

AGENDA
SAN ELIJO JOINT POWERS AUTHORITY
MONDAY JUNE 11, 2012 AT 9:00 AM
SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, CALIFORNIA AND
4300 WILSON BLVD., SUITE 250
ARLINGTON, VIRGINIA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
5. PRESENTATION OF AWARDS
6. * **CONSENT CALENDAR**
7. * APPROVAL OF MINUTES FOR THE MAY 14, 2012 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. * STAFFING CLASSIFICATION: NON-EXEMPT/EXEMPT
13. * 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

14. ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2012-13 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF SEJPA TREASURER

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2012-04, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2012-13;
2. Adopt Resolution No. 2012-05, 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

15. EMPLOYEE SALARY AND BENEFIT PACKAGE FISCAL YEARS 2012-13, 2013-14, 2014-15, AND 2015-16

It is recommended that the Board of Directors:

1. Adopt Classification and Compensation Schedule dated June 11, 2012;
2. Adopt Resolution 2012-06, entitled "Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting increases in Salary and Benefits For Fiscal Year 2012-13, 2013-14, 2014-15, and 2015-16" (Attachment 1); and
3. Discuss and take action as appropriate.

Staff Reference: General Manager

16. GENERAL MANAGER'S REPORT

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

17. GENERAL COUNSEL'S REPORT

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

18. BOARD MEMBER COMMENTS

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

19. CLOSED SESSION

A closed session will be held per Government Code Section 54957: Employee Performance Evaluation. Title: General Manager

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

20. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be July 9, 2012 at 9:00 a.m.

NOTICE:

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

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

AFFIDAVIT OF POSTING

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

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

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

Date: June 6, 2012



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MAY 14, 2012
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Teresa Barth, Chair

David Roberts, Vice Chair

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, May 14, 2012, 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 Barth called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors Present:

Teresa Barth
Mark Muir
David W. Roberts

Directors Absent:

Thomas M. Campbell

Others Present:

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

Michael Thornton
Greg Lewis
Monica Blake
Carrie Cook
Marisa Buckles

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Greg Moser

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

Bill Wilson

Mohammad "Mo" Sammak

Leaf & Cole, LLP

Michael Zizzi

3. PLEDGE OF ALLEGIANCE

Mo Sammak led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

The General Manager presented Ravy Chea, Senior Laboratory Analyst, with a certificate of recognition for 20 years of continuous service to the SEJPA.

The General Manager stated that the SEJPA was awarded the 2011 Small Plant of the Year Award by the California Water Environment Association (CWEA), at the state level.

6. CONSENT CALENDAR

Moved by Vice Chair Roberts and seconded by Board Member Muir to approve the Consent Calendar with the following vote of approval:

AYES: Barth, Muir and Roberts
NOES: None
ABSENT: Campbell
ABSTAIN: None

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the April 9, 2012 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. PRE-ENGAGEMENT MEETING WITH SAN ELIJO JOINT POWERS AUTHORITY AUDITORS

The Director of Finance/Administration stated that during the presentation of the Fiscal Year 2010-11 financial audit, the SEJPA Board suggested that the audit process be adjusted to include verbal discussions between the Board of Directors and the auditors.

The director of Finance/Administration introduced Michael Zizzi, C.P.A., the SEJPA's current auditor of the audit firm Leaf & Cole, LLP to conduct a pre-engagement audit meeting with staff and the Board of Directors of the SEJPA.

Mr. Zizzi reviewed the scope of services that Leaf & Cole will provide during the audit process for Fiscal Year 2011-12 and gave a brief explanation of the purpose and methodology of the planned audit.

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

13. SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2012-13 RECOMMENDED BUDGET UPDATE

The Director of Finance/Administration reported that the Recommended Budget for FY 2012-13 was presented to both Member Agencies and that there were no recommended changes to the budget. It was stated that any comments from this meeting would be incorporated into the budget that will be presented to the Board of Directors for adoption at the June meeting.

The Board Members had no comments or action for the FY 2012-13 Budget.

14. STATUS REPORT – WASTEWATER INFRASTRUCTURE CAPITAL PROJECTS

The General Manager gave the Board Members an update on the four major construction projects now in progress. The two projects being led by the City of Encinitas are the Olivenhain Pump Station Replacement Project and the Olivenhain Force Main Replacement Project. The two projects being led by the SEJPA are the Electrical Upgrades Project and the Advanced Water Treatment Project.

The General Manager stated that the Olivenhain Pump Station was originally built in 1971. The replacement pump station design incorporates LEED Green Design Standards and will have a spill containment basin to be able to accommodate the storage of wastewater in the event of the station going off-line. The total project value is \$6.7 million with an approximate completion date of December 2012.

The Olivenhain Force Main Replacement Project was expedited because of the determination of the shortened service life of the pipeline and its failure on December 28, 2011. The total project value is \$4.3 million with a scheduled completion date of December 2012.

The General Manager reported that the Electrical Upgrades Project at the San Elijo Water Reclamation Facility is to replace an aging electrical system that has been in service for more than 30 years. The construction contract value is \$1.06 million with an anticipated completion of July 2012.

The Advanced Water Treatment Project will assist the SEJPA in achieving permit compliance for recycled water quality. The SEJPA has been awarded a \$700,000 grant for this project. The contract value is \$4.2 million with the anticipated completion date of February 2013.

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

15. GENERAL MANAGER'S REPORT

The General Manager reported that a press release was submitted on the SEJPA's CWEA award for 2011 Small Plant of the Year, along with several other North County facilities' CWEA awards. The press release highlighted achievements of the SEJPA, Encina Wastewater Authority, and Leucadia Wastewater District.

The General Manager stated that staff is working with Santa Fe Irrigation District (SFID) on the transfer of ownership on a recycled water pipeline and also negotiating extending the current agreement on recycled water rates.

The City of San Diego is working on a Purification Demonstration Project that has just reached the six-month mark and the water quality results show that the purified wastewater meets state and federal drinking water requirements.

16. GENERAL COUNSEL'S REPORT

General Counsel reported that AB 2398, Water Recycling Act, would be a significant rewrite of the laws affecting water recycling. There will be a new regulatory scheme that separates recycled water regulation from water and wastewater rules. The bill is supported by the Association of California Water Agencies (ACWA) and the San Diego County Water Authority, and sponsored by WateReuse.

The General Counsel stated that the Natural Resources Defense Council's (NRDC) proposal to the State Water Board is asking them to require to wastewater agencies to base customer rates for sewer service on the volume of waste discharged to the sewer system, rather than a fixed periodic charge.

17. BOARD MEMBER COMMENTS

None

18. CLOSED SESSION

The Board of Directors adjourned to closed session at 9:40, with Labor Negotiators Michael Thornton and Greg Lewis, per Government Code Section 54957.6: Labor Negotiations. A second closed session was held with Michael Thornton per Government Code Section 54957 – Employee Performance Evaluation, title: General Manager.

19. ADJOURNMENT

The Board of Directors came out of closed session at 10:19 a.m. with no reportable action for the Labor Negotiations, and the reportable action of the formation of an Ad-Hoc Committee, for the annual performance evaluation of the General Manager. The committee members are Chair Teresa Barth and Vice Chair David Roberts. The meeting adjourned at 10:20 a.m. The next Board of Directors meeting will be held on June 11, 2012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Thornton", with a long horizontal flourish extending to the right.

Michael T. Thornton, P.E.
General Manager

PAYMENT OF WARRANTS

12-06

1-Jun-12

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
12-06 Warrants		
A-1 Broadway Foto	Identification card - N. Talbot	\$12.00
A-Check America, Inc.	New employee background check	\$249.50
AG Tech, LLC	Biosolids hauling - April	\$9,957.75
AT&T	Alarm service	\$380.14
AT&T	Phone service - 03/13/12 - 04/12/12	\$371.61
AT&T - Eden Garden	DSL - 03/20/12 - 04/19/12	\$73.19
Affordable Pipeline Services	Wet well cleaning - Eden Gardens P. S.	\$1,020.00
Aquatic Bioassay	Lab testing - lab	\$960.00
Arrowhead	Kitchen and lab supplies	\$210.56
Ashbrook Simon - Hartley	Motor - plant	\$639.18
Atlas Pumping Service	Grease and scum pumping - May	\$751.40
Atlas Pumping Service	Grease and scum pumping - April	\$554.88
Atlas Pumping Service	Grit and screening	\$742.35
BankCard Center	Meeting and booth rental for Environmental Day	\$217.06
Barracuda Networks, Inc.	Network - back-up servers - November	\$50.00
Barracuda Networks, Inc.	Network - back-up servers - May	\$50.00
Bavco	Backflow device - Cardiff P. S.	\$272.49
Bay City Electric Works	Generator rental - San Elijo Hills P. S.	\$593.43
Blake, Monica	Expense report - mileage and postage for agendas	\$48.88
Brenntag Pacific, Inc.	Sodium hydroxide - odor control - plant	\$1,298.68
Brithinee Electric	Motor - Solana Beach P. S.	\$4,885.38
Buckles, Marisa	Expense report - mileage and office supply	\$55.07
CWEA - TCP	Certificate - S. Arredondo	\$78.00
California Water Technologies	Ferric Chloride - plant	\$5,921.46
Calscience Environmental Lab	Lab testing - lab and water reclamation	\$862.00
Calscience Environmental Lab	Lab testing - lab and water reclamation	\$339.00
Calscience Environmental Lab	Lab testing - lab and water reclamation	\$213.00
Carlsbad Village Lock & Key	Replace locks - plant	\$391.49
Chea, Ravy	Expense report - health and safety	\$25.00
City National Bank	AWT loan - water reclamation	\$74,076.57
Coast Waste Management, Inc.	Grit and screening storm drains and roll-off	\$494.34
Corodata	Record storage - April	\$66.41
County of San Diego, DEH	General hazardous materials permit - plant	\$1,660.00
Department of Consumer Affairs	Professional Engineer license - C. Trees	\$125.00
EDCO Waste & Recycling	Trash service - April	\$187.77
eMaint Enterprises, LLC	Annual online software renewal	\$480.00
Encinitas Ford	Vehicle maintenance	\$524.58
Escondido Metal Supply	Field supplies - plant	\$54.00
Evans Tire & Service Centers	Vehicle maintenance	\$1,029.95
Filter Belts	Lower belt - plant	\$841.73
Gate Masters Inc.	Front gate repair - plant	\$367.79
Gate Masters Inc.	Replaced damage control board - plant	\$409.45
Golden Bell Products	Lift station degreaser - Coast Blvd. P. S.	\$200.42
Golden State Overnight	Mailing lab samples, monthly, quarterly regulatory reports	\$95.50
Grainger, Inc.	Safety supply and motor part - plant	\$346.97
Grainger, Inc.	First aid supplies	\$81.63

PAYMENT OF WARRANTS

12-06

1-Jun-12

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Guardian	Dental - May	\$1,348.06
Hach Company	Lab supplies - lab and water reclamation	\$192.53
Health and Human Resource	Employee assistance program - May	\$351.12
Hydroscape Products, Inc.	Shop supply - plant	\$2.76
JCI Jones Chemicals, Inc.	Hypochlorite - bleach - water reclamation	\$3,204.08
Jani-King	Janitorial service - May	\$882.64
Konica	Monthly copier maintenance	\$107.70
Marine Taxonomic Services	Offshore monitoring - outfall - May	\$740.00
McMaster-Carr Supply Co.	Plumbing parts - water reclamation	\$184.45
McMaster-Carr Supply Co.	Plumbing parts - plant	\$72.30
Medlin & Associates, Inc.	Gnatcatcher - noise mitigation monitoring - plant	\$2,065.00
MegaPath Inc.	T-1 service - May	\$286.66
OMWD	Manchester - 03/07/12 - 04/05/12	\$52.54
Olivenhain Municipal Water Dist.	Lobbying - Water Reclamation	\$8,000.00
PERS - Health	Health - May	\$17,324.13
PERS - Retirement	Retirement premium - 05/04/12	\$15,736.51
PERS - Retirement	Retirement premium - 05/18/12	\$16,193.50
Pacific Green Landscape	Landscape service - April	\$1,150.00
Pacific Green Landscape	Landscape service - May	\$1,150.00
Pacific Pipeline Supply	Minor equipment - water reclamation	\$377.64
Pacific Pipeline Supply	Plumbing supplies - Cardiff P. S. and plant	\$170.76
Pacific Pipeline Supply	Repair part - water reclamation and outfall	\$230.59
Pestguard Termite & Pest	Pest control - March	\$288.00
Piper, Michael	Expense report - ABPA education conference - water rec.	\$578.49
Preferred Benefits Insurance	Vision insurance - May	\$315.16
Probuild	Repair, shop and field supplies - April	\$412.93
Procopio, Cory, Hargreaves	General - legal services - April	\$940.50
Rising Tide Partners	Consulting services	\$752.00
San Diego Gas and Electric	Gas and electric - 03/07/12 - 04/05/12	\$33,892.81
San Diego Gas and Electric	Gas and electric - 04/06/12 - 05/08/12 - Cardiff	\$1,366.81
San Diego Gas and Electric	Gas and electric - 04/06/12 - 05/08/12 - Valley	\$2,180.39
San Diego IPMA-HR	Seminar - M. Buckles	\$25.00
San Dieguito Water District	Manchester RWM 1 - 03/27/12 - 05/01/12	\$147.95
San Dieguito Water District	Manchester RWM 3 - 03/27/12 - 05/01/12	\$2.69
San Dieguito Water District	Manchester RWM 4 - 03/27/12 - 05/01/12	\$236.72
San Dieguito Water District	Manchester - 03/27/12 - 05/01/12	\$454.61
San Dieguito Water District	Manchester - 03/27/12 - 05/01/12	\$3,548.11
San Dieguito Water District	Repair valves - water reclamation	\$1,521.34
San Elijo Payroll Account	Payroll - 05/04/12	\$60,814.95
San Elijo Payroll Account	Payroll - 05/18/12	\$61,847.17
San Elijo Payroll Account	Payroll - 06/01/12	\$67,387.16
Santa Fe Irrigation District	Highland Dr. - 02/16/12 - 04/17/12	\$228.46
Santa Fe Irrigation District	Seabright - 03/05/12 - 05/02/12	\$58.11
Santa Fe Irrigation District	Valley - 03/28/12 - 04/26/12	\$114.02
Sigma-Aldrich RTC	Lab supplies - lab	\$183.05
Sign Line	Caution sign - plant	\$102.36
Southern Contracting Company	Electrical upgrades - capital project - April	\$172,745.99
Sprint	Cellular phone service - March and April	\$622.91
State Water Resources Control	Certificate - J. Clark	\$190.00

PAYMENT OF WARRANTS

12-06

1-Jun-12


VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Sun Life Financial	Life and disability insurance - May	\$1,264.89
Terminix Processing Center	Pest control - April	\$81.00
Terra Renewal LLC	Biosolids hauling - March	\$3,064.88
Terra Renewal LLC	Biosolids hauling - April	\$2,061.80
Test America	Lab testing	\$152.25
Thornton, Michael	Expense report - WateReuse Conference	\$815.47
Toyotalift, Inc.	Vehicle maintenance - plant	\$158.00
USA Bluebook	Minor equipment - plant	\$337.43
Underground Service Alert	Dig alert - April	\$63.00
Unifirst Corporation	Uniform service - November	\$60.52
Unifirst Corporation	Uniform service - April	\$87.09
Unifirst Corporation	Uniform service - May	\$286.59
Union-Tribune	Legal notice for bids - plant	\$522.00
Union-Tribune	Subscription	\$306.28
VWR International, Inc.	Lab supplies - lab and plant	\$442.72
VWR International, Inc.	Lab supplies - lab	\$213.50
WEF	Membership - J. Clark	\$220.00
Wright Express FSC	Fuel - April	\$1,475.79
Total 12-06 Warrants		\$604,659.48

SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS SUMMARY

1-Jun-12

PAYMENT OF WARRANTS		\$604,659.48
Reference Number	12-06	

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
Director of Finance/Administration
Treasurer

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

1-Jun-12

<u>FUNDS ON DEPOSIT WITH</u>	<u>AMOUNT</u>
LOCAL AGENCY INVESTMENT FUND <i>(MARCH 2012 YIELD 0.383%)</i>	
SELF INSURANCE RESERVE	\$ 300,000.00
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 6,573,832.71
ADVANCED WATER TREATMENT LOAN PROCEEDS	\$ 2,000,000.00
CALIFORNIA BANK AND TRUST <i>(MARCH 2012 YIELD 0.05%)</i>	
REGULAR CHECKING	\$ 92,452.84
PAYROLL CHECKING	\$ 5,000.00
TOTAL RESOURCES	\$ 9,601,285.55

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 11, 2012

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 2012. The primary indicators of treatment performance include the removal of Carbonaceous Biochemical Oxygen Demand (CBOD) and Total Suspended Solids (TSS). The SEJPA is required to remove a minimum of 85 percent of the CBOD and TSS from the wastewater. Treatment levels for CBOD and TSS were 98.0 percent and 96.7 percent, respectively, for April (as shown in Figure 1 and Figure 2).

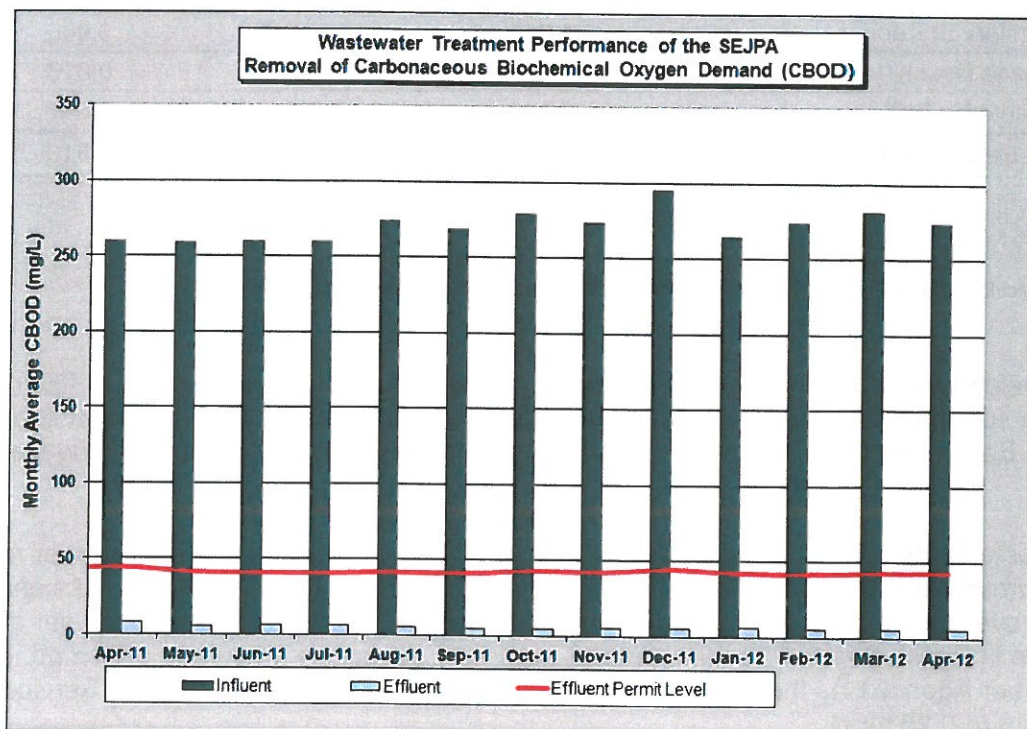


FIGURE 1

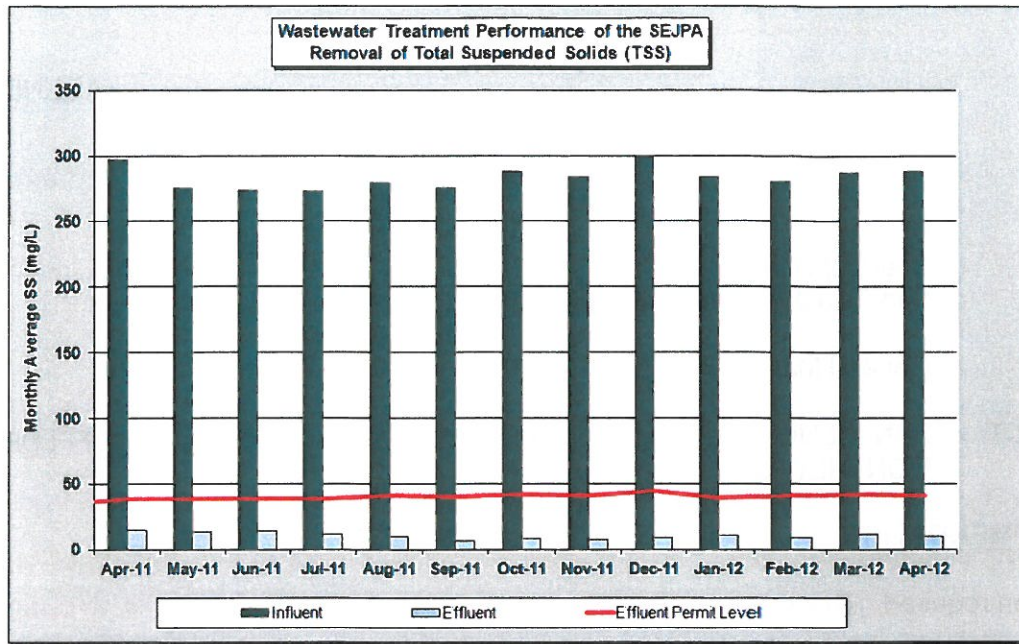


FIGURE 2

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	
	Influent (mgd)	Effluent (mgd)*
Cardiff Sanitary Division	1.348	0.906
City of Solana Beach	1.209	0.813
Rancho Santa Fe SID	0.145	0.097
Total San Elijo WRF Flow	2.702	1.816

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 (below) presents the historical average, maximum, and unit influent and effluent flow rates per month for each of the Member Agencies since July 2008. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each of the Member Agencies during this same time period.

Figure 3 (below) 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.

SAN ELIJO WATER RECLAMATION FACILITY MONTHLY REPORT - FLOWS AND EDUS

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)				AVERAGE DAILY EFFLUENT FLOW RATE (MGD)				CONNECTED EDUs				AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)						
	CSD	RSF	CSD	SB	TOTAL PLANT	CSD	RSF	CSD	SB	TOTAL PLANT	CSD EDUS	RSF EDUS	CSD EDUS	SB EDUS	TOTAL EDUS	CSD	RSF	SB	TOTAL PLANT
Jul-08	1.713	0.131	1.324	3.168	0.722	0.055	0.558	1.335	8,163	456	7,728	16,347	210	288	171	194			
Aug-08	1.562	0.125	1.483	3.170	0.608	0.048	0.577	1.233	8,165	457	7,728	16,350	191	274	192	194			
Sep-08	1.547	0.121	1.378	3.046	0.813	0.064	0.724	1.601	8,167	459	7,728	16,354	189	264	178	186			
Oct-08	1.478	0.111	1.319	2.908	0.671	0.051	0.599	1.321	8,170	460	7,728	16,358	181	242	171	178			
Nov-08	1.511	0.118	1.329	2.958	1.080	0.084	0.950	2.114	8,171	462	7,728	16,361	185	256	172	181			
Dec-08	1.580	0.156	1.362	3.098	1.446	0.143	1.246	2.835	8,172	462	7,728	16,362	193	338	176	189			
Jan-09	1.522	0.141	1.354	3.017	1.256	0.116	1.117	2.489	8,177	462	7,728	16,367	186	306	175	184			
Feb-09	1.599	0.145	1.330	3.074	1.408	0.128	1.171	2.707	8,179	462	7,728	16,369	196	314	172	188			
Mar-09	1.510	0.124	1.307	2.941	1.030	0.085	0.892	2.007	8,180	463	7,728	16,371	185	268	169	180			
Apr-09	1.463	0.116	1.262	2.841	0.731	0.058	0.630	1.419	8,183	463	7,728	16,374	179	251	163	174			
May-09	1.465	0.117	1.247	2.829	0.712	0.057	0.606	1.375	8,185	464	7,728	16,377	179	252	161	173			
Jun-09	1.479	0.115	1.319	2.913	0.712	0.056	0.635	1.403	8,185	465	7,728	16,378	181	248	171	178			
Jul-09	1.437	0.109	1.376	2.922	0.599	0.045	0.573	1.217	8,186	467	7,728	16,381	176	234	178	178			
Aug-09	1.431	0.113	1.419	2.963	0.603	0.047	0.598	1.248	8,186	467	7,728	16,381	175	242	184	181			
Sep-09	1.404	0.108	1.346	2.858	0.690	0.053	0.661	1.404	8,187	468	7,728	16,383	171	231	174	174			
Oct-09	1.375	0.108	1.332	2.815	0.744	0.058	0.721	1.523	8,187	468	7,728	16,383	168	231	172	172			
Nov-09	1.366	0.111	1.323	2.800	0.843	0.069	0.816	1.728	8,189	469	7,728	16,386	167	237	171	171			
Dec-09	1.401	0.127	1.322	2.850	1.149	0.104	1.084	2.337	8,193	469	7,728	16,390	171	271	171	174			
Jan-10	1.532	0.155	1.372	3.059	1.271	0.128	1.138	2.537	8,196	472	7,728	16,396	187	329	178	187			
Feb-10	1.487	0.148	1.382	3.017	1.371	0.136	1.274	2.781	8,197	474	7,728	16,400	177	306	181	183			
Mar-10	1.455	0.145	1.398	2.998	1.108	0.110	1.064	2.282	8,198	474	7,728	16,400	177	289	180	182			
Apr-10	1.451	0.137	1.391	2.979	1.058	0.100	1.014	2.172	8,201	474	7,728	16,403	168	270	179	176			
May-10	1.379	0.128	1.385	2.892	0.672	0.063	0.675	1.410	8,202	474	7,728	16,403	175	258	188	184			
Jun-10	1.437	0.122	1.453	3.012	0.650	0.055	0.657	1.362	8,204	475	7,728	16,407	168	251	190	180			
Jul-10	1.375	0.119	1.466	2.960	0.694	0.061	0.740	1.495	8,205	475	7,728	16,408	166	263	188	179			
Aug-10	1.366	0.125	1.451	2.942	0.585	0.053	0.621	1.259	8,207	475	7,728	16,410	164	240	174	171			
Sep-10	1.346	0.114	1.342	2.802	0.627	0.053	0.626	1.306	8,207	475	7,728	16,410	164	240	174	171			
Oct-10	1.413	0.123	1.311	2.847	1.177	0.102	1.092	2.371	8,207	477	7,728	16,412	172	258	170	174			
Nov-10	1.399	0.117	1.297	2.813	1.090	0.091	1.011	2.192	8,209	478	7,728	16,415	170	245	168	171			
Dec-10	1.605	0.215	1.375	3.195	1.417	0.189	1.214	2.820	8,212	478	7,728	16,418	195	450	178	195			
Jan-11	1.452	0.158	1.338	2.948	1.272	0.139	1.172	2.583	8,227	478	7,728	16,433	176	331	173	179			
Feb-11	1.413	0.156	1.339	2.908	1.176	0.130	1.114	2.420	8,228	480	7,728	16,436	172	325	173	177			
Mar-11	1.387	0.208	1.343	2.938	1.186	0.178	1.148	2.512	8,229	480	7,728	16,437	169	434	174	179			
Apr-11	1.320	0.181	1.323	2.824	0.867	0.118	0.869	1.854	8,248	482	7,728	16,458	160	376	171	172			
May-11	1.327	0.162	1.320	2.809	0.564	0.069	0.561	1.194	8,248	483	7,728	16,459	161	336	171	171			
Jun-11	1.343	0.156	1.390	2.889	0.545	0.063	0.564	1.172	8,249	483	7,728	16,460	163	323	180	176			
Jul-11	1.293	0.151	1.430	2.874	0.425	0.050	0.470	0.945	8,250	484	7,728	16,462	157	312	185	175			
Aug-11	1.292	0.150	1.405	2.847	0.479	0.056	0.521	1.056	8,252	485	7,728	16,465	157	310	182	173			
Sep-11	1.260	0.146	1.333	2.741	0.564	0.066	0.596	1.226	8,254	486	7,728	16,468	153	301	172	166			
Oct-11	1.260	0.142	1.303	2.705	0.730	0.082	0.755	1.567	8,260	486	7,728	16,474	153	292	169	164			
Nov-11	1.338	0.167	1.307	2.812	1.099	0.137	1.074	2.310	8,261	486	7,728	16,475	162	344	169	171			
Dec-11	1.299	0.164	1.305	2.768	1.103	0.139	1.108	2.350	8,264	487	7,728	16,479	157	337	169	168			
Jan-12	1.291	0.145	1.303	2.739	1.032	0.116	1.042	2.190	8,266	488	7,728	16,482	160	232	169	166			
Feb-12	1.259	0.137	1.283	2.679	1.006	0.109	1.025	2.140	8,268	488	7,728	16,484	152	281	166	163			
Mar-12	1.313	0.153	1.255	2.721	0.988	0.113	0.925	2.006	8,269	488	7,728	16,485	159	314	162	165			
Apr-12	1.348	0.145	1.209	2.702	0.906	0.097	0.813	1.816	8,278	488	7,728	16,494	163	297	156	164			

TABLE 1

ASSUMPTIONS: SB Average flow includes San Elijo Hills flow of 0.131 mgd
 SB Connected EDUs includes 308 EDUs for the City of San Diego

RSF CSD: Ranch Santa Fe Community Service District
 SB: Solana Beach
 EDU: Equivalent Dwelling Unit

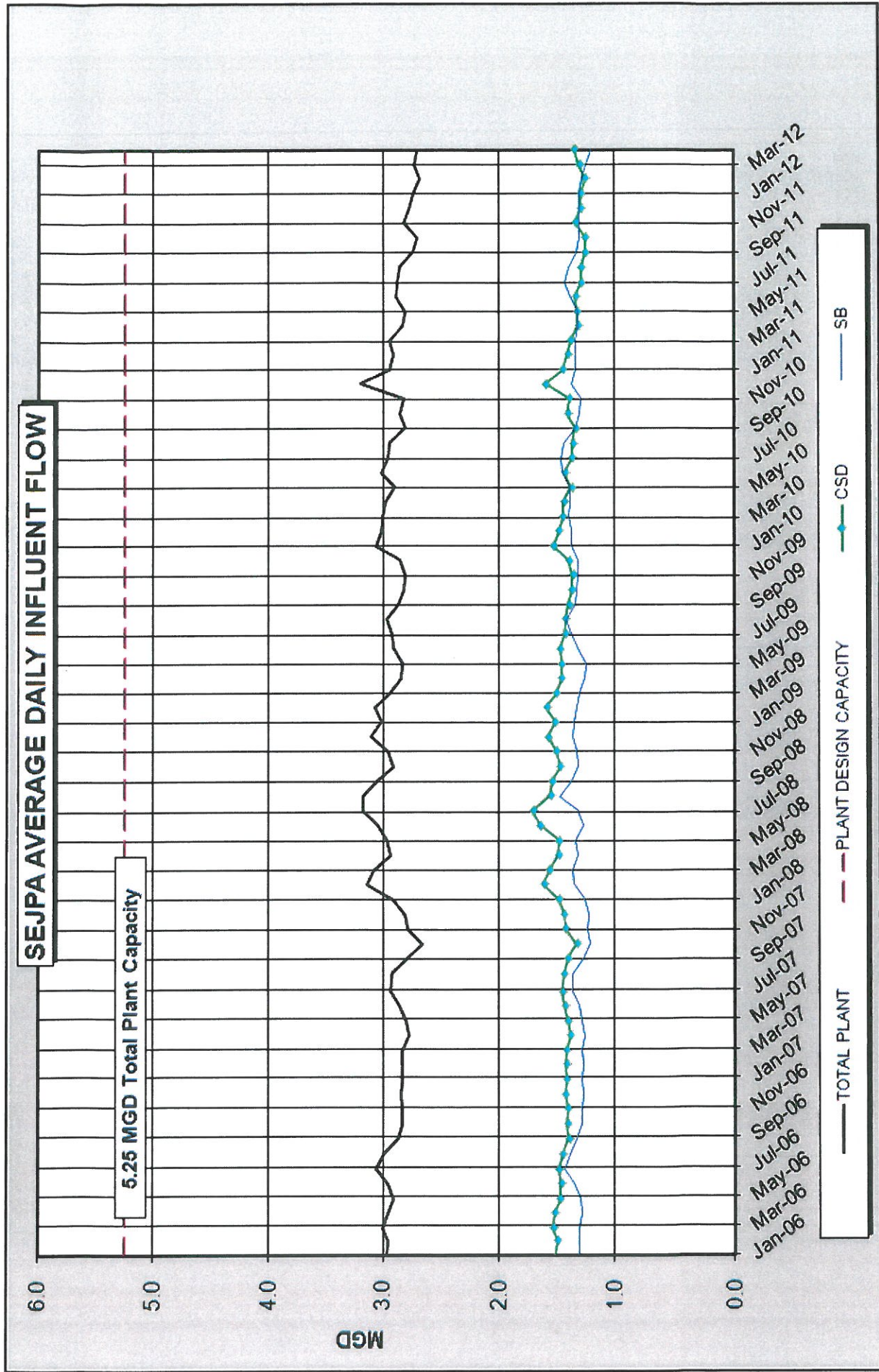


Figure 3

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 average flow rate and peak flow rate is reported by the City of Escondido for the month of April.

	April (mgd)
Escondido (Average flow rate)	9.9
Escondido (Peak flow rate)	18.2

Connected Equivalent Dwelling Units

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

	April (EDU)
Cardiff Sanitary Division	8,278
Rancho Santa Fe SID	488
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
Total EDUs to System	16,494

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 11, 2012

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 2012, recycled water demand was 65.13 acre-feet (AF), which was met using 65.13 AF of recycled water and 0.00 AF of supplementation with potable water. This equates to a blend mix for April of 100.0 percent recycled water and 0.0 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 eleven 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

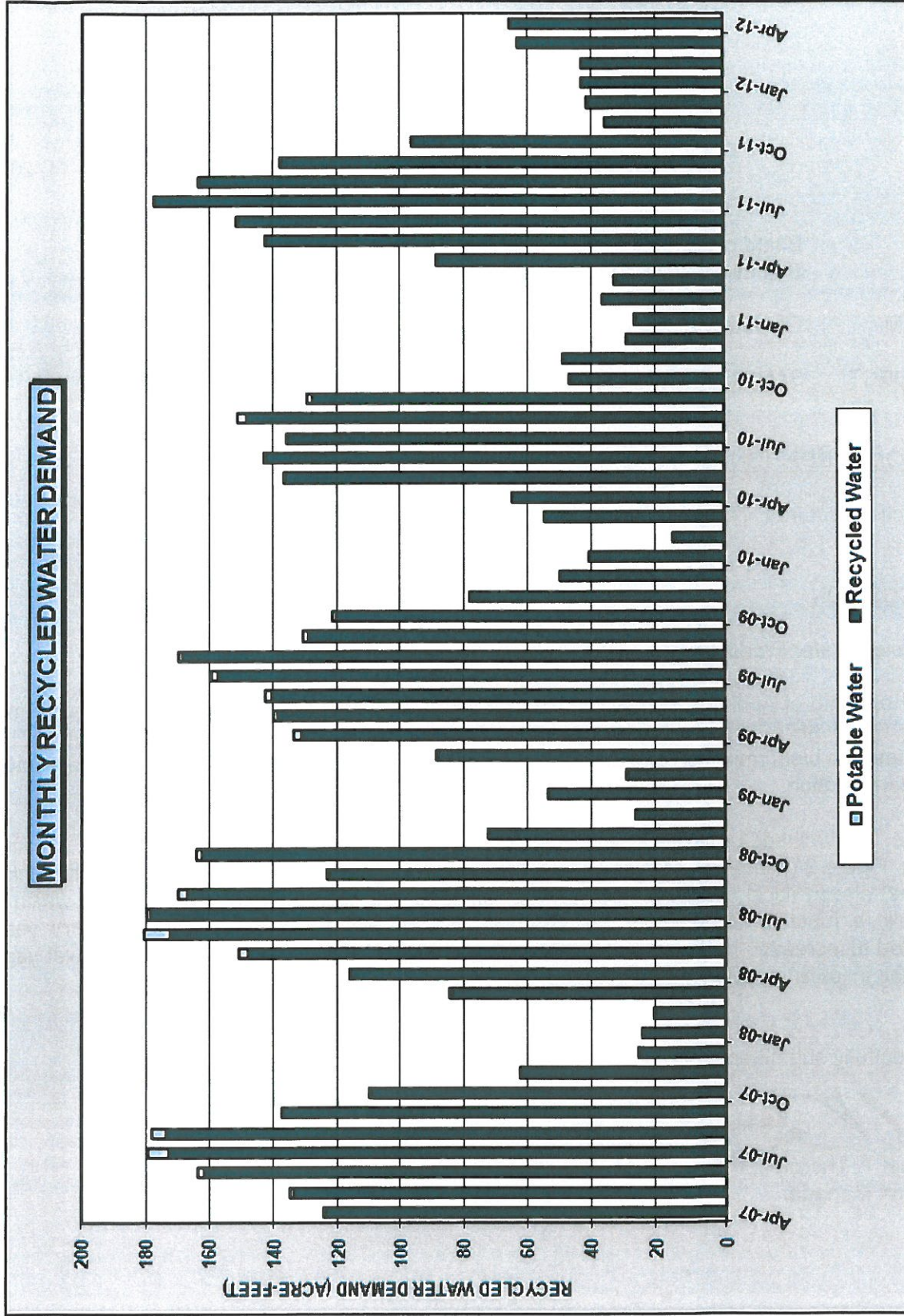


Figure 1

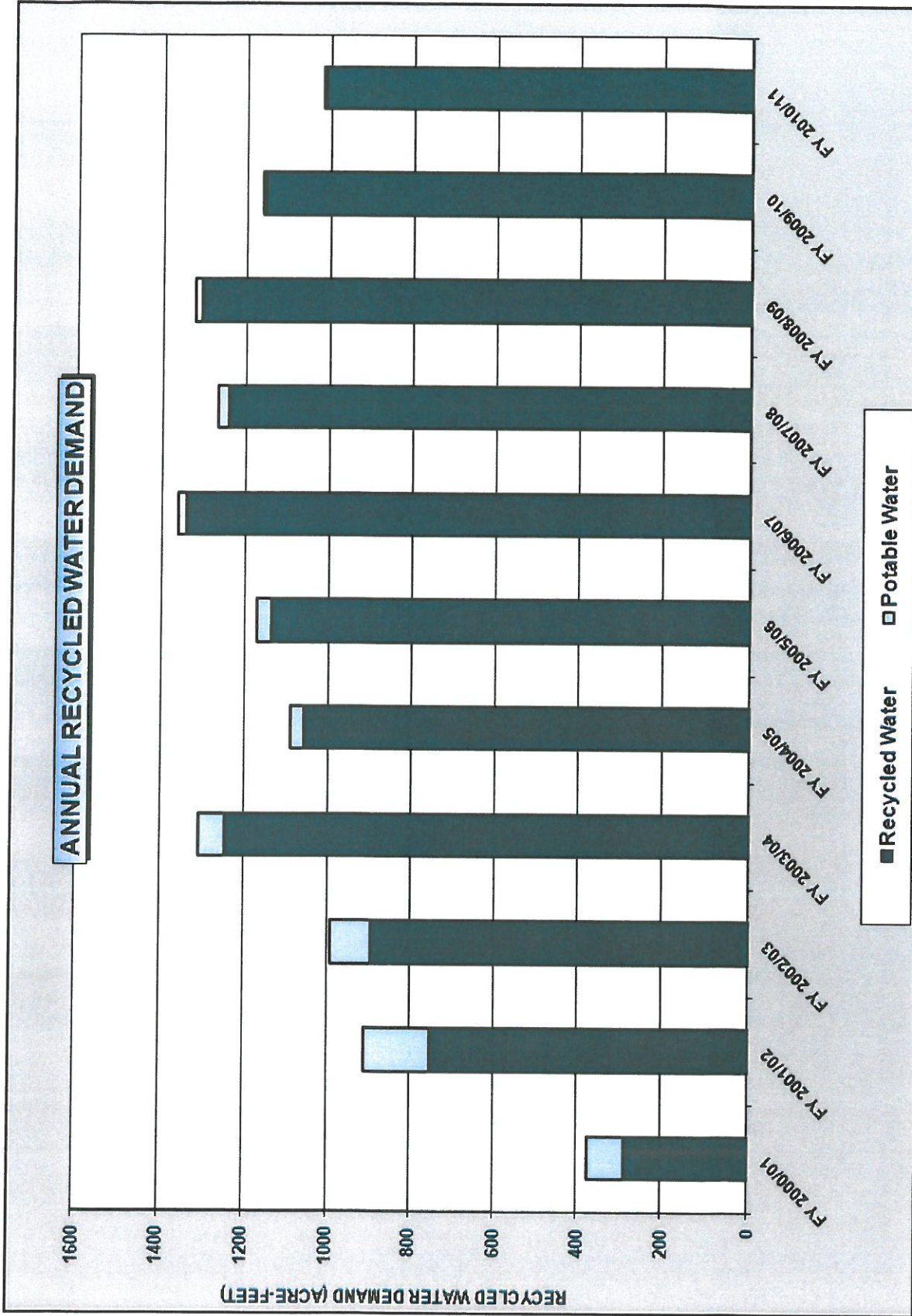


Figure 2

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 11, 2012

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 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. Ferric chloride is used to enhance settling in the primary settling tanks and to decrease sulfide generation in the primary treatment and anaerobic digestion processes. Uncontrolled sulfide generation can lead to significant odors, accelerated corrosion, and hazardous confined space conditions. Sodium hypochlorite is used to disinfect the tertiary treatment water prior to distribution and to control filament growth in the return activated sludge.

SEJPA purchasing policy requires that all purchase contracts in excess of \$35,000 be formally bid as outlined in the SEJPA purchasing policy. Each year formal bids are solicited for supplies and services contracts that may have an annual cost in excess of \$35,000. For the Fiscal Year 2012-13, bids were advertised on April 20, 2012, and bid openings were held on May 22, 2012 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>Estimated Annual Amount</u>
	<u>Unit Cost</u>		
* California Water Technologies	PER DRY TON: \$	640.54	\$ 57,648.60
Kemira Water Solutions, Inc.	PER DRY TON: \$	713.40	\$ 64,206.00

* *Low Bidder*

It is SEJPA policy to solicit three or more bids for supply and service contracts. However, ferric chloride has a very limited supply chain and only three suppliers have been identified for Southern California, of which only two elected to provide a contract bid.

Sodium Hypochlorite

<u>Contractor</u>	<u>Unit Cost</u>	<u>Estimated Annual Amount</u>
Jones Chemical	PER GALLON: \$ 0.736	\$ 58,888.00
* Olin Corp.	PER GALLON: \$ 0.648	\$ 51,840.00
Univar USA, Inc.	PER GALLON: \$ 0.985	\$ 78,800.00

* *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. Both chemical providers have had contracts with the SEJPA in the past and the contracts were completed successfully. Contract award is contingent upon the verification that the apparent low bidders meet all bid requirements, including bonding and insurance.

FINANCIAL IMPACT

Funds to support these contracts have been incorporated into the Fiscal Year 2012-13 Recommended Budget. An annual cost of \$60,000 was budgeted for the provision of ferric chloride and the apparent low bid is for \$57,648.60. An annual cost of \$53,000 was budgeted for the provision of sodium hypochlorite and the apparent low bid is for \$51,840.00.

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 Corporation for Sodium Hypochlorite

AGREEMENT

THIS AGREEMENT is made and entered into on this ____ day of _____, 2012, by and between the San Elijo Joint Powers Authority, a municipal corporation, hereinafter referred to as AUTHORITY, and the California Water Technologies, Inc., hereinafter referred to as CONTRACTOR.

WITNESSETH:

WHEREAS, on April 20, 2012, AUTHORITY invited bids for the provision of Ferric Chloride per Specifications No. SE 2013-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, 2013. (Service shall be provided from July 1, 2012 to June 30, 2013.)
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 \$ \$640.54 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 \$ 57,648.60. 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 Labor Code Sections 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

California Water Technologies, Inc.
Craig Mikkelson
8851 Dice Road
Santa Fe Springs, CA 90670

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: _____
Teresa Barth, Chair of the Board

CONTRACTOR

By: _____
(Signature)

Name: _____
(Print)

Title: _____

BID SUBMISSION FORM
PROVISION OF FERRIC CHLORIDE
BID SPECIFICATION SE 2013-FC

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

Dated: May 17, 2012

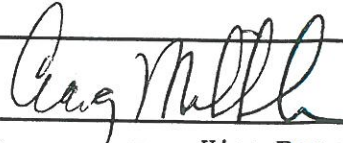
Provision of approved Ferric Chloride, as outlined in the detailed specification, to the San Elijo Water Reclamation Facility for the period of July 1, 2012 to June 30, 2013.

<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 Chief Plant Operator. Price per dry ton including shipping and 8.75% tax: <u>Six Hundred Forty Dollars and Fifty</u> (In Words) <u>Four Cents</u>	<u>\$ 640.54</u> (In Numbers)
		Contract price (90 dry tons x per dry ton price): <u>Fifty Seven Thousand Six Hundred Forty Eight</u> (In Words) <u>Dollars and Sixty Cents</u>	<u>\$ 57,648.60</u> (In Numbers)

THE ONLY EXCEPTIONS FROM THE SPECIFICATIONS ARE:

None

Signature of Authorized Bidder Representative: _____



Name of Individual (Typed): Craig Mikkelson

Title: Vice President of Sales & Marketing of its member, PVS Technologies, Inc

Firm Name: California Water Technologies, Inc.

Address: 8851 Dice Road

City: Santa Fe Springs, State: CA Zip: 90670 Telephone: 313-571-1100

866-337-7427

STATEMENT OF BIDDER'S PAST CONTRACT
DISQUALIFICATIONS

PROVISION OF FERRIC CHLORIDE
SPECIFICATION NUMBER SE 2013-FC

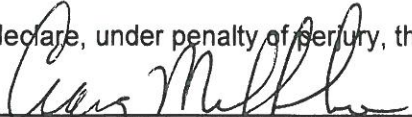
Pursuant to Section 10162 of the Public Contract Code, the bidder shall state whether such prospective bidder, any officer of such bidder, of any employee of such bidder who has a proprietary interest in such bidder, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing 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 XX
2. If yes, explain the circumstances.

N/A

Executed on May 17, 2012 at Detroit, ~~California~~ Michigan

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


Signature of Authorized Bidder Representative
Craig Mikkelsen

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.


Bidder's Signature
Craig Mikkelsen

California Water Technologies, Inc.
Company

May 17, 2012
Date

AGREEMENT

THIS AGREEMENT is made and entered into on this ____ day of _____, 2012, by and between the San Elijo Joint Powers Authority, a municipal corporation, hereinafter referred to as AUTHORITY, and the Olin Corp., dba Olin Chlor Alkali Products, hereinafter referred to as CONTRACTOR.

WITNESSETH:

WHEREAS, on April 20, 2012, AUTHORITY invited bids for the provision of Sodium Hypochlorite per Specifications No. SE 2013-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, 2013. (Service shall be provided from July 1, 2012 to June 30, 2013.)
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 \$ 0.648 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 \$ 51,840.00. 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

John Schabacker, Business Director
Olin Corp. dba 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: _____
Teresa Barth, Chair of the Board

CONTRACTOR

By: _____
(Signature)

Name: _____
(Print)

Title: _____

BID SUBMISSION FORM

PROVISION OF SODIUM HYPOCHLORITE
SPECIFICATION NUMBER SE 2013-SH

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

Dated: 5/16/12

Provision of approved Sodium Hypochlorite, as outlined in the detailed specification, to the San Elijo Water Reclamation Facility for the period of July 1, 2012 to June 30, 2013.

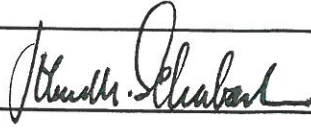
<u>OPTION NO.</u>	<u>APPROXIMATE QUANTITY</u>	<u>ITEM DESCRIPTION WITH PRICES WRITTEN IN WORDS</u>	<u>TOTAL FIGURES</u>
-------------------	-----------------------------	--	----------------------

1	Approximately 80,000 gallons	Pre-approved or proven equal sodium hypochlorite in bulk shipments upon request of the Chief Plant Operator.
---	------------------------------	--

Price per gallon including shipping and ~~8.75%~~ ^{7.75%} tax:
Sixty-four and 8/10 cents \$ 0.648
(In Words) (In Numbers)

Contract price (80,000 gallons x per gallon price):
Fifty-one thousand Eight hundred Forty \$ 51,840.00
(In Words) (In Numbers)

THE ONLY EXCEPTIONS FROM THE SPECIFICATIONS ARE:

Signature of Authorized Bidder Representative: 

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

Firm Name: Olin Corporation, dba Olin Chlor Alkali Products

Address: 26700 South Banta Road

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

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

PROVISION OF SODIUM HYPOCHLORITE
SPECIFICATION NUMBER SE 2013-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.

Executed on May 16, 2012 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

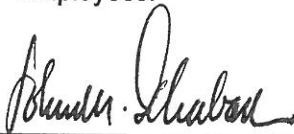
COMPLIANCE WITH THE IMMIGRATION REFORM AND
CONTROL ACT OF 1986 (8 U.S.C. § 1324)

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.



Bidder's Signature
John M. Schabacker, Business Director

Olin Corporation, dba Olin Chlor Alkali Products
Company

5/16/12

Date

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 11, 2012

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: STAFFING RECLASSIFICATION – NON-EXEMPT/EXEMPT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the reclassification of the Chief Plant Operator position to Exempt from Non-Exempt; and
2. Approve the amended SEJPA Classification and Compensation Administrative Policy; and
3. Discuss and take action, as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) has 22 approved full-time positions of which 20 are filled. The majority of the positions are associated with the operation of the treatment systems and the maintenance, replacement, and upgrading of agency infrastructure.

Currently, the SEJPA is in discussions with its employees on a new labor agreement. Concurrent to this effort, SEJPA management recently completed a review of its labor positions to update position descriptions and labor classification. As a result, management has identified one position that it recommends re-classifying as an Exempt position from Non-Exempt.

Under the law, an employee may be classified as either a "Non-Exempt" employee or an "Exempt" employee. A Non-Exempt employee is paid on an hourly basis and is paid for all overtime hours worked. Overtime for public employees is typically defined as any time worked over 40 hours in a workweek (depending upon the bargaining unit contract). In contrast, an Exempt employee is paid on a salaried basis and is exempt from the overtime requirements. That is, an Exempt employee is usually paid the same salary regardless of the number of hours worked per workweek. In order to be classified as Exempt under the law, the employee must meet both a duties test and a salary test. Generally, an Exempt employee customarily and

regularly exercises discretion and independent judgment in the performance of his/her duties and is generally involved in higher level management or administration.

DISCUSSION

The SEJPA employs a position titled Chief Plant Operator. This position is responsible for supervising a staff of 11 operations and maintenance staff, and overseeing the day to day operations of the San Elijo Water Reclamation Facility. This position reports to the Director of Operations. In discussion with the SEJPA's legal counsel, it was determined that this position meets the state and federal requirements of the Exempt status. Furthermore, in reviewing like positions with other similar agencies, this position is often listed as an Exempt position. For the SEJPA, Exempt classification appears reasonable and appropriated due to the duties, responsibilities, and compensation of the position.

Therefore, it is the recommendation of management that the classification of the Chief Plant Operator be changed in the SEJPA Classification and Compensation Administrative Policy from Non-Exempt to Exempt as reflected in Attachment 1.

It is recommended that the Board of Directors:

1. Approve the reclassification of the Chief Plant Operator position to Exempt from Non-Exempt; and
2. Approve the amended SEJPA Classification and Compensation Administrative Policy; and
3. Discuss and take action, as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment: San Elijo Joint Powers Authority Administrative Policy, Classification and Compensation

**SAN ELIJO JOINT POWERS AUTHORITY
ADMINISTRATIVE POLICY**

Policy Title: Classification and Compensation

Description:

It is the intent of the San Elijo Joint Powers Authority (SEJPA) to provide quality staff to efficiently manage and maintain the San Elijo Water Reclamation Facility. It is the goal and objective of the SEJPA to have the ability to recruit and retain quality personnel. The SEJPA desires to maintain a compensation and benefit plan that is both competitive with the outside labor market and equitable to all current and future employees in order to promote retention and enhance employee morale. In order to meet the needs and desires of the SEJPA and their staff, a review of the SEJPA position classifications and compensation may be done ~~on an annual~~ **basis**, as necessary, conducted by the General Manager or his/her designee.

Guidelines:

Review the current classifications to evaluate and provide recommendations to improve, revise or create position allocations and class specifications as needed.

Review the current compensation schedule in an objective, competitive and equitable manner which may include conducting annual salary surveys.

Hold meetings with staff and the employees to identify concerns and issues regarding the current classification, compensation and benefits.

Conduct job analysis interviews and position description comparisons to establish accurate compensation correlations.

Compile and analyze the total compensation data to ensure the competitiveness of the SEJPA salaries and benefits with the SEJPA's competitive labor market.

Develop a specific salary recommendation based upon internal equity and external labor market data.

The Board may consider and act upon the recommendations of the General Manager directly or appoint a committee to review the recommendations in a timely manner, prior to their presentation to the full Board.

Compensation

Compensation paid to new employees will be within the labor classification range set and approved by the SEJPA Board.

The employee's immediate supervisor conducts employee performance reviews regularly. The supervisor may then submit recommendations for compensation adjustments.

When an employee reaches the upper limit of their classification pay range, they will no longer be eligible for merit pay increases. Classification compensation may be adjusted by the SEJPA Board in their review, as stated in the Guidelines above. ~~Board approved adjustments generally become effective July 1, the beginning of the new SEJPA fiscal year.~~ In lieu of any changes to the classification ranges, the Board may authorize the General Manager to award a lump sum bonus payment.

Classifications

The Human Resources/Safety Administrator maintains a complete set of position descriptions for all personnel. The position descriptions outline the requirements, reporting relationships, position characteristics and responsibilities of each position.

Employees are classified according to the type and level of work performed. Every position belongs to one of two payroll classifications; either EXEMPT or NON-EXEMPT. The SEJPA will classify employees as EXEMPT or NON-EXEMPT in accordance with federal and state law.

The SEJPA Board has approved the following classifications:

Exempt

General Manager
 Director of Operations
 Director of Finance/Administration
 Chief Plant Operator

Non-Exempt

Wastewater Treatment Plant Operator in Training
 Wastewater Treatment Plant Operator I/II
 Wastewater Treatment Plant Lead Operator
 Operations Supervisor
 Chief Plant Operator

Water Reclamation Specialist

Maintenance Mechanic I
 Maintenance Mechanic II
 Senior Maintenance Mechanic
 Electrical Instrumentation Technician

Laboratory Analyst I
 Laboratory Analyst II
 Senior Laboratory Analyst

Human Resources/Safety Administrator
 Associate Engineer
 Accounting Technician
 Administrative Assistant

Employment Status

Employment status is based on an employee's working hours and duration of employment. Generally, employees fall into one of four categories. They are:

Full-Time - an employee who works either five 8-hour workdays per week, or eighty hours during a two-week period of eight 9-hour days and one 8-hour day, and whose continuing employment is expected (but not guaranteed) to be for an indefinite period.

Part-Time - an employee who customarily works less than either five 8-hour workdays per week, or eighty hours during a two-week period of eight 9-hour days and one 8-hour day, and whose continuing employment is expected (but not guaranteed) to be for an indefinite period.

Full-Time Temporary - an employee who customarily works either five 8-hour workdays per week, or eighty hours during a two-week period of eight 9-hour days and one 8-hour day, and whose employment is not expected to be more than 6 consecutive months.

Part-Time Temporary - an employee who customarily works less than either five 8-hour workdays per week, or eighty hours during a two-week period of eight 9-hour days and one 8-hour day, and whose employment is not expect to be more than 6 consecutive months.

Most employees who are employed to work full-time for an indefinite period are considered full-time employees and, as such, are eligible for fringe benefits subject to the rules governing such benefits.

Those employees who work less than either five 8-hour workdays per week, or eighty hours during a two-week period of eight 9-hour days and one 8-hour day, for an indefinite period are considered part-time employees and, as such, will receive fringe benefits based on a percentage of the regular hours actually worked and are subject to the rules governing such benefits.

Those employees who work as full-time or part-time temporary employees are not entitled to fringe benefits.

Approved by: SEJPA Board
SEJPA Board

Date Approved: March 10, 2008
June 11, 2012

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 11, 2012

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
2012-13 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF SEJPA
TREASURER

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2012-04, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2012-13;
2. Adopt Resolution No. 2012-05, 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) 2012-13 Recommended Budget was presented publicly to the Board of Directors at the April and May 2012 Board meetings for discussion, comments, and direction. SEJPA staff also conducted meetings with staff from both Member Agencies to review the recommended budget. From the conclusion of these meetings, there were no recommendations made to change or alter the FY 2012-13 Recommended Budget.

The total recommended Fiscal Year 2012-13 budget for the Wastewater Treatment Fund (including operations and maintenance as well as bond debt and capital programs) is \$5,374,877, a 4.7 percent decrease from a year ago. Revenues to support the Wastewater Treatment Fund come from the users of the provided services. The total recommended FY 2012-13 budget, (including operations, debt service, and capital improvements) for the Water Reclamation Fund is \$1,957,028, a 7.2 percent increase from a year ago. The entire increase is attributable to the new debt service payment for the Advanced Water Treatment Project. Water Reclamation Fund revenues come from the sale of recycled water. Current recycled water sales are adequate to fund this new debt. The SEJPA has developed a 5 year capital improvement program with the assistance of its Member Agencies. The FY 2012-13 appropriation for the Capital Project Fund is \$1,032,000, up from \$942,000 and is funded based on ownership or leased capacity of the facilities being improved or constructed.

SEJPA management has reviewed in detail all aspects of operations to control costs without impacting the agency's ability to perform the vital functions it is tasked to do. The two largest operating programs (excluding debt service and capital improvements), Wastewater Treatment, and Recycled Water, decreased 1.7 percent and 1.8 percent respectively. The Laboratory Program and Outfall Program were the only programs with an increase in their respective budgets. All other programs had decreases in their budgets. When capital project funding and debt service are added to this, the services provided to the cities of Encinitas and Solana Beach are proposed to decrease 6.9 percent and 3.4 percent, respectively.

The recommended FY 2012-13 Budget is now ready for consideration for adoption as presented in the attached Resolution No. 2012-04.


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. 2012-04, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2012-13;
2. Adopt Resolution No. 2012-05, 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. 2012-04, "Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2012-13"
- Attachment 2: Resolution No. 2012-05, "Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of SEJPA Treasurer"

RESOLUTION NO. 2012-04

RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR FISCAL YEAR 2012-13

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors proposed SEJPA Operating and Capital Projects Budgets for Fiscal Year 2012-13;

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, 2012 through June 30, 2013 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2012-13. Such budgets are hereby adopted.

San Elijo Operations and Maintenance Fund	\$ 5,374,877
San Elijo Water Reclamation Operating Fund	1,957,028
San Elijo Capital Projects Fund	<u>1,032,000</u>
Total	\$8,363,905

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds for the Fiscal Year 2012-13.

PASSED AND ADOPTED this 11th day of June, 2012, by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

Teresa Barth, Chairperson
SEJPA Board of Directors

ATTEST:

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

RESOLUTION NO. 2012-05

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 2012-13 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 11 day of June, 2012 by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

Teresa Barth, Chairperson
SEJPA Board of Directors

ATTEST:

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

**EXHIBIT A
TO
RESOLUTION NO. 2012-05**

**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 as identified in an "Indenture of Trust".

* * * End of Policy * * *

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 11, 2012

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: EMPLOYEE SALARY AND BENEFIT PACKAGE FISCAL YEARS 2012-13,
2013-14, 2014-15, AND 2015-16

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Classification and Compensation Schedule dated June 11, 2012 (Attachment 1);
2. Adopt Resolution 2012-06, entitled "Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Increases in Salary and Benefits for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16" (Attachment 2); and
3. Discuss and take action as appropriate.

DISCUSSION

As identified in the existing Salary and Benefits Resolution 2010-04, a Classification and Compensation survey was to be conducted prior to the expiration of the resolution. Traditionally, a salary and benefits survey of local wastewater agencies has been used as a reference in the establishment of annual adjustments to the compensation level of SEJPA staff. Such a salary and benefits survey was again performed this year. The data reported in the survey was then compared to the existing salary and benefits of the SEJPA. The agencies sampled are as follows:

- Encina Wastewater Authority
- City of Escondido
- Leucadia County Water District
- City of Oceanside
- Olivenhain Municipal Water District
- Orange County Sanitation District
- Otay Municipal Water District
- Padre Dam Municipal Water District
- Santa Fe Irrigation District
- Southern Orange County Water District

It was a goal of the Board to pay the SEJPA employees at plus or minus 5 percent of the average of all agencies within a given category. The survey results showed that many of the SEJPA positions were above the target established by the Board. SEJPA management proposed to reduce the top of range pay for 14 of the 19 current positions. One position will remain unchanged and four positions will see slight increases. Of the four positions being increased, one will be within the target range and three will be slightly below the minus 5 percent range.

At this time, the Classification and Compensation Schedule is being presented to the SEJPA Board of Directors for adoption.

Concurrent with the Classification and Compensation survey, labor negotiations with the SEJPA employees have been ongoing as the current agreement expires on June 30, 2012. Over the last four months, the Board of Directors has provided direction to the General Manager and the Director of Finance/Administration for developing a new agreement with the employees. Through an informal labor negotiation process, management has engaged staff in preparing a multi-year labor agreement. At the May 2012 Board meeting, the General Manager presented the employee's counter-offer to the Board in closed session. The Board reviewed the proposal and developed its own counter-offer. The General Manager presented the Board's offer to the employees on May 15, 2012. The labor agreement is for a term of four years and includes the following key provisions:

- Reduced pension benefits for new employees
- Increased employee cost sharing to pension benefit
- Employee cost of living increase (COLA) of 1.9% per each year of the agreement

The employees voted to accept the labor agreement on May 18, 2012. At this time, the labor agreement is being presented to the SEJPA Board of Directors for adoption as Resolution 2012-06.

FINANCIAL IMPACT

Funds for any increase in salaries or benefits have been included in the Fiscal Year 2012-13 budget document.

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

1. Adopt Classification and Compensation Schedule dated June 11, 2012 (Attachment 1);
2. Adopt Resolution 2012-06, entitled "Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Increases in Salary and Benefits for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16" (Attachment 2); and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton
General Manager

Attachment 1: Classification and Compensation Schedule

Attachment 2: Resolution 2012-06 "Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting Increases in Salary and Benefits for Fiscal Year 2012-13, 2013-14, 2014-15, and 2015-16"

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

June 11, 2012

	Full-Time Equivalent (FTE)	Compensation	
		Min. Monthly	Max. Monthly
Accounting Technician	1	\$3,906	\$5,469
Administrative Assistant	1	\$3,293	\$4,750
Human Resources/Safety Administrator	1	\$5,340	\$7,210
Director of Operations	1	\$8,657	\$11,642
Associate Engineer	1	\$5,918	\$8,327
Electrical/Instrumentation Tech	1	\$6,050	\$8,543
Director of Finance/Administration	1	\$8,657	\$11,642
General Manager	1	Under Contract	
Laboratory Series	2		
<i>Laboratory Analyst I</i>		\$3,940	\$5,280
<i>Laboratory Analyst II</i>		\$4,484	\$6,318
<i>Senior Laboratory Analyst</i>		\$5,461	\$7,768
Mechanic Series	3		
<i>Mechanic I</i>		\$3,980	\$5,333
<i>Mechanic II</i>		\$4,566	\$6,119
<i>Senior Mechanic</i>		\$5,314	\$7,593
Wastewater Treatment Operator Series	4		
<i>Operator-In-Training</i>		\$3,658	\$4,900
<i>Operator I</i>		\$3,980	\$5,333
<i>Operator II</i>		\$4,566	\$6,425
Lead Operator	2	\$5,214	\$7,518
Operations Supervisor	1	\$6,089	\$8,525
Chief Plant Operator	1	\$7,150	\$10,047
Water Reclamation Series	1		
Water Reclamation Specialist		\$4,657	\$6,554

RESOLUTION NO. 2012-06

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN ELIJO JOINT POWERS AUTHORITY
ADOPTING SALARY AND BENEFITS
FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, and 2015-16**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA), which provides direct employment of SEJPA employees, is desirous to meet in an informal input process with SEJPA employees (Employees) regarding the wages, benefits, and certain other terms and conditions of employment;

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

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

WHEREAS, the General Manager and Director of Finance/Administration of the SEJPA have met with the Employees regarding compensation and benefits;

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 2012-13, 2013-14, 2014-15, and 2015-16;

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. San Elijo Joint Powers Authority Employee Handbook may 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, 2012 and terminate on June 30, 2016. If a new resolution is not in place by July 1, 2016, the provisions of this resolution will continue with all salary and benefit allowance frozen at the Fiscal Year 2015-16 limits. For Section II, F, the process for determining benefit limits remains the same until a new resolution is in place.

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. Immediate family member is defined as:

Spouse	Mother/Father-in-Law
Child/Adopted Child	Daughter/Son-in-Law
Stepchild	Grandparent
Sibling	Niece/Nephew
Parent	Sister/Brother-in-Law
Stepparent	Registered Domestic Partner
Grandchild	Child of Registered Domestic Partner
Aunt/Uncle	

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, 2012, 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

For all employees hired prior to July 1, 2012, 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 2012-13	FY 2013-14 and Beyond
Employee Contribution	6.6%	8.0%
SEJPA Contribution	1.4%	0%

For all employees hired after June 30, 2012, the SEJPA shall participate in the California Public Employees' Retirement System (CalPERS) program based on Section 21353, 2.0% at 60 Full Formula, Three Year Average Final Compensation for active SEJPA miscellaneous members effective July 1, 2012. Employees shall pay the full employee portion of 7 percent.

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 2012, 2013, 2014, and 2015, each employee's salary and the Classification and Compensation Schedule for all personnel classifications shall be increased by 1.9 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 2012-13 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 Manager 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
 - The period of performance will be January 1 to December 31, of each year, payable in January of the following year.

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), WaterReuse, 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 – 1st 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 prior to the end of this contract.

Passed and Adopted this _____ day of _____, 2012, by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

Teresa Barth, Chairperson
SEJPA Board of Directors

ATTEST:

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