	\$ 258,680	\$ 260,153	\$ 273,584
Supplies and Services	106,902	235,365	289,128	283,679	220,873
Capital Outlay	-	-	12,000	12,000	13,000
Contingency	-	-	-	14,200	15,500
Total Operating Cost	311,067	456,309	559,807	570,032	522,957
Capital Costs	200,000	200,000	200,000	200,000	300,000
Total Costs	<u>\$ 511,067</u>	<u>\$ 656,309</u>	<u>\$ 759,807</u>	<u>\$ 770,032</u>	<u>\$ 822,957</u>

Ocean Outfall Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 156,473	\$ 171,609	\$ 195,064	\$ 195,095	\$ 203,598
FICA Tax	-	-	215	-	-
Medicare Tax	2,371	2,506	2,905	2,417	2,628
State Unemployment Tax	575	439	526	761	828
Standby Pay	1,203	1,097	1,351	1,239	1,228
Overtime Pay	419	878	1,715	824	1,127
Dental/Vision	1,346	1,540	1,731	1,807	1,829
Employee Assistance Program	276	273	327	359	372
Life Insurance/Disability	885	850	1,118	1,290	1,407
Workers Comp. Insurance	(428)	2,315	2,267	3,262	3,381
Medical Insurance - Pers	14,193	14,025	18,969	20,157	22,450
Retirement Plan - PERS	20,424	18,405	23,885	25,258	26,369
Deferred Comp-employer	5,853	6,235	7,428	6,567	7,162
Uniforms - Boots	97	85	107	337	350
Payroll Processing Fees	391	561	693	473	490
Other Personnel Costs	85	127	378	307	365
	<u>204,165</u>	<u>220,944</u>	<u>258,680</u>	<u>260,153</u>	<u>273,584</u>

Cost detail continued on next page

Ocean Outfall Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Supplies and Services					
Advertising	-	63	-	-	140
Dues & Memberships	8	595	1,373	-	140
Fees - Permits	-	-	3,025	-	3,000
Fuel	1,025	898	884	2,500	2,500
Insurance - Liability	6,831	6,523	7,500	7,500	7,200
Insurance - Property	4,065	5,066	4,901	4,800	4,900
Licenses	1,101	896	1,285	1,285	1,585
Postage/Shipping	-	129	132	12	12
Preemployment Screening	14	15	17	60	59
Printing	15	10	32	15	15
Rent	10	-	-	15	15
Repair Parts Expense	1,349	4,644	4,191	5,000	5,000
Seminars/Education	-	-	-	-	-
Minor Equip - Shop & Field	16	62	3	75	75
Services - Engineering	4,500	17,953	40,000	40,000	40,000
Services - Laboratory	8,970	-	-	12,750	8,700
Services - Legal	-	544	3,800	4,000	4,000
Services - Maintenance	165	143	2,682	900	2,700
Services - Medical	90	113	363	175	175
Services - Other	5,686	2	2	-	-
Services - Professional	512	411	321	5,000	10,000
Services - IT/GIS Support	-	572	1,927	2,293	2,921
Services - Contractors	22,447	121,486	136,000	136,000	40,000
Services - Temp	-	3,092	6,979	-	7,500
Services - Testing	-	-	-	-	-
Services - Uniforms	395	469	732	469	637
Subsistence - Meals	41	8	15	20	20
Subsistence - Travel/Rm & Bd	-	23	88	25	25
Supplies - Lab	2,776	11,872	8,477	7,000	8,500
Supplies - Office	-	21	-	-	-
Supplies - Safety	(26)	27	-	40	62
Supplies - Shop & Field	113	53	101	200	200
Training	192	205	575	645	565
Training - Safety	383	230	385	740	1,002
Utilities - Gas & Electric	44,914	58,177	61,929	50,435	67,500
Utilities - Internet	359	279	308	300	300
Utilities - Telephone	509	428	627	550	550
Vehicle Maintenance	443	359	473	875	875
	<u>106,902</u>	<u>235,365</u>	<u>289,128</u>	<u>283,679</u>	<u>220,873</u>
Capital Outlay	-	-	12,000	12,000	13,000
Contingency	-	-	-	14,200	15,500
Total Operating Cost	<u><u>\$ 311,067</u></u>	<u><u>\$ 456,309</u></u>	<u><u>\$ 559,807</u></u>	<u><u>\$ 570,032</u></u>	<u><u>\$ 522,957</u></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.

2014-15 ESTIMATED ACTUAL EXPENDITURES

The CSD pump stations are expected to be under budget by \$61,499. It is estimated that \$34,231 of this will be in personnel costs and \$13,867 in supplies and services as a result of \$9,441 lower Repair Parts Expense. Contingency funding of \$13,400 is not anticipated to be used.

2015-16 ADOPTED BUDGET

Overall, the CSD's pump station budget will increase by \$4,019, or 1.8% from last year's budget. Personnel expense will increase by \$595 or 0.4%. Supplies and Services are expected to increase by \$2,925 or 4.4%. This increase is primarily due to an anticipated increases associated with Utilities-Gas & Electric.

Contingency funding has been set at \$13,900, which is approximately 20% of budgeted supplies and services costs consistent with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at any of the CSD pump stations.

STAFF ALLOCATION

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

Cardiff Sanitary Division Cost Summary

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 129,399	\$ 118,781	\$ 114,864	\$ 149,095	\$ 149,690
Supplies and Services	59,755	52,264	53,015	66,882	69,807
Capital Outlay	12,076	-	-	-	-
Contingency	-	-	-	13,400	13,900
Total Operating Cost	201,230	171,045	167,879	229,377	233,397
Capital Costs					
Total Costs	<u>\$ 201,230</u>	<u>\$ 171,045</u>	<u>\$ 167,879</u>	<u>\$ 229,377</u>	<u>\$ 233,397</u>
Cardiff Pump Station	94,598	82,787	74,687	108,523	110,857
Coast Blvd Pump Station	33,104	30,522	36,451	42,224	46,596
Olivenhain Pump Station	73,528	57,736	56,741	78,630	75,944
Total Operating Cost	<u>\$ 201,230</u>	<u>\$ 171,045</u>	<u>\$ 167,879</u>	<u>\$ 229,377</u>	<u>\$ 233,397</u>

Cardiff Sanitary Division Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 90,455	\$ 81,902	\$ 76,798	\$ 105,021	\$ 106,901
FICA Tax	2	-	85	-	-
Medicare Tax	1,454	1,229	1,156	1,460	1,460
State Unemployment Tax	452	277	286	459	460
Standby Pay	908	823	824	739	827
Overtime Pay	4,651	2,895	2,209	5,278	4,407
Dental/Vision	1,018	1,163	1,070	1,092	1,016
Employee Assistance Program	209	206	202	218	207
Life Insurance/Disability	670	642	688	779	782
Workers Comp. Insurance	(318)	1,748	1,712	1,971	1,877
Medical Insurance - Pers	10,735	10,592	11,790	12,177	12,465
Retirement Plan - PERS	15,435	13,900	14,564	15,258	14,641
Deferred Comp-employer	3,297	2,819	2,755	3,967	3,977
Uniforms - Boots	73	64	72	204	194
Payroll Processing Fees	296	424	425	286	272
Other Personnel Costs	64	96	229	186	203
	<u>129,399</u>	<u>118,781</u>	<u>114,864</u>	<u>149,095</u>	<u>149,690</u>

Cost detail continued on next page

Cardiff Sanitary Division Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Supplies and Services					
Dues & Memberships	6	449	-	-	-
Equipment Rental/Lease	1,506	400	-	-	-
Fees - Permits	1,076	1,098	1,098	1,400	1,400
Fuel	1,165	773	681	1,320	1,320
Insurance - Liability	-	-	-	-	-
Licenses	60	676	1,242	1,183	1,183
Minor Equip - Shop & Field	12	883	838	700	700
Postage/Shipping	-	8	8	-	-
Preemployment Screening	10	11	11	34	34
Printing	11	7	21	11	11
Rent	8	-	-	12	12
Repair Parts Expense	12,468	5,797	4,559	14,000	12,000
Seminars/Education	-	-	-	-	-
Services - Alarm	1,604	1,587	1,764	1,850	1,950
Services - Engineering	300	-	-	-	-
Services - Grease & Scum	2,848	2,826	4,510	2,700	2,700
Services - Grit & Screenings	-	-	-	-	-
Services - Landscape	-	5,013	5,301	5,000	5,300
Services - Legal	-	71	-	-	-
Services - Maintenance	7,908	4,192	635	6,500	6,000
Services - Medical	68	86	220	390	390
Services - Other	2	1	1	-	-
Services - Professional	387	310	194	-	195
Services - IT/GIS Support	-	432	1,166	1,471	1,646
Services - Testing	267	-	-	1,550	1,550
Services - Uniforms	299	354	448	245	359
Subsistence - Meals	44	6	9	-	-
Subsistence - Meals	-	-	53	-	-
Supplies - Chemicals	1,012	419	1,178	1,200	1,200
Supplies - Office	-	16	-	-	-
Supplies - Safety	268	740	140	110	171
Supplies - Shop & Field	85	338	247	425	425
Training	145	155	348	353	319
Training - Safety	390	173	256	385	565
Utilities - Gas & Electric	23,788	20,830	22,136	20,746	24,349
Utilities - Internet	271	211	193	350	350
Utilities - Telephone	1,397	1,196	1,554	1,600	1,700
Utilities - Water	2,016	2,888	3,200	2,773	3,405
Vehicle Maintenance	334	270	1,002	575	575
	<u>59,755</u>	<u>52,217</u>	<u>53,015</u>	<u>66,882</u>	<u>69,807</u>
Capital Outlay	12,076	-	-	-	-
Contingency	-	-	-	13,400	13,900
Total Operating Cost	<u>\$ 201,230</u>	<u>\$ 170,997</u>	<u>\$ 167,879</u>	<u>\$ 229,377</u>	<u>\$ 233,397</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.

2014-15 ESTIMATED ACTUAL EXPENDITURES

It is anticipated that the ESD pump station will be \$5,224 or 3.8% below budget this year. This positive variance is due to lower \$10,757 in Personnel Costs, and \$3,195 in Services-Maintenance; however, an unplanned cost of \$22,735 for a Surge Tank replacement used the entire \$12,500 of Contingency resulting in an over budget expense of \$10,235.

2015-16 ADOPTED BUDGET

For Fiscal Year 2015-16, the ESD pump station budget will increase by approximately \$4,294 or 3.1%. Contingency funding has been set to \$13,000, 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 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 58,297	\$ 50,602	\$ 51,686	\$ 62,443	\$ 63,555
Supplies and Services	55,607	65,362	57,795	62,496	65,178
Capital Outlay	-	-	22,735	-	-
Contingency	-	-	-	12,500	13,000
Total Operating Cost	113,904	115,964	132,216	137,439	141,734
Capital Costs					
Total Costs	<u>\$ 113,904</u>	<u>\$ 115,964</u>	<u>\$ 132,216</u>	<u>\$ 137,439</u>	<u>\$ 141,734</u>

Encinitas Sanitary Division is the Moonlight Beach Pump Station.

Encinitas Sanitary Division Pump Station Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 39,434	\$ 35,263	\$ 35,300	\$ 41,688	\$ 45,603
FICA Tax	1	-	29	-	-
Medicare Tax	659	518	525	616	626
State Unemployment Tax	202	120	117	194	197
Standby Pay	401	364	348	337	364
Overtime Pay	3,767	417	1,020	4,351	1,469
Dental/Vision	448	513	454	461	436
Employee Assistance Program	92	91	86	92	89
Life Insurance/Disability	294	283	292	329	335
Workers Comp. Insurance	(143)	770	754	832	806
Medical Insurance - Pers	4,722	4,668	5,011	5,141	5,351
Retirement Plan - PERS	6,797	6,126	6,166	6,442	6,285
Deferred Comp-employer	1,432	1,212	1,276	1,675	1,707
Uniforms - Boots	32	28	31	86	83
Payroll Processing Fees	130	187	180	121	117
Other Personnel Costs	28	42	97	78	87
	<u>58,297</u>	<u>50,602</u>	<u>51,686</u>	<u>62,443</u>	<u>63,555</u>

Cost detail continued on next page

Encinitas Sanitary Division Pump Station Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Supplies and Services					
Advertising	-	21	-	-	-
Dues & Memberships	3	198	-	-	-
Fees - Permits	1,610	1,610	1,610	2,100	2,100
Fuel	1,336	341	259	600	600
Insurance - Liability	-	-	-	-	-
Licenses	1,048	298	1,102	1,081	1,081
Minor Equip - Shop & Field	5	21	1	25	25
Postage/Shipping	-	4	3	-	-
Preemployment Screening	5	5	5	14	14
Printing	5	3	9	5	5
Rent	3	-	-	5	5
Repair Parts Expense	8,028	14,904	5,006	5,000	5,000
Seminars/Education	-	-	-	-	-
Services - Alarm	535	529	588	750	750
Services - Engineering	-	-	-	-	-
Services - Legal	-	31	-	-	-
Services - Maintenance	2,319	5,034	1,305	4,500	2,000
Services - Medical	30	38	93	10	10
Services - Other	1	1	1	-	-
Services - Professional	170	137	82	40	40
Services - IT/GIS Support	-	190	493	681	691
Services - Testing	118	-	-	120	120
Services - Uniforms	131	156	190	108	151
Subsistence - Meals	14	3	4	-	-
Subsistence - Travel	-	-	22	-	-
Supplies - Office	-	7	-	-	-
Supplies - Safety	118	287	59	50	78
Supplies - Shop & Field	37	149	104	-	-
Training	64	68	147	150	134
Training - Safety	172	76	110	170	237
Utilities - Gas & Electric	39,297	40,898	45,935	45,477	50,529
Utilities - Internet	119	93	82	960	960
Utilities - Telephone	169	143	160	200	200
Utilities - Water	122	-	-	300	300
Vehicle Maintenance	148	120	423	150	150
	<u>55,607</u>	<u>65,362</u>	<u>57,795</u>	<u>62,496</u>	<u>65,178</u>
Capital Outlay	-	-	22,735	-	-
Contingency	-	-	-	12,500	13,000
Total Operating Cost	<u>\$ 113,904</u>	<u>\$ 115,964</u>	<u>\$ 132,216</u>	<u>\$ 137,439</u>	<u>\$ 141,734</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, Cardiff Storm Water Diversion Structure, and the Storm Drain Sediment Drying and Disposal program. The actual costs incurred are borne solely by the City of Encinitas.

2014-15 ESTIMATED ACTUAL EXPENDITURES

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

2015-16 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 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 18,655	\$ 20,022	\$ 20,624	\$ 21,085	\$ 21,637
Supplies and Services	5,119	3,983	7,002	7,464	7,573
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	23,774	24,005	27,626	28,549	29,209
Capital Costs					
Total Costs	\$ 23,774	\$ 24,005	\$ 27,626	\$ 28,549	\$ 29,209
Phoebe Storm Drain	\$ 2,369	\$ 2,409	\$ 6,421	\$ 3,930	\$ 3,924
Urban Runoff Station	15,844	16,152	15,662	17,239	17,727
Storm Drain Sediment Drying	5,561	5,444	5,543	7,380	7,558
Total Operating Cost	\$ 23,774	\$ 24,005	\$ 27,626	\$ 28,549	\$ 29,209

City of Encinitas Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 13,169	\$ 14,845	\$ 14,953	\$ 14,984	\$ 15,373
FICA Tax	2	-	9	-	-
Medicare Tax	210	219	225	201	213
State Unemployment Tax	74	45	44	63	67
Standby Pay	127	115	112	118	119
Overtime Pay	687	275	548	740	661
Dental/Vision	141	162	148	151	148
Employee Assistance Program	29	29	28	30	31
Life Insurance/Disability	93	89	95	107	114
Workers Comp. Insurance	(45)	243	238	271	275
Medical Insurance - Pers	1,490	1,471	1,626	1,679	1,820
Retirement Plan - PERS	2,143	1,931	2,007	2,103	2,138
Deferred Comp-employer	475	519	491	546	580
Uniforms - Boots	10	9	10	28	28
Payroll Processing Fees	41	59	59	39	40
Other Personnel Costs	9	13	32	25	30
	18,655	20,022	20,624	21,085	21,637

Cost detail continued on next page

City of Encinitas Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Supplies and Services					
Advertising	-	7	-	-	-
Dues & Memberships	1	62	-	-	-
Fuel	108	95	83	188	200
Insurance - Liability	-	-	-	-	-
Licenses	8	94	33	35	24
Minor Equip - Shop & Field	2	6	0	11	11
Postage/Shipping	-	1	1	-	-
Preemployment Screening	1	2	2	4	4
Printing	2	1	3	2	2
Rent	1	-	-	2	2
Repair Parts Expense	1,601	742	2,634	1,850	1,850
Seminars/Education	-	-	-	-	-
Services - Engineering	-	-	-	-	-
Services - Grit & Screenings	2,939	2,469	3,749	4,500	4,500
Services - Legal	-	10	-	-	-
Services - Maintenance	17	15	-	-	-
Services - Medical	9	12	30	14	14
Services - Other	0	0	0	-	-
Services - Professional	54	43	27	4	21
Services - Uniforms	41	49	62	34	52
Subsistence - Meals	4	1	1	-	-
Subsistence - Travel/Rm & Bd	-	-	7	-	-
Supplies - Office	-	2	-	-	-
Supplies - Safety	(3)	63	-	15	23
Supplies - Shop & Field	12	6	8	20	20
Training	20	22	48	49	46
Training - Safety	40	24	35	57	81
Services - IT/GIS Support	-	60	161	195	237
Utilities - Internet	38	29	27	35	35
Utilities - Telephone	53	45	52	70	70
Utilities - Trash	-	86	-	-	-
Utilities - Water	122	-	-	300	300
Vehicle Maintenance	47	38	39	80	80
	<u>5,119</u>	<u>3,983</u>	<u>7,002</u>	<u>7,464</u>	<u>7,573</u>
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	<u>\$ 23,774</u>	<u>\$ 24,005</u>	<u>\$ 27,626</u>	<u>\$ 28,549</u>	<u>\$ 29,209</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, Low Flow Diverters located at Fletcher Cove and Seascape Sur, as well as the Storm Drain Sediment Drying & Disposal Program. The actual costs incurred are borne solely by the City of Solana Beach.

2014-15 ESTIMATED ACTUAL EXPENDITURES

The SB pump stations are forecasted to be below budget this year by \$40,080 or 13.6%. This positive variance is due to \$6,540 of Personnel Costs and \$11,343 of Repair Parts Expense being lower than anticipated. Contingency funding of \$21,300 is not planned to be used.

The San Elijo Hills Pump Station is expected to exceed budget by \$4,560 due to ongoing construction at the site; however, the Eden Gardens and Solana Beach Pump Stations are expected to be under budget by \$19,169 and \$24,431 respectively.

2015-16 ADOPTED BUDGET

Overall, the SB pump stations budget will decrease \$1,402 or 0.5% from the prior year's budget. Solana Beach Pump Station is expected to decrease \$6,005 as a result of the pump station rebuild.

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 \$18,500, which is approximately 17% of budgeted supplies and services costs for the pump stations that is lower than 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 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 141,476	\$ 137,258	\$ 155,148	\$ 161,688	\$ 165,912
Supplies and Services	106,004	91,382	99,448	111,688	108,863
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	21,300	18,500
Total Operating Cost	<u>247,480</u>	<u>228,641</u>	<u>254,596</u>	<u>294,676</u>	<u>293,275</u>
Capital Costs	-	-	-	-	-
Total Costs	<u>\$ 247,480</u>	<u>\$ 228,641</u>	<u>\$ 254,596</u>	<u>\$ 294,676</u>	<u>\$ 293,275</u>
Eden Gardens Pump Station	75,790	67,301	72,410	91,578	92,449
Solana Beach Pump Station	106,974	92,508	95,681	120,112	114,107
San Elijo Hills Pump Station	41,583	49,019	63,333	58,774	56,404
Fletcher Cove Pump Station	18,619	15,980	16,487	18,082	18,584
Storm Drain Sediment Drying	4,514	3,834	6,685	6,130	6,210
Seascape Sur Low Flow Diverter					2,760
Fletcher Cove Low Flow Diverter					2,760
Total Operating Cost	<u>\$ 247,480</u>	<u>\$ 228,641</u>	<u>\$ 254,596</u>	<u>\$ 294,676</u>	<u>\$ 293,275</u>

Solana Beach Pump Stations Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 100,410	\$ 99,118	\$ 111,865	\$ 114,006	\$ 118,241
FICA Tax	2	-	87	-	-
Medicare Tax	1,617	1,478	1,735	1,530	1,590
State Unemployment Tax	444	326	335	481	501
Standby Pay	916	831	861	809	858
Overtime Pay	5,794	2,801	4,839	6,974	5,877
Dental/Vision	1,035	1,181	1,117	1,145	1,108
Employee Assistance Program	212	209	210	228	225
Life Insurance/Disability	681	651	718	816	850
Workers Comp. Insurance	(315)	1,774	1,737	2,066	2,046
Medical Insurance - Pers	10,914	10,749	12,295	12,767	13,589
Retirement Plan - PERS	15,678	14,106	15,232	15,998	15,962
Deferred Comp-employer	3,648	3,443	3,359	4,160	4,335
Uniforms - Boots	74	65	74	213	212
Payroll Processing Fees	300	430	444	300	297
Other Personnel Costs	65	98	240	195	221
	<u>141,476</u>	<u>137,258</u>	<u>155,148</u>	<u>161,688</u>	<u>165,912</u>

Cost detail continued on next page

Solana Beach Pump Stations Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Supplies and Services					
Dues & Memberships	6	456	-	-	-
Equipment Rental/Lease	5,844	3,704	-	-	-
Fees - Permits	1,864	2,189	1,897	2,100	2,100
Fuel	780	1,307	1,472	1,448	1,484
Insurance - Liability	-	-	-	-	-
Licenses	1,083	686	2,253	2,241	2,224
Minor Equip - Shop & Field	12	47	3	10	10
Postage/Shipping	-	8	9	-	-
Preemployment Screening	10	11	12	30	30
Printing	11	8	22	11	11
Rent	8	-	-	35	35
Repair Parts Expense	18,805	4,869	8,657	20,000	13,500
Seminars/Education	-	-	-	-	-
Services - Alarm	2,139	2,915	2,352	2,600	2,700
Services - Engineering	2,738	3,138	-	-	-
Services - Grit & Screenings	2,939	2,469	3,748	4,500	4,500
Services - Legal	-	72	-	-	-
Services - Maintenance	8,693	8,514	6,394	5,000	3,000
Services - Medical	69	87	230	140	140
Services - Other	2	1	1	-	-
Services - Professional	392	315	1,853	65	127
Services - Testing	269	-	-	445	445
Services - Uniforms	303	359	468	270	403
Services - IT/GIS Support	-	438	1,221	1,551	1,847
Subsistence - Meals	71	22	9	55	55
Subsistence - Travel/Rm & Bd	-	-	55	-	-
Supplies - Office	-	16	-	-	-
Supplies - Safety	269	1,107	146	125	194
Supplies - Shop & Field	86	623	886	370	370
Training	147	157	365	346	357
Training - Safety	395	176	264	514	634
Utilities - Gas & Electric	53,942	53,997	63,361	64,637	69,500
Utilities - Internet	275	213	201	254	254
Utilities - Telephone	1,344	1,296	1,186	1,520	1,520
Utilities - Water	3,171	1,777	1,340	3,064	3,066
Vehicle Maintenance	337	273	1,043	358	358
	<u>106,004</u>	<u>91,249</u>	<u>99,448</u>	<u>111,688</u>	<u>108,863</u>
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	21,300	18,500
Total Operating Cost	<u>\$ 247,480</u>	<u>\$ 228,507</u>	<u>\$ 254,596</u>	<u>\$ 294,676</u>	<u>\$ 293,275</u>

Solana Beach Services

PROGRAM DESCRIPTION

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

2015-16 ADOPTED BUDGET

This budget is based on estimated time for Personnel Costs, and Supplies and Services required to service similar generators located at the pump stations serviced by the SEJPA.

STAFF ALLOCATION

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

Solana Beach Services Cost Summary

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					\$ 5,244
Supplies and Services					3,893
Capital Outlay					-
Contingency					-
Total Operating Cost					9,137
Capital Costs					-
Total Costs					<u>\$ 9,137</u>
SB City Hall Generator					4,840
SB Lomas SF Fire Generator					4,297
Total Operating Cost					<u>\$ 9,137</u>

Solana Beach Services Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages					\$ 3,900
Medicare Tax					52
State Unemployment Tax					16
Dental/Vision					36
Employee Assistance Program					8
Life Insurance/Disability					28
Workers Comp. Insurance					68
Medical Insurance - Pers					446
Retirement Plan - PERS					524
Deferred Comp-employer					142
Uniforms - Boots					6
Payroll Processing Fees					10
Other Personnel Costs					8
					<u>5,244</u>
Supplies and Services					
Fuel					24
Licenses					30
Services - Maintenance					3,200
Services - Uniforms					12
Services - IT/GIS Support					55
Supplies - Safety					543
Training					11
Training - Safety					19
					<u>3,893</u>
Contingency					-
Total Operating Cost					<u>\$ 9,137</u>

Del Mar Services

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the City of Del Mar. This facility is the 21st Street pump station. The actual costs incurred are borne solely by the City of Del Mar.

2015-16 ADOPTED BUDGET

This budget is based on similar staff time, Supplies, and Services required to operate and maintain similar pump stations serviced by the SEJPA. Contingency funding has been set to \$3,900, which is approximately 32.7% of budgeted supplies and services costs for the pump stations due to the uncertainty of this new program to provide 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.

Del Mar Services Cost Summary

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					\$ 59,138
Supplies and Services					11,943
Capital Outlay					-
Contingency					3,900
Total Operating Cost					<u>74,981</u>
Capital Costs					-
Total Costs					<u><u>\$ 74,981</u></u>

Del Mar Services Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages					\$ 42,510
Medicare Tax					589
State Unemployment Tax					186
Overtime Pay					1,469
Dental/Vision					410
Employee Assistance Program					83
Life Insurance/Disability					315
Workers Comp. Insurance					758
Medical Insurance - Pers					5,032
Retirement Plan - PERS					5,911
Deferred Comp-employer					1,605
Uniforms - Boots					78
Payroll Processing Fees					110
Other Personnel Costs					82
					<u>59,138</u>
Supplies and Services					
Fuel					600
Insurance - Liability					650
Repair Parts Expense					2,500
Services - Alarm					750
Services - Grit & Screenings					1,500
Services - Legal					160
Services - Maintenance					1,595
Services - Other					300
Services - Testing					475
Services - Uniforms					139
Services - IT/GIS Support					637
Services - Grease & Scum					900
Supplies - Safety					50
Supplies - Shop & Field					445
Training					123
Training - Safety					219
Utilities - Trash					100
Vehicle Maintenance					800
					<u>11,943</u>
Contingency					3,900
Total Operating Cost					<u>\$ 74,981</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. Since addition of the Advanced Water Purification (AWP) in 2013, SEJPA's recycled water program delivers between 1,500 and 1,700 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, Eckerly 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.

2014-15 ESTIMATED ACTUAL EXPENDITURES

FY 2014-15 is the 14th full year of the Water Recycling Program. This program receives revenue from different customers with different levels of service. During FY 2014-15, the SEJPA obtained a Cost of Service Study in order to decouple from water rates being indexed to 85% of potable water rates. This report supported the rates that were subsequently agreed to by all the water purveyors; thus eliminating different rates being charged by the SEJPA to the different water purveyors. The 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 \$2,313,662, while actual revenues are anticipated to be \$2,509,567. This is an increase of \$195,905 or 8.5% greater than planned.

Budgeted operating expenditures total \$1,114,954 and estimated expenditures are projected to be \$1,149,059, or 3.1% 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 (\$148,153) and the Santa Fe Irrigation District Pipeline (\$13,500) for a total of \$996,328.

2015-16 ADOPTED BUDGET

Budgeted water sales revenue for this program is planned to be \$2,593,403, which is up 12.1%, or \$279,741 from prior year's budget. This is due primarily to increased water sales (189 acre-feet) to all of the SEJPA's reclaimed water customers.

The Water Reclamation operating cost budget is planned to be \$1,363,948, an increase of approximately \$248,995 over prior year's budget. Personnel costs for the Fiscal Year 2014-15 budget are based on projections of estimated staff effort required to operate the program and are planned to increase \$25,608 or 5.3%. Supplies and services are planned to increase by \$222,387 or 35.3% due to increased revenue that consists of rent that is based on acre feet delivered resulting in an increase of \$13,500, Services-Maintenance increase of \$10,907, Services-Professional increase of \$11,800, Services-Temp increase of \$12,000, and projected higher kW usage combined with higher rates resulting in an increase of \$90,272 for Utilities-Gas & Electric. Capital Outlay is budgeted at \$6,000 for this year.

Capital Costs are planned to be \$300,000 for pipeline engineering related to recycled water reconveyance, storage and potable reuse studies.

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

Contingency funding is not budgeted for the 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 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel	\$ 435,699	\$ 459,480	\$ 461,417	\$ 480,050	\$ 505,658
Supplies and Services	455,061	685,179	681,455	629,904	852,290
Capital Outlay	4,340	0	6,187	5,000	6,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>895,099</u>	<u>1,144,658</u>	<u>1,149,059</u>	<u>1,114,954</u>	<u>1,363,948</u>
Capital Costs	3,953,193	40,000	150,000	150,000	300,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
Advanced Water Purification	148,153	148,153	148,153	148,153	148,153
SFID Pipeline Loan	52,230	13,500	13,500	13,500	15,000
Total Debt Service	<u>1,035,058</u>	<u>996,328</u>	<u>996,328</u>	<u>996,328</u>	<u>997,828</u>
Total Costs	<u>\$ 5,883,350</u>	<u>\$ 2,180,986</u>	<u>\$ 2,295,387</u>	<u>\$ 2,261,282</u>	<u>\$ 2,661,776</u>

Water Reclamation Operating Cost Detail

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Personnel					
Direct Salaries and Wages	\$ 328,034	\$ 351,503	\$ 338,981	\$ 348,261	\$ 371,479
FICA Tax	37	-	235	-	-
Medicare Tax	5,052	5,229	5,126	4,443	4,601
State Unemployment Tax	1,323	1,582	1,611	1,399	1,449
Standby Pay	2,412	2,197	2,491	2,301	2,360
Overtime Pay	12,326	10,846	8,745	13,669	13,397
Dental/Vision	2,695	3,090	3,209	3,322	3,203
Employee Assistance Program	553	547	606	661	652
Life Insurance/Disability	1,772	1,704	2,068	2,371	2,464
Workers Comp. Insurance	(872)	4,642	4,546	5,998	5,920
Medical Insurance - Pers	28,424	27,072	35,231	37,059	39,311
Retirement Plan - PERS	40,935	36,913	44,051	46,438	46,172
Deferred Comp-employer	11,811	12,721	12,336	12,074	12,541
Uniforms - Boots	194	169	205	620	612
Payroll Processing Fees	784	1,125	1,281	870	859
Other Personnel Costs	218	141	696	564	638
	<u>435,699</u>	<u>459,480</u>	<u>461,417</u>	<u>480,050</u>	<u>505,658</u>
Supplies and Services					
Advertising	-	374	-	-	260
Bank Charges	-	12	-	-	1,000
Board Expense	-	2	-	100	100
Dedication Ceremony	-	244	-	-	-
Dues & Memberships	1,589	12,710	5,417	2,905	3,165
Equipment Rental/Lease	-	-	-	3,600	3,600
Fees - Permits	3,188	18,537	18,921	25,500	27,500
Fees - Purveyor Admin	19,652	22,929	-	-	-
Fuel	3,568	4,221	3,899	4,800	4,800
Insurance - Liability	5,036	9,784	12,000	12,000	10,800
Insurance - Property	6,097	7,599	7,352	7,000	7,350
Licenses	1,182	4,478	5,418	5,426	6,600
Minor Equip - Shop & Field	76	1,127	3,117	2,000	2,200
Postage/Shipping	20	73	47	200	200
Preemployment Screening	27	30	32	100	99
Printing	149	409	361	350	375
Rent	10,479	66,785	71,915	45,000	58,500
Repair Parts Expense	22,216	32,397	35,293	42,000	42,000
Retrofit Expenses	2,342	-	-	10,000	10,000
Seminars/Education	1,180	1,234	1,619	3,500	4,500
Services - Accounting	5,906	6,068	5,000	5,250	6,000
Services - Alarm	677	908	973	1,250	1,250

Cost detail continued on next page

Water Reclamation Operating Cost Detail Continued

Operating Cost	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Services - Engineering	65,926	47,755	45,001	45,000	85,000
Services - Laboratory	671	1,188	5,533	2,500	5,000
Services - Landscape	10,752	2,000	2,000	2,000	2,000
Services - Legal	10,759	1,841	4,326	10,000	10,000
Services - Lobbying	15,323	29,978	17,600	16,000	16,000
Services - Maintenance	4,575	13,608	19,505	7,500	18,407
Services - Medical	180	227	667	45	45
Services - Other	605	158	804	1,200	1,200
Services - Professional	4,563	11,799	15,275	18,400	30,200
Services - IT/GIS Support	-	15,847	3,544	4,227	5,650
Services - Contractors	27,929	42,642	20,165	25,000	25,000
Services - Temp	-	4,638	11,969	-	12,000
Services - Testing	-	1,033	-	500	500
Services - Uniforms	792	940	1,351	798	1,232
Subsistence - Meals	267	379	103	900	900
Subsistence - Travel/Rm & Bd	2,510	1,487	264	2,000	2,000
Supplies - Chem - Odor	719	3,211	2,751	1,000	2,805
Supplies - Chem - Polymer	-	-	-	2,880	2,880
Supplies - Chem - Sodium Hypo	31,085	39,123	53,247	50,893	54,853
Supplies - Chemicals	12,581	21,448	16,177	28,990	28,520
Supplies - Lab	1,296	2,290	1,201	2,500	2,500
Supplies - Office	159	144	83	500	500
Supplies - Safety	250	565	367	350	543
Supplies - Shop & Field	1,136	2,732	1,488	2,000	2,000
Training	385	412	1,058	575	1,094
Training - Safety	768	460	734	1,467	1,938
Utilities - Gas & Electric	160,812	232,151	264,691	213,478	303,750
Utilities - Internet	719	888	1,284	1,214	1,400
Utilities - Telephone	5,623	5,547	6,014	5,400	6,000
Utilities - Water	-	-	-	-	25,000
Utilities - Water (Suppl.)	10,380	10,036	12,019	9,356	10,824
Vehicle Maintenance	915	732	870	2,250	2,250
Miscellaneous	-	-	-	-	-
	<u>455,061</u>	<u>685,179</u>	<u>681,455</u>	<u>629,904</u>	<u>852,290</u>
Capital Outlay	4,340	0	6,187	5,000	6,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>\$ 895,099</u>	<u>\$ 1,144,658</u>	<u>\$ 1,149,059</u>	<u>\$ 1,114,954</u>	<u>\$ 1,363,948</u>

Capital Programs



SEWRF Emergency 800 kW Generator



Solana Beach Seascape Sur Low Flow Diverter

Capital Programs Project Summary

Program	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Wastewater Treatment	\$ 782,000	\$ 858,000	\$ 907,000	\$ 907,000	\$ 997,000
Ocean Outfall	200,000	200,000	200,000	200,000	300,000
Water Reclamation	3,953,193	40,000	150,000	150,000	300,000
Total Capital Cost	<u>\$ 4,935,193</u>	<u>\$ 1,098,000</u>	<u>\$ 1,257,000</u>	<u>\$ 1,257,000</u>	<u>\$ 1,597,000</u>

Capital Programs Wastewater Treatment Project Detail

Capital Project	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Preliminary Treatment Upgrades	352,000	353,000	-	-	420,000
Building Improvements	-	85,000	35,000	35,000	220,000
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	102,000	102,000	212,000
Emergency Generator Replacement	-	50,000	480,000	480,000	
Miscellaneous Projects	-	-	60,000	60,000	70,000
Total Capital Cost	<u>\$ 782,000</u>	<u>\$ 858,000</u>	<u>\$ 907,000</u>	<u>\$ 907,000</u>	<u>\$ 997,000</u>

PRELIMINARY TREATMENT UPGRADES (formerly Headworks/Grit Project)

The Facility Plan in 2007 and the Facility Plan Update of 2015 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) replace the aging bar screens, and (5) a grit chamber rehabilitation that included replacement of covers, re-lining of the concrete chamber, replacement of channel slide gates, and improvements to the mechanical grit conveyance system. The report 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 2015 at \$2.34 million.

BUILDING IMPROVEMENTS

The need and drivers for this project are to address safety, security, operational, and code deficiencies associated with the Administrative and Operations Building. The 2015 Facility Plan Update expressed that creating a safe and secure work place that provides both open and, as necessary, restricted public access is paramount to managing risk and liability. There are risk and liability associated with continuing to operate with the known deficiencies associated with ADA and CBC compliance. The current Administrative Building was installed as a “temporary” facility 15 years ago, is not properly anchored to a foundation, is located under high voltage power lines in an easement held by SDG&E, does not provide adequate site security to restrict access to valuable and essential equipment, does not have a proper ADA access ramp or proper ADA turning radius, lacks necessary plumbing fixtures and adequate work space, and does not comply with energy efficiency standards.

BIOSOLIDS BUILDING RESERVE

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

ENERGY EFFICIENCY IMPROVEMENTS

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

DIGESTER REHABILITATION / UPGRADE

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

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 Adopted 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 was completed in FY 2014-15.

MISCELLANEOUS PROJECTS FY 2015-16

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

Capital Programs Ocean Outfall Project Detail

Capital Project	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Outfall Reserve	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 300,000
Total Capital Cost	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 300,000</u>

OUTFALL RESERVE

The Land Outfall portion of the ocean outfall which was installed across the lagoon in 1965 was identified in the 2015 Facility Plan as a high risk asset that is likely to fail within the next 20 years. The lagoon restoration project and NCTD double-track project will be significantly disturbing the area around this pipeline during the next three years making the likelihood of failure even higher. SEJPA has elected to begin planning and design to replace the land outfall and some of the outfall reserve will be used for this project.

Additionally, 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 upcoming ocean outfall projects, which will likely be required in this decade.

Capital Programs Water Reclamation Project Detail

Capital Project	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Master Plan Update	\$ -	\$ 40,000	\$ -	\$ -	\$ -
Advanced Water Purification	3,953,193	-	-	-	-
Conveyance and Storage			150,000	150,000	255,000
Potable Reuse Study					45,000
Total Capital Cost	\$ 3,953,193	\$ 40,000	\$ 150,000	\$ 150,000	\$ 300,000

ADVANCED WATER PURIFICATION PROJECT

The Recycled Water AWP Project began in Fiscal Year 2009-10, when the SEJPA Board of Directors approved funding to improve and expand the recycled water program. 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.

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

CALTRANS RELOCATION PROJECT

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

VILLAGE PARK WIEGAND TANK CONNECTION PIPELINE

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

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 FY 2015-16 annual payments will be \$691,225 for the City of Encinitas and \$781,593 for the City of Solana Beach. As of June 30, 2015, the outstanding balance will be \$5,585,000. The City of Encinitas' portion will be \$2,627,419, and the City of Solana Beach's portion will be \$2,957,581.

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, 2015, the outstanding balance will be \$4,597,497.

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, 2015, 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, 2015, the outstanding balance will be \$1,757,267.

SFID PIPELINE LOAN

In 2013, the SEJPA entered into an agreement with the Santa Fe Irrigation District to purchase a recycled water distribution pipeline for \$526,149 with an initial down payment of \$50,000 and annual interest between 1.0% and 2.5% based on the Local Agency Investment Fund rate. The repayment schedule is \$450 per acre foot of water delivered through the pipeline. It is estimated at June 30, 2015, the outstanding balance is estimated to be \$454,000 based on 33.3 acre-feet delivered through the pipeline in FY 2014-15.

Debt Service Summary

	Actual 2012-13	Actual 2013-14	Estimated Actual 2014-15	Adopted Budget 2014-15	Adopted Budget 2015-16
Wastewater Debt Service					
2011 Refunding Bonds					
Principal	1,165,000	1,200,000	1,235,000	1,235,000	1,265,000
Interest	315,817	280,867	244,867	244,867	207,818
Total Debt Service	<u>1,480,817</u>	<u>1,480,867</u>	<u>1,479,867</u>	<u>1,479,867</u>	<u>1,472,818</u>
Water Reclamation Debt Service					
State Revolving Fund					
Principal	668,348	685,057	702,183	702,183	719,738
Interest	166,327	149,618	132,492	132,492	114,937
Total Debt Service	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>
Advanced Water Purification					
Principal	67,195	70,013	72,948	72,948	76,007
Interest	80,958	78,140	75,205	75,205	72,146
Total Debt Service	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>
SFID Pipeline Loan					
Principal	52,230	8,685	8,800	8,774	10,000
Interest	-	4,815	4,700	4,726	5,000
Total Debt Service	<u>52,230</u>	<u>13,500</u>	<u>13,500</u>	<u>13,500</u>	<u>15,000</u>
Total Water Reclamation Debt Service					
Principal	787,773	763,755	783,931	783,905	805,745
Interest	247,285	232,573	212,397	212,423	192,083
Total Debt Service	<u>1,035,058</u>	<u>996,328</u>	<u>996,328</u>	<u>996,328</u>	<u>997,828</u>
Total Debt Service					
Total All Debt Service					
Principal	1,952,773	1,963,755	2,018,931	2,018,905	2,070,745
Interest	563,102	513,440	457,264	457,290	399,901
Total Debt Service	<u>\$ 2,515,875</u>	<u>\$ 2,477,195</u>	<u>\$ 2,476,195</u>	<u>\$ 2,476,195</u>	<u>\$ 2,470,646</u>

Personnel Summary

**SAN ELIJO JOINT POWERS AUTHORITY
CLASSIFICATION AND COMPENSATION SCHEDULE
July 1, 2015**

Position	Full-Time Equivalent (FTE)	Compensation			
		Monthly		Annual	
		Minimum	Maximum	Minimum	Maximum
Accounting Technician	1	\$ 4,133	\$ 5,897	\$ 49,596	\$ 70,764
Administrative Assistant	1	3,484	5,121	41,808	61,452
Human Resources/Safety Administrator	1	5,650	7,774	67,800	93,288
Director of Operations	1	9,160	12,552	109,920	150,624
Associate Engineer	1	6,262	8,978	75,144	107,736
Director of Finance/Administration	1	9,160	12,552	109,920	150,624
General Manager (Under Contract)	1	15,212	15,212	182,539	182,539
Laboratory Series	2				
<i>Laboratory Analyst I</i>		4,169	5,693	50,028	68,316
<i>Laboratory Analyst II</i>		4,744	6,812	56,928	81,744
<i>Senior Laboratory Analyst</i>		5,778	8,375	69,336	100,500
Mechanic Series	3				
<i>Mechanic I</i>		4,212	5,750	50,544	69,000
<i>Mechanic II</i>		4,831	6,597	57,972	79,164
<i>Mechanical Systems Supervisor</i>		5,623	9,191	67,476	110,292
Systems Integration Series	2				
<i>Systems Integration Technician I</i>		4,212	5,749	50,544	68,988
<i>Systems Integration Technician II</i>		4,831	6,597	57,972	79,164
<i>Systems Integration Supervisor</i>		6,443	9,480	77,316	113,760
Wastewater Treatment Operator Series	4				
<i>Operator-In-Training</i>		3,870	5,284	46,440	63,408
<i>Operator I</i>		4,212	5,750	50,544	69,000
<i>Operator II</i>		4,831	6,927	57,972	83,124
Lead Operator	2	5,517	8,106	66,204	97,272
Chief Plant Operator	1	7,565	9,840	90,780	118,080
Water Reclamation Series	1				
Water Reclamation Specialist		4,928	7,067	59,136	84,804

Organizational Chart

