

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY JUNE 14, 2010 AT 9:00 AM**  
**SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM**  
**2695 MANCHESTER AVENUE**  
**CARDIFF BY THE SEA, CALIFORNIA**

**- ATTENTION -**  
***DUE TO LACK OF QUORUM FOR THE JUNE 14 MEETING,***  
***THE REGULAR MEETING HAS BEEN ADJOURNED TO***  
***MONDAY, JUNE 21, 2010.***

- 
1. CALL TO ORDER
  2. ROLL CALL
  3. PLEDGE OF ALLEGIANCE
  4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
  5. PRESENTATION OF AWARDS  
  
None
  6. \* **CONSENT CALENDAR**
  7. \* APPROVAL OF MINUTES FOR THE MAY 10, 2010 MEETING
  8. \* APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS
  9. \* SAN ELIJO WATER RECLAMATION FACILITY TREATED EFFLUENT FLOWS – MONTHLY REPORT
  10. \* SAN ELIJO JOINT POWERS AUTHORITY RECYCLED WATER PROGRAM – MONTHLY REPORT
  11. \* AWARD OF ANNUAL SUPPLIES AND SERVICES CONTRACTS FOR THE SAN ELIJO JOINT POWERS AUTHORITY
  12. \* ITEMS REMOVED FROM CONSENT CALENDAR

*Items on the Consent Calendar are routine matters and there will be no discussion unless an item is removed from the Consent Calendar. Items removed by a "Request to Speak" form from the public will be handled immediately following adoption of the Consent Calendar. Items removed by a Board Member will be handled as directed by the Board.*

## **REGULAR AGENDA**

13. **ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2010-11 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF SEJPA TREASURER**

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2010-06, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2010-11 with the recommended changes identified in this report;
2. Adopt Resolution No. 2010-07, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of SEJPA Treasurer; and
3. Discuss and take action as appropriate.

Staff Reference: Director of Finance/Administration Greg Lewis

14. **SAN ELIJO JOINT POWERS AUTHORITY PURCHASING POLICY REVISION**

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2010-08, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Establishing Purchasing Policies and Procedures for the San Elijo Joint Powers Authority (Attachment); and
2. Discuss and take action as appropriate.

Staff Reference: Director of Finance/Administration Greg Lewis

15. **RESOLUTION FOR SALARY AND BENEFITS FOR FISCAL YEARS 2010-11 AND 2011-12, AND RESOLUTION OF INTENT FOR EMPLOYEE CALPERS CONTRIBUTIONS**

It is recommended that the Board of Directors:

1. Approve Resolution 2010-04, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Salary and Benefits for Fiscal Years 2010-11 and 2011-12;
2. Approve Resolution 2010-09, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Stating its Non-Binding Goal that Employees Pay the Full CalPERS Employee Rate of Contribution no Later than July 1, 2014; and
3. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

16. GENERAL MANAGER'S REPORT

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

17. GENERAL COUNSEL'S REPORT

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

18. BOARD MEMBER COMMENTS

This item is placed on the agenda to allow individual Board Members to briefly convey information to the Board or public, or to request staff to place a matter on a future agenda and/or report back on any matter. There is no discussion or action taken on comments by Board Members.

19. CLOSED SESSION

The Board of Directors may adjourn to closed session per Government Code Section 54957.6:

Conference with Labor Negotiators, General Manager Michael T. Thornton and Director of Finance/Administration Gregory Lewis.

A closed session may be held at any time during this meeting of the San Eljio Joint Powers Authority for the purposes of discussing potential or pending litigation or other appropriate matters pursuant to the "Ralph M. Brown Act".

20. ADJOURNMENT

The next regular scheduled San Eljio Joint Powers Authority Board Meeting will be July 12, 2010 at 9:00 a.m.

NOTICE:

The San Eljio Joint Powers Authority's open and public meetings meet the protections and prohibitions contained in Section 202 of the Americans With Disabilities Act of 1990 (42 U.S.C Section 12132), and the federal rules and regulations adopted in implementation thereof. Any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting of the SEJPA Board of Directors may request such modification or accommodation from Michael T. Thornton, General Manager, (760) 753-6203 ext. 72.

The agenda package and materials related to an agenda item submitted after the packet's distribution to the Board is available for public review in the lobby of the SEJPA Administrative Office during normal business hours. Agendas and minutes are available at [www.sejpa.org](http://www.sejpa.org). The SEJPA Board meetings are held on the second Monday of the month, except August.

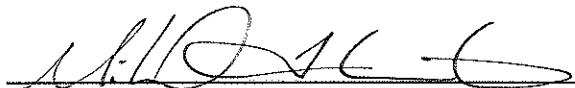
AFFIDAVIT OF POSTING

I, Michael T. Thornton, Secretary of the San Elijo Joint Powers Authority, hereby certify that I posted, or have caused to be posted, a copy of the foregoing agenda in the following locations:

San Elijo Water Reclamation Facility, 2695 Manchester Avenue, Cardiff, California  
City of Encinitas, 505 South Vulcan Avenue, Encinitas, California  
City of Solana Beach, 635 South Highway 101, Solana Beach, California

The notice was posted at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

Date: June 10, 2010



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

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON MAY 10, 2010  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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Maggie Houlihan, Chair

Tom Campbell, Vice Chair

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A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, May 10, 2010, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Houlihan called the meeting to order at 9:00 a.m.

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Thomas Campbell  
Maggie Houlihan  
Dave Roberts

*Others Present:*

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

Michael Thornton  
Greg Lewis  
Christopher Trees  
Monica Blake  
Carrie Cook  
Marisa Buckles

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas,  
Director of Public Works  
City of Encinitas,  
Public Works Management Analyst  
City of Solana Beach,  
City Manager  
City of Solana Beach,  
Director of Engineering/Public Works

Larry Watt

Bill Wilson

David Ott

Mohammad "Mo" Sammak

3. PLEDGE OF ALLEGIANCE

Vice Chair Campbell led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Michael Thornton reported that he attended the California Water Environment Association (CWEA) State Conference held in Sacramento. At the conference, he presented on the SEJPA's Energy Optimization Project and accepted an award for the agency's Safety Program.

6. CONSENT CALENDAR

Moved by Board Member Roberts and seconded by Board Member Barth to approve the Consent Calendar with unanimous vote of approval.

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the April 12, 2010 meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report
Agenda Item No. 9	San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report
Agenda Item No. 10	San Elijo Joint Powers Authority Recycled Water Program – Monthly Report

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2010-11 RECOMMENDED BUDGET UPDATE

Director of Finance/Administration Greg Lewis reported that both Member Agencies were satisfied with the proposed budget and that there were no recommended changes. He stated that the budget will be presented to the Board of Directors for adoption at the June meeting.

This item was presented as information only and no action was needed.

15. GENERAL MANAGER'S REPORT

The General Manager reported he will have a Power Point presentation on the new Eden Gardens Pump Station at the June Board meeting.

16. GENERAL COUNSEL'S REPORT

None

17. BOARD MEMBER COMMENTS

None

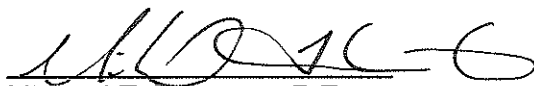
18. CLOSED SESSION

The Board of Directors adjourned to closed session to discuss labor negotiations per Government Code Section 54957.6.

19. ADJOURNMENT

The Board of Directors adjourned at 10:25 a.m. with no reportable action from closed session. The next Board of Directors meeting will be held on June 14, 2010.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

PAYMENT OF WARRANTS

10-06

4-Jun-10

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
<b>10-06 WARRANTS</b>		
ABPA	Membership - M. Piper	\$75.00
A & G Instrument	Calibration of flowmeters - plant and all pump stations	\$1,050.00
AWWA	Membership - M. Piper	\$198.00
Ababa - QA	Stainless steel bolts - Eden Gardens P. S.	\$37.04
Abcana	Hydrochloric acid - plant	\$326.52
Action Chemical	Degreaser - plant	\$105.38
Advanced Air & Vacuum	Oil and filter change - water reclamation	\$379.81
AG Tech, LLC	Biosolids hauling - April	\$4,636.24
Airgas West	Propane and nitrogen - plant and lab	\$135.35
Airgas West	Dual toxins sensors - plant	\$251.28
Allied 100, LLC	Recording AED maintenace inspection tags	\$8.37
Arrowhead	Kitchen and lab supplies	\$273.50
AT&T	Alarm service - May	\$380.72
AT&T	Phone service - 03/13/10 - 04/12/10	\$367.39
AT&T - Eden Garden	Phone service - 03/20/10 - 04/19/10	\$97.02
Atlas Pumping Service	Grease and scum pumping - May	\$554.88
Atlas Pumping Service	Grease and scum pumping - April	\$554.88
Atlas Pumping Service	Grit and screening	\$1,484.70
Barracuda Networks, Inc.	Network backup - May	\$50.00
Blake, Monica	Expense report - mileage	\$25.86
Blue Skies Landscape	Landscape service - April	\$1,200.00
Boot World, Inc.	Safety boots - R. Chea	\$117.42
Boot World, Inc.	Safety boots - S. Arredondo	\$146.78
California Water Technologies	Ferric chloride - plant	\$5,692.73
Complete Office	Office supplies - May	\$67.86
Complete Office	Office supplies - April	\$131.36
Conocophillips Fleet	Vehicle fuel - April	\$967.65
Cor-o-van Records Mgmt., Inc.	Record storage - April	\$60.36
County Burner Machinery Co.	Adjust combustion flare - plant	\$258.50
Covad	T-1 service - May	\$359.00
Dept. of Consumer Affairs	Certificate renewal - C. Trees	\$125.00
Del Mar Blue Print	Bond paper - water reclamation	\$21.75
Dickson	Calibration and testing charts - water reclamation	\$447.00
Drive Line Service	U-joint straighten and balance - Cardiff P. S.	\$216.83
Dudek & Associates	Sediment disposal area design - plant	\$1,503.50
Edco Waste & Recycling Service	Trash and recycling service - April	\$184.01
Edco Waste & Recycling Service	Grit and screening stormdrain dirt -Cardiff, Solana P.S.	\$1,153.52
Escondido Metal Supply	Parts for belt press conveyor - plant	\$362.14
Filter Belts	Lower belt and wire - plant	\$868.92
Fluid Components International	Three gas flow meters - plant	\$9,227.26
Golden State Overnight - GSO	Mailing monthly regulatory reports and lab samples	\$58.11
Grainger, Inc.	Faucet - water reclamation	\$101.55
Harrington Industrial Plastics	Flowmeter and plumbing supplies - plant and wtr. rec.	\$212.23
Hoch, Adam	Expense report - CWEA annual conference	\$50.43
Hoch, Adam	Expense report - mileage	\$22.00
Horizon Health EAP	EAP - May	\$367.84
Hydrologix Grease Reduction	May - grease reduction - Coast Blvd. P. S.	\$350.00
Jani-King	Janitorial service - May	\$882.64
Konica	Monthly copier maintenance	\$107.31
Larsen, Casey	Expense report - switch and p.c. microphone	\$78.28
LC Paving and Sealing	Resurface asphalt - plant	\$29,224.78
Lee's Lock and Safe	Lock change and padlock - Plant, Eden Garden P. S.	\$336.99
Lewis, Greg	Expense report - Admin day, mileage, cameras	\$505.99



PAYMENT OF WARRANTS

10-06

4-Jun-10

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Lewis, Greg	Expense report - safety training class, camera cases	\$108.60
MBC Applied Environmental	Testing - outfall	\$3,264.36
MetLifeSBC	Dental insurance	\$1,441.75
Mutual of Omaha	Life and disability insurance - May	\$1,766.05
Napa Auto Parts	Battery - vehicle maintenace	\$98.41
OMWD	Manchester - 03/09/10 - 04/08/10	\$32.80
Oil Filter Service, Inc	Air filters - plant	\$328.41
One Source Distributors, Inc.	Electrical supplies - Olivenhain, Eden Gardens, plant	\$925.14
PERS - Retirement	Retirement premium - 05/07/10	\$13,205.33
PERS - Retirement	Retirement premium - 05/21/10	\$13,205.33
Preferred Benefit	Vision insurance - May	\$405.05
RSF Security Systems	Security service - 06.01.10 - 08.31.10 - plant	\$1,482.00
Rain for Rent, Inc.	Delivery, return, fuel and plumbing parts - rec. wtr.	\$2,443.43
Rohan & Sons, Inc.	March - 90 day maintenance service - A/C units - plant	\$312.00
Rohan & Sons, Inc.	Replace three compressor contactors - plant	\$407.34
Safetyline, Inc.	Safety vests and jackets	\$215.30
San Diego Gas and Electric	Gas and electric - 04/08 - 05/10 - Cardiff P.S.	\$1,539.17
San Diego Gas and Electric	Gas and electric - 02/16/10 - 03/10/10 - Eden Gardens	\$1,220.71
San Dieguito Water District	Manchester - 03/31/10 - 04/29/10	\$3,122.32
San Dieguito Water District	Manchester - 03/31/10 - 04/29/10	\$181.04
San Dieguito Water District	Manchester - 03/31/10 - 04/29/10	\$32.24
San Dieguito Water District	Manchester - 03/31/10 - 04/29/10	\$290.16
San Dieguito Water District	Manchester - 03/31/10 - 04/29/10	\$183.52
San Elijo Payroll Account	Payroll - 05/07/2010	\$73,584.10
San Elijo Payroll Account	Payroll - 05/21/2010	\$74,889.92
Santa Fe Irrigation District	Highland Dr. - 02/17/10 - 04/19/10	\$219.02
Santa Fe Irrigation District	Valley - 03/31/10 - 04/29/10	\$36.93
Smart & Final	Kitchen and meeting supplies	\$203.40
Sprint	Cellular phone service	\$804.99
State Water Resources	Membership - J. Clark	\$190.00
Stitcheree	SEJPA apparel	\$39.67
Test America	Lab testing - April	\$546.25
Thornton, Michael	Expense report - CWEA conference	\$1,349.39
Trussell Technologies, Inc	Analysis recycled water treatment process	\$8,196.00
Trussell Technologies, Inc	Analysis recycled water treatment process	\$776.00
Trussell Technologies, Inc	Demineralization design review	\$6,032.00
UPS	Shipped parts and lab samples	\$33.56
Underground Service Alert	Dig alert - April	\$51.00
Unifirst Corporation	Uniform service - May	\$107.79
Unifirst Corporation	Uniform service - April	\$75.50
United Metal Works	Drainage gutter - plant	\$299.06
USA Bluebook	Submersible pump - plant	\$205.86
USA Bluebook	Feed rate control service kit and feed tube - plant	\$84.34
Total 10-06 Warrants:		<u>\$280,336.92</u>

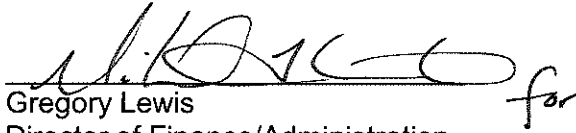
SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

4-Jun-10

PAYMENT OF WARRANTS		\$280,336.92
Reference Number	10-06	

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

  
\_\_\_\_\_  
Gregory Lewis for  
Director of Finance/Administration  
Treasurer

STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS  
AND INVESTMENT INFORMATION  
AS OF

4-Jun-10

<u>FUNDS ON DEPOSIT WITH</u>	<u>AMOUNT</u>
<b>LOCAL AGENCY INVESTMENT FUND</b> <i>(MARCH 2010 YIELD 0.55%)</i>	
SELF INSURANCE RESERVE	\$ 300,000.00
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 6,444,274.07
 <b>CALIFORNIA BANK AND TRUST</b> <i>(MARCH 2010 YIELD 0.10%)</i>	
REGULAR CHECKING	\$ 89,645.14
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 7,468,919.21

\*

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

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

RECOMMENDATION

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

DISCUSSION

Monthly Treatment Plant Performance and Evaluation

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all NPDES ocean effluent limitation requirements for the month of April 2010. The primary indicators of treatment performance include the removal of Carbonaceous Biochemical Oxygen Demand (CBOD) and Total Suspended Solids (TSS). Treatment levels for CBOD and TSS exceeded monthly percent removal requirements (as shown in Figure 1 and Figure 2).

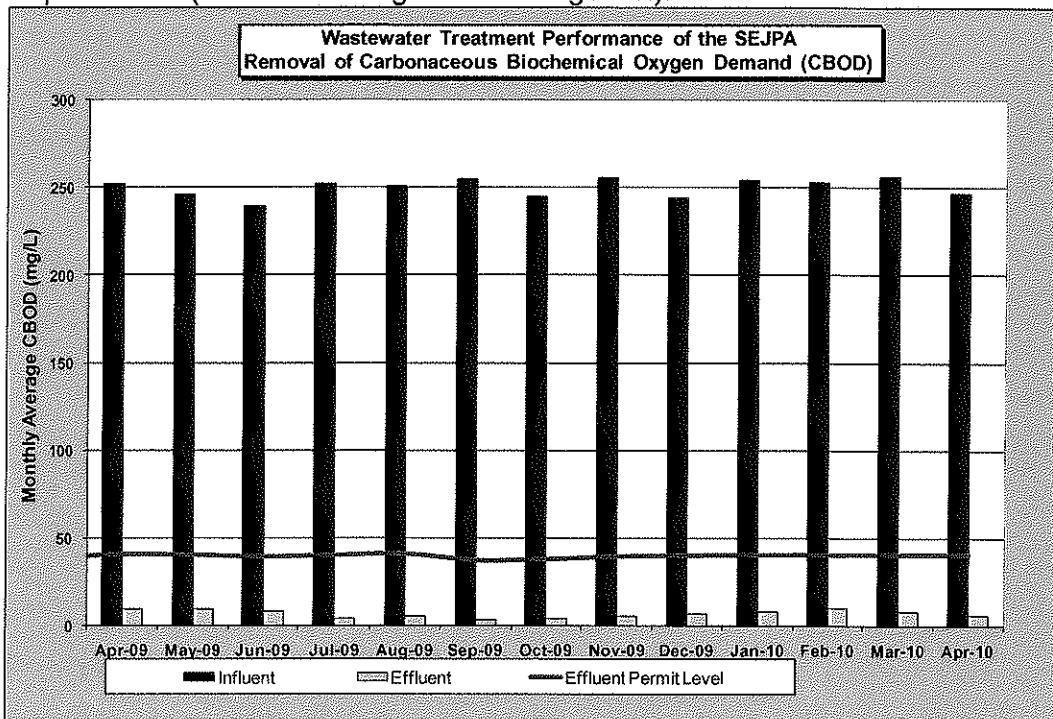


FIGURE 1

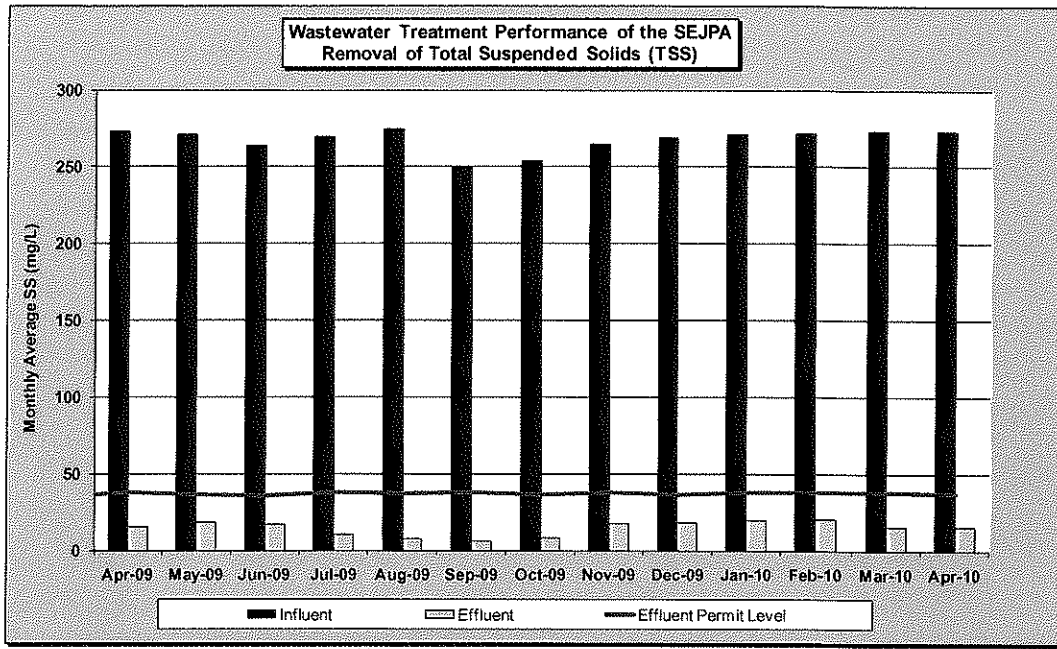


FIGURE 2

### Member Agency Flows

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

	April	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.451	1.058
City of Solana Beach	1.391	1.014
Rancho Santa Fe SID	<u>0.137</u>	<u>0.100</u>
<b>Total San Elijo WRF Flow</b>	<b>2.979</b>	<b>2.172</b>

Notes: As of July 1995, Rancho Santa Fe Community Services District (CSD) combined SID #2 and SID #3 into one Sewer Improvement District (SID).

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

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

Figure 3 (attached) presents the historical average daily flows per month for each Member Agency. This is to provide a historical overview of the average treated flow by each agency. As shown in the figure, the average treated flow typically ranges between 2.9 and 3.1 million gallons per day (mgd). Also shown in Figure 3 is the total wastewater treatment capacity of the plant, 5.25 mgd, of which each Member Agency has the right to 2.5 mgd, and Rancho Santa Fe Community Service District has the right to 0.25 mgd.

City of Escondido Flows

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

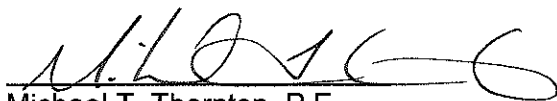
	<b>April (mgd)</b>
Escondido (Average flow rate)	10.6
Escondido (Peak flow rate)	18.9

Connected Equivalent Dwelling Units

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

	<b>April (EDU)</b>
Cardiff Sanitary Division	8,198
Rancho Santa Fe SID	474
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
<b>Total EDUs to System</b>	<b>16,400</b>

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

Attachments: Table 1: SEWRF Monthly Report – Flows and EDUs  
Figure 3: Average Daily Flow

**SAN ELIJO WATER RECLAMATION FACILITY MONTHLY REPORT - FLOWS AND EDUS**

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)			AVERAGE DAILY EFFLUENT FLOW RATE (MGD)			AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)			TOTAL PLANT		
	CSD	RSF	SB	CSD	RSF	SB	CSD	RSF	SB		CSD	RSF
Jan-06	1.515	0.139	1.310	1.410	0.129	1.219	8.044	423	7.659	188	329	171
Feb-06	1.499	0.139	1.313	1.268	0.118	1.111	8.044	423	7.659	186	329	171
Mar-06	1.542	0.144	1.309	1.475	0.137	1.252	8.044	424	7.659	192	340	171
Apr-06	1.523	0.139	1.288	1.400	0.128	1.184	8.044	424	7.728	189	328	167
May-06	1.480	0.134	1.299	0.979	0.089	0.859	8.066	429	7.728	183	312	168
Jun-06	1.471	0.130	1.350	0.762	0.068	0.699	8.080	430	7.728	184	302	175
Jul-06	1.490	0.135	1.436	0.719	0.065	0.693	8.087	431	7.728	182	302	175
Aug-06	1.456	0.144	1.392	0.748	0.074	0.715	8.088	432	7.728	184	313	186
Sep-06	1.403	0.138	1.327	0.744	0.072	0.704	8.092	432	7.728	180	333	180
Oct-06	1.414	0.132	1.286	0.943	0.088	0.857	8.092	432	7.728	173	319	172
Nov-06	1.408	0.135	1.284	1.100	0.103	1.003	8.094	434	7.728	175	306	166
Dec-06	1.429	0.138	1.275	1.296	0.126	1.156	8.099	436	7.728	174	311	166
Jan-07	1.419	0.128	1.282	1.205	0.109	1.089	8.100	441	7.728	176	317	165
Feb-07	1.425	0.129	1.277	1.284	0.116	1.150	8.106	443	7.728	175	290	166
Mar-07	1.421	0.118	1.285	1.014	0.085	0.917	8.112	444	7.728	176	291	165
Apr-07	1.366	0.122	1.267	0.868	0.076	0.794	8.115	447	7.728	175	266	166
May-07	1.411	0.106	1.281	0.763	0.058	0.693	8.116	448	7.728	174	273	164
Jun-07	1.438	0.104	1.304	0.697	0.051	0.632	8.117	449	7.728	172	237	166
Jul-07	1.461	0.109	1.364	0.657	0.049	0.613	8.119	450	7.728	177	232	169
Aug-07	1.442	0.110	1.365	0.571	0.044	0.541	8.120	450	7.728	180	242	177
Sep-07	1.410	0.107	1.270	0.596	0.046	0.537	8.124	452	7.728	178	244	177
Oct-07	1.335	0.096	1.222	0.777	0.056	0.712	8.124	452	7.728	182	237	164
Nov-07	1.430	0.113	1.235	1.122	0.088	0.969	8.138	453	7.728	164	213	158
Dec-07	1.443	0.143	1.225	1.380	0.137	1.171	8.144	453	7.728	176	250	160
Jan-08	1.491	0.144	1.268	1.488	0.144	1.266	8.146	454	7.728	177	316	159
Feb-08	1.620	0.162	1.355	1.499	0.150	1.254	8.150	456	7.728	183	318	164
Mar-08	1.569	0.149	1.365	1.261	0.119	1.097	8.151	456	7.728	199	356	175
Apr-08	1.493	0.125	1.318	1.154	0.097	1.019	8.151	456	7.728	192	326	177
May-08	1.487	0.136	1.339	0.755	0.069	0.680	8.153	456	7.728	182	299	173
Jun-08	1.649	0.131	1.270	0.647	0.052	0.498	8.161	456	7.728	202	288	164
Jul-08	1.713	0.131	1.324	0.722	0.055	0.558	8.163	456	7.728	210	288	171
Aug-08	1.562	0.125	1.483	0.608	0.048	0.577	8.165	457	7.728	191	274	192
Sep-08	1.547	0.121	1.378	0.813	0.064	0.724	8.167	459	7.728	202	288	171
Oct-08	1.478	0.111	1.319	0.671	0.051	0.599	8.170	460	7.728	181	242	171
Nov-08	1.511	0.118	1.329	1.080	0.084	0.950	8.171	462	7.728	185	256	172
Dec-08	1.580	0.156	1.362	1.446	0.143	1.246	8.172	462	7.728	193	338	176
Jan-09	1.522	0.141	1.354	1.256	0.116	1.117	8.177	462	7.728	210	288	171
Feb-09	1.599	0.145	1.330	1.408	0.128	1.171	8.179	462	7.728	186	306	175
Mar-09	1.510	0.124	1.307	1.030	0.085	0.892	8.180	463	7.728	196	314	172
Apr-09	1.463	0.116	1.262	0.731	0.058	0.630	8.183	463	7.728	185	268	169
May-09	1.465	0.117	1.247	0.712	0.057	0.606	8.185	464	7.728	179	252	163
Jun-09	1.479	0.115	1.319	0.712	0.056	0.635	8.185	465	7.728	179	252	161
Jul-09	1.437	0.109	1.376	0.599	0.045	0.573	8.186	465	7.728	181	248	171
Aug-09	1.431	0.113	1.419	0.603	0.047	0.598	8.186	467	7.728	176	234	178
Sep-09	1.404	0.108	1.346	0.690	0.053	0.661	8.186	467	7.728	175	242	184
Oct-09	1.375	0.108	1.332	0.744	0.058	0.721	8.187	468	7.728	171	231	174
Nov-09	1.366	0.111	1.323	0.843	0.069	0.816	8.187	468	7.728	168	231	172
Dec-09	1.401	0.127	1.322	1.149	0.104	1.064	8.189	469	7.728	171	237	171
Jan-10	1.532	0.155	1.372	1.271	0.128	1.138	8.193	469	7.728	167	237	171
Feb-10	1.487	0.148	1.382	1.371	0.136	1.274	8.196	472	7.728	171	271	174
Mar-10	1.455	0.145	1.398	1.108	0.110	1.064	8.197	474	7.728	187	329	178
Apr-10	1.451	0.137	1.391	1.058	0.100	1.014	8.198	474	7.728	181	313	179
			2.979	2.172		2.172	8.198	474	7.728	177	289	180

**TABLE 1**

CSD: Carrif Sanitary Division  
 RSF CSD: Ranch Santa Fe Community Service District  
 SF: Solana Beach  
 EDU: Equivalent Dwelling Unit  
 ASSUMPTIONS: SB average flow includes San Elijo Hills flow of .131 mgd  
 SB Connected EDUs includes 300 EDUs for the City of San Diego

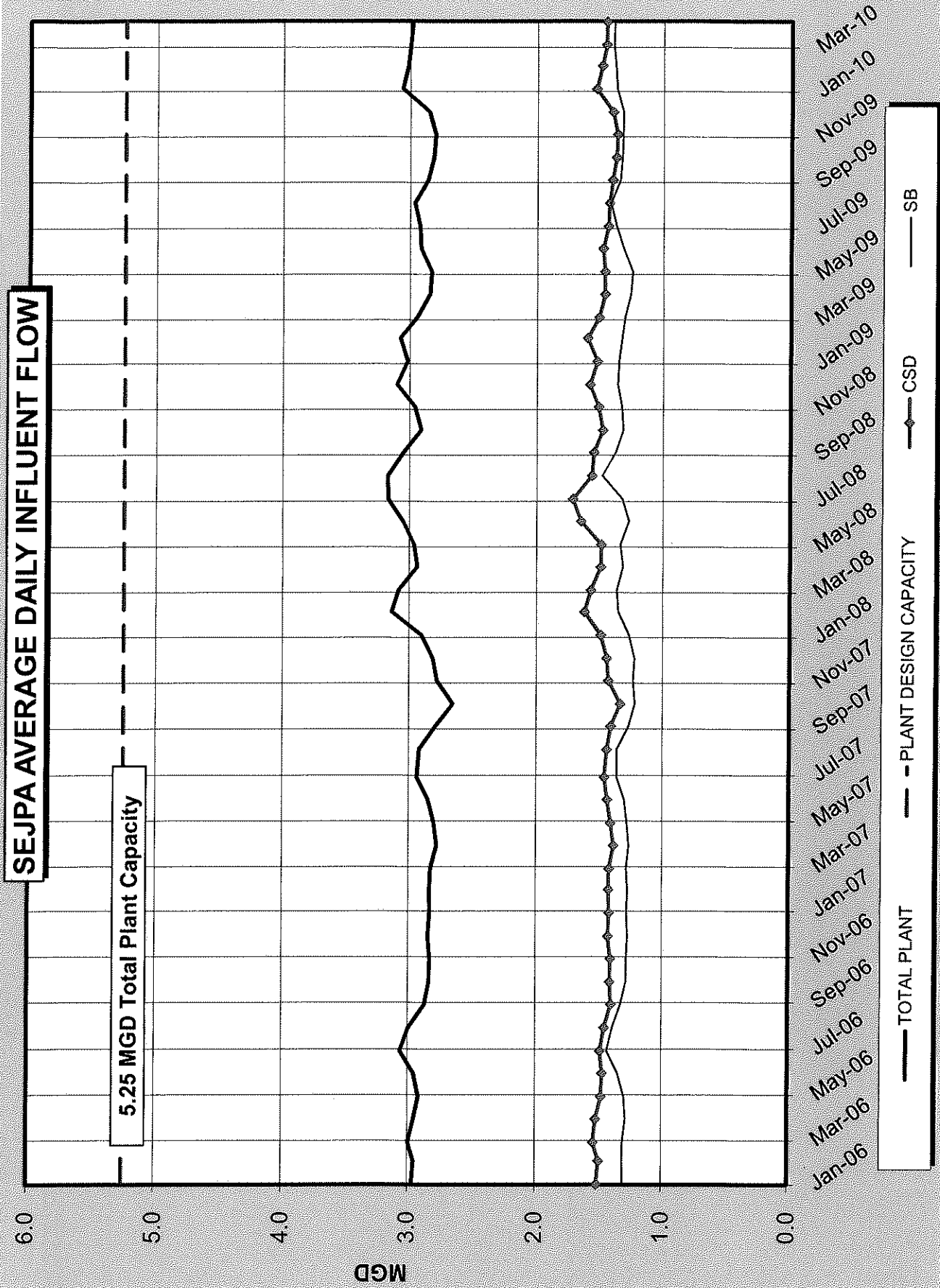


FIGURE 3



\*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO WATER RECLAMATION PROGRAM – MONTHLY REPORT

RECOMMENDATION

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

DISCUSSION

*Recycled Water Production*

For the month of April 2010, recycled water demand was 64.68 acre-feet (AF), which was met using 64.68 AF of recycled water and 0.00 AF of supplementation with potable water. This equates to a blend mix for April of 100 percent recycled water and zero percent potable water supplementation.

Figure 1 (attached) provides monthly supply demands for recycled water over the last five years. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning the last nine fiscal years. Recycled water demand can fluctuate from year to year, which is typically a function of weather. For example, Fiscal Year 2003-04, an unusually dry year, resulted in increased recycled water demand; and Fiscal Year 2004-05, an unusually wet year, resulted in lower recycled water demand.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

# MONTHLY RECYCLED WATER DEMAND

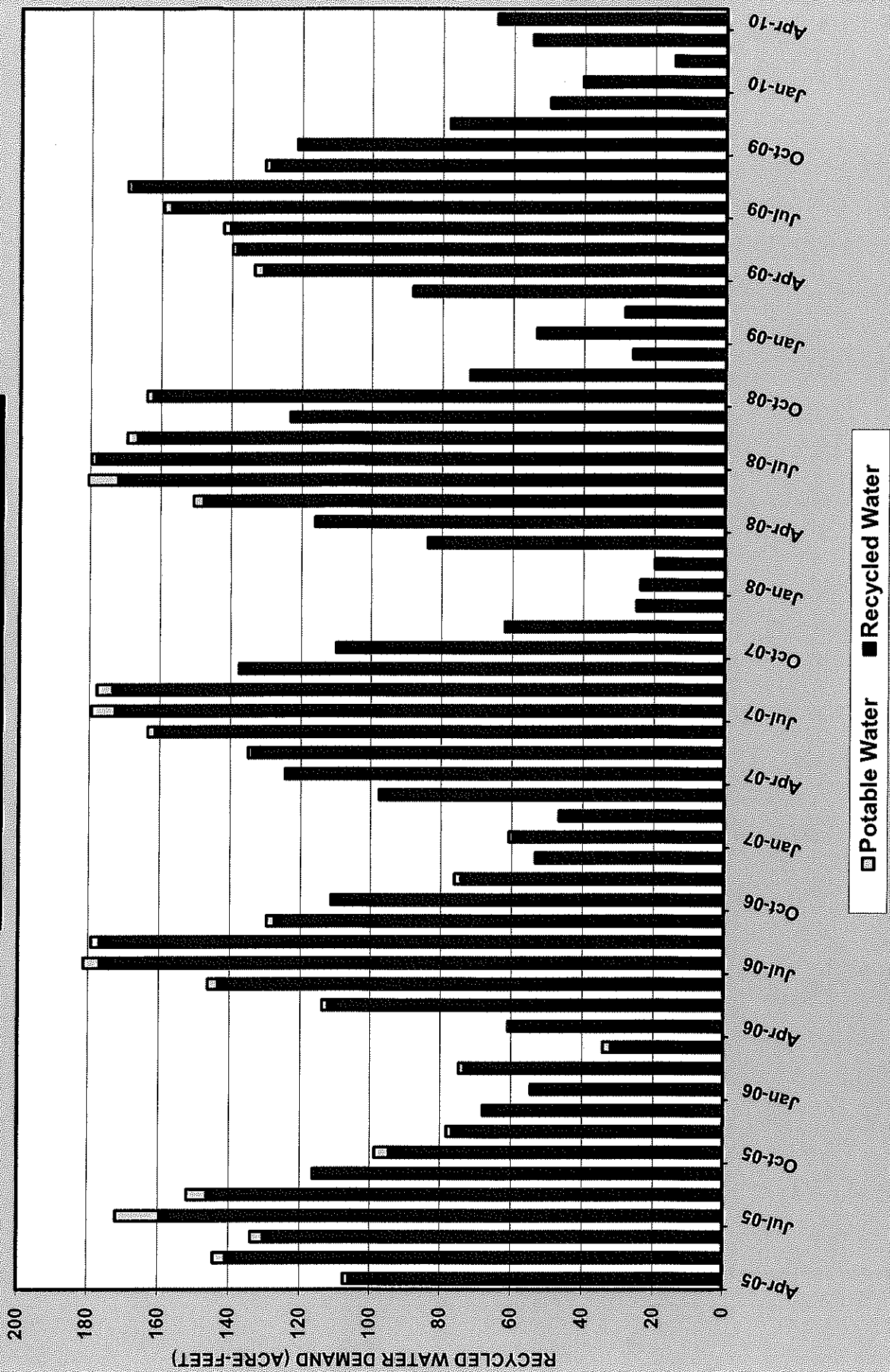
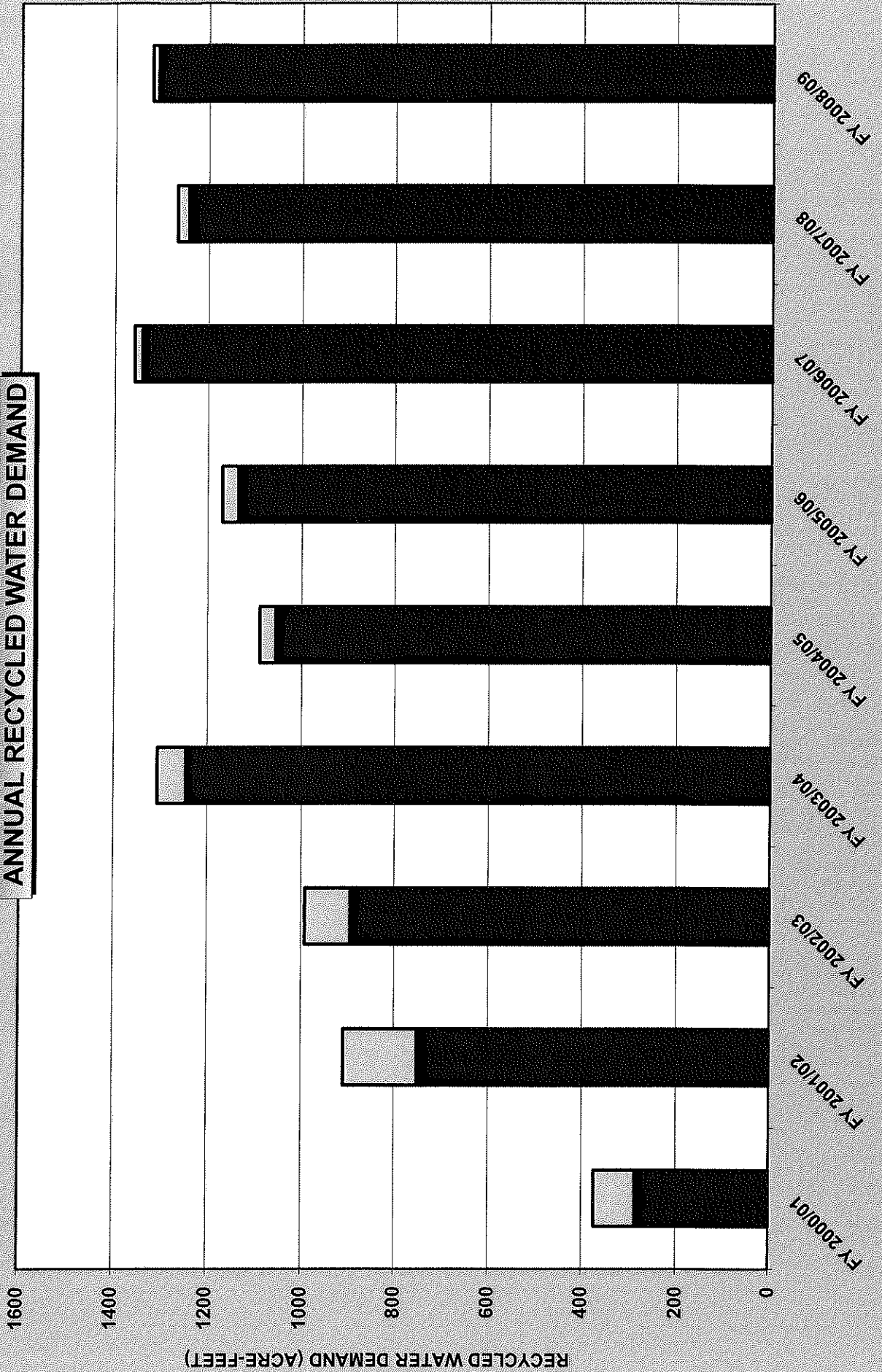


Figure 1

ANNUAL RECYCLED WATER DEMAND



■ Recycled Water    □ Potable Water

Figure 2

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Director of Finance/Administration

SUBJECT: AWARD OF ANNUAL SUPPLIES AND SERVICES CONTRACTS FOR THE SAN ELIJO JOINT POWERS AUTHORITY

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the recommendations of the Director of Finance/Administration regarding award of supplies and services contracts for the provision of ferric chloride and for sodium hypochlorite;
2. Authorize the Chair to execute the contracts with the lowest responsive bidder; and
3. Discuss and take action as appropriate.

DISCUSSION

The SEJPA uses various chemicals in the treatment process to enhance settling, disinfect the recycled water, control filament growth, and control odors. The Operators use ferric chloride to enhance settling in the primary settling tanks and also in the sludge digesters to help decrease sulfide generation and the odors and corrosion problems caused by sulfides. The Operators use sodium hypochlorite to disinfect the tertiary treatment water prior to distribution to the customers and to control filament growth in the return activated sludge.

Each year, formal bids are requested for provision of supplies and services that may have an annual cost in excess of \$35,000. For the Fiscal Year 2010-11, formal bids were advertised on April 29, 2010, and May 4, 2010, and bid openings were held on May 25, 2010 for the provision of ferric chloride and for sodium hypochlorite.

The results of the formal bids are as follows:

<u>Contractor</u>	<u>Ferric Chloride</u> <u>Unit Cost</u>	<u>Estimated</u> <u>Annual Amount</u>
* California Water Technologies	\$614.00 per dry ton	\$ 55,260
Kemira	\$687.30 per dry ton	\$ 61,857
Sierra Chemical	No bid	
* <i>Low Bidder</i>		

**Sodium Hypochlorite**

<b><u>Contractor</u></b>	<b><u>Unit Cost</u></b>	<b><u>Estimated Annual Amount</u></b>
* Olin-Chlor	\$0.706 per gallon	\$ 56,463
Jones Chemical	\$0.7089 per gallon	\$ 56,712
Thatcher	\$0.8156 per gallon	\$ 65,248
Miles Chemical Solution	\$0.95 per gallon	\$ 76,000
Basic Chemical Solutions	\$1.0016 per gallon	\$ 80,128
Abcana	\$1.03 per gallon	\$ 82,400
Brenntag	No Bid	

\* *Low Bidder*

It is recommended that the annual supplies and services contracts for provision of ferric chloride and sodium hypochlorite be awarded to the lowest bidders as noted above. This award is contingent upon the verification that the apparent low bidders meet all bid requirements, including bonding and insurance, as required.


**FINANCIAL IMPACT**

Funds for these services are included in the Fiscal Year 2010-11 Recommended Budget and are available for commitment to these contracts. An annual cost of \$60,000 was budgeted for the provision of ferric chloride and \$70,000 was budgeted for the provision of sodium hypochlorite.

It is therefore recommended that the Board of Directors:

1. Approve the recommendations of the Director of Finance/Administration regarding award of supplies and services contracts for the provision of ferric chloride and for sodium hypochlorite;
2. Authorize the Chair to execute the contracts with the lowest responsive bidder; and
3. Discuss and take action as appropriate.

Respectfully submitted,

  
\_\_\_\_\_  
Gregory Lewis  
Director of Finance/Administration

Attachment 1: AGREEMENT: California Water Technologies for Ferric Chloride  
Attachment 2: AGREEMENT: Olin Chlor for Sodium Hypochlorite

# **ATTACHMENT 1**

## AGREEMENT

THIS AGREEMENT is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between the San Elijo Joint Powers Authority, a municipal corporation, hereinafter referred to as AUTHORITY, and the California Water Technologies, hereinafter referred to as CONTRACTOR.

### WITNESSETH:

WHEREAS, on April 29, 2010, AUTHORITY invited bids for the provision of Ferric Chloride per Specifications No. SE 2011-FC.

WHEREAS, pursuant to said invitation, CONTRACTOR submitted a bid which was accepted by AUTHORITY for said services.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. TERM. The term of this Agreement shall be from the date this Agreement is made and entered, as first written above, until June 30, 2011. (Service shall be provided from July 1, 2010 to June 30, 2011.)
2. INCORPORATION BY REFERENCE. The Notice Inviting Bids, the General Bid Terms and Conditions, the Special Bid Terms and Conditions, Bid Submission Form(s), and the Bid Specifications, are hereby incorporated in and made a part of this Agreement.
3. AUTHORITY'S OBLIGATIONS. For furnishing services or supplies as specified in the Agreement, AUTHORITY will pay and CONTRACTOR shall receive compensation for Ferric Chloride at the unit price of \$ 614.00 per dry ton. The total amount of Ferric Chloride to be purchased under this Agreement has been estimated to be 90 dry tons per year, but actual usage may be considerably less. In no case will total compensation exceed \$ 55,260.00. The unit cost and total cost shall include all delivery, tax and shipping charges.

Payments to the CONTRACTOR shall be made within forty-five (45) days after receipt of an original invoice from the CONTRACTOR and provision of said services to AUTHORITY. CONTRACTOR shall invoice no more frequently than monthly for services or supplies provided.

4. CONTRACTOR'S OBLIGATIONS. For and in consideration of the payments and agreements hereinbefore mentioned to be made and performed by AUTHORITY, CONTRACTOR agrees with AUTHORITY to furnish the said services and to do everything required by this Agreement and the said specifications. Without limiting the generality of the foregoing, CONTRACTOR warrants on behalf of itself and all subcontractors engaged for the performance of this Agreement that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.

5. HOLD HARMLESS AND INDEMNIFICATION. CONTRACTOR agrees to defend, indemnify, and hold harmless AUTHORITY, its officials, officers, employees, representatives, and agents, from and against all claims, lawsuits, liabilities or damages of whatsoever nature arising out of or in connection with, or relating in any manner to any act or omission of CONTRACTOR, its agents, employees, and subcontractors of any tier and employees thereof in connection with the performance or non-performance of this Agreement. The CONTRACTOR shall thoroughly investigate any and all claims and indemnify the AUTHORITY and do whatever is necessary to protect the AUTHORITY, its officials, officers, employees, agents, and representatives as to any such claims lawsuits, liabilities, expenses, or damages.

6. INSURANCE. During the course of the Agreement, CONTRACTOR shall pay for and maintain, in full force and effect, all insurance required by any governmental agency having jurisdiction to require particular insurance of CONTRACTOR in connection with or related to the work covered hereby. CONTRACTOR SHALL FURTHER TAKE OUT AND SHALL FURNISH SATISFACTORY PROOF BY CERTIFICATE OR OTHERWISE AS MAY BE REQUIRED, THAT HE HAS TAKEN OUT COMPREHENSIVE GENERAL LIABILITY INSURANCE WITH AUTHORITY NAMED HEREIN AS AN ADDITIONAL INSURED. Insurance carrier shall be satisfactory to AUTHORITY, and insurance shall be in such form approved by AUTHORITY so as to protect AUTHORITY and its employees against loss from liability imposed by law from damages on account of bodily injury, including death resulting there from, suffered or alleged to have been suffered by any person or persons, other than employees, resulting directly or indirectly from the negligent performance or execution of this Agreement by CONTRACTOR or any subcontract with CONTRACTOR there under, and also to protect AUTHORITY and its employees against loss from liability imposed by law for damage to any property, caused directly or indirectly by the negligent performance or execution or the Agreement by CONTRACTOR; which insurance shall also cover accidents arising out of the use and operation of automobiles, trucks, and/or other mobile equipment. All said comprehensive liability and property damage insurance shall be for the period of performance under this Agreement. The amounts of coverage of said insurance shall not be less than the following:

Public Liability	\$1,000,000 single limit
Property Damage	\$1,000,000 single limit

Said policies shall have a non-cancellation clause providing that thirty (30) days written notice shall be given to AUTHORITY prior to any material modification or cancellation, and a certificate of such insurance shall be furnished to AUTHORITY by direct mail from CONTRACTOR's insurance carrier and shall specifically cover any contractual liability incurred hereunder. CONTRACTOR shall further maintain adequate Worker's Compensation Insurance, including occupational disease provisions, under the laws of the State of California and employer's general liability insurance for the benefit of its employees, and shall require similar insurance to be provided by its subcontractors. A certificate shall be furnished to AUTHORITY showing compliance with above.

7. AMENDMENTS. Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by the Manager of the AUTHORITY.



8. TERMINATION. If, during the term of this contract, AUTHORITY determines that CONTRACTOR is not faithfully abiding by any term or condition contained herein, AUTHORITY may notify CONTRACTOR in writing of such defect or failure to perform; which notice must give CONTRACTOR five (5) working days thereafter in which to preaffirm said work or cure the deficiency. If CONTRACTOR has not performed the work or cured the deficiency within five (5) days specified in the notice, such shall constitute a breach of this contract and AUTHORITY may terminate this contract immediately by written notice to CONTRACTOR to said effect. In said event, CONTRACTOR shall be entitled to the reasonable value of its services performed from the beginning of the period in which the breach occurs up to the day it received AUTHORITY's notice of termination, minus any offset from such payment representing AUTHORITY's damages from such breach. AUTHORITY reserves the right to delay any such payment, to allow for a full and complete accounting of costs. In no event, however, shall CONTRACTOR be entitled to receive in excess of the compensation quoted in its bid.
  
9. COMPLETE AGREEMENT. This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No oral agreement, understanding, or representation not reduced to writing and specifically incorporated herein shall be of any force or effect, nor shall any such oral agreement, understanding, or representation be binding upon the parties hereto.
  
10. PROHIBITED EMPLOYMENT DISCRIMINATION. In the performance of the terms of this Agreement, CONTRACTOR agrees that it will not engage in, nor permit such subcontractors as it may employ to engage in, discrimination in employment of persons in violation of Government Code Sections 12940 et seq.
  
11. AUDIT. AUTHORITY shall have the option of inspecting and/or auditing all records and other written materials used by CONTRACTOR in preparing its statements to AUTHORITY as a condition precedent to any payment to CONTRACTOR.
  
12. NOTICE. All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows:

AUTHORITY

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

CONTRACTOR

California Water Technologies  
8851 Dice Road  
Santa Fe Springs, CA 90670

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13. PROTECTION OF EXISTING FACILITIES AND NON-INTERFERENCE WITH PLANT OPERATIONS. Contractor shall perform his duties in such a way that there will be no damage done to existing facilities and all facilities shall be left in the condition they were in prior to the beginning of the contract. CONTRACTOR will also perform all work in such a way that there is no interference with plant operations.

14. AUTHORITY TO EXECUTE AGREEMENT. Both AUTHORITY and CONTRACTOR do covenant that each individual executing this agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

ATTEST:

SAN ELIJO JOINT POWERS AUTHORITY

By: \_\_\_\_\_  
Michael T. Thornton, P.E., General Manager

SAN ELIJO JOINT POWERS AUTHORITY

By: \_\_\_\_\_  
Maggie Houlihan, Chair of the Board

CONTRACTOR

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print)

Title: \_\_\_\_\_

**BID SUBMISSION FORM**  
PROVISION OF FERRIC CHLORIDE  
BID SPECIFICATION SE 2011-FC

---

**LOCATION:** SAN ELIJO WATER RECLAMATION FACILITY  
2695 Manchester Avenue  
Cardiff, CA 92007

Eden Gardens Pump Station  
Valley Rd and Highland Drive  
Solana Beach, CA 92075

Olivenhain Pump Station  
3101 Manchester Avenue  
Cardiff, CA 92007

**SERVICES REQUIRED:**

Time Frame: July 1, 2010 to June 30, 2011

Definition: The successful bidder will provide approximately 90 dry tons of pre-approved or proven equivalent ferric chloride. This chemical shall be delivered in a liquid state in the dilution defined in the specification below. Deliveries shall be approximately 4,000 gallons and shall be loaded by vendor into the Owner's tanks. The quantity of ferric chloride may be less than the estimated 90 dry tons per year indicated.

The San Elijo Joint Powers Authority does not guarantee the quantity of Ferric chloride required for the facility. All deliveries must be made during the regular Monday through Friday workweek, between the hours of 7:00 a.m. - 2:30 p.m.

Ferric Chloride Specification: Ferric Chloride shall be 38-43% solution or approved equal. Solution shall not contain more than 0.5% insoluble matter by weight.  
Specific Gravity at 68 F: 1.3-1.5  
Free Acid: < 1%

Unit Price: All quotes shall include the unit price per dry ton and the anticipated annual volume of 90 dry tons, including all freight charges, applicable taxes, and setup charges. Volume is to be considered an estimate; actual quantities may be substantially less.

**CONTACT PERSON:** John Clark, Chief Operator  
(760) 753-6203 Ext. 23

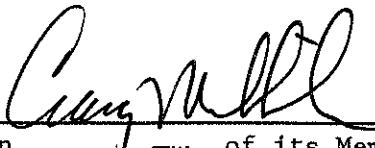
**BID SUBMISSION FORM**  
**PROVISION OF FERRIC CHLORIDE**  
**BID SPECIFICATION SE 2011-FC**

TO: Michael T. Thornton, General Manager  
 San Elijo Joint Powers Authority  
 2695 Manchester Avenue  
 Cardiff, CA 92007

Dated: May 21st, 2010

Provision of approved Ferric Chloride, as outlined in the detailed specification, to the San Elijo Water Reclamation Facility for the period of July 1, 2010 to June 30, 2011.

<u>OPTION NO.</u>	<u>APPROXIMATE QUANTITY</u>	<u>ITEM DESCRIPTION WITH PRICES WRITTEN IN WORDS</u>	<u>TOTAL FIGURES</u>
1	Approximately 90 dry tons	Pre-approved or proven equal ferric chloride in bulk liquid shipments upon request of the Plant Superintendent.	
		Price per dry ton including shipping and 8.75% tax:	
		<u>Six Hundred Fourteen Dollars and</u> (In Words)      Zero Cents	<u>\$ 614.00</u> (In Numbers)
		Contract price (90 dry tons x per dry ton price): Fifty Five Thousand Two Hundred and <u>Sixty Dollars and Zero Cents</u> (In Words)	<u>\$ 55,260.00</u> (In Numbers)

Signature of Authorized Bidder Representative:   
 Name of Individual (Typed): Craig Mikkelson Title: of its Member, PVS Technologies  
 Firm Name: California Water Technologies, LLC Vice President of Sales & Marketing  
 Address: 8851 Dice Road  
 City: Santa Fe Springs State: CA Zip: 90670 Telephone: 313-571-1100

**STATEMENT OF  
QUALIFICATIONS AND REFERENCES**

Provision of Ferric Chloride  
Specification Number SE 2011-FC

Proposing Contractor shall submit the number of years engaged in providing services included within the scope of the bid specifications under the present business name: \_\_\_\_\_  
California Water Technologies, LLC has been supplying chemicals for seven years.

List and describe fully the last three contracts performed by your firm that demonstrate your ability to provide the supplies, equipment, or services included with the scope of the bid specifications. Attach additional pages if required. The Authority reserves the right to contact each of the references listed for additional information regarding your firm's qualifications.

**Reference No. 1**

Customer Name: City of Thousand Oaks  
Contact Individual: Bob Lewis Phone No.: 805-449-2151  
Address: 2100 Thousand Oaks Blvd., Thousand Oaks, CA 91362-2903

Contract Amount: \$178,800.00 Year: Current  
Description of supplies, equipment, or services provided: Providing Ferric Chloride for Water Treatment Processes.

**Reference No. 2**

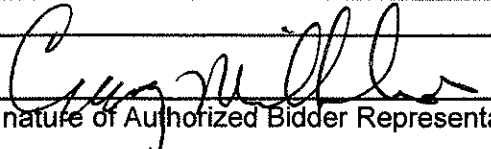
Customer Name: Eastern Municipal Water District  
Contact Individual: DAvid Howell Phone No.: 909-928-3777  
Address: 2270 Trumble Road, Perris CA 92570

Contract Amount: \$352,000,00 Year: Current  
Description of supplies, equipment, or services provided: Providing Ferric Chloride for water treatment processes.

**Reference No. 3**

Customer Name: Encina Wastewater Authority  
Contact Individual: Michael T. Hogan Phone No.: 760-438-3941  
Address: 6200 Avenida Encinas, Carlsbad CA 92011-1095

Contract Amount: \$265,300.00 Year: Current Contract  
Description of supplies, equipment, or services provided: Providing Ferric Chloride for water treatment processes.

  
\_\_\_\_\_  
Signature of Authorized Bidder Representative





## california water technologies LLC

8851 Dice Road Santa Fe Springs, CA 90670  
(866) 337-7427

### Liquid Ferric Chloride Drinking Water Grade

#### *Description*

California Water Technologies Liquid Ferric Chloride is a concentrated solution of Iron III Chloride ( $\text{FeCl}_3$ ) in water. It is manufactured from high purity raw materials.

#### *Principal Uses*

##### **Potable water treatment**

- Turbidity reduction
- Color elimination
- Enhanced coagulation, NOM and DBP precursor removal
- Softening solids sedimentation
- Lead control through a wide pH application range
- Sludge reduction
- Filter conditioning
- Arsenic Removal

##### **Wastewater treatment**

- Phosphate precipitation and removal
- Enhanced sedimentation
- Dewatering of all types of sludge streams
- Polymer flocculant enhancement
- Sulfide based odor elimination
- Struvite control

<b>Appearance:</b>	A dark red/brown liquid	Specifications
<b>Concentrations:</b>		
$\text{FeCl}_3$	39% - 44%	
$\text{FeCl}_2$	0.75% maximum	
Free Acid as HCl	1.0% maximum	Drinking Water Grade
Insolubles	0.008% (80 ppm) maximum	
Radionuclides	None	
<b>Specific gravity:</b>	1.40 – 1.47	
<b>Viscosity:</b>	12.1 centipoises for a 40% solution	
<b>Crystallization:</b>	39% $\text{FeCl}_3$ (4°F); 44% $\text{FeCl}_3$ (45°F)	
<b>ANSI/NSF Standard 60 Certified:</b>	Maximum use level – 250 ppm as solution	
<b>CAS No.:</b>	7705-08-0	
<b>UN Classification:</b>	UN2582, Ferric Chloride Solution	
	SQC data available on request	

**Shipping containers:**

**Manufacturing Location**

55 gallon drums  
Tank Trucks

Santa Fe Springs, California

### ***Handling & Safety***

Ferric Chloride is considered to be hazardous by definition of the Hazard Communication Standard (29 CFR 1910.1200) and should be handled in a manner that is consistent with acceptable practices. Please obtain the Ferric Chloride Material Safety Data Sheet for complete up-to-date information.

Under normal situations the only protective equipment required in the use of Liquid Ferric Chloride are splash proof chemical goggles and rubber gloves. Liquid Ferric Chloride will stain both clothing and skin and it is recommended that, to protect against this occurrence, other protective clothing be worn as is appropriate.

Ferric Chloride reacts strongly with many metals. However, most handling situations are reliably addressed through the use of common compatible plastic materials such as FRP, PVC, Polyethylene, Polypropylene and Teflon. For additional information consult your equipment supplier.

***For additional information and to place orders call: 866-337-7427***

## ***California Water Technologies*** ***Serving The Water and Wastewater Industry***

*This bulletin and the information contained herein are offered solely for your consideration, investigation and verification. NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR OTHERWISE, ARE MADE OR CONTAINED HEREIN. California Water Technologies' exclusive responsibility for any claims, including claims based on negligence, arising in connection with the information contained herein or the subsequent purchase, use, storage or handling of the product will in no event exceed California Water Technologies' sale price for the product with respect to which damages are claimed. In no event will California Water Technologies be liable for any incidental or consequential damages arising in connection with the information contained herein or the subsequent purchase, use, storage or handling of the product. User accepts full responsibility for compliance with all applicable Federal, state and local laws and regulations. Nothing contained herein will be construed to constitute permission or a recommendation to use the product in any process or formulation covered by a patent a patent application owned by California Water Technologies or by others.*



# MATERIAL SAFETY DATA SHEET

## CALIFORNIA WATER TECHNOLOGIES

Date last revised: September 15, 2004

### FERRIC CHLORIDE

#### 1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION

Product Name: Ferric Chloride - Drinking Water Grade

Chemical Name/Synonyms: Iron (III) Chloride Solution

Chemical Formula: FeCl<sub>3</sub>

Cas Number: 7705-08-0

HS Tariff Classification Number: data not available

Tax ID Number: data not available

#### Manufacturer:

California Water Technologies, LLC

8851 Dice Road

Santa Fe Springs, CA 90670

Telephone: (866) 337-7427 (for product information)

Fax: (562) 698-1921

**\*\*FOR TRANSPORTATION EMERGENCY ONLY, 24 HOURS EVERYDAY, CALL\*\***

**\*\*CHEMTREC, 1-800-424-9300\*\***

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#### 2. COMPOSITION/INFORMATION ON INGREDIENTS

<u>Component</u>	<u>CAS Registry #</u>	<u>% by weight</u>
Ferric Chloride	7705-08-0	39 - 44
Water	7732-18-5	Balance

**Hazardous Ingredients:** Ferric Chloride

**Exposure Limits (ppm):**

<u>Component</u>	<u>OSHA TLV</u>	<u>ACGIH TLV</u>	<u>NIOSH</u>
Ferric Chloride (as soluble iron salts)	1 mg/m <sup>3</sup> , 8-hr TWA	1 mg/m <sup>3</sup> , 8-hr TWA	1 mg/m <sup>3</sup> , 8-hr TWA

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#### 3. HAZARDS IDENTIFICATION

##### Emergency Overview

A reddish brown liquid with a slight odor of iron/acid. Avoid inhaling concentrated vapor or mist, may cause irritation of respiratory tract. May result in severe liver and/or kidney damage, if swallowed, and can be fatal. Do not induce vomiting. Avoid contact with skin. Liquid, mist, or vapor can cause irritation to all human tissue. Contact with eyes can result in visual loss unless removed quickly by thorough irrigation with water. **Caution:** May release irritating and toxic gases of hydrogen chloride during fire. Contain spills and keep liquid out of water sources. See Sections 3, 4, 5, and 6.

# MATERIAL SAFETY DATA SHEET

## CALIFORNIA WATER TECHNOLOGIES

Date last revised: September 15, 2004

### FERRIC CHLORIDE

#### Potential Health Effects (Acute and Chronic)

**INHALATION:** Inhalation of concentrated mist or vapor may cause irritation of the respiratory tract.

**INGESTION:** Ingestion may cause severe liver and/or kidney damage, and may be fatal.

**DIRECT CONTACT:** The product is an irritant. Contact may include irritation with dryness, discomfort or rash. Ferric chloride has been infrequently associated with skin sensitization in humans. Extensive exposure could lead to skin sensitization

**DIRECT EYE CONTACT:** Contact with eyes may cause irritation and tearing and eye tissue discoloration, and may result in permanent visual loss unless removed quickly by thorough irrigation with water.

**MEDICAL CONDITIONS AGGRAVATED BY EXPOSURE:** None known.

**CARCINOGENS (NTP, IARC, or OSHA):** No

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#### 4. FIRST AID MEASURES:

**INHALATION:** Remove victim to fresh air. If not breathing, perform artificial respiration. If breathing is difficult, give oxygen. Get immediate medical attention.

**INGESTION:** If swallowed, do NOT induce vomiting. Give victim water or milk. Call a physician or poison control center immediately. Never give anything by mouth to an unconscious person.

**DIRECT CONTACT:** Flush with water until material is removed.  
Remove contaminated clothing. Wash clothing before reuse.

**DIRECT EYE CONTACT:** Immediately flush with water for at least 15 minutes. Hold eyelids apart to ensure complete irrigation of eye/lid tissue. Get immediate medical attention.

---

#### 5. FIRE FIGHTING MEASURES

##### FLAMMABLE PROPERTIES:

Flammability: Product not flammable.

Flash Point: not applicable

Method used: TCC

**OXIDIZING PROPERTIES:** data not available

**AUTOFLAMMABILITY:** not applicable

**AUTOIGNITION TEMPERATURE:** not applicable

**FLAMMABLE LIMITS, % BY VOLUME:**

# MATERIAL SAFETY DATA SHEET

## CALIFORNIA WATER TECHNOLOGIES

Date last revised: September 15, 2004

### FERRIC CHLORIDE

Lower flammable limit: not applicable

Upper flammable limit: not applicable

**EXTINGUISHING MEDIA:** Use water spray, fog, foam, dry chemical, CO<sub>2</sub> or other agents as appropriate for surrounding fire.

**FIRE FIGHTING INSTRUCTIONS:** As in any fire, wear self-contained breathing apparatus pressure-demand, MSHA/NIOSH (approved or equivalent) and full protective gear. Keep unnecessary people away; isolate hazard area and deny entry. Stay upwind; keep out of low areas. During fire, irritating and toxic gases of hydrogen chloride may be generated by thermal decomposition. Cool exterior of storage tanks.

**FIRE AND EXPLOSION HAZARDS:** None

**SENSITIVITY TO MECHANICAL IMPACT/STATIC DISCHARGE:** not applicable

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#### 6. ACCIDENTAL RELEASE MEASURES

Contain spill in order to prevent contamination of water way; neutralize with lime or soda ash. Flush with water in accordance with applicable regulations to waste treatment system. Avoid runoff into storm sewers and ditches which lead to waterways. Spills of 1000 pounds (454 kilograms) or more must be reported to the **National Response Center, (800) 424-8802**. If water pollution occurs, notify the appropriate authorities.

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#### 7. HANDLING AND STORAGE

Store away from heat, strong alkalis (such as caustic soda and alkali metals. Keep containers closed and dry. Protect container from physical damage. Use handling equipment (pumps, hoses, etc.) compatible with product, i.e., polyethylene, polypropylene, PVC, Teflon, rubber, FRP, and titanium. See Section 10 for types of packaging materials to avoid. Avoid contact with bare metals other than titanium. Avoid breathing vapors and/or mist. Avoid contact with eyes and skin. Wash thoroughly after handling. Follow all MSDS/label precautions even after container is emptied because they may retain vapor and product residues.

---

#### 8. EXPOSURE CONTROLS/PERSONAL PROTECTION

**VENTILATION:** Good general ventilation should be sufficient to control airborne levels of vapor and mist.

**RESPIRATORY PROTECTION:** If airborne concentrations exceed the published exposure limits use NIOSH/MSHA approved, full face respirator as appropriate. Consult respirator manufacturer to determine appropriate equipment.

**PROTECTIVE GLOVES:** Wear impervious rubber gloves.

# MATERIAL SAFETY DATA SHEET

## CALIFORNIA WATER TECHNOLOGIES

Date last revised: September 15, 2004

### FERRIC CHLORIDE

**EYE PROTECTION:** Wear splash proof chemical safety goggles. Do not wear contact lenses.

**OTHER PROTECTIVE EQUIPMENT:** Facilities storing or utilizing this material should be equipped with an eyewash facility and a safety shower.

**WORK/HYGIENIC PRACTICES:** Avoid ingestion and breathing mist. Ferric Chloride will permanently stain clothing and temporarily stain skin. Avoid contact with skin and clothing. Wash thoroughly after handling.

**OTHER PRECAUTIONS:** None.

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## 9. PHYSICAL AND CHEMICAL PROPERTIES

Appearance:	reddish brown
Odor:	slightly iron/acid
Odor Threshold:	data not available
Physical State:	liquid
Vapor Pressure (REID):	negligible
Specific Gravity:	40% solution = 1.432 at 17.5° C (water = 1)
Solubility in Water:	complete
pH:	<2.0
Boiling Point:	230 ° F or 110° C
Vapor Density:	not applicable (Air = 1)
Evaporation Rate:	1 (Butyl Acetate = 1)
Freezing Point:	4° F for 39% solution 45° F for 44% solution
Coefficient of Water/Oil Distribution:	not applicable
Viscosity:	data not available
% Solids:	not applicable
% VOC:	not applicable

For information on FLASH POINT, FLAMMABILITY, OXIDIZING PROPERTIES AUTOFLAMMABILITY, and EXPLOSIVE PROPERTIES, please see Section 5.

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## 10. STABILITY AND REACTIVITY

**GENERAL:** This product is stable and hazardous polymerization will not occur.

**INCOMPATIBLE MATERIALS AND CONDITIONS TO AVOID:** Material is stable when properly handled. Material is acidic and corrodes all common metals except titanium. Avoid contact with strong alkalis and alkali metals.

**HAZARDOUS DECOMPOSITION PRODUCTS:** May release hydrogen chloride gas at elevated temperatures.

# MATERIAL SAFETY DATA SHEET

CALIFORNIA WATER TECHNOLOGIES

Date last revised: September 15, 2004

FERRIC CHLORIDE

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## 11. TOXICOLOGICAL INFORMATION

Immediate Effects: Can cause severe liver and/or kidney damage if swallowed, and may even be fatal. See Section 3 for other immediate health hazards.

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## 12. ECOLOGICAL INFORMATION

Fat Head Minnows LC50 > 1000 ppm ; Daphnia Magna LC50 > 1000 ppm

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## 13. DISPOSAL CONSIDERATIONS

Dispose of spilled, neutralized, or waste product, contaminated soil and other contaminated materials in accordance with all local, state and federal regulations.

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## 14. TRANSPORT INFORMATION

DOT (Department of Transportation)

Proper Shipping Name: Ferric Chloride, Solution

Hazard Class: 8

Identification Number: UN2582

Packing Group: III

Label: Corrosive

Emergency Response Guide Book Number: 154

Corrosive: To metals only (not to skin)

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## 15. REGULATORY INFORMATION

### U.S. Federal Regulations:

OSHA:

This product is hazardous by definition of Hazard Communication Standard (29CFR1910.1200).

SARA TITLE III (Superfund Amendments and Reauthorization Act of 1986)

Section 311/312 Hazard and Physical Hazards:

Immediate            yes

Delayed              yes

Fire:                  no

Pressure:            no

Reactivity:          no

CERCLA/SUPERFUND (40 CFR 117, 302)

Ingredient  
ferric chloride, solution

RQ (Reportable Quantity)  
1000 pounds, anhydrous basis

# MATERIAL SAFETY DATA SHEET

## CALIFORNIA WATER TECHNOLOGIES

Date last revised: September 15, 2004

### FERRIC CHLORIDE

#### RCRA:

If discarded in its purchased form, this product would be a hazardous waste by characteristic. Under RCRA, it is the responsibility of the product user to determine at the time of disposal, whether a material containing the product or derived from the product should be classified as a hazardous waste.

This product contains no Class I or Class II Ozone Depleting Chemicals

#### TSCA:

All compounds contained in this product are in the TSCA inventory

#### DOT:

Please see Section 14.

This product has been classified in accordance with the hazard criteria of the CPR and the MSDS contains all the information required by the CPR.

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## 16. OTHER INFORMATION

The following label hazard ratings are recommended for containers of Ferric Chloride, Solution:  
(Hazard Index Key: 4 = severe; 3 = serious; 2 = moderate; 1 = slight; 0 = minimal)

#### NFPA

Health	not rated
Flammability	not rated
Reactivity	not rated

#### HMIS

Health	3
Flammability	0
Reactivity	0

To the best of our knowledge, the information contained herein is accurate. However, California Water Technologies, LLC does not assume any liability whatsoever for the accuracy or completeness of the information contained herein. Final determination of suitability of any material is the sole responsibility of the user. All materials may present unknown hazards and should be used with caution. Although certain hazards are described herein, we cannot guarantee that these are the only hazards, which exist. Consult the manufacturer for further information.

## **ATTACHMENT 2**

## AGREEMENT

THIS AGREEMENT is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between the San Elijo Joint Powers Authority, a municipal corporation, hereinafter referred to as AUTHORITY, and the Olin Chlor Alkali Products, hereinafter referred to as CONTRACTOR.

### WITNESSETH:

WHEREAS, on April 29, 2010, AUTHORITY invited bids for the provision of Sodium Hypochlorite per Specifications No. SE 2011-SH.

WHEREAS, pursuant to said invitation, CONTRACTOR submitted a bid which was accepted by AUTHORITY for said services.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. TERM. The term of this Agreement shall be from the date this Agreement is made and entered, as first written above, until June 30, 2011. (Service shall be provided from July 1, 2010 to June 30, 2011.)
2. INCORPORATION BY REFERENCE. The Notice Inviting Bids, the General Bid Terms and Conditions, the Special Bid Terms and Conditions, Bid Submission Form(s), and the Bid Specifications, are hereby incorporated in and made a part of this Agreement.
3. AUTHORITY'S OBLIGATIONS. For furnishing services or supplies as specified in the Agreement, AUTHORITY will pay and CONTRACTOR shall receive compensation for Sodium Hypochlorite at the unit price of \$ 0.706 per gallon. The total amount of Sodium Hypochlorite to be purchased under this Agreement has been estimated to be 80,000 gallons per year, but actual usage may be considerably less. In no case will total compensation exceed \$ 56,463.00 . The unit cost and total cost shall include all delivery, tax and shipping charges.

Payments to the CONTRACTOR shall be made within forty-five (45) days after receipt of an original invoice from the CONTRACTOR and provision of said services to AUTHORITY. CONTRACTOR shall invoice no more frequently than monthly for services or supplies provided.

4. CONTRACTOR'S OBLIGATIONS. For and in consideration of the payments and agreements hereinbefore mentioned to be made and performed by AUTHORITY, CONTRACTOR agrees with AUTHORITY to furnish the said services and to do everything required by this Agreement and the said specifications. Without limiting the generality of the foregoing, CONTRACTOR warrants on behalf of itself and all subcontractors engaged for the performance of this Agreement that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.



5. HOLD HARMLESS AND INDEMNIFICATION. CONTRACTOR agrees to defend, indemnify, and hold harmless AUTHORITY, its officials, officers, employees, representatives, and agents, from and against all claims, lawsuits, liabilities or damages of whatsoever nature arising out of or in connection with, or relating in any manner to any act or omission of CONTRACTOR, its agents, employees, and subcontractors of any tier and employees thereof in connection with the performance or non-performance of this Agreement. The CONTRACTOR shall thoroughly investigate any and all claims and indemnify the AUTHORITY and do whatever is necessary to protect the AUTHORITY, its officials, officers, employees, agents, and representatives as to any such claims lawsuits, liabilities, expenses, or damages.
  
6. INSURANCE. During the course of the Agreement, CONTRACTOR shall pay for and maintain, in full force and effect, all insurance required by any governmental agency having jurisdiction to require particular insurance of CONTRACTOR in connection with or related to the work covered hereby. CONTRACTOR SHALL FURTHER TAKE OUT AND SHALL FURNISH SATISFACTORY PROOF BY CERTIFICATE OR OTHERWISE AS MAY BE REQUIRED, THAT HE HAS TAKEN OUT COMPREHENSIVE GENERAL LIABILITY INSURANCE WITH AUTHORITY NAMED HEREIN AS AN ADDITIONAL INSURED. insurance carrier shall be satisfactory to AUTHORITY, and insurance shall be in such form approved by AUTHORITY so as to protect AUTHORITY and its employees against loss from liability imposed by law from damages on account of bodily injury, including death resulting therefrom, suffered or alleged to have been suffered by any person or persons, other than employees, resulting directly or indirectly from the negligent performance or execution of this Agreement by CONTRACTOR or any subcontract with CONTRACTOR thereunder, and also to protect AUTHORITY and its employees against loss from liability imposed by law for damage to any property, caused directly or indirectly by the negligent performance or execution or the Agreement by CONTRACTOR; which insurance shall also cover accidents arising out of the use and operation of automobiles, trucks, and/or other mobile equipment. All said comprehensive liability and property damage insurance shall be for the period of performance under this Agreement. The amounts of coverage of said insurance shall not be less than the following:

Public Liability	\$1,000,000 single limit
Property Damage	\$1,000,000 single limit

Said policies shall have a non-cancellation clause providing that thirty (30) days written notice shall be given to AUTHORITY prior to any material modification or cancellation, and a certificate of such insurance shall be furnished to AUTHORITY by direct mail from CONTRACTOR's insurance carrier and shall specifically cover any contractual liability incurred hereunder. CONTRACTOR shall further maintain adequate Worker's Compensation Insurance, including occupational disease provisions, under the laws of the State of California and employer's general liability insurance for the benefit of its employees, and shall require similar insurance to be provided by its subcontractors. A certificate shall be furnished to AUTHORITY showing compliance with above.

7. AMENDMENTS. Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by the Manager of the AUTHORITY.

8. TERMINATION. If, during the term of this contract, AUTHORITY determines that CONTRACTOR is not faithfully abiding by any term or condition contained herein, AUTHORITY may notify CONTRACTOR in writing of such defect or failure to perform; which notice must give CONTRACTOR five (5) working days thereafter in which to preaffirm said work or cure the deficiency. If CONTRACTOR has not performed the work or cured the deficiency within five (5) days specified in the notice, such shall constitute a breach of this contract and AUTHORITY may terminate this contract immediately by written notice to CONTRACTOR to said effect. In said event, CONTRACTOR shall be entitled to the reasonable value of its services performed from the beginning of the period in which the breach occurs up to the day it received AUTHORITY's notice of termination, minus any offset from such payment representing AUTHORITY's damages from such breach. AUTHORITY reserves the right to delay any such payment, to allow for a full and complete accounting of costs. In no event, however, shall CONTRACTOR be entitled to receive in excess of the compensation quoted in its bid.
  
9. COMPLETE AGREEMENT. This written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete agreement between the parties hereto. No oral agreement, understanding, or representation not reduced to writing and specifically incorporated herein shall be of any force or effect, nor shall any such oral agreement, understanding, or representation be binding upon the parties hereto.
  
10. PROHIBITED EMPLOYMENT DISCRIMINATION. In the performance of the terms of this Agreement, CONTRACTOR agrees that it will not engage in, nor permit such subcontractors as it may employ to engage in, discrimination in employment of persons in violation of Labor Code Section 1735, which reads as follows:

A contractor shall not discriminate in the employment of persons upon public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code. Every contractor for public works who violates this section is subject to all penalties imposed for a violation of this chapter.

Violation of this provision may result in the imposition of penalties referred to in Labor Code Section 1735.

11. AUDIT. AUTHORITY shall have the option of inspecting and/or auditing all records and other written materials used by CONTRACTOR in preparing its statements to AUTHORITY as a condition precedent to any payment to CONTRACTOR.
  
12. NOTICE. All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows:

**AUTHORITY**

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

**CONTRACTOR**

Olin Chlor Alkali Products  
26700 South Banta Road  
Tracy, CA 95304

13. PROTECTION OF EXISTING FACILITIES AND NON-INTERFERENCE WITH PLANT OPERATIONS. Contractor shall perform his duties in such a way that there will be no damage done to existing facilities and all facilities shall be left in the condition they were in prior to the beginning of the contract. CONTRACTOR will also perform all work in such a way that there is no interference with plant operations.
14. AUTHORITY TO EXECUTE AGREEMENT. Both AUTHORITY and CONTRACTOR do covenant that each individual executing this agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

ATTEST:

SAN ELIJO JOINT POWERS AUTHORITY

By: \_\_\_\_\_  
Michael T. Thornton, P.E., General Manager

SAN ELIJO JOINT POWERS AUTHORITY

By: \_\_\_\_\_  
Maggie Houlihan, Chair of the Board

CONTRACTOR

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print)

Title: \_\_\_\_\_

## BID SUBMISSION FORM

Provision of Sodium Hypochlorite  
Specification Number SE 2011-SH

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LOCATION: SAN ELIJO WATER RECLAMATION FACILITY  
2695 Manchester Avenue  
Cardiff, CA 92007

SERVICES REQUIRED:

Time Frame: July 1, 2010 to June 30, 2011.

Definition: The successful bidder will provide approximately 80,000 gallons of pre-approved or proven equivalent sodium hypochlorite in approximate bulk deliveries of 5,000 gallons each load or as requested by the Chief Operator or his designated representative. The quantity of sodium hypochlorite may be less than the estimated 80,000 gallons per year indicated. The San Elijo Joint Powers Authority does not guarantee the quantity of sodium hypochlorite required for the facility. All deliveries must be made during the regular Monday through Friday work week, between the hours of 7:00 a.m. – 3:00 p.m.

Sodium  
Hypochlorite  
Specification: Sodium hypochlorite shall be 12.5% solution or approved equal.

Unit Price: All quotes shall include the unit price and the anticipated annual total based upon 80,000 gallons, including all freight charges, applicable taxes, and setup charges. Volume is to be considered an estimate; actual quantities may be substantially less.

CONTACT PERSON: John Clark, Chief Plant Operator  
(760) 753-6203 Ext. 23

**BID SUBMISSION FORM**

Provision of Sodium Hypochlorite  
Specification Number SE 2011-SH

TO: Michael T. Thornton, P.E., General Manager  
San Elijo Joint Powers Authority  
2695 Manchester Avenue  
Cardiff, CA 92007

Dated: 5/21/10

Provision of approved Sodium Hypochlorite, as outlined in the detailed specification, to the San Elijo Water Reclamation Facility for the period of July 1, 2010 to June 30, 2011.

<u>OPTION NO.</u>	<u>APPROXIMATE QUANTITY</u>	<u>ITEM DESCRIPTION WITH PRICES WRITTEN IN WORDS</u>	<u>TOTAL FIGURES</u>
1	Approximately 80,000 gallons	Pre-approved or proven equal sodium hypochlorite in bulk shipments upon request of the Chief Operator.	

Price per gallon including shipping and 8.75% tax:

Seventy and 4/10 cents  
(In Words)

\$ 0.706 / gal.  
(In Numbers)

Contract price (80,000 gallons x per gallon price):

Fifty-six thousand four hundred  
(In Words)

\$ 56,463.<sup>00</sup>  
(In Numbers)  
*Sixty-three dollars*

THE ONLY EXCEPTIONS FROM THE SPECIFICATIONS ARE:

Payment terms Net 30

Signature of Authorized Bidder Representative: *John M. Schabacker*

Name of Individual (Typed): John M. Schabacker Title: Business Director

Firm Name: Olin Corporation, dba Olin Chlor Alkali Products

Address: 26700 S. Banta Road

City: Tracy State: CA Zip: 95304 Telephone: 209-835-7204

Fax: 209-835-9760

**STATEMENT OF  
QUALIFICATIONS AND REFERENCES**

Provision of Sodium Hypochlorite  
Specification Number SE 2011-SH

Proposing Contractor shall submit the number of years engaged in providing services included within the scope of the bid specifications under the present business name: \_\_\_\_\_  
Olin Chlor Alkali Products

List and describe fully the last three contracts performed by your firm that demonstrate your ability to provide the supplies, equipment, or services included with the scope of the bid specifications. Attach additional pages if required. The Authority reserves the right to contact each of the references listed for additional information regarding your firm's qualifications.

**Reference No. 1**

Customer Name: Los Angeles County Sanitation  
Contact Individual: Cheryl Zuvich Phone No.: 562-699-7411  
Address: 1955 Workman Mill Road  
Whittier, CA 90601  
Contract Amount: 7,510,000 gals/yr Year: 9/15/2006 through 9/30/2010  
Description of supplies, equipment, or services provided: \_\_\_\_\_  
Produce and Deliver Sodium Hypochlorite.

**Reference No. 2**

Customer Name: City of San Diego  
Contact Individual: Thomas Roy Phone No.: 619-236-6158  
Address: 1200 Third Avenue, Suite 200  
San Diego, CA 92101  
Contract Amount: 1,538,000 gals/yr Year: 4/1/2005 through 3/31/2011  
Description of supplies, equipment, or services provided: \_\_\_\_\_  
Produce and Deliver Sodium Hypochlorite.

**Reference No. 3**

Customer Name: Metropolitan Water District of Southern California  
Contact Individual: Vera Rieckhoff Phone No.: 213-217-5625  
Address: 700 North Alameda Street, 5th Floor, Room 5-325  
Los Angeles, CA 90054  
Contract Amount: 489,000 gals/yr Year: 10/1/2004 through 9/30/2010  
Description of supplies, equipment, or services provided: \_\_\_\_\_  
Produce and Deliver Sodium Hypochlorite.



Signature of Authorized Bidder Representative  
John M. Schabacker, Business Director

**STATEMENT OF BIDDER'S PAST CONTRACT  
DISQUALIFICATIONS**

Provision of Sodium Hypochlorite  
Specification Number SE 2011-SH

Pursuant to Section 10162 of the Public Contract Code, the bidder shall state whether such prospective bidder, any officer of such bidder, of any employee of such bidder who has a proprietary interest in such bidder, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a Federal, State or local government project because of the violation of law or a safety regulation, and if so to explain the circumstances.

1. Do you have any disqualification, removal, etc., as described in the above paragraph to declare?  
yes \_\_\_\_\_ no X

2. If yes, explain the circumstances.

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Executed on 5/19/10 at Tracy, California.

I declare, under penalty of perjury, that the foregoing is true and correct.



Signature of Authorized Bidder Representative  
John M. Schabacker, Business Director

COMPLIANCE WITH THE IMMIGRATION REFORM AND  
CONTROL ACT OF 1986 (8 U.S.C. § 1324)

As a condition of submitting a bid for the Project, bidders are required to verify whether or not they have been fined or otherwise penalized within the past three (3) years for failing to obtain and/or maintain valid Employment Eligibility ("I-9") forms for employees pursuant to the Immigration Reform and Control Act of 1986 (the "Act"). The bidder shall check the appropriate box below, sign and date this page, and submit it to the San Elijo Joint Powers Authority (SEJPA) as part of his or her bid package.

Failure to properly submit this completed form shall result in the possible rejection of the bid as being non-responsive, in the SEJPA's sole discretion. In the event a bidder has been fined or otherwise penalized within the past three (3) years, the SEJPA reserves the right, in its sole discretion, to reject the bid as being non-responsive. In the event the SEJPA awards a contract to a bidder and subsequently discovers that the bidder was fined or otherwise penalized for failing to obtain and/or maintain valid I-9 forms within the past three (3) years and failed to disclose such information, the SEJPA shall have the right, in its sole discretion, to immediately terminate the contract and award the bid to the next lowest bidder, or re-bid the project. The SEJPA reserves the right to recover from the bidder any costs and/or damages sustained by the SEJPA as the result of having to terminate the bidder from the Project and/or re-award the contract due to the bidder's failure to disclose previous I-9 violations.

ALL BIDDERS MUST CHECK ONE OF THE BOXES BELOW AND SIGN:

- Within the past three (3) years, bidder HAS been fined or otherwise penalized for failing to obtain and/or maintain valid I-9 forms for its employees.
- Within the past three (3) years, bidder HAS NOT been fined or otherwise penalized for failing to obtain and/or maintain valid I-9 forms for its employees.

*To the best of my knowledge*

*Sulim M. Shabed*

Bidder's Signature

*Olvis Corporation, Santa Fe Springs, CA*

Company

*5/21/10*

Date



# PRODUCT SPECIFICATION

## Sodium Hypochlorite - 12.5

For more information contact your Olin Representative, visit [www.olinchloralkali.com](http://www.olinchloralkali.com) or call 423-336-4850

Specification No. CAP-002	Revision No. 7	SAP Material No. 105004	Issue Date 9/29/2009	Supersedes 2/16/2009	Review Date 11/1/2013
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Chemical Formula	SPECIFICATION		TYPICAL ANALYSIS (Note 2)											
	UNITS	MIN	MAX	Augusta	Birmingham	Chattanooga	Dalhousie	Hammond	McIntosh	Minerva Falls	Santa Fe Stations	St. Gabriel	Tacoma	Tracy
<b>Reported Characteristics</b>														
Sodium Hypochlorite, NaOCl	wt%	12.5	15.6	13.0	--	13.2	--	13.6	13.7	13.6	13.0	--	13.0	13.0
Available Chlorine	gpl	145.0	185.0	148.0	--	150.0	--	--	164.0	158.2	148.0	--	148.0	150.0
Total Alkalinity as NaOH (Note 3)	gpl	1.2	29.0	4.4	--	8.3	--	--	9.0	3.4	5.4	--	6.2	5.8
Total Alkalinity as NaOH (Note 3)	wt%	0.1	2.3	0.4	--	0.7	--	N/E	0.7	0.33	0.45	--	0.5	0.48
Actual Sodium Hydroxide, NaOH	wt%	0.1	1.5	0.4	--	0.5	--	0.5	0.6	N/A	--	--	--	--
Sodium Carbonate, Na <sub>2</sub> CO <sub>3</sub>	wt%	N/A	1.1	0.3	--	0.3	--	N/E	0.3	0.10	N/E	--	--	--
Density @ 20 °C	g/ml	N/A	N/A	1.199	--	1.197	--	1.212	1.252	1.21	1.199	--	1.196	1.209
<b>Other Characteristics</b>														
Sodium Hypochlorite, NaOCl	gpl	150.0	195.0	155.7	--	158.0	--	--	172.0	166.2	155.7	--	155.6	157.0
Available Chlorine	wt%	11.9	14.9	12.3	--	12.6	--	--	13.1	13.0	12.3	--	12.4	12.4
Available Chlorine	trade%	14.5	18.5	14.8	--	15.5-16.5	--	--	16.4	15.8	14.8	--	14.3	15.0
Actual Sodium Hydroxide, NaOH	gpl	1.2	18.0	4.8	--	5.6	--	--	7.0	N/A	--	--	--	--
Sodium Carbonate, Na <sub>2</sub> CO <sub>3</sub>	gpl	N/A	14.0	3.6	--	3.6	--	N/E	3.1	1.2	N/E	--	--	--
Sodium Chloride, NaCl	wt%	N/A	15.0	10.0	--	10.0	--	N/E	12.0	10.5	N/E	--	--	--
Bromate, BrO <sub>3</sub> (Note 5)	ppm	N/A	59	10.0	--	35.0	--	24.0	4.5	3.5	24.0	--	12.0	--
Nickel, Ni (High Purity)	ppm	N/A	0.11	--	--	<0.1	--	0.1	<0.1	<0.05	0.08	--	<0.05	--
Cobalt, Co (High Purity)	ppm	N/A	0.11	--	--	<0.1	--	<0.02	<0.1	<0.05	<0.2	--	<0.05	--
Copper, Cu (High Purity)	ppm	N/A	0.11	--	--	<0.1	--	0.01	<0.1	<0.05	<0.2	--	<0.05	--
Iron, Fe (High Purity)	ppm	N/A	1.5	--	--	<0.6	--	0.4	0.2	<0.40	0.24	--	0.5	--
Vacuum Filter Test (High Purity)	minutes	N/A	3	--	--	--	--	2.4	--	N/E	<1.5	--	N/E	1.3
Nickel, Ni (Standard Product)	ppm	N/A	N/A	0.2	--	<0.3	--	--	<0.1	--	--	--	--	--
Cobalt, Co (Standard Product)	ppm	N/A	N/A	<1	--	<0.3	--	--	<0.1	--	--	--	--	--
Copper, Cu (Standard Product)	ppm	N/A	N/A	<1	--	<0.3	--	--	<0.1	--	--	--	--	--
Iron, Fe (Standard Product)	ppm	N/A	3.0	0.1	--	0.5	--	--	<3.0	--	--	--	--	--
<b>Physical Properties</b>														
Density @ 20 °C	lb/gal	N/A	N/A	10.0	--	10.0	--	10.1	10.4	10.1	10.0	--	10.0	10.1
Appearance:														

ISO Certificate No.	QSR-110	QSR-890	QSR-125	QSR-559	QSR-100	QSR-768	QSR-771	QSR-769
US EPA Registration No.	72315-6	72315-6	72315-6	56088	72315-6	37982-20001	37982-20001	37982-20001
US EPA Establishment No.	GA-001	CAN-002	TN-001	NV-01	AL-001	CA-1	WA-2	CA-1
Canadian PMRA No.	25619	28172	25619	N/A	25619	25619	N/A	N/A

Meets Criteria

If this document is removed (printed, electronically copied, etc.) from Olin's Product Specification Management System it becomes an uncontrolled copy of a controlled document.

The product information presented herein, while not guaranteed, is true and accurate to the best of our knowledge. The information is based upon product specifications as of the date this document is created, but such information is subject to change. No warranty or guarantee, express or implied, is made regarding performance, stability or otherwise. This information is not intended to be all-inclusive since the manner and conditions of use, handling, storage and other factors may involve other or additional safety or performance considerations. While our technical personnel will be happy to respond to questions regarding safe handling and use procedures, the Buyer retains sole responsibility for the safe handling and use of the product. Any cited product uses are for informational purposes only and Buyer should investigate and establish to Buyer's satisfaction the suitability of each such use for Buyer's own purposes. No suggestions for use are intended as, and nothing herein shall be construed as, a recommendation to infringe any existing patents or to violate any applicable law.

# PRODUCT SPECIFICATION

## Sodium Hypochlorite - 12.5

For more information contact your Olin Representative,  
visit [www.olinchloralkali.com](http://www.olinchloralkali.com) or call 423-336-4850

Specification No. CAP-002	Revision No. 7	SAP Material No. 105004	Issue Date 9/29/2009	Supersedes 2/16/2009	Review Date 11/1/2013
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**OTHER INFORMATION:**

- 1 **CONVERSIONS:** To convert from ppm to weight % basis, divide ppm by 10,000. Trade % (wt/vol %) = gpl/10. ppm = mcg/g = mg/Kg
- 2 **TYPICAL ANALYSIS:** - - means the characteristic is not part of the product from this location, if - - is shown for all the typical analysis from a facility, this product is not produced at that facility. N/A = Not Applicable. N/E = the facility produces the product but no typical data has been established, typical data will be available approximately 6 to 9 months after the start of production or specification issue date. BDL = Analytical results for this characteristic were below the minimum detection limit (MDL) of the standard analytical methods used.
- 3 Total Alkalinity Minimum and Maximum values are calculated based on actual NaOH and actual Na<sub>2</sub>CO<sub>3</sub> min/max values.
- 4 Meets the provisions of the **American Water Works Association (AWWA) B300-04 Standard**
- 5 Certified for the **NSF/ANSI - Standard 60** at a maximum use dosage of 84 mg/L for 12.5% sodium hypochlorite solution (equivalent to 10 mg/L of available chlorine).
- 6 If product is EPA Registered - See label for Precautionary Statements and Use Instructions. Anyone using this product for their own sanitizing or disinfectant applications at different concentrations or with any other component added must obtain their own EPA registration.

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Director of Finance/Administration

SUBJECT: ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR  
2010-11 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF SEJPA  
TREASURER

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2010-06, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2010-11 with the recommended changes identified in this report;
2. Adopt Resolution No. 2010-07, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of SEJPA Treasurer; and
3. Discuss and take action as appropriate.

DISCUSSION

The Fiscal Year (FY) 2010-11 Recommended Budget was presented to the Board of Directors during the April and May 2010 Board meetings for discussion. Meetings were also held with staff from both Member Agencies to review the recommended budget. From these series of meetings, there were no monetary changes made to the FY 2010-11 Recommended Budget that affected the total requested appropriations for FY 2010-11. There was a formatting change to the Debt Service Summary page to reflect that there are two equal payments of \$64,238, not a single payment as shown in the recommended budget. This change does not affect the total appropriation presented in the original recommended budget; the difference was presented in the operations and maintenance section rather than in the debt service section.

The total recommended FY 2010-11 operating budget for the wastewater fund for the San Elijo Joint Powers Authority (SEJPA) is \$5,599,828. This includes collection, treatment, and disposal services provided by the SEJPA and represent a decrease of 1.40 percent for the City of Encinitas and 0.13 percent for the City of Solana Beach. The total recommended FY 2010-11 operating budget for the water reclamation fund is \$1,809,660, a 0.50 percent decrease from a year ago. Revenues to support the wastewater and water reclamation funds come from the users of the provided services. The FY 2010-11 appropriations for capital projects are \$670,000. Funds

required to support these capital expenditures will come from a combination of user fees and reserves, as determined by each contributing agency.

The recommended FY 2010-11 Budget is now ready for consideration for adoption as presented in the attached Resolution No. 2010-06.


### INVESTMENT POLICY

State law requires that the Investment Policy be reviewed and adopted annually. The SEJPA investment policy allows for investment in the State Local Agency Investment Fund (LAIF) and in the San Diego County Investment Pool. These two tools have been the basis of all investment activity since the SEJPA became independent from the County of San Diego. In addition, State law requires that a SEJPA Treasurer be appointed annually. The current SEJPA Treasurer is the Director of Finance/Administration, Gregory Lewis.

It is therefore recommended that the Board of Directors:

1. Adopt Resolution No. 2010-06, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2010-11 with the recommended changes identified in this report;
2. Adopt Resolution No. 2010-07, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of SEJPA Treasurer; and
3. Discuss and take action as appropriate.

Respectfully submitted,

  
\_\_\_\_\_  
Gregory Lewis  
Director of Finance/Administration

Attachment 1: Resolution No. 2010-06, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2010-11

Attachment 2: Resolution No. 2010-07, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of SEJPA Treasurer

# **ATTACHMENT 1**

**RESOLUTION NO. 2010-06**

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY  
OPERATING AND CAPITAL IMPROVEMENT BUDGETS  
FOR FISCAL YEAR 2010-11**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors proposed SEJPA Operations and Maintenance, and Capital Projects Budgets for Fiscal Year 2010-11;

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, 2010 through June 30, 2011 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2010-11. Such budgets are hereby adopted.

San Elijo Operations and Maintenance Fund	\$ 5,599,828
San Elijo Water Reclamation Operating Fund	1,809,660
San Elijo Capital Projects Fund	<u>670,000</u>
Total	\$8,079,488

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds from the Fiscal Year 2010-11.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2010, by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

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Maggie Houlihan, Chairperson  
SEJPA Board of Directors

ATTEST:

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

## **ATTACHMENT 2**

**RESOLUTION NO. 2010-07**

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY  
INVESTMENT POLICY AND GUIDELINES AND  
APPOINTMENT OF SEJPA TREASURER**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors, the proposed SEJPA Investment Policy and Guidelines;

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

1. The SEJPA Treasurer prepared an Investment Policy and Guidelines in 1996, attached hereto as Exhibit A and incorporated herein by reference as if set forth in full. In order to comply with prudent financial management practices, these guidelines are reviewed and approved on an annual basis in conjunction with the annual budget adoption.
2. The policy is intended to provide guidelines for the prudent investment of the SEJPA's temporary idle cash and outline the policies for maximizing the efficiency of the SEJPA's cash management system.
3. The investment goal is to enhance the economic condition of the SEJPA while insuring the safety of funds invested.
4. The assignment of Gregory Lewis as SEJPA Treasurer for the 2010-11 fiscal year.
5. The Board of Directors of the San Elijo Joint Powers Authority does hereby approve the Investment Policy and Guidelines attached hereto as Exhibit A.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the San Elijo Joint Powers Authority, California, held on this \_\_\_\_ day of \_\_\_\_\_, 2010 by the following roll call vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

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Maggie Houlihan, Chairperson  
SEJPA Board of Directors

ATTEST:

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



# **EXHIBIT A**

**EXHIBIT A  
TO  
RESOLUTION NO. 2010-07**

**SAN ELIJO JOINT POWERS AUTHORITY  
INVESTMENT POLICY AND GUIDELINES AND  
APPOINTMENT OF SEJPA TREASURER**

1. PURPOSE

This Statement is intended to provide guidelines for the prudent investment of the San Elijo Joint Powers Authority's (SEJPA) temporary idle cash, and outline the policies for maximizing the efficiency of the SEJPA's cash management system. The investment goal is to enhance the economic condition of the SEJPA while insuring the safety of funds invested.

2. OBJECTIVE

The SEJPA's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the SEJPA to invest funds to the fullest extent possible. The SEJPA attempts to obtain the highest yield on its investments consistent with the criteria established for safety and liquidity.

3. POLICY

The SEJPA Treasurer is responsible for investing the surplus funds in the SEJPA Treasury in accordance with the California Government Code, Sections 53600 et seq. and 53635 et seq. The SEJPA makes investments in accordance with California Government Code 53600.3, which states "all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The three principal factors of safety, liquidity and yield are to be taken into consideration when making investment decisions.

- A) Safety. Safety and the minimizing of risk associated with investing refer to attempts to reduce the potential for loss of principal, interest or a combination of the two. The SEJPA invests only in those instruments that are considered very safe.
- B) Liquidity. Liquidity refers to the ability to convert an investment to cash promptly with a minimum risk of losing some portion of principal or interest. A portion of the portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements.

- C) Yield. Yield is the average annual return on an investment based on the interest rate, price, and length of time to maturity. The SEJPA attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

#### 4. INVESTMENT INSTRUMENTS

The SEJPA may invest in the following instruments under the guidelines as provided herein:

- A) Local Agency Investment Fund (LAIF). Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account. Maximum investment is subject to state regulation.
- B) County of San Diego County Treasury. Investment of funds in the Treasury of the County of San Diego that allows the County Treasurer to invest through the Pooled Money Investment Account.

#### 5. SAFEKEEPING

All investments of the SEJPA shall have the San Elijo Joint Powers Authority as registered owner or shall be kept in the custody of the SEJPA or by a qualified safekeeping institution.

#### 6. INVESTMENT REPORTS

- A) The SEJPA Treasurer shall submit a monthly investment report to the SEJPA General Manager and SEJPA Board of Directors containing the following information:
- Financial institution
  - Type of investment
  - Amount of deposit
  - Rate of interest
- B) The SEJPA Treasurer shall annually render a Statement of Investment Policy to the SEJPA Board of Directors.

#### 7. INVESTMENT OF BOND FUNDS

In accordance with Government Code Section 53601, moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds . . . may be invested in accordance with the statutory provisions governing the issuance of those bonds, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

Therefore, investment of bond proceeds held in trust shall be invested in accordance with the indenture of trust by and between the San Elijo Joint Powers Authority and Union Bank of California, N.A., dated April 1, 2003. [Exhibit B (only pages 6 and 7 included)].

## **EXHIBIT B**

INDENTURE OF TRUST

by and between the

SAN ELIJO JOINT POWERS AUTHORITY

and

UNION BANK OF CALIFORNIA, N.A.  
as Trustee

Dated as of April 1, 2003

Relating to  
\$18,640,000  
San Elijo Joint Powers Authority  
2003 Refunding Revenue Bonds  
(San Elijo Wastewater Treatment Facilities)

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"Outstanding", when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.07) all Bonds theretofore executed, issued and delivered by the Authority under this Indenture except -

(a) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered pursuant to this Indenture or any Supplemental Indenture.

"Owner" or "Bond Owner", when used with respect to any Bond, means the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"Permitted Investments" means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

(a) Federal Securities;

(b) any of the following direct or indirect obligations of the following agencies of the United States of America and other entities: (i) direct obligations of the Export-Import Bank; (ii) certificates of beneficial ownership issued by the Farmers Home Administration; (iii) participation certificates issued by the General Services Administration; (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Federal Housing Administration; (v) project notes issued by the United States Department of Housing and Urban Development; and (vi) public housing notes and bonds guaranteed by the United States of America;

(c) interest-bearing demand or time deposits (including certificates of deposit), in federal or State chartered savings and loan associations or in federal or State banks (including the Trustee), provided that: (i) in the case of a savings and loan association, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such savings and loan association shall be rated A or better by Moody's or S&P; and (ii) in the case of a bank, such demand or time deposits shall be fully insured by the Federal Deposit Insurance Corporation, or the unsecured obligations of such bank (or the unsecured obligations of the parent bank holding company of which such bank is the lead bank) shall be rated A or better by Moody's or S&P;

(d) commercial paper rated in the highest rating category by Moody's or S&P;

(e) obligations the interest on which is excludable from gross income pursuant to Section 103 of the Tax Code and which are either (a) rated A or better by Moody's or S&P, or (b) fully secured as to the payment of principal and interest by Federal Securities;

the deposit then required to be made by the Cities pursuant to the Loan Agreements, or (b) transferred on a pro rata basis, on the final Interest Payment Date, to the Cities to be used for any lawful purpose. Notwithstanding the foregoing provisions of this paragraph, however, no amounts shall be withdrawn from the Reserve Account and transferred to the Cities pursuant to this paragraph during any period in which an Event of Default shall have occurred and be continuing hereunder.

The Reserve Requirement may be satisfied by crediting to the Reserve Account a Qualified Surety Bond. Upon the deposit with the Trustee of a Qualified Surety Bond, the Trustee shall release moneys then on hand in the Reserve Account to the Cities on a pro rata basis (based upon the Cities' respective responsibility for debt service as of the date of the withdrawal), in an amount equal to the face amount of the Qualified Surety Bond.

Section 4.03. Investments. All moneys in any of the funds or accounts established with the Trustee pursuant to this Indenture shall be invested by the Trustee solely in Permitted Investments pursuant to the direction of the Authority given to the Trustee in advance of the making of such investments (and promptly confirmed in writing, as to any such direction given orally). In the absence of any such direction from the Authority, the Trustee shall invest any such moneys in Federal Securities or in money market funds described in clause (g) of the definition of Permitted Investments; provided, that Permitted Investments purchased with funds on deposit in the Reserve Account shall have an average aggregate weighted term to maturity not greater than five (5) years, unless such funds are invested in (i) Federal Securities, in which case the average aggregate weighted term to maturity may not be greater than ten (10) years, or (ii) an investment agreement approved by the Bond Insurer, in which case the term of the investment agreement may extend to the final maturity date of the Bonds. Permitted Investments purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. Deficiencies in the amount on deposit in any fund or account resulting from a decline in market value shall be restored no later than the succeeding valuation date.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder upon the Request of the Authority. The Trustee or an affiliate may act as principal or agent in the acquisition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made pursuant to this Section.

Section 4.04. Valuation and Disposition of Investments. (i) Except as provided in (ii) below, for the purpose of determining the amount in any fund or account, the value of Permitted Investments credited to such fund shall be valued annually at the market value thereof.

(ii) Permitted Investments (except investment agreements described in paragraph (h) of the definition of Permitted Investments) credited to the Reserve Account shall be valued by the Trustee as frequently as deemed necessary by the Bond Insurer by Written Request of the Members to the Trustee, but not less often than semi-annually, at the market value thereof, exclusive of accrued interest.

Section 4.05. Payment Provisions Relating to Bond Insurance Policy. If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Indenture, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Trustee shall give notice to the Bond Insurer and to its designated agent (if any) (the "Bond Insurer's Fiscal Agent") by telephone or telecopy of the

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Director of Finance/Administration

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY PURCHASING POLICY REVISION

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2010-08, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Establishing Purchasing Policies and Procedures for the San Elijo Joint Powers Authority (Attachment); and
2. Discuss and take action as appropriate.

DISCUSSION

The SEJPA staff and legal counsel have conducted a thorough review of the SEJPA's purchasing policy to confirm compliance with current government codes, as well as to provide recommendations for policy changes. The review concluded that the existing policies and procedures are in conformance with Government Code. The only recommended change to the purchasing policy is the addition of lease purchase/installment sales provisions of Government Code Section 6588. The inclusion of these procedures will provide the SEJPA the allowance to lease equipment with the intent of future purchase when deemed appropriate and in the best interest of the agency.

Working with SEJPA legal counsel, staff has prepared a revised purchasing policy, Resolution No. 2010-08 (Attachment), which includes the recommended changes. If the SEJPA Board of Directors approves Resolution 2010-08, then it will supersede the previous purchasing policy, Resolution No. 01-011. Except for the changes outlined above, the requirements of the original purchasing policy (Resolution No. 01-011) remain the same.

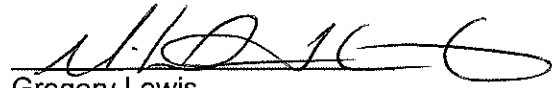
It is, therefore, recommended that the Board of Directors:

1. Adopt Resolution No. 2010-08, Resolution of the Board of Directors of the San Elijo Joint Powers Authority Establishing Purchasing Policies and Procedures for the San Elijo Joint Powers Authority (Attachment); and



2. Discuss and take action as appropriate.

Respectfully submitted,



Gregory Lewis  
Director of Finance/Administration

Attachment 1: Resolution No. 2010-08, Resolution of the Board of Directors of the San Elijo  
Joint Powers Authority Establishing Purchasing Policies and Procedures for the  
San Elijo Joint Powers Authority

Attachment 2: California Government Code 6588

# **ATTACHMENT 1**

**RESOLUTION NO. 2010-08**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SAN ELIJO JOINT POWERS AUTHORITY  
ESTABLISHING PURCHASING POLICIES AND PROCEDURES  
FOR THE SAN ELIJO JOINT POWERS AUTHORITY**

WHEREAS, the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) recognizes that the ongoing operation of the SEJPA requires the purchase of materials, supplies, equipment and inventory; and

WHEREAS, it is necessary to purchase these items on a regular basis to carry on the day-to-day operation of the SEJPA as well as to supply and resupply inventory; and

WHEREAS, the Board of Directors of the SEJPA desires to establish formal purchasing policies and procedures in conformity with current California law for implementation by SEJPA Staff; and

WHEREAS, it is recognized that this Resolution supersedes all previous resolutions establishing purchasing policies and procedures for the San Elijo Joint Powers Authority.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN ELIJO JOINT POWERS AUTHORITY AS FOLLOWS:

1. PURPOSE. This policy is intended to establish sufficient procedures for the purchase of supplies and equipment of the required quality at the lowest possible price.
2. PURCHASING OFFICER
  - 2.1 The General Manager is designated as the "Purchasing Officer".
  - 2.2 In addition to administering the other procedures contained herein, the Purchasing Officer:
    - (a) Shall keep informed of current developments in market conditions and new products and shall maintain a bidders list, vendors catalogue file, and records needed for the efficient purchase of supplies and equipment for the Purchasing Officer's department;
    - (b) Shall first consider sources of supplies and equipment located within the SEJPA service area.
    - (c) May prescribe and maintain such forms and supplemental procedures as are reasonably necessary for the operation of the SEJPA in accordance with this resolution; and
    - (d) Shall inspect supplies and equipment delivered to determine their conformance with the specifications, and may require the vendor to reimburse the SEJPA for the performance of chemical and physical tests on samples.

2.3 The General Manager may authorize, in writing, a designee to purchase specified supplies and equipment, independently from the Purchasing Officer. The authorized designee shall comply with the procedures of this resolution and shall make periodic reports to the General Manager on the status of the purchases. The General Manager shall ensure that each designee so authorized has filed a financial disclosure statement in accordance with this policy.

3. DETERMINATION OF REQUIREMENT AND SURPLUS

3.1 The adopted budget for the SEJPA shall include the needs for supplies and equipment of the SEJPA during the fiscal year.

3.2 The Purchasing Officer shall ensure that sufficient documentation is submitted with the request for payment to demonstrate compliance with the procedures of this policy and to justify the acquisition and acceptance of the supplies or equipment.

3.3 The Purchasing Officer shall maintain written documentation showing the supplies and equipment on hand in the SEJPA that are no longer useful. The Purchasing Officer may exchange or trade in such supplies and equipment as part of a purchase. The General Manager may direct the disposal of surplus supplies and equipment.

4. PURCHASE ORDER: LESS THAN \$1,000. If the estimated value of the purchase of supplies or equipment is less than \$1,000, the Purchasing Officer may:

- (a) Select a vendor, without bid;
- (b) Issue a purchase order;
- (c) Complete the purchase transaction.

5. PURCHASE ORDER: \$1,001 to \$35,000. If the estimated value of the purchase of supplies or equipment is \$1,001 or more, but less than \$35,000, the Purchasing Officer shall:

- (a) Solicit bids by written and telephonic request to prospective vendors;
- (b) Require telephonic bids to be documented in writing;
- (c) Seek at least three bids;
- (d) Select the vendor with the lowest bid price in conformity with the specifications;
- (e) Issue a purchase order; and
- (f) Complete the purchase transaction.

6. ISSUANCE OF PURCHASING ORDER. The Purchasing Officer may not issue a purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

7. CONTRACT: MORE THAN \$35,000. If the estimated value of the purchase of supplies or equipment is more than \$35,000, the following provisions shall be satisfied:

- 7.1 The Purchasing Officer shall:
- (a) Publish a notice inviting bids at least ten days before the date of opening of the bids. The notice inviting bids shall be published two times, not less than five days apart.
  - (b) Mail the notice inviting bids to vendors whose names appear on the bidders list.
- 7.2 The Purchasing Officer shall include in the notice inviting bids:
- (a) The requirement that the bid be in writing and that it be sealed.
  - (b) A general description of the supplies or equipment to be purchased.
  - (c) The location where bid blanks and specifications may be obtained.
  - (d) The time and place for opening bids.
  - (e) The security required, if any.
- 7.3 The Purchasing Officer may require a security deposit to be submitted as a condition for considering the bid. The amount of the security deposit shall be sufficient to reimburse the SEJPA for costs incurred if the bidder is successful but fails to execute the contract or fails to perform obligations under the contract. Bid security shall be returned to each unsuccessful bidder.
- 7.4 The Purchasing Officer or his representative shall open the bids in public and submit to the SEJPA a recommendation regarding the award of the contract.
- 7.5 The SEJPA may award the contract to the vendor submitting the lowest bid, in conformity with the specifications or may reject all bids presented.
- 7.6 If two or more bids received are of the same total amount, the SEJPA may direct the Purchasing Officer to further negotiate with the tie bidders. The SEJPA may award the contract to the lowest negotiated bid, made thereafter.
- 7.7 After the SEJPA awards the contract, the Purchasing Officer shall complete the purchase transaction; and
- 7.8 After completion of the transaction, the purchasing officer shall submit the invoice to the SEJPA for placement on the warrant list.

8. EXEMPTION FROM BIDDING. Where otherwise required by this policy, and where authorized by law and the SEJPA Agreement, bidding may be dispensed with, at the discretion of the General Manager when:

- 8.1 An emergency requires that an order be placed with the nearest available source of supply; for the purposes of this authorization, an emergency is a condition which threatens the public health or safety, and requires immediate remedial action in order to avoid the threat to the public health or safety. This authorization is limited to the aggregate expenditure of \$25,000, except as otherwise authorized by law; or
- 8.2 The supply or equipment can be obtained from only one vendor; or

8.3 Sufficient, satisfactory bids are not received.

9. ALTERNATIVE PROCEDURE: REQUEST FOR PROPOSALS

9.1 As an alternative to the other provisions of this policy, the SEJPA may acquire supplies and equipment in accordance with the provisions of this section.

9.2 The General Manager may utilize this section if the Manager determines that:

- (a) The SEJPA does not possess the expertise to determine its precise requirements; or
- (b) The SEJPA does not possess the expertise to determine the best way to meet its needs.

9.3 If the General Manager has made the determination to utilize this section then:

- (a) At a minimum, the Request for Proposal (RFP) shall contain a description of what supplies and equipment the SEJPA is attempting to obtain; the deadline for submitting proposals; and a notice that each proposal will be judged on its merits and its ability to meet the needs of the SEJPA. The lowest monetary proposal will not necessarily be selected.
- (b) The RFP will be posted on the bulletin boards of the Cities of Encinitas and Solana Beach for a minimum of ten days before the deadline for submitting proposals.
- (c) The RFP will be sent to a minimum of three providers, if three are available.
- (d) Following the deadline, each proposal will be opened and evaluated in the following manner.
- (e) The selection of the best proposal will be based on a consideration of costs, demonstrated project quality, demonstrated ability to satisfy the needs of public agencies and private clients similar to the SEJPA, and the proposer's ability to meet the needs of the SEJPA. The proposal with the lowest monetary cost will not necessarily be selected.

10. ALTERNATIVE PROCEDURE: CONSOLIDATED PURCHASE

10.1 As an alternative to the other provisions of this Resolution, the SEJPA may acquire supplies and equipment in accordance with the provisions of this policy.

10.2 The General Manager may authorize the acquisition of supplies and equipment from or in cooperation with another governmental agency that is acquiring supplies or equipment in a process which is designed to acquire supplies or equipment which best serves the SEJPA's needs.

11. ALTERNATIVE PROCEDURES: COMPLIANCE WITH STATE LAW

11.1 Notwithstanding the foregoing, the SEJPA may purchase supplies and equipment and enter into contracts as authorized by state law, including Public Contracts Code 20783, at a cost in excess of \$35,000 by complying with the competitive bidding requirements of State law.

11.2 Notwithstanding the foregoing, the SEJPA may purchase supplies and equipment and enter into contracts as authorized by State Law, including but not limited to Government Code Section 6588.

PASSED, ADOPTED AND APPROVED at a Regular Meeting of the Board of Directors of the San Elijo Joint Powers Authority held this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by the following roll call vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

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Maggie Houlihan, Chairperson  
SEJPA Board of Directors

ATTEST:

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

## Attachment 2

### California Government Code 6588

**6588.** In addition to other powers specified in an agreement pursuant to Article 1 (commencing with Section 6500) and Article 2 (commencing with Section 6540), the authority may do any or all of the following:

(a) Adopt bylaws for the regulation of its affairs and the conduct of its business.

(b) Sue and be sued in its own name.

(c) Issue bonds, including, at the option of the authority, bonds bearing interest, to pay the cost of any public capital improvement, working capital, or liability or other insurance program. In addition, for any purpose for which an authority may execute and deliver or cause to be executed and delivered certificates of participation in a lease or installment sale agreement with any public or private entity, the authority, at its option, may issue or cause to be issued bonds, rather than certificates of participation, and enter into a loan agreement with the public or private entity.

(d) Engage the services of private consultants to render professional and technical assistance and advice in carrying out the purposes of this article.

(e) As provided by applicable law, employ and compensate bond counsel, financial consultants, and other advisers determined necessary by the authority in connection with the issuance and sale of any bonds.

(f) Contract for engineering, architectural, accounting, or other services determined necessary by the authority for the successful development of a public capital improvement.

(g) Pay the reasonable costs of consulting engineers, architects, accountants, and construction, land-use, recreation, and environmental experts employed by any sponsor or participant if the authority determines those services are necessary for the successful development of public capital improvements.

(h) Take title to, and sell by installment sale or otherwise, lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and other interests in lands that are located within the state that the authority determines are necessary or convenient for the financing of public capital improvements, or any portion thereof.

(i) Receive and accept from any source, loans, contributions, or grants, in either money, property, labor, or other things of value, for, or in aid of, the construction financing, or refinancing of public capital improvement, or any portion thereof or for the financing of working capital or insurance programs, or for the payment of the principal of and interest on bonds if the proceeds of those bonds are used for one or more of the purposes specified in this section.

(j) Make secured or unsecured loans to any local agency in connection with the financing of capital improvement projects, working capital or insurance programs in accordance with an agreement between the authority and the local agency. However, no loan shall exceed the total cost of the public capital improvements, working capital or insurance needs of the local agency as determined by the local agency and by the authority.

(k) Make secured or unsecured loans to any local agency in accordance with an agreement between the authority and the local agency to refinance indebtedness incurred by the local agency in connection with public capital improvements undertaken and completed.



## Attachment 2

(l) Mortgage all or any portion of its interest in public capital improvements and the property on which any project is located, whether owned or thereafter acquired, including the granting of a security interest in any property, tangible or intangible.

(m) Assign or pledge all or any portion of its interests in mortgages, deeds of trust, indentures of mortgage or trust, or similar instruments, notes, and security interests in property, tangible or intangible, of a local agency to which the authority has made loans, and the revenues therefrom, including payment or income from any interest owned or held by the authority, for the benefit of the holders of bonds issued to finance public capital improvements.

The pledge of moneys, revenues, accounts, contract rights, or rights to payment of any kind made by or to the authority pursuant to the authority granted in this part shall be valid and binding from the time the pledge is made for the benefit of the pledgees and successors thereto, against all parties irrespective of whether the parties have notice of the claim.

(n) Lease the public capital improvements being financed to a local agency, upon terms and conditions that the authority deems proper; charge and collect rents therefor; terminate any lease upon the failure of the lessee to comply with any of the obligations of the lease; include in any lease provisions that the lessee shall have options to renew the lease for a period or periods, and at rents as determined by the authority; purchase or sell by an installment agreement or otherwise any or all of the public capital improvements; or, upon payment of all the indebtedness incurred by the authority for the financing or refinancing of the public capital improvements, the authority may convey any or all of the project to the lessee or lessees.

(o) Charge and apportion to local agencies that benefit from its services the administrative costs and expenses incurred in the exercise of the powers authorized by this article. These fees shall be set at a rate sufficient to recover, but not exceed, the authority's costs of issuance and administration. The fee charged to each local obligation acquired by the pool shall not exceed that obligation's proportionate share of those costs. The level of these fees shall be disclosed to the California Debt and Investment Advisory Commission pursuant to Section 6599.1.

(p) Issue, obtain, or aid in obtaining, from any department or agency of the United States or of the state, or any private company, any insurance or guarantee to, or for, the payment or repayment of interest or principal, or both, or any part thereof, on any loan, lease, or obligation or any instrument evidencing or securing the same, made or entered into pursuant to this article.

(q) Notwithstanding any other provision of this article, enter into any agreement, contract, or any other instrument with respect to any insurance or guarantee; accept payment in the manner and form as provided therein in the event of default by a local agency; and assign any insurance or guarantee that acts as security for the authority's bonds.

(r) Enter into any agreement or contract, execute any instrument, and perform any act or thing necessary, convenient, or desirable to carry out any power authorized by this article.

(s) Invest any moneys held in reserve or sinking funds, or any moneys not required for immediate use or disbursement, in obligations that are authorized by law for the investment of trust funds.

(t) At the request of affected local agencies, combine and pledge revenues to public capital improvements for repayment of one or more series of bonds issued pursuant to this article.

## Attachment 2

(u) Delegate to any of its individual parties or other responsible individuals the power to act on its behalf subject to its general direction, guidelines, and oversight.

(v) Purchase, with the proceeds of its bonds or its revenue, bonds issued by any local agency at public or negotiated sale. Bonds purchased pursuant to this subdivision may be held by the authority or sold to public or private purchasers at public or negotiated sale, in whole or in part, separately or together with other bonds issued by the authority.

(w) Purchase, with the proceeds of its bonds or its revenue, VLF receivables sold to the authority pursuant to Section 6588.5. VLF receivables so purchased may be pledged to the payment of bonds issued by the authority or may be resold to public or private purchasers at public or negotiated sale, in whole or in part, separately or together with other VLF receivables purchased by the authority.

(x) (1) Purchase, with the proceeds of its bonds or its revenue, Proposition 1A receivables pursuant to Section 6588.6. Proposition 1A receivables so purchased may be pledged to the payment of bonds issued by the authority or may be resold to public or private purchasers at public or negotiated sales, in whole or in part, separately or together with other Proposition 1A receivables purchased by the authority.

(2) (A) All entities subject to a reduction of ad valorem property tax revenues required under Section 100.06 of the Revenue and Taxation Code pursuant to the suspension set forth in Section 100.05 of the Revenue and Taxation Code shall be afforded the opportunity to sell their Proposition 1A receivables to the authority.

(B) If these entities offer Proposition 1A receivables to the authority for purchase and duly authorize the sale of the Proposition 1A receivable pursuant to documentation approved by the authority, the authority shall purchase all Proposition 1A receivables so offered to the extent it can sell bonds therefor. If the authority does not purchase all Proposition 1A receivables offered, it shall purchase a pro rata share of each entity's offered Proposition 1A receivables.

(C) The authority may establish a deadline, no earlier than November 3, 2009, by which these entities shall offer their Proposition 1A receivables for sale to the authority and complete the application required by the authority.

(3) For purposes of meeting costs incurred in performing its duties relative to the purchase and sale of Proposition 1A receivables, the authority shall be authorized to charge a fee to each entity from which it purchases a Proposition 1A receivable. The fee shall be computed based on the percentage value of the Proposition 1A receivable purchased from each entity, in relation to the value of all Proposition 1A receivables purchased by the authority. The amount of the fee shall be paid from the proceeds of the bonds and shall be included in the principal amount of the bonds.

(4) Terms and conditions of any and all fees and expenses charged by the authority, or those it contracts with, and the terms and conditions of sales of Proposition 1A receivables and bonds issued pursuant to this subdivision, including the terms of optional early redemption provisions, if any, shall be approved by the Treasurer and the Director of Finance, who shall not unreasonably withhold their approval. The aggregate principal amount of all bonds issued pursuant to this subdivision shall not exceed two billion two hundred fifty million dollars (\$2,250,000,000), and the rate of interest paid on those bonds shall not exceed 8 percent per annum. The authority shall exercise its best efforts to obtain the lowest cost financing possible. Any and all premium obtained shall be used for either of the following:

(A) Applied to pay the costs of issuance of the bonds.

## Attachment 2

(B) Deposited in a trust account that is pledged to bondholders and used solely for the payment of interest on, or for repayment of, the bonds.

(5) (A) In connection with any financing backed by Proposition 1A receivables, the Treasurer may retain financial advisors, legal counsel, and other consultants to assist in performing the duties required by this chapter and related to that financing.

(B) Notwithstanding any other provision of law, none of the following shall apply to any agreements entered into by the Treasurer pursuant to subparagraph (A) in connection with any Proposition 1A financing:

(i) Section 11040 of the **Government Code**.

(ii) Section 10295 of the Public Contract **Code**.

(iii) Article 3 (commencing with Section 10300) and Article 4 (commencing with Section 10335) of, Chapter 2 of Part 2 of Division 2 of the Public Contract **Code**, except for the authority of the Department of Finance under Section 10336 of the Public Contract **Code** to direct a state agency to transmit to it a contract for review, and except for Section 10348.5 of the Public Contract **Code**.

(C) Any costs incurred by the Treasurer in connection with any Proposition 1A financing shall be reimbursed out of the proceeds of the financing.

(y) Set any other terms and conditions on any purchase or sale pursuant to this section as it deems by resolution to be necessary, appropriate, and in the public interest, in furtherance of the purposes of this article.

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: RESOLUTION FOR SALARY AND BENEFITS FOR FISCAL YEARS 2010-11  
AND 2011-12, AND RESOLUTION OF INTENT FOR EMPLOYEE CALPERS  
CONTRIBUTIONS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve Resolution 2010-04, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Salary and Benefits for Fiscal Years 2010-11 and 2011-12;
2. Approve Resolution 2010-09, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Stating its Non-Binding Goal that Employees Pay the Full CalPERS Employee Rate of Contribution no Later than July 1, 2014; and
3. Discuss and take action as appropriate.

DISCUSSION

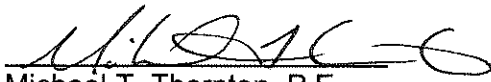
The San Elijo Joint Powers Authority (SEJPA) Board of Directors met on several occasions over the past 6 months with the General Manager and the Director of Finance/Administration to prepare a new Salary and Benefits package to offer to the SEJPA employees. From these discussions, Resolution 2010-04, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Salary and Benefits for Fiscal Years 2010-11 and 2011-12 (Attachment 1) was prepared. The resolution was presented to the SEJPA employees in an open forum for discussion on May 12, 2010. At that time, the employees voted to accept the Board of Directors proposed Resolution 2010-04.

Furthermore, the Board requested a resolution of intent be drafted to recognize the Board's desire to increase the employee contribution rate to 8 percent (the employee's full share) by the end of Fiscal Year 2013-14. Legal counsel prepared Resolution 2010-09, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Stating its Non-Binding Goal that Employees Pay the Full CalPERS Employee Rate of Contribution no Later than July 1, 2014 for the Board of Directors review and adoption (Attachment 2).

It is recommended that the Board of Directors:

1. Approve Resolution 2010-04, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Salary and Benefits for Fiscal Years 2010-11 and 2011-12;
2. Approve Resolution 2010-09, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Stating its Non-Binding Goal that Employees Pay the Full CalPERS Employee Rate of Contribution no Later than July 1, 2014; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

- Attachment 1: Resolution 2010-04, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Salary and Benefits for Fiscal Years 2010-11 and 2011-12
- Attachment 2: Resolution 2010-09, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Stating its Non-Binding Goal that Employees Pay the Full CalPERS Employee Rate of Contribution no Later than July 1, 2014

# **ATTACHMENT 1**

**RESOLUTION NO. 2010-04**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SAN ELIJO JOINT POWERS AUTHORITY  
ADOPTING SALARY AND BENEFITS  
FOR FISCAL YEARS 2010-11 and 2011-12**

**Whereas**, the San Elijo Joint Powers Authority (SEJPA), which provides direct employment of SEJPA employees, is desirous to meeting and conferring in good faith with SEJPA employees regarding the wages, benefits, and certain other terms and conditions of employment; and

**Whereas**, the Board of Directors has appointed an Ad Hoc Committee of the Board to act as a Labor Relations committee; and

**Whereas**; the General Manager, Director of Finance/Administration and the Labor Relations Ad Hoc Committee have reviewed salary and benefit data of comparable service agencies; and

**Whereas**; the General Manager and Director of Finance/Administration of the SEJPA have met and conferred in good faith with the Employees (Employees) of the SEJPA regarding compensation and benefits; and

**Whereas**; the Employees are a valuable and important part of the organization of the SEJPA and have had the opportunity to meet in the informal input process with the designated SEJPA representatives, the General Manager and Director of Finance/Administration, on compensation, benefits, and other terms and conditions of employment; and

**Whereas**, the Board of Directors of the SEJPA is desirous of formally establishing the salary, benefits, and other terms and conditions of employment for Employees for the Fiscal Years 2010-11 and 2011-12; and

**Now, therefore, be it resolved by the Board of Directors of the SEJPA** that the salary, benefits, and other terms and conditions of employment for the employees set forth below are hereby adopted and established as those of the SEJPA, shall remain in effect until further action by the SEJPA Board of Directors, and the San Elijo Joint Powers Authority Employee Handbook be updated as deemed necessary by the General Manager to incorporate these provisions.

**SECTION I GENERAL**

The provisions of this resolution shall commence on July 1, 2010 and terminate on June 30, 2012.

## **SECTION II BENEFITS**

### **A. Vacation Leave**

Employees accrue vacation leave as follows:

Vacation Increment	Hours of Vacation Leave	Bi-Weekly Accrual Rate	Maximum Accumulation
0-5 years	104	4.00 hours	208 hours
5-10 years	128	4.92 hours	256 hours
10-15 years	152	5.85 hours	304 hours
15+ years	184	7.08 hours	368 hours

Vacation leave for part-time employees is prorated based on the number of hours worked, i.e. an employee who works 30 hours per week would accrue vacation leave at a rate of 75 percent of that rate at which a regular full-time employee accrues vacation leave.

Employees are entitled to accrue vacation leave up to a maximum amount equal to twice the employees' annual accrual rate ("Maximum Accumulation"), after which accrual ceases until the balance of maximum accrued hours falls below the Maximum Accumulation. Upon separation of employment with the SEJPA, accrued vacation benefits that have not been used will be paid to the employee.

#### Conversion of Vacation Leave to Cash Option I

Annually, on December 1st of each year, an employee may elect to cash-out vacation hours in excess of 72 hours, provided that the employee has used at least 72 hours of vacation time within the previous 12 months. The maximum allowable hours to be cashed-out are equal to the employee's one-year accrual rate. The pay rate will be the employee's hourly wage at the time of the cash-out. Cash-out will be paid on a quarterly basis by the last payday of April, July, October, and January. The election to cash-out vacation hours may not be revoked or modified.

#### Conversion of Vacation Leave to Cash Option II

An employee may elect to cash-out vacation hours in excess of 72 hours at any time, provided that the employee has used at least 72 hours of vacation time within the previous 12 months, however, the pay rate will be 90 percent of the employee's hourly wage at the time of the cash-out.

Options I and II are both available to employees provided that the employee has accumulated sufficient vacation hours to exercise an option.

### **B. Holidays**

Employees of the San Elijo Joint Powers Authority (SEJPA) receive twelve paid holidays each fiscal year: ten fixed holidays and two floating holidays. Floating holidays for employees hired after the start of the fiscal year are prorated based upon the date of hire. Employees are entitled to pay that is equal to the employee's regularly scheduled hours on any given holiday.

Fixed holidays include:

1. New Year's Day, January 1
2. Martin Luther King, Jr., Third Monday in January
3. President's Day, Third Monday in February
4. Memorial Day, Last Monday in May
5. Independence Day, July 4
6. Labor Day, First Monday in September
7. Veteran's Day, November 11
8. Thanksgiving Day, Fourth Thursday in November
9. Day after Thanksgiving
10. Christmas Day, December 25



### **C. Sick Leave**

Employees accrue sick leave at a rate of eight hours per month accumulated on a bi-weekly basis. The benefit accrual rate for part-time employees will be prorated based on the number of hours worked per week. Sick Leave benefits may be accrued up to a maximum of 1,000 hours after which accrual ceases unless the balance of maximum accrued hours falls below the maximum accrual rate. Except where the law provides otherwise, sick leave benefits may be used only in the case of actual illness or injury of an employee or the employee's spouse, parent, child, domestic partner or child of a domestic partner.

Employees who have accumulated more than 176 hours of sick leave may elect to be paid for any sick leave in excess of 176 hours. The pay rate will be 50 percent of the employee's hourly wage at the time of the cash-out.

Employees who are not terminated for cause and have given the SEJPA fourteen calendar days (beginning on the date the notice is received by the SEJPA) written notice shall be paid for 50 percent of their accumulated sick leave. Sick leave pay will be calculated based on the employee's rate of pay at the time of the cash-out.

### **D. Bereavement Leave**

Employees may receive three days off with pay for bereavement of an individual who is a member of the employee's immediate family. Upon approval by the General Manager, additional sick leave may be used to supplement the bereavement leave in the event of a death of an immediate family member.

Employees may receive one paid full day off to attend the funeral of a relative who is not a member of the employee's immediate family.

Employees may receive four paid hours off to attend the funeral of a friend.

### **E. Administrative Leave**

Exempt employees are exempt from overtime provisions of the Fair Labor Standards Act. In lieu of compensating time off, these employees shall be entitled to take up to five (5) days of administrative leave annually. This leave must be taken in increments of not less than half a day.

### **F. Health, Dental Insurance and Vision Care Plan**

Employees and their dependents are provided a group dental and vision care plan; the employer's contribution for premiums for vision and dental plans shall be an amount each year that is the average of the plans being offered, at the appropriate tier (single, double and family). Eligibility for dental and vision insurance will begin the first of the month following employment.

Employees and their dependents are provided with group health insurance coverage under the CalPERS PEMCHA program. Effective July 1, 2008, the employer's contribution for each employee shall be an amount each year that is the average of all health plans CalPERS makes available to the SEJPA, excluding the CalPERS Care Plan, at the appropriate tier (single, double and family). The employee will pay for any premium cost for coverage that exceeds the average mentioned above. Eligibility for health coverage will begin the first of the month following employment.

Employees who meet the applicable eligibility requirements established by the SEJPA shall be provided health, dental and vision insurance for themselves and their dependents, upon request. Flexible contributions allocated to part-time employees are prorated based on the number of hours worked, i.e. an employee who works 30 hours per week would receive 75 percent of the maximum annual contribution.

In lieu of health insurance coverage, eligible employees may elect to receive compensation of twenty-five percent (25%) of the single employee benefit in addition to their regular pay. Employees must show current proof of health insurance coverage under another plan outside of the SEJPA and may be required to periodically show proof upon request. Requests for compensation in lieu of health insurance coverage should be in writing and are subject to review and approval of the General Manager.

Employees hired before July 1, 2008, shall receive a minimum annual contribution of \$8,870 with maximum cash out of \$6,530.

#### **G. Health Care Reimbursement**

Employees shall be able to designate dollars for eligible medical, dental, and vision reimbursement. Employees may supplement Plan contributions with tax-exempt dollars through voluntary payroll deduction. Each employee shall assume responsibility for any income tax obligations resulting from participation in the health care reimbursement program.

#### **H. Dependent Care Reimbursement**

Employees shall be able to designate dollars for eligible dependent care reimbursement. Employees may supplement Plan contributions with tax-exempt dollars through voluntary payroll deduction. Each employee shall assume responsibility for any income tax obligations resulting from participation in the dependent care reimbursement program.

#### **I. Life and Disability Insurance**

The SEJPA provides for its employees life insurance equal to the employee's annual salary. Each employee shall assume responsibility for any income tax obligations resulting from the payment of insurance premiums.

The SEJPA provides for its employees short-term and long-term disability insurances. Each employee shall assume responsibility for any income tax obligations resulting from the payment of insurance premiums and disability compensation received from the disability insurance provider

#### **J. Retirement**

The SEJPA shall participate in the California Public Employees' Retirement System (CalPERS) program based on Section 21354.4 and 220042, 2.5% at 55 Full Formula, One-Year Final Compensation for active SEJPA miscellaneous members effective July 1, 2008.

Effective the first pay date of each fiscal year, the employees will contribute a percentage of the SEJPA's employee rate of contribution through payroll deduction and the SEJPA will contribute a percentage of the employee contribution rate in addition to the employer contribution as outlined below.

CalPERS Employee Rate	FY 2010-11	FY 2011-12
Employee Contribution	4.2%	5.2%
SEJPA Contribution	3.8%	2.8%

**K. Deferred Compensation Plan**

Where the employee voluntarily participates in the SEJPA's deferred compensation plan, the SEJPA shall contribute an equal amount on a matching basis up to four percent (4.0%) of the employee's annual base salary.

**L. Uniforms and Safety Equipment**

The SEJPA shall provide all laboratory, operations and maintenance employees with uniforms to be worn while on duty and the necessary personal protective equipment as required for their duties. The SEJPA shall provide employees, upon date of hire and yearly thereafter, up to a maximum amount of \$150 to purchase safety shoes/boots required of their position.

**M. Tuition Reimbursement**

The SEJPA will reimburse approved tuition fees and education material costs expended by employees for successfully completed courses up to \$500 for any one course, and up to a maximum of \$2,000 per employee per fiscal year.

**SECTION III. COMPENSATION**

**A. Employee Compensation**

Employees, except the General Manager, shall receive compensation in accordance with the adjusted ranges in the Classification and Compensation Schedule.

**B. Salary Adjustments**

Effective the first pay date in July of 2010 and 2011, each employee's salary and the Classification and Compensation Schedule for all personnel classifications shall be increased by two (2) percent. The General Manager's salary is excluded from this adjustment as the Board reviews it annually.

The Classification and Compensation Schedule for Fiscal Year 2010-11 is shown in Exhibit A.

SEJPA and its employees acknowledge and agree that during the term of this agreement the SEJPA may implement decisions within its discretion related to implementation of its on-going assessment of the competitiveness of the SEJPA. This means that job positions, classifications, and their respective job descriptions may be revised, added, or deleted; work and shift hours may be revised; new or revised automation; and new or revised procedures may be implemented. The SEJPA invites employees to provide input on these decisions if they result in a modification of any express provision of the SEJPA's policies and procedures.

### **C. Working Out of Position Specification**

Occasionally, an employee is required by the General Manger to assume an "acting" position that is outside his/her job specification. This policy is intended to provide the employee with additional compensation based upon the newly assumed duties.

An employee designated as "acting" by the General Manager, will assume the acting title and associated base salary for the position that he/she is assuming. This title and compensation will continue throughout the duration of the acting period. The General Manager can designate a rate of pay within the range of the assumed position. Under no circumstance will the employee's increased salary exceed the top of the assumed position range.

The needs of the SEJPA will prevail in determining the length of time for which the employee assumes the acting position.

This provision does not apply to the General Manager.

### **D. Shift Differential**

The SEJPA shall pay non-exempt operations and maintenance employees a shift differential of \$1.50 per hour in addition to their base rate of pay for hours assigned to a work shift other than the day shift.

### **E. Standby Duty**

Non-exempt operations and maintenance employees are required to be on standby to respond to emergency situations. Non-exempt operations and maintenance employees on standby are compensated at one hour of their regular hourly rate of pay per day.

### **F. Call Out**

The SEJPA shall compensate, at the rate of time and one-half their regular rate of pay, non-exempt employees who are unexpectedly ordered to report back to duty to perform necessary work following completion of the non-exempt employee's workweek or work-shift and their departure from the site. Non-exempt employees called back under this condition shall receive a minimum of two hours compensation. Call outs on holidays, weekdays or weekends after midnight and before the start of the non-exempt employee's regular shift are compensated at a rate of two times the non-exempt employee's regular hourly rate.

## **G. Meal Allowance**

The SEJPA shall reimburse non-exempt employees a maximum of \$12.00 per meal for food and non-alcoholic beverages when the non-exempt employee is unexpectedly ordered to work due to an emergency for at least two hours overtime beyond the standard work shift.

## **H. Incentive Program**

The Employee Recognition Program is designed to provide an opportunity for the SEJPA to recognize dedicated and loyal employees who contribute to its success.

### **1. Professional and Technical Achievement**

Recognizes employees for their individual accomplishments in the area of work related professional development such as education or technical certification or recognition by a work related professional organization, payable within 45 days of receiving certification or education.

Industry Awards and Professional Certifications - \$500

Associates Degree - \$1,000, Bachelors Degree - \$1,500, Masters Degree - \$2,000

### **2. Organizational Performance Achievements**

Recognizes employees for SEJPA accomplishments related to environmental performance, safety and industry recognition.

#### **Environmental Performance**

- Region 9 Regional Water Quality Control Board Performance
  - No more than 5 violations of NPDES requirements - \$250
  - 100% compliance with NPDES requirements - \$1,000
  - 100% compliance with NPDES requirements for 5 consecutive years - \$2,000
- Environmental Performance at Pump Stations
  - No reportable spills from pump stations - \$250
- Period of Performance
  - For FY2008-09, the period of performance will be January 1, 2008 to December 31, 2008, payable in January 2009.
  - For FY2009-10, the period of performance will be January 1, 2009 to December 31, 2009, payable in January 2010.

Safety – Years without a lost-day injury based upon the following schedule.

- 1 year - \$250, 2 years - \$375, 3-4 years - \$500, 5-9 years - \$750, 10+ years - \$1,000
- As of May 23, 2010, SEJPA employees have had 10 years without a lost-day injury. For the purposes of this resolution, the period of time without a lost-day injury shall be calculated from the last date on which a lost-day occurred due to an injury, through December 31 each year, and payable in January.

Industry Awards – Industry organizations may include, but not limited to, American Society of Civil Engineers (ASCE), California Water Environment Association (CWEA), WasteReuse, California Association of Sanitary Agencies (CASA), California Sanitary Risk Management Authority (CSRMA), and Water Environment Federation (WEF), payable within 45 days of receiving award.

- Local Award – 1<sup>st</sup> place - \$150
- State Award – Honorable Mention, Second, or Third Place - \$200, First Place - \$300

All organizational awards apply to each and every employee employed on the date of award. Employees hired during the award year will receive a prorated award bonus.

**Terms and Conditions of Employment**

All other terms and conditions of employment are specified in the SEJPA's Employee Handbook.

**Competitiveness Assessment Decision**

The SEJPA will perform a Classification and Compensation Study and present recommendations to the SEJPA Board of Directors in February 2012.

Passed and Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

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Maggie Houlihan, Chairperson  
SEJPA Board of Directors

ATTEST:

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

SAN ELIJO JOINT POWERS AUTHORITY  
**CLASSIFICATION AND COMPENSATION SCHEDULE**  
 FISCAL YEAR 2010-11

	Full-Time Equivalent (FTE)	Compensation	
		Min. Monthly	Max. Monthly
Accounting Technician	1	\$3,881	\$5,460
Administrative Assistant	1	\$3,499	\$4,924
Human Resources/Safety Administrator	1	\$4,782	\$6,729
Director of Operations	1	\$8,467	\$11,050
Associate Engineer	1	\$5,802	\$8,164
Electrical/Instrumentation Tech	1	\$5,931	\$8,211
Director of Finance/Administration	1	\$8,487	\$11,103
General Manager	1	Under Contract	
Laboratory Series	2		
<i>Laboratory Analyst I</i>		\$4,122	\$5,799
<i>Laboratory Analyst II</i>		\$4,658	\$6,555
<i>Senior Laboratory Analyst</i>		\$5,437	\$7,650
Mechanic Series	3		
<i>Mechanic I</i>		\$4,124	\$5,803
<i>Mechanic II</i>		\$4,742	\$6,673
<i>Senior Mechanic</i>		\$5,454	\$7,673
Wastewater Treatment Operator Series	4		
<i>Operator-In-Training</i>		\$3,586	\$5,046
<i>Operator I</i>		\$4,124	\$5,803
<i>Operator II</i>		\$4,742	\$6,673
Lead Operator	2	\$5,454	\$7,673
Operations Supervisor	1	\$6,272	\$8,826
Chief Plant Operator	1	\$7,212	\$10,149
Water Reclamation Series	1		
Water Reclamation Supervisor		\$6,272	\$8,826
Water Reclamation Specialist		\$5,250	\$7,378

## **ATTACHMENT 2**



**RESOLUTION NO. 2010-09**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SAN ELIJO JOINT POWERS AUTHORITY  
STATING ITS NON-BINDING GOAL THAT EMPLOYEES PAY THE FULL CALPERS  
EMPLOYEE RATE OF CONTRIBUTION NO LATER THAN JULY 1, 2014**

**Whereas**, the San Elijo Joint Powers Authority (SEJPA), which provides direct employment of SEJPA employees (Employees), has met and conferred in good faith with its Employees regarding the wages, benefits and certain other items and conditions of employment for the fiscal years 2010-2011 and 2011-2012; and

**Whereas**, the Employees of SEJPA are a valuable and important part of the organization of SEJPA and shall continue to have the opportunity to meet and confer in good faith with SEJPA on compensation, benefits, and other terms and conditions of employment regarding future fiscal years; and

**Whereas**, SEJPA participates in the California Public Employees' Retirement System (CalPERS), 2.5% at 55 Full Formula, One-Year Final Compensation for active SEJPA miscellaneous members; and

**Whereas**, the CalPERS employee rate of contribution is eight percent (8%); and

**Whereas**, Employees currently contribute a percentage of the CalPERS employee rate of contribution and SEJPA contributes a percentage of the CalPERS employee rate of contribution, in addition to the CalPERS employer contribution, as established by SEJPA Board of Directors (Board) resolution adopting salary and benefits for the pertinent fiscal year;

**Now, therefore, be it resolved by the Board of Directors (Board) of the SEJPA** that it is the Board's non-binding goal that, subject to further input from Employees during the good faith meet and confer process for future fiscal years, and provided such Employee contributions will not reduce the amount of take-home pay as compared to the prior fiscal year, Employees will pay the full CalPERS employee rate of contribution no later than July 1, 2014.

This resolution states the Board's non-binding goal. Consequently, it does not establish Employee and SEJPA contribution rates for future fiscal years. The Board must take further action to establish Employee and SEJPA contribution rates for future fiscal years.

Passed and Adopted by the Board of Directors of the SEJPA this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

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Maggie Houlihan, Chairperson  
SEJPA Board of Directors

ATTEST:

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

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

June 14, 2010

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Labor Negotiators

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

DISCUSSION

The SEJPA is currently in labor negotiations with its employees. Therefore, closed session discussions may be needed, and is reserved, as part of these negotiations.

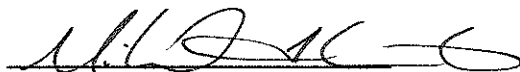
Adjourn to closed session per Government Code Section 54957.6:

Conference with Labor Negotiators, General Manager Michael T. Thornton and Director of Finance/Administration Gregory Lewis.

It is therefore recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager