

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY OCTOBER 14, 2013 AT 9:00 AM**  
**SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM**  
**2695 MANCHESTER AVENUE**  
**CARDIFF BY THE SEA, CALIFORNIA**

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1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
5. PRESENTATION OF AWARDS  
Susana Arredondo – 5 Years of Service
6. \* **CONSENT CALENDAR**
7. \* APPROVAL OF MINUTES FOR THE SEPTEMBER 9, 2013 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. \* PROFESSIONAL SERVICES CONTRACT AMENDMENT FOR AS-NEEDED STAFF EXTENSION RESOURCES
12. \* ITEMS REMOVED FROM CONSENT CALENDAR

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

## **REGULAR AGENDA**

### 13. **AGENCY RESOURCE SHARING AGREEMENT – IT SERVICES**

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into an agreement with the City of Encinitas for an IT Services Agreement in the amount of \$24,000 per year;
2. Authorize the General Manager to purchase IT and related equipment as recommended by the City of Encinitas not to exceed \$43,800; and
3. Discuss and take action as appropriate.

Staff Reference: General Manager

### 14. **FINANCIAL SUPPORT FOR DIRECT POTABLE REUSE INITIATIVE**

It is recommended that the Board of Directors:

1. Authorize the General Manager to budget \$15,000 in FY 2014-15 for the WateReuse Research Foundation's Direct Potable Reuse Initiative;
2. Authorize the General Manager to sign a Commitment Letter to the WateReuse Research Foundation's Direct Potable Reuse Initiative for \$15,000; and
3. Discuss and take action as appropriate.

Staff Reference: General Manager

### 15. **UPDATE ON SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) RECYCLED WATER PROGRAM AND PROPOSED WHOLESALE AGREEMENT AMENDMENTS**

It is recommended that the Board of Directors:

1. Authorize General Manager to enter into negotiations with OMWD to expand SEJPA recycled water sales;
2. Authorize General Manager to enter into negotiations with SDWD and SFID to amend or restate the existing Recycled Water Wholesale Agreement including, Pricing, Minimum Purchase Volume, and Term; 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

None

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

20. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Tuesday, November 12, 2013 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](http://www.sejpa.org). The SEJPA Board meetings are held on the second Monday of the month, except August.

AFFIDAVIT OF POSTING

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

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

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

Date: October 9, 2013



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

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON SEPTEMBER 9, 2013  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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Thomas M. Campbell, Chair

Mark Muir, Vice Chair

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A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, September 9, 2013, at 9:50 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Vice Chair Muir called the meeting to order at 9:50 a.m.

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Mark Muir  
David Zito

*Directors Absent:*

Thomas M. Campbell

*Others Present:*

General Manager  
Director of Operations  
Director of Finance & Administration  
Administrative Assistant  
Accounting Technician  
Safety/HR Administrator  
Wastewater Treatment Plant Operator II

Michael Thornton  
Christopher Trees  
Paul Kinkel  
Jennifer Basco  
Carrie Cook  
Marisa Buckles  
Todd Hutchinson

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Adriana Sanchez

City of Encinitas,  
Public Works Management Analyst

Bill Wilson

3. PLEDGE OF ALLEGIANCE

Board Member Barth led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

The General Manager recognized Todd Hutchinson, Wastewater Treatment Plant Operator II, for 15 years of service.

6. CONSENT CALENDAR

Moved by Board Member Barth and seconded by Board Member Zito to approve the Consent Calendar.

Motion carried with the following vote of approval:

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

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the July 8, 2013 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. AWARD OF CONSTRUCTION CONTRACT FOR THE FLOW EQUALIZATION COVERS REPLACEMENT PROJECT FOR THE SAN ELIJO WATER RECLAMATION FACILITY

The General Manager informed the Board of Directors that the covers for the flow equalization basins (FEB) are nearing the end of their useful life and are showing signs of weather damage. In July 2013, Hilts Consulting Group, Inc. completed design drawings and construction specifications for removing and replacing the FEB covers. Construction bids were solicited on July 17, 2013, with MPC Containments International prevailing as the Apparent Low Bidder. General Manager Thornton also reported that in August 2013, bids were solicited for construction management and inspection services for the FEB project, and recommends awarding the contract to Zero Energy Institute.

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

1. Approve and authorize the General Manager to issue the Notice of Award to MPC Containments International;

2. Approve and authorize the General Manager to execute an Agreement for Construction Services between San Elijo Joint Powers Authority and MPC Containments International;
3. Approve and authorize the General Manager to execute an Agreement for Construction Management and Inspection Services between San Elijo Joint Powers Authority and Zero Energy Institute; and
4. Approve and authorize the General Manager to issue the Notice to Proceed to MPC Containments International, upon receipt and approval of all bid submittal requirements.

Motion carried with the following vote of approval:

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

13. GENERAL MANAGER'S REPORT

General Manager Thornton introduced Paul Kinkel, Director of Finance & Administration to the Board of Directors.

General Manager Thornton reported on a recent public event that he assisted in facilitating, on the topic of Direct Potable Reuse ("DPR"). He explained that DPR is the process of taking purified recycled water that meets all drinking water requirements and blending it with other water sources before potable water treatment and distribution. DPR seeks to eliminate the need for the environmental buffer step, as required in the traditional Indirect Potable Reuse ("IPR") process, which can save costs and make potable reuse available to more regions. Research efforts on DPR are currently underway in San Diego. The General Manager will bring this topic back to the Board of Directors at a future Board meeting to discuss how the SEJPA can assist in this effort.

14. GENERAL COUNSEL'S REPORT

Adriana Sanchez reported that she attended the CASA Conference where they discussed SB 731, a bill to reform the California Environment Quality Act. The bill has not passed, but she will keep the Board of Directors updated.

Ms. Sanchez also reported on two cases from the Court of Appeals in regards to the California Public Records Act ("CPRA"). She stated that the Court of Appeals has ruled that if a public records request comes into a public agency asking for electronic data in its "native form", then the public agency must provide the document in its "native form" under the CPRA.

15. BOARD MEMBER COMMENTS

None

16. CLOSED SESSION

None

17. ADJOURNMENT

The meeting adjourned at 10:10 a.m. The next Board of Directors meeting will be held on October 14, 2013.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Thornton", written over a horizontal line.

Michael T. Thornton, P.E.  
General Manager

PAYMENT OF WARRANTS

14-10  
4-Oct-13

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
<b>14-10 Warrants</b>		
760Print	Printing	Business cards \$268.74
Ag Tech, LLC	Services - Biosolids Hauling	August \$13,889.87
American Water Works Assoc.	Dues & Memberships	M. Henke \$98.00
Arrowhead	Supplies - Lab	Kitchen and lab supplies \$232.95
ASCE Membership	Dues & Memberships	M. Thornton \$275.00
AT & T	Utilities - Telephone	Alarm service \$383.63
AT&T	Utilities - Telephone	DSL - 07/20/13 - 08/19/13 \$73.87
Atlas Copco Compressors LLC	Services - Maintenance	Service call - water in lines \$487.00
Atlas Pumping Service Inc.	Services - Grit & Screenings	Large bin \$742.35
Atlas Pumping Service Inc.	Services - Grease & Scum	Services \$277.44
Atlas Pumping Service Inc.	Services - Grease & Scum	Services \$277.44
Atlas Pumping Service Inc.	Services - Grease & Scum	Services \$277.44
Atlas Pumping Service Inc.	Services - Grease & Scum	Services \$277.44
Automation Direct	Capital Outlay	GS3 100hp ac drive 460vac three-phase sensorless \$3,498.00
BankCard Center	Vehicle Maintenance	Repairs, office & safety supplies, employee rewards \$1,434.26
Barracuda Networks, Inc	Utilities - Internet	Network back-up \$50.00
Brenntag Pacific, Inc	Supplies - Chemicals	Citric Acid \$881.07
Brenntag Pacific, Inc	Supplies - Chemicals	Drum return deposit (\$120.00)
Brenntag Pacific, Inc	Supplies - Chem - Odor	Sodium hydroxide \$4,057.93
California Water Technologies	Supplies - Chem - Ferrous Chlo	Ferric Chloride - plant \$5,242.40
Calscience Environmental Lab	Services - Laboratory	Lab testing \$375.00
CAN-DO-Maintenance Inc.	Services - Maintenance	Chain link fence repair \$700.00
Casey Larsen	Fuel	Gas for company vehicle \$50.00
Coast Waste Management, Inc.	Utilities - Trash	Inactivity charge \$131.61
Complete Office	Supplies - Office	Various \$97.29
Complete Office	Supplies - Office	Various \$226.08
Complete Office	Supplies - Office	Various \$105.05
Corodata	Rent	Record storage - August \$76.01
County of San Diego	Services - Testing	Reclaimed water shut down testing \$142.00
CS-Amsco	Services - Maintenance	RWG transmitter circuit and labor \$1,386.92
CWEA - TCP	Dues & Memberships	T. Hutchinson \$77.00
CWEA Membership	Dues & Memberships	E. Hurtado \$148.00
Dale Kreinbring	Supplies - Office	Supplies for AWT ceremony \$40.11
DC Frost Associates, Inc	Repair Parts Expense	Autobags for Heliclean - plant \$470.03
Del Mar Blue Print	Printing	Foam poster board \$103.68
Deluxe	Printing	Accounts payable checks \$338.55
DMV	Services - Other	Safety records \$6.00
Dudek & Associates	Services - Engineering	As needed GIS modeling RW system \$400.00
EDCO Waste & Recycling Service	Utilities - Trash	August \$202.41
ELAP Branch	Licenses	Environmental laboratory accreditation \$2,359.00
Fastenal Company	Supplies - Safety	Drill set, belts, safety locks, and light bulbs \$428.41
Filter Belts	Repair Parts Expense	Lower belt \$860.76
Hach Company	Supplies - Lab	Nutrient, nitrification inhibitor, phosphates, sensor \$402.69
Health and Human Resource	Employee Assistance Program	September \$317.68
Hilts Consulting Group, Inc.	Services - Engineering	Engineering - replacement covers for F.E.B. \$2,738.00
Hippo Hopper	Repair Parts Expense	Barscreen \$1,440.00
Hoch Consulting, APC	Services - Engineering	Various services \$2,272.50
Hoch Consulting, APC	Services - Engineering	RW construction management \$300.00
Hoch Consulting, APC	Services - Engineering	Screw conveyor project \$405.00
Hoch Consulting, APC	Services - Engineering	Storm water diversion structure \$7,965.00
Home Depot Credit Services	Supplies - Shop & Field	Repairs, shop, and field supplies \$1,093.96
Jani-King of CA, Inc. - SEO	Services - Janitorial	September \$882.64
Jani-King of CA, Inc. - SEO	Supplies - Janitorial	Supplies \$404.31
Jennifer Basco	Subsistence - Travel/Rm & Bd	Mileage \$54.70
K.P. McNamara Company, Inc.	Fees - Disposal	Disposal of residual within containers \$510.00
Kennedy/Jenks Consultants	Services - Engineering	AWT \$622.50
Konica Minolta	Services - Maintenance	Monthly copier maintenance \$162.27
LCI Backhoe Service	Subcontractors	Sewer repair \$15,428.00
Leaf & Cole, LLP	Services - Accounting	Audit - progress billing \$9,000.00



PAYMENT OF WARRANTS

14-10  
4-Oct-13

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT	
McMaster-Carr Supply Co.	Repair Parts Expense	Cast iron base ball bearing, pipe, and vertical scale	\$354.68
McMaster-Carr Supply Co.	Supplies - Safety	Eyeglass holder, steel ball bearing, ear protection	\$342.87
McMaster-Carr Supply Co.	Supplies - Safety	Fire equipment sign	\$17.02
McMaster-Carr Supply Co.	Supplies - Safety	Fire extinguishing, v-belt, lockouts, battery, tubing	\$659.23
McMaster-Carr Supply Co.	Repair Parts Expense	Flowmeter, phase ac motor, angled fuel hose	\$537.82
McMaster-Carr Supply Co.	Repair Parts Expense	Petroleum hose with fittings	\$416.96
McMaster-Carr Supply Co.	Repair Parts Expense	V-belt pulley, cogged wedge v-belt, flange gaskets	\$123.48
MegaPath Corporation	Utilities - Internet	September	\$288.62
North State Environmental	Fees - Disposal	Steel, oil, oily rags, tubes	\$357.46
Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Sodium hypochlorite	\$2,841.70
Olivenhain Municipal Water Dis	Rent	Charges for infrastructure rent for recycled water	\$7,362.00
OneSource Distributors, Inc.	Repair Parts Expense	Channel analog	\$2,302.02
P.E.R.S.	Medical Insurance - PERS	October	\$17,098.62
Pacific Green Landscape	Services - Landscape	September, plus July and August increase	\$1,325.00
Pacific Green Landscape	Services - Landscape	Addition of mow curb	\$1,613.00
Preferred Benefit Insurance	Dental/Vision	Vision - 09/01/13 - 09/30/13	\$324.10
ProBuild	Supplies - Shop & Field	Repairs, shop, and field supplies	\$151.82
Procopio Cory Hargreaves	Services - Legal	General	\$1,339.50
Procopio Cory Hargreaves	Services - Legal	General	\$1,311.00
Public Employees- Retirement	Retirement Plan - PERS	08/07/13 - 08/30/13	\$15,218.06
Public Employees- Retirement	Retirement Plan - PERS	08/31/13 - 09/13/13	\$15,233.74
San Diego Gas & Electric	Utilities - Gas & Electric	08/06/13 - 09/05/13	\$59,666.01
San Dieguito Water	Utilities - Water	Manchester RWM 1 - 07/31/13 - 09/01/13	\$216.10
San Dieguito Water	Utilities - Water	Manchester RWM 10 - 07/31/13 - 09/01/13	\$26.66
San Dieguito Water	Utilities - Water	Manchester RWM 3 - 07/31/13 - 09/01/13	\$516.10
San Dieguito Water	Utilities - Water	Manchester RWM 4 - 07/31/13 - 09/01/13	\$183.10
San Dieguito Water	Utilities - Water	Manchester RWM 5 - 07/31/13 - 09/01/13	\$672.10
San Dieguito Water	Utilities - Water	Manchester RWM 6 - 07/31/13 - 09/01/13	\$3,645.10
San Dieguito Water District	Utilities - Water	3050 Manchester RWM 2 - 07/31/13 - 09/01/13	\$192.10
San Dieguito Water District	Services - Maintenance	Leaking anglestop	\$961.07
San Elijo Payroll Account	Payroll	Payroll - 09/06/13	\$72,252.73
San Elijo Payroll Account	Payroll	Payroll - 09/20/13	\$72,268.76
Santa Fe Irrigation District	Utilities - Water	Highland Dr. - 06/17/13 - 08/19/13	\$193.94
Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - August	\$1,623.97
Santa Fe Irrigation District	Utilities - Water	Seabright Lane - 07/02/13 - 09/04/13	\$58.47
Santa Fe Irrigation District	Utilities - Water	Valley - 07/30/13 - 08/28/13	\$94.88
SHRM	Dues & Memberships	M. Buckles	\$180.00
Sigma-Aldrich RTC	Supplies - Lab	Minerals and residue WPs	\$148.37
SimplexGrinnell	Supplies - Safety	Signs and monthly inspection tags	\$39.96
Smart & Final	Supplies - Office	Wellness program and kitchen supplies	\$154.79
Southern California Coastal	Services - Laboratory	Outfall sampling	\$73,543.00
Sun Life Financial	Life Insurance/Disability	September	\$1,263.83
Sunbelt Rentals	Equipment Rental/Lease	100kw diesel generator	\$839.91
Sunbelt Rentals	Equipment Rental/Lease	175w diesel generator	\$1,890.00
Sunbelt Rentals	Equipment Rental/Lease	Diesel and transportation surcharge	(\$73.92)
Terminix Processing Center	Services - Maintenance	Pest control	\$20.00
Terminix Processing Center	Services - Maintenance	Pest control	\$20.00
Terminix Processing Center	Services - Maintenance	Pest control	\$117.00
Terminix Processing Center	Services - Maintenance	Pest control	\$20.00
Terminix Processing Center	Services - Maintenance	Pest control	\$20.00
Terminix Processing Center	Services - Maintenance	Pest control	\$20.00
Terminix Processing Center	Services - Maintenance	Pest control	\$117.00
Terminix Processing Center	Services - Maintenance	Pest Control	\$20.00
The Brickman Group LTD	Services - Landscape	July	\$385.00
The Brickman Group LTD	Services - Landscape	September	\$385.00
The Lawton Group	Services - Temp	Work week - 08/19/13 - 08/25/13 - A. Maldonado	\$270.00
The Lawton Group	Services - Temp	Work week - 08/26/13 - 09/01/13 - A. Maldonado	\$270.00
The Lawton Group	Services - Temp	Work week - 09/02/13 - 09/08/13 - A. Maldonado	\$202.50
Trussell Technologies, Inc	Services - Engineering	Process engineering and evaluation	\$982.83
U.S. Postal Service	Postage/Shipping	Post office box annual fees	\$148.00
Underground Service Alert/SC	Services - Alarm	Dig alert - August	\$49.50

PAYMENT OF WARRANTS

14-10

4-Oct-13

VENDOR	DESCRIPTION OF EXPENSE		AMOUNT
Unifirst Corporation	Services - Uniforms	Services	\$91.55
Unifirst Corporation	Services - Uniforms	Services	\$91.94
Unifirst Corporation	Services - Uniforms	Services	\$164.08
Unifirst Corporation	Services - Uniforms	Services	\$103.29
Univar USA Inc.	Supplies - Chemicals	Hydrochloric Acid	\$298.48
UPS	Postage/Shipping	Compliance reports	\$52.64
UPS	Postage/Shipping	Compliance reports	\$52.87
UPS	Postage/Shipping	Lab instrument	\$10.44
USA Bluebook	Supplies - Lab	Standard methods for water examination	\$321.81
Valley Chain & Gear, Inc.	Repair Parts Expense	Bearings	\$298.91
Verizon Wireless	Utilities - Telephone	09/08/13 - 10/07/13	\$762.62
W.M. Lyles Co.	Services - Construction	Recycled water demineralization	\$49,708.00
W.M. Lyles Co.	Services - Construction	Recycled water demineralization	\$20,000.00
Water Environment Federation	Dues & Memberships	C. Trees	\$228.00
Western Water Works Support	Repair Parts Expense	Air vac cover	\$743.04
Western Water Works Support	Repair Parts Expense	Two combo air valve	\$1,056.24
WEX Bank	Fuel	Fuel	\$954.40
WorkPartners Occupational	Services - Medical	Medical service for new employee	\$65.00
<b>Total 14-10 Warrants</b>			<b>\$523,153.86</b>

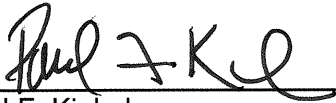
SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

4-Oct-13

PAYMENT OF WARRANTS		\$523,153.86
Reference Number	14-10	

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.



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Paul F. Kinkel  
Director of Finance & Administration

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

4-Oct-13

<u>FUNDS ON DEPOSIT WITH</u>	<u>AMOUNT</u>
<b>LOCAL AGENCY INVESTMENT FUND</b> <i>(AUGUST 2013 YIELD 0.27%)</i>	
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 5,487,021.35
<b>CALIFORNIA BANK AND TRUST</b> <i>(AUGUST 2013 YIELD 0.01%)</i>	
REGULAR CHECKING	\$ 103,046.64
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 5,595,067.99

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 14, 2013

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 August 2013. 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 percent removal for both constituents in August (as shown in Figure 1 and Figure 2).

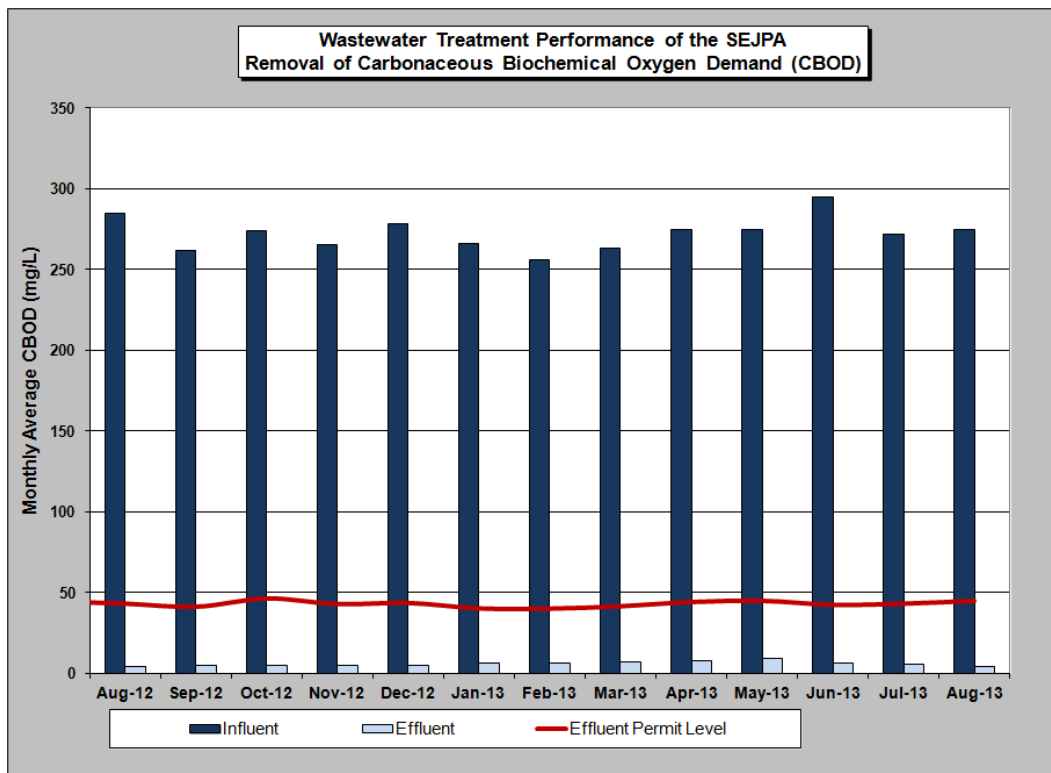


FIGURE 1

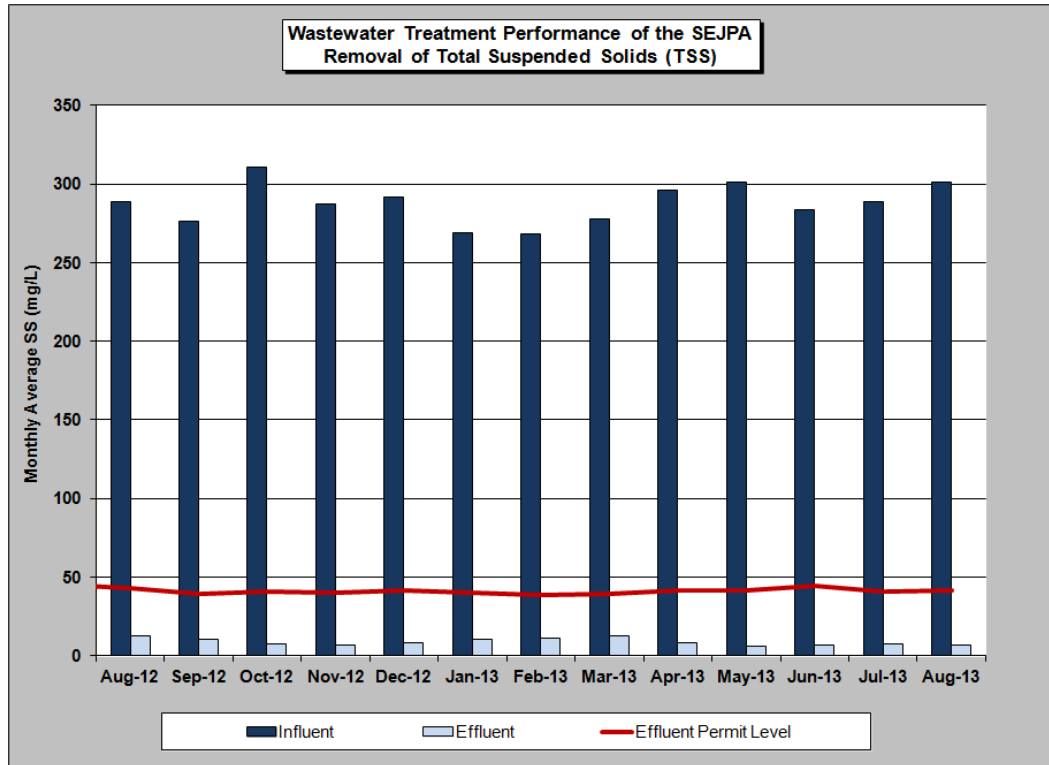


FIGURE 2

### Member Agency Flows

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

	August	
	Influent (mgd)	Effluent (mgd)*
Cardiff Sanitary Division	1.342	0.380
City of Solana Beach	1.258	0.356
Rancho Santa Fe SID	0.168	0.048
<b>Total San Elijo WRF Flow</b>	<b>2.768</b>	<b>0.784</b>

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

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

Table 1 (next page) 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.

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

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)				AVERAGE DAILY EFFLUENT FLOW RATE (MGD)				CONNECTED EDUS				AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)			
	CSD	RSF CSD	SB	TOTAL PLANT	CSD	RSF CSD	SB	TOTAL PLANT	CSD EDUS	RSF CSD EDUS	SB EDUS	TOTAL EDUS	CSD	RSF	SB	TOTAL PLANT
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	16,399	181	313	179	184
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	306	181	183
Apr-10	1.451	0.137	1.391	2.979	1.058	0.100	1.014	2.172	8,198	474	7,728	16,400	177	289	180	182
May-10	1.379	0.128	1.385	2.892	0.672	0.063	0.675	1.410	8,201	474	7,728	16,403	168	270	179	176
Jun-10	1.437	0.122	1.453	3.012	0.650	0.055	0.657	1.362	8,202	474	7,728	16,404	175	258	188	184
Jul-10	1.375	0.119	1.466	2.960	0.694	0.061	0.740	1.495	8,204	475	7,728	16,407	168	251	190	180
Aug-10	1.366	0.125	1.451	2.942	0.585	0.053	0.621	1.259	8,205	475	7,728	16,408	166	263	188	179
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	173
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	1.262	0.146	1.333	2.741	0.564	0.066	0.596	1.226	8,254	486	7,728	16,468	153	301	172	166
Oct-11	1.260	0.142	1.303	2.705	0.730	0.082	0.755	1.567	8,260	486	7,728	16,474	153	292	169	164
Nov-11	1.338	0.167	1.307	2.812	1.099	0.137	1.074	2.310	8,261	486	7,728	16,475	162	344	169	171
Dec-11	1.299	0.164	1.305	2.768	1.103	0.139	1.108	2.350	8,264	487	7,728	16,479	157	337	169	168
Jan-12	1.291	0.145	1.303	2.739	1.032	0.116	1.042	2.190	8,266	488	7,728	16,482	160	232	169	166
Feb-12	1.259	0.137	1.283	2.679	1.006	0.109	1.025	2.140	8,268	488	7,728	16,484	152	281	166	163
Mar-12	1.313	0.153	1.255	2.721	0.968	0.113	0.925	2.006	8,269	488	7,728	16,485	159	314	162	165
Apr-12	1.348	0.145	1.209	2.702	0.906	0.097	0.813	1.816	8,278	488	7,728	16,494	163	297	156	164
May-12	1.333	0.150	1.211	2.694	0.577	0.065	0.525	1.167	8,280	488	7,728	16,496	161	308	157	163
Jun-12	1.365	0.143	1.237	2.745	0.547	0.057	0.496	1.100	8,284	489	7,728	16,501	165	293	160	166
Jul-12	1.372	0.126	1.296	2.794	0.457	0.042	0.431	0.930	8,289	489	7,728	16,506	166	258	168	169
Aug-12	1.383	0.128	1.291	2.802	0.473	0.044	0.441	0.958	8,290	490	7,728	16,508	167	261	167	170
Sep-12	1.349	0.142	1.220	2.711	0.544	0.058	0.492	1.094	8,291	490	7,728	16,509	163	290	158	164
Oct-12	1.327	0.123	1.203	2.653	0.678	0.063	0.615	1.356	8,294	490	7,728	16,512	160	251	156	161
Nov-12	1.343	0.128	1.181	2.652	0.862	0.082	0.758	1.702	8,299	490	7,728	16,517	162	261	153	161
Dec-12	1.383	0.141	1.197	2.721	1.261	0.129	1.091	2.481	8,300	490	7,728	16,518	167	288	155	165
Jan-13	1.357	0.145	1.215	2.717	1.155	0.124	1.034	2.313	8,300	490	7,728	16,518	163	296	157	164
Feb-13	1.349	0.138	1.201	2.688	1.048	0.108	0.933	2.089	8,301	490	7,728	16,519	163	282	155	163
Mar-13	1.402	0.154	1.235	2.791	0.905	0.100	0.797	1.802	8,302	493	7,728	16,521	169	314	160	169
Apr-13	1.297	0.124	1.237	2.658	0.531	0.051	0.506	1.088	8,304	493	7,728	16,523	156	253	160	161
May-13	1.339	0.126	1.185	2.650	0.376	0.036	0.333	0.745	8,304	493	7,728	16,525	161	256	153	160
Jun-13	1.341	0.126	1.190	2.657	0.269	0.025	0.239	0.533	8,307	493	7,728	16,528	161	256	154	161
Jul-13	1.366	0.144	1.269	2.779	0.482	0.050	0.448	0.980	8,309	493	7,728	16,530	164	292	164	168
Aug-13	1.342	0.168	1.258	2.768	0.380	0.048	0.356	0.784	8,311	494	7,728	16,533	161	340	163	167

**TABLE 1**

CSD: Cardiff Sanitary Division

RSF CSD: Ranch Santa Fe Community Service District

SB: Solana Beach

EDU: Equivalent Dwelling Unit

ASSUMPTIONS: SB average flow includes San Elijo Hills flow of 0.131 mgd

SB Connected EDUs includes 300 EDUs for the City of San Diego

- EDU Numbers Revised by Dudek for March and April

Figure 3 (below) presents the 5-year historical average daily flows per month for each Member Agency. This is to provide a historical overview of the average treated flow by each agency. As shown in the figure, the average treated flow has been approximately 2.7 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.

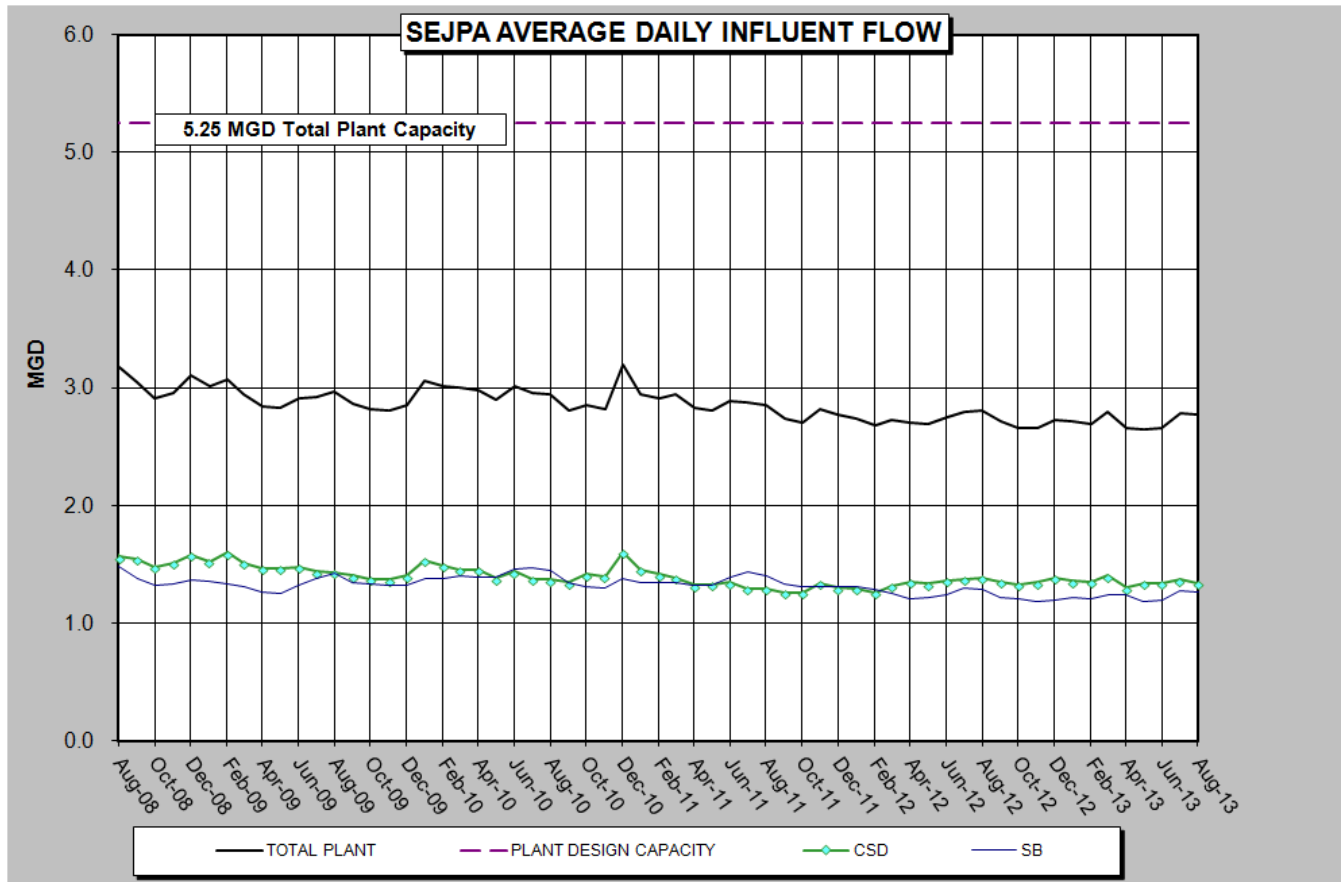


Figure 3



City of Escondido Flows

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

	<b>August (mgd)</b>
Escondido (Average flow rate)	8.18
Escondido (Peak flow rate)	15.5

Connected Equivalent Dwelling Units

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

	<b>August (EDU)</b>
Cardiff Sanitary Division	8,311
Rancho Santa Fe SID	494
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
<b>Total EDUs to System</b>	<b>16,533</b>

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

\*

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 14, 2013

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 August 2013, recycled water demand was 157.49 acre-feet (AF), which was met using 156.68 AF of recycled water and 0.81 AF of supplementation with potable water.

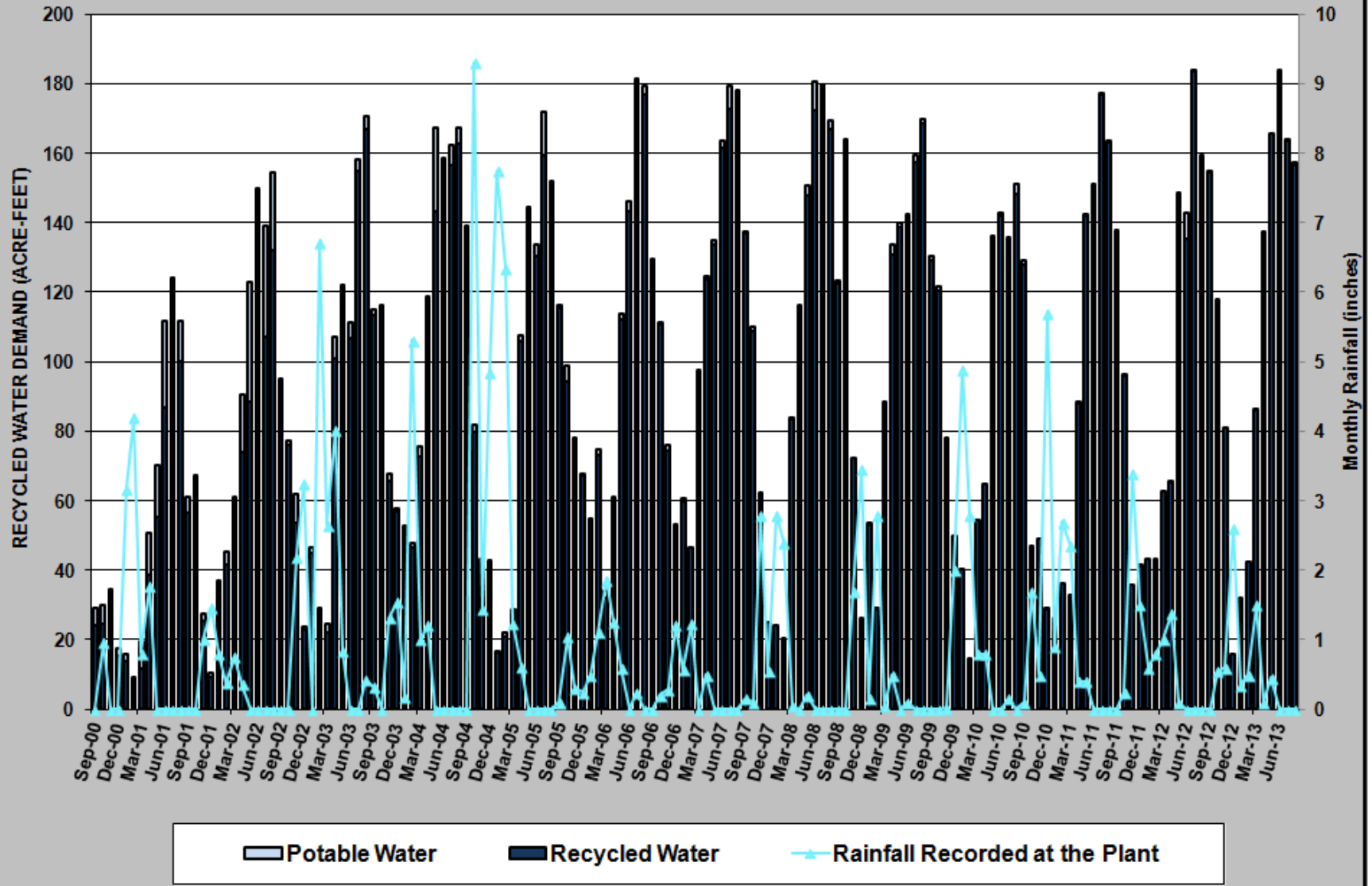
Figure 1 (attached) provides monthly supply demands for recycled water since September 2000. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning thirteen completed fiscal years and the current fiscal year.

Respectfully submitted,

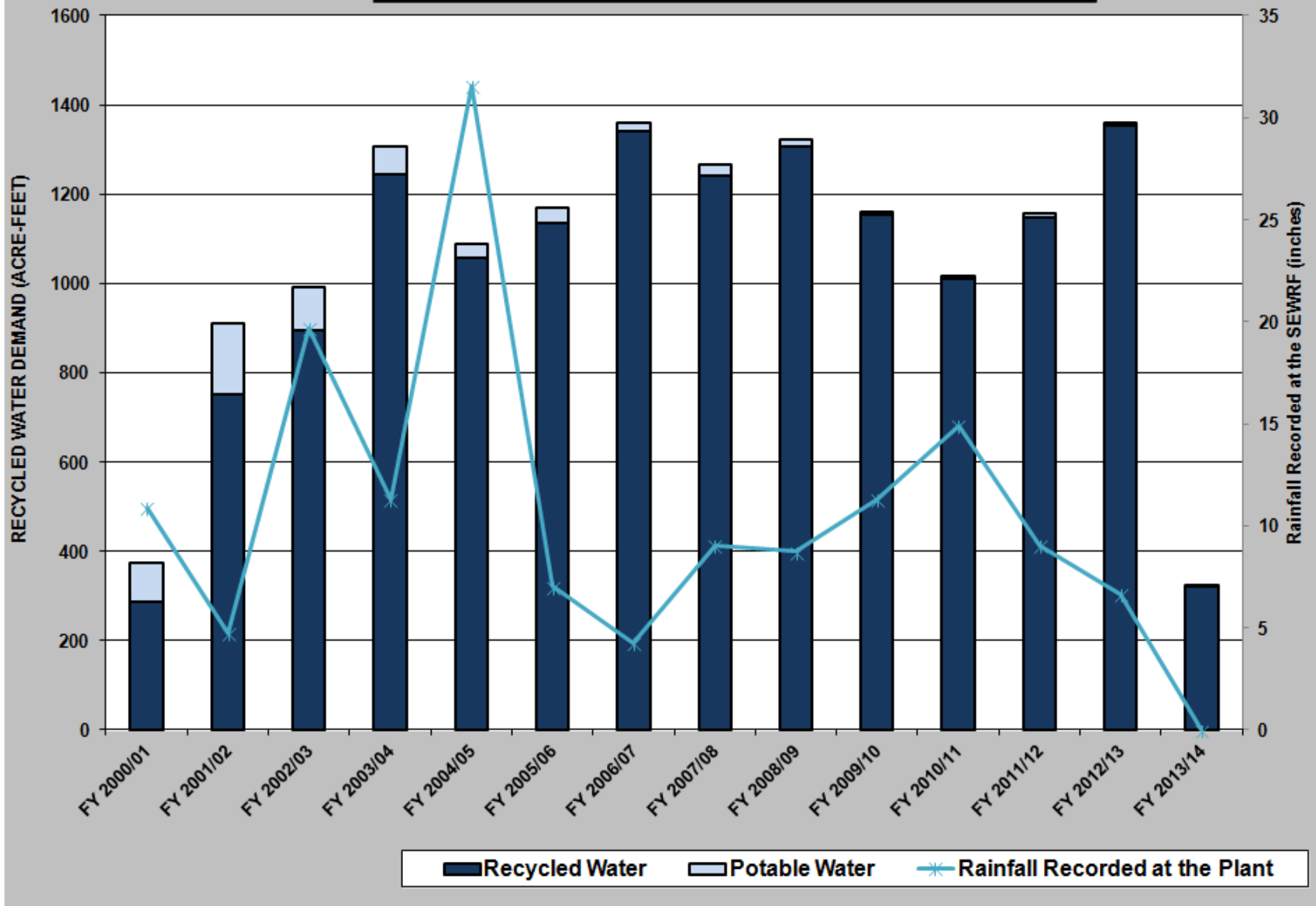


Michael T. Thornton, P.E.  
General Manager

**Figure 1 - MONTHLY RECYCLED WATER DEMAND**



**Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR**



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 14, 2013

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: PROFESSIONAL SERVICES CONTRACT AMENDMENT FOR AS-NEEDED  
STAFF EXTENSION RESOURCES

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to amend the agreement with Hoch Consulting to provide construction management and as-needed professional services for an amount not to exceed \$112,630; and
2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) has a variety of engineering, construction, and analytical reporting projects in progress at the San Elijo Water Reclamation Facility. These projects require a specific skill set and knowledge of the SEJPA facility to be completed in a cost effective manner. The SEJPA has used a combination of in-house staff and consultants to provide these services in the past.

DISCUSSION

In May 2013, the Board approved a contract for Hoch Consulting to provide professional engineering services in an amount not to exceed \$79,240. Hoch Consulting was selected based on competitive rates and knowledge of the SEJPA facilities. Previous work completed by Hoch Consulting has been of high quality and value to the agency. SEJPA management has identified additional tasks and would like to add these tasks to the existing contract with Hoch Consulting for construction management, construction inspection, and as-needed staff services. The anticipated effort for this additional work is 370 hours. The new tasks include project management to add solar panels to the new Advanced Water Treatment Facility, design of the conveyor replacement project, design of a stormwater diversion structure, reporting and administration of the IRWM grant funding, stormwater discharge monitoring and reporting, and an update of the recycled water system maps.

## FINANCIAL IMPACT

The total contract value for the proposed contract amendment is \$33,390. This amount is added to the existing contract authorization of \$79,240 bringing the total to \$112,630. Funds for this work are budgeted in the capital and operations budgets.

It is recommended that the Board of Directors approve the following:

1. Authorize the General Manager to amend the agreement with Hoch Consulting to provide construction management and as-needed professional services for an amount not to exceed \$112,630; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

Attachment 1: Hoch Consulting Proposal for Addendum No. 1



**Hoch Consulting**  
3255 Moccasin Avenue  
San Diego, CA 92117  
(tel.) 858-431-9767  
adam@hochconsultingsd.com  
www.hochconsultingsd.com

October 3, 2013

Mr. Chris Trees, P.E.  
Director of Operations  
San Elijo Joint Powers Authority  
2695 Manchester Avenue  
Cardiff by the Sea, CA 92007

Subject: Addendum No. 1 - Misc. Project Professional Engineering Services

Dear Mr. Trees:

The SEJPA has requested expansions or modifications to the scope of services for several tasks as defined by the original miscellaneous project professional engineering services contract and an additional task for a Solar Panel Construction Project Management. Accordingly, Hoch Consulting is pleased to present this proposed addendum for additional services for your review. The following summarizes Hoch Consulting's proposed amended scope of services, schedule, and budget.

**Proposed Amended Scope of Services:**

**Task 1: Project Management/Design for the Storm Water Diversion Structure Project**

Hoch Consulting's Original Scope of Services included preliminary design services for the Solana Beach Storm Water Diversion Structure.

This addendum proposes that Hoch Consulting provide final design engineering services for the Solana Beach Storm Water Diversion Structure, including (1) preparation of specifications and drawings, (2) facilitation of project meetings, (3) coordination of plan check and permitting through the City of Solana Beach, and (4) surveying. It is anticipated that these efforts will be performed in conjunction with Moraes/Pham & Associates, who have proposed to provide electrical engineering services for this project. It is anticipated that Hoch Consulting will take the lead on base CAD files, civil drawings, contract document preparation and coordination, and surveying. Surveying work excludes provision of a basis of bearing. These efforts assume this project is exempt from Coastal Development Permit and CEQA requirements.

Estimated Additional Effort: 90 hours

**Task 8: Conveyor Belt Project**

Hoch Consulting's original scope of services included design services for the Shaftless Screw Conveyor Project under the assumption that the project would be exempt from public bidding requirements and that construction management services would not occur at night or on the weekends. Bidding services were not included in the original proposal. As the project progresses through design it appears likely that the project will be subject to public bidding requirements, requiring additional contract documents to be prepared, and due to the limited time in which SEJPA solids handling facilities can be off-line without incurring additional operating costs, it appears likely that construction may need to occur at night or on the weekends.

Hoch Consulting proposes to provide (1) plans and specifications for construction and procurement of a shaftless screw conveyor pursuant to public bidding requirements, (2) bidding services, and (3) construction management services, including but not limited to submittal review, RFI response preparation, Change Order preparation and review, field observation, daily inspection report preparation, and meeting facilitation. Field observation includes night and weekend work. It is assumed that SEJPA will provide any necessary Electrical or Mechanical Engineering/Design assistance.

Estimated Additional Effort: 56 hours.

**Task 9: As-Needed Professional Engineering Services**

Hoch Consulting will provide additional as-needed professional engineering services for the SEJPA. These services are anticipated to include IRWM grant administration (including preparation of quarterly progress reports, invoice preparation, and coordination with project partners), quarterly non-storm water discharge monitoring, and other as-needed assignments.

Estimated Additional Effort: 180 hours

**Task 10: Solar Panel Project Management Services**

Hoch Consulting will provide project management services to construct a solar panels system on top of the AWT Facility. These services are anticipated to include (1) preparation of an RFP and (2) solicitation of three competitive bids from solar suppliers. These efforts assume that the project will not exceed public bidding requirements.

Estimated Effort: 44 hours

**Amended Schedule and Fee:**

The additional services proposed by this addendum are anticipated to be completed by July 2014. Hoch Consulting proposes to perform the additional scope of services on a time-and-material basis not to exceed \$33,390, as summarized in the attached fee proposal. This will increase the total authorization from \$79,240 to \$112,630.



**Addendum No. 1 Letter Proposal**

**Hoch Consulting**

Hoch Consulting greatly appreciates the opportunity to work for the SEJPA. If you have any questions about this proposal, please do not hesitate to contact me.

Sincerely,  
Hoch Consulting



Adam Hoch, P.E.  
Principal  
License No. C77635

Attachments: Fee Proposal

Addendum No. 1 - Fee Proposal

Hoch Consulting

SEIPA Professional Engineering Services		Labor		Miscellaneous			Total Fees	
Classification	Principal (\$125/hr)	Total Labor	Subconsultants	Expenses	Discounts*	Total		
Task 1: Storm Water Diversion Structure PDR & Design	152	\$ 19,000.00	\$ -	\$ -	\$ (5,320.00)	\$	\$ 13,680.00	
Task 2: Blower No. 5 Project Management	184	\$ 23,000.00	\$ -	\$ -	\$ (6,440.00)	\$	\$ 16,560.00	
Task 3: Moonlight Beach PS Coating/HVAC Project PM	120	\$ 15,000.00	\$ -	\$ -	\$ (4,200.00)	\$	\$ 10,800.00	
Task 4: AWT	64	\$ 8,000.00	\$ -	\$ -	\$ (4,000.00)	\$	\$ 4,000.00	
Task 5: Administration Building Development	80	\$ 10,000.00	\$ -	\$ -	\$ (2,800.00)	\$	\$ 7,200.00	
Task 6: Industrial Waste Survey	46	\$ 5,750.00	\$ -	\$ -	\$ (1,610.00)	\$	\$ 4,140.00	
Task 7: Ocean Outfall Capacity Study	98	\$ 12,250.00	\$ -	\$ -	\$ (3,430.00)	\$	\$ 8,820.00	
Task 8: Screw Conveyor Project	96	\$ 12,000.00	\$ -	\$ -	\$ (3,360.00)	\$	\$ 8,640.00	
Task 9: As-Needed Professional Engineering Services	60	\$ 7,500.00	\$ -	\$ -	\$ (2,100.00)	\$	\$ 5,400.00	
<b>Total</b>	<b>900</b>	<b>\$ 112,500.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (33,260.00)</b>	<b>\$</b>	<b>\$ 79,240.00</b>	

\* Effective hourly rate is \$90/hr

SEIPA Professional Engineering Services - Addendum No. 1		Labor		Miscellaneous			Total Fees	
Classification	Principal (\$125/hr)	Total Labor	Subconsultants	Expenses	Discounts*	Total		
Task 1: Storm Water Diversion Structure PDR & Design	242	\$ 30,250.00	\$ -	\$ 90.00	\$ (8,470.00)	\$	\$ 21,870.00	
Task 2: Blower No. 5 Project Management	184	\$ 23,000.00	\$ -	\$ -	\$ (6,440.00)	\$	\$ 16,560.00	
Task 3: Moonlight Beach PS Coating/HVAC Project PM	120	\$ 15,000.00	\$ -	\$ -	\$ (4,200.00)	\$	\$ 10,800.00	
Task 4: AWT	64	\$ 8,000.00	\$ -	\$ -	\$ (4,000.00)	\$	\$ 4,000.00	
Task 5: Administration Building Development	80	\$ 10,000.00	\$ -	\$ -	\$ (2,800.00)	\$	\$ 7,200.00	
Task 6: Industrial Waste Survey	46	\$ 5,750.00	\$ -	\$ -	\$ (1,610.00)	\$	\$ 4,140.00	
Task 7: Ocean Outfall Capacity Study	98	\$ 12,250.00	\$ -	\$ -	\$ (3,430.00)	\$	\$ 8,820.00	
Task 8: Screw Conveyor Project	152	\$ 19,000.00	\$ -	\$ -	\$ (5,320.00)	\$	\$ 13,680.00	
Task 9: As-Needed Professional Engineering Services	240	\$ 30,000.00	\$ -	\$ -	\$ (8,400.00)	\$	\$ 21,600.00	
Task 10: Solar Panel Project Management	44	\$ 5,500.00	\$ -	\$ -	\$ (1,540.00)	\$	\$ 3,960.00	
<b>Total</b>	<b>1270</b>	<b>\$ 158,750.00</b>	<b>\$ -</b>	<b>\$ 90.00</b>	<b>\$ (46,210.00)</b>	<b>\$</b>	<b>\$ 112,630.00</b>	

\* Effective hourly rate is \$90/hr

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 14, 2013

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: AGENCY RESOURCE SHARING AGREEMENT – IT SERVICES

RECOMMENDATION

1. Authorize the General Manager to enter into an agreement with the City of Encinitas for an IT Services Agreement in the amount of \$24,000 per year;
2. Authorize the General Manager to purchase IT and related equipment as recommended by the City of Encinitas not to exceed \$43,800; and
3. Discuss and take action as appropriate.

BACKGROUND

To provide maximum value to the SEJPA Member Agencies and all of the organizations served by the SEJPA, staff has been attentive to identify opportunities to collaborate and share resources. The SEJPA has achieved success on a variety of issues using this approach with the result often being lowered costs and improved service. For example, the SEJPA has partnered with other local agencies to pursue recycled water grant funding. This reduces each agency's cost by sharing the burden of the pursuit to all parties while increasing the visibility of the project through the size and number of participating agencies. Also, the SEJPA and the Member Agencies work collaboratively on capital projects and often providing engineering peer review to each other's projects with intent to produce more thoughtful and thorough designs and construction documents; resulting in fewer construction change orders, higher-quality finished project, and lower overall project costs. Similarly, the SEJPA's recycled water program was founded on multi-agency collaboration and is currently expanding as infrastructure sharing and cross-district staff support expands. These are just a few examples of success that is being achieved through the willingness of partnering and resource sharing.

In the Spring of 2013, SEJPA experienced anomalies in one of its Information Technology (IT) computer servers, which eventually lead to server failure. The SEJPA has two IT servers, one for administrative functions and one that hosts the Supervisory Control and Data Acquisition (SCADA) system. The SCADA server provides remote monitoring and control for SEJPA facilities that perform mission critical tasks. The IT server that failed was the administrative server, which with significant support from the Encina Wastewater Authority ("EWA"), was repaired and the data was recovered.

For the SEJPA, this reinforced that having a robust, reliable, and secure IT system is a priority. As a result, the SEJPA has conducted a thorough audit of the entire IT system, including security threats associated with software, firewalls, and computer access protocols. To maximize an unbiased approach, the SEJPA received several outside opinions of the overall condition of the IT system. SEJPA solicited information from private companies, cloud (on-line or internet) vendors, and other government agencies. The government agencies included EWA and the cities of Carlsbad, Solana Beach, and Encinitas. Upon gaining clarity of the key issues, the SEJPA teamed with the City of Encinitas to conduct a detailed IT audit. The findings of the audit were similar to the original, more cursory review; however, more effort and detail was given to internet security, software security, and overall external threat reduction. The audit also produced some unique teaming opportunities between the SEJPA and the City of Encinitas that could provide value to both organizations.

## DISCUSSION

As part of SEJPA's IT research, each entity provided different strategies for SEJPA to manage its IT needs; however, the City of Encinitas provides a fiber optics internet connection that no other solution can provide.

In addition to upgrading the internet connection from the current speed of 1.5 mps to 30.0 mps, the City of Encinitas has offered hardware and software recommendations, upgraded phone systems, network/system and backup for SCADA, and IT support. Also, the City of Encinitas has GIS services that can be assessed in the future. These support items are less expensive and are of higher quality than SEJPA can obtain by any other means, and allows for both agencies to work together in an efficient and effective manner through collaboration.

Both EWA and the City of Encinitas have provided estimates of cost for hardware and IT support. These costs are comparable to the private companies; however, there are many additional advantages that the City of Encinitas brings to the SEJPA that the alternatives do not. These include, but not limited to, a SCADA system that is used to operate the plant, a data center, lower costs for software due to purchasing power, an upgraded phone system, and the fiber optics internet connection that is to communicate and control remote facilities.

## FINANCIAL IMPACT

The City of Encinitas can support SEJPA's IT system for \$24,000 per year, which includes providing server data storage and backup, internet access, phone service (VOIP), IT security, software and hardware support, and routine as-needed IT support. Additional one-time costs will be incurred to purchase and install new software and hardware, as well as to connect to the City of Encinitas' fiber optic network. Software purchase, which would be required with any upgrade option, is approximately \$11,000. Hardware costs are estimated at \$17,000. Phone system costs are estimated at \$3,300. The cost to connect to the City of Encinitas' fiber optic network is estimated at \$4,000. Installation of software and hardware is estimated at \$3,500. Project contingency funding is estimated at \$5,000 to address unforeseen issues. The total cost estimate including Encinitas' IT services is \$67,800. Estimated annual cost savings due to avoided internet and phone service is \$8,600. Adequate funding is available within Budget Contingency.

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into an agreement with the City of Encinitas for an IT Services Agreement in the amount of \$24,000 per year;
2. Authorize the General Manager to purchase IT and related equipment as recommended by the City of Encinitas not to exceed \$43,800; and
3. Discuss and take action as appropriate.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Thornton', written over a horizontal line.

Michael T. Thornton, P.E.  
General Manager

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 14, 2013

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: FINANCIAL SUPPORT FOR DIRECT POTABLE REUSE INITIATIVE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to budget \$15,000 in FY 2014-15 for the WateReuse Research Foundation's Direct Potable Reuse Initiative;
2. Authorize the General Manager to sign a Commitment Letter to the WateReuse Research Foundation's Direct Potable Reuse Initiative for \$15,000; and
3. Discuss and take action as appropriate.

BACKGROUND

Indirect Potable Reuse is the concept of purifying wastewater to drinking water standards and introducing it into an environmental buffer prior to a potable use. Indirect potable reuse (IPR) is occurring on a variety of scales within California and other arid states and counties due to the scarcity of potable water supplies. The largest IPR project near north San Diego County is the Groundwater Replenishment System in Orange County, which can produce up to 70 million gallons per day of high quality water (<http://www.gwrsystem.com/about-gwrs.html>). Due to the success of projects like this, the water reuse community has been exploring the concept of Direct Potable Reuse, which can increase the cost effectiveness and regional availability of potable reuse. Utilizing advanced treatment technologies such as reverse osmosis and advanced oxidation, water produced from these treatment plants exceeds the quality of many current potable water supplies.

The goal of this initiative is to establish direct potable reuse as a water supply option that can be implemented by California water utilities. Direct potable reuse (DPR) is defined as the planned introduction of purified recycled water either directly into a public water system or into a raw water supply immediately upstream of a drinking water treatment plant. In 2011, State legislation was enacted requiring the California Department of Public Health (CDPH) to investigate and, in consultation with the State Water Resources Control Board, to report to the California Legislature on the feasibility of developing uniform water recycling criteria for direct potable reuse by December 31, 2016. The WateReuse Research Foundation (WRF) is

embarking on a multi-year research effort to ensure that relevant scientific, technical, public acceptance and other factors are available to CDPH for the development of DPR regulatory criteria. WaterReuse California and the WaterReuse Research Foundation have developed a funding strategy that leverages funds from WaterReuse members (both public and private) to raise \$6,000,000. More than 30 public agencies from throughout the state have committed to contribute to this effort, including San Diego County Water Authority, City of San Diego, Western Municipal Water District, Eastern Municipal Water District, Irvine Ranch Water District, Orange County Water District, and San Francisco Public Utilities Commission. The North San Diego Water Reuse Coalition (Carlsbad, Oceanside, Escondido, Leucadia Wastewater District, Olivenhain Municipal Water District, Rincon Municipal Water District, Santa Fe Irrigation District, Vallecitos Water District, Vista Irrigation District, and SEJPA) also supports this effort, and as such, have discussed contributing as a group.

## DISCUSSION

The North San Diego Water Reuse Coalition (Coalition) is working to expand the beneficial use of recycled water in North San Diego County. These efforts focus on leveraging shared infrastructure and effective partnerships to connect recycled water supply with demand. The projects include both irrigation reuse or “purple pipe” projects and potable reuse. Generally speaking, until now potable reuse has only been examined on an indirect basis. However, as the conversation broadens to include DPR, more projects become potentially viable in north San Diego County.

The Coalition supports the need for expanding research to address technical issues associated with DPR, to assist CDPH with regulatory guidelines to ensure safe and reliable treatment methods are implemented, and to develop education and outreach material for the public. As DPR has significant potential benefits to the region as a cost effective and locally produced water supply, the Coalition see regional value in supporting this effort as well as potential benefit to specific projects of the Coalition members.

## BENEFIT TO SEJPA

Direct potable reuse could improve water quality and supply within the San Diego region, and provide a locally produced, drought resistant, water supply. The SEJPA could partner with water purveyors to develop a potable reuse project including the production of purified water at the San Elijo Water Reclamation Facility and the disposal of brine through the San Elijo Ocean Outfall.

## FINANCIAL IMPACT

Fiscal impact is \$15,000 to the FY 2014-15 Recycled Water Program Budget.

It is recommended that the Board of Directors:

1. Authorize the General Manager to budget \$15,000 in FY 2014-15 for the WateReuse Research Foundation's Direct Potable Reuse Initiative;
2. Authorize the General Manager to sign a Commitment Letter to the WateReuse Research Foundation's Direct Potable Reuse Initiative for \$15,000; and
3. Discuss and take action as appropriate.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Thornton', written over a horizontal line.

Michael Thornton, P.E.  
General Manager



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

October 14, 2013

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: UPDATE ON SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) RECYCLED  
WATER PROGRAM AND PROPOSED WHOLESALE AGREEMENT  
AMENDMENTS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize General Manager to enter into negotiations with OMWD to expand SEJPA recycled water sales;
2. Authorize General Manager to enter into negotiations with SDWD and SFID to amend or restate the existing Recycled Water Wholesale Agreement including, Pricing, Minimum Purchase Volume, and Term; and
3. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) operates a recycled water utility that sells recycled water to four water purveyors; Santa Fe Irrigation District (SFID), San Dieguito Water District (SDWD), Olivenhain Municipal Water District (OMWD) and the City of Del Mar; and also has an interruptible service agreement directly with the Encinitas Ranch Golf Authority. The purveyors then sell the recycled water to end customers. The SEJPA owns the majority of the recycled water infrastructure system including treatment, storage, and pipelines. The water districts generally own only the recycled water meter that measures the customer's usage and provide customer billing and other needed administrative services. The agencies work collaboratively to provide seamless utility and customer service to the community, as well as to meet regulatory quality control and oversight requirements.

The SEJPA has individual wholesale water agreements with each water purveyor that includes pricing structure, water quality, and minimum purchase volume. These types of agreements are commonly known as "take or pay" agreements. Most of these agreements were created in the mid-1990's and use an "index pricing method" to establish the price of recycled water. The agreements indexed the recycled water at 85% of the potable water rate. This pricing structure methodology is common in southern California and is endorsed by the San Diego County Water Authority.

Since the execution of the original wholesale agreements, more than 13 years ago, both the pricing structures of the purveyors and the consumption habits of the end users have changed. Some of the purveyors have not consistently reached their minimum purchase volumes as established by the agreements, which has caused these purveyors to “purchase” recycled water that they had no demand for. Other purveyors have experienced dramatic potable water price increases, which by “indexing” has caused recycled water rates to spike as well. Such dramatic price increases appear to correlate with reduced use of recycled water by the end customers. In interviewing some of the large customers, they have indicated that price of water has resulted in them consciously reducing use. This might be appropriate if the recycled water utility was at full capacity and conservation was needed, but that is not the current case for the recycled water utility. In actuality, the recycled water utility has stranded capacity that if fully utilized, would result in the stabilization of future water rates.

To address these market changes, staff has recently completed a Cost of Service Study for the Recycled Water Program, which can be used as a basis for setting future wholesale prices. Staff has also engaged the water purveyors to determine mutually acceptable modifications to the wholesale agreements for unifying the pricing structure based on cost of service principles, to extend the terms of the agreements, and to discuss opportunities to expand the beneficial use of recycled water within the local communities.

## DISCUSSION

### *Expansion of Recycled Water Sales to SFID & OMWD*

The SEJPA has been contacted by SFID and OMWD in regards to securing additional recycled water supply. Although the discussions are only preliminary in nature, both water purveyors are interested in amending or restating their existing agreement with the SEJPA to secure larger quantities of recycled water in future years. In addition, both purveyors have expressed interest in extending the term of their agreement (set to expire between 2016 and 2020) and for using cost of service principles for developing future prices of recycled water.

SFID, which entered into agreement with the SEJPA in 1996, currently purchases approximately 520 AFY from the SEJPA and they forecast that their ultimate demand at build out might reach 620 AFY over the next decade. This new use will likely be a result of customers “filling in” on existing pipelines, although there is the potential for new recycled water pipelines within SFID’s service area (Attachment 1 – SEJPA Letter of Intent to Expand Recycled Water Service to SFID). However, these new pipelines will likely require external funding beyond that of SFID and SEJPA.

OMWD, which entered into agreement with the SEJPA in 2012, currently purchases approximately 75 AFY from the SEJPA and they are interested in expanding this to approximately 425 AFY. This new use is planned to be part of OMWD’s expansion of its recycled water pipelines within the Village Park area of the City of Encinitas. OMWD has several viable sources of recycled water to serve this project, but has identified the SEJPA as its preferred option. OMWD is interested in beginning the design work of approximately 40,000 feet of distribution pipelines immediately, however, selecting the source of recycled water must be conducted first as it impacts the connecting pipeline alignment. Therefore, OMWD is requesting a letter of intent indicating that the SEJPA is interested and capable of providing recycled water to this project (Attachment 2 – SEJPA Letter of Intent to Provide Additional Recycled Water Service to OMWD). Figure 1, 2, and 3 provide the location and potential pipeline alignments associated with the OMWD project (Attachment 3). Demand from this project might be online within 3 years, and would likely phase in over a 3 to 6 year period as customers retrofit their property from potable to recycled water.

### *Other Recycled Water Market Changes*

The market for recycled water can vary with changes in land use and with market forces, resulting in actual demand for recycled water to be substantially different than from original forecasts. This has been the case for SDWD, as much of the original recycled water use was planned for agricultural needs. However, over the last fifteen years, much of the agricultural industry has moved out of Encinitas and the use of recycled water by nurseries and agriculture did not materialize. As a result, SDWD has had difficulties in meeting their contractual minimum purchase volume. SDWD has requested that the SEJPA consider reducing the minimum purchase volume to 400 AFY from 425 AFY. The justification is that the pipelines used to convey recycled water to OMWD are common with SDWD. Therefore, the pipelines that were sized to serve SDWD demands are now being utilized to serve OMWD and SDWD. Staff has reviewed this request and agrees with its merit.

### *Pricing Structure for 2014 and 2015*

As identified in the Cost of Service Study, and as echoed by many of the large users of recycled water, the price of recycled water can have an impact on the purchasing behaviors of the customers. Also, as identified in the Cost of Service Study, stabilizing the future cost of recycled water is dependent on the volume of water sold by the program. That is, the more water delivered by the program, the lower the overall unit cost. Based on the most recent revenue and expense data for the program, staff is recommending an overall modest rate increase for 2014 and 2015. Furthermore, staff's recommendations include converging the various wholesale recycled water rates into one common rate for the same level of service. Currently, the SEJPA has three different wholesale rates for the same level of service, which was originally created by indexing to each district's potable water rate. In addition, SEJPA has a fourth rate for a "take if available" wholesale rate and a fifth rate for an interruptible service agreement with the Encinitas Ranch Golf Authority. It is staff's desire to create one rate for non-interruptible service and one rate for interruptible service. The water purveyors support such a pricing methodology that is based on cost of service principles.

### *Proposed Price Structure for 2014*

<b>Agency</b>	<b>2013 Wholesale Rate</b>	<b>2014 Wholesale Rate</b>	<b>% Increase</b>
SFID	\$1310 per AF	\$1310 per AF	0.0%
SDWD	\$1307 per AF	\$1310 per AF	0.2%
OMWD	\$1253 per AF	\$1310 per AF	4.5%
Del Mar**	\$1176 per AF	\$1276 per AF	8.5%

\*\* Del Mar rate increase is limited in accordance with pricing terms of existing agreements.

### *Proposed Price Structure for 2015*

<b>Agency</b>	<b>2014 Wholesale Rate</b>	<b>2015 Wholesale Rate</b>	<b>% Increase</b>
SFID	\$1310 per AF	\$1356 per AF	3.5%
SDWD	\$1310 per AF	\$1356 per AF	3.5%
OMWD	\$1310 per AF	\$1356 per AF	3.5%
Del Mar**	\$1276 per AF	\$1321 per AF	3.5%

\*\* Del Mar rate increase is only an estimate as the actual rate is in accordance with pricing terms of existing agreements.

The proposed pricing structure for 2014 and 2015 (shown above) has been presented to the recycled water purveyors, as staff's draft recommendations. Staff's intention is to present the proposal as an informational item at the October 14, 2013 SEJPA Board Meeting, and that all

parties would have an opportunity to further refine the amendments before a final amendment is presented for Board consideration. Assuming a 21-day comment period, it may be possible to present a final, mutually acceptable amendment, to the SEJPA Board for approval consideration at the November 12, 2013 Board Meeting.

### FINANCIAL IMPACT

There is no financial impact associated with the recommended Board action of providing authority to the General Manager to enter into negotiations with the local water purveyors. If negotiations are successful, the General Manager shall return to the Board of Directors agreement amendments or restatements for approval consideration. At that time, financial impacts of the recommended agreement amendments or restatements will be presented. The pricing structure recommendations are in line with recently approved SEJPA FY 2013-14 Annual Budget and are congruent with recommendation and principles presented in the 2013 Recycled Water Cost of Service Study for the San Elijo Joint Powers Authority.

It is therefore recommended that the Board of Directors:

1. Authorize General Manager to enter into negotiations with OMWD to expand SEJPA recycled water sales;
2. Authorize General Manager to enter into negotiations with SDWD and SFID to amend or restate the existing Recycled Water Wholesale Agreement including, Pricing, Minimum Purchase Volume, and Term; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

Attachment 1: San Elijo Joint Powers Authority Letter of Intent to Expand Recycled Water Service to Santa Fe Irrigation District

Attachment 2: San Elijo Joint Powers Authority Letter of Intent to Provide Additional Recycled Water Service to Olivenhain Municipal Water District

Attachment 3: Pipeline Alignment Figures 1-3

Attachment 4: Draft Wholesale Agreement Amendments for San Dieguito Water District & Santa Fe Irrigation District

Attachment 1 to Agenda Item No. 15

San Elijo Joint Powers Authority Letter of Intent  
to Expand Recycled Water Service to Santa Fe Irrigation District

October 14, 2013

Santa Fe Irrigation District  
Michael J. Bardin, General Manager  
5920 Linea del Cielo  
P.O. Box 409  
Rancho Santa Fe, CA 92067-0409

LETTER OF INTENT FOR THE SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) TO  
EXPAND RECYCLED WATER DELIVER TO THE SANTA FE IRRIGATION DISTRICT (SFID)  
AND TO RESTATE THE ORIGINAL WHOLESALE AGREEMENT

Dear Mr. Bardin:

This letter provides SEJPA's intent to provide up to 620 acre-feet per year (AFY) of recycled water supply to SFID and to work with SFID in restating the original recycled water agreement. With this letter, SFID can proceed with its efforts for connecting new customers to the existing recycled water system.

We are also in receipt of the working-draft agreement that you provided for extending recycled water service between SFID and the SEJPA. I am seeking authorization from the SEJPA Board to begin formal negotiations with your District to extend and restate the agreement. In the meantime, if no action is taken by January 1, 2014, the recycled water price reverts 85% indexing, so I propose that SFID consider amending the original agreement for two years to provide pricing certainty while we develop the new agreement. I hope this is an acceptable path and it will not deter from our urgency to develop a new restated agreement.

This letter provides the framework for the agreement, and the general terms.

1. Amount of Recycled Water - SEJPA currently delivers approximately 520 acre-feet per year (AFY) initially, and 620 AFY ultimately, to SFID. SFID will provide an approximate phasing plan showing demand by year. Minimum purchase volume in each calendar year will be 450 AFY.
2. Recycled Water Quality – SEJPA will provide recycled water that meets all applicable water quality regulations.
3. Schedule for Initial Deliveries – The startup of deliveries of this additional 100 AFY is planned for early 2016.

4. Price of Recycled Water – Purchase prices and terms will be in accordance with the pricing structure in place at the time additional connections are made to the recycled water system. It is also understood that future purchase prices may be based on cost of service principles including operating, maintenance, debt service, and asset replacement and upgrade. SFID/SEJPA will work to develop a mutually acceptable cost of service methodology. The intent is to provide this pricing method to all SEJPA wholesale customers, but it will not preclude the SEJPA from entering into a cost of service agreement with only SFID.
5. Non-Interruptible Delivery - The delivery will be non-interruptible, under a definition that is similar to the original SFID/SEJPA agreement, and that is consistent with the other SEJPA wholesale agreements.
6. Supplemental Water - The Reclaimed Water Purveyor agrees to provide domestic water, if available, to supplement the reclaimed water supply during times of peak usage and during times of interruptions of service. SEJPA will provide payment to SFID for the supplemental water at the wholesale price of recycled water. Both agencies agree to work collaboratively to manage peak hourly demands.

Please contact me if you have any questions about this letter. We look forward to successful contract negotiations and continuing our partnership with SFID.

Sincerely,

SAN ELIJO JOINT POWERS AUTHORITY

Michael T. Thornton, P.E.  
General Manager

Attachment 2 to Agenda Item No. 15

San Elijo Joint Powers Authority Letter of Intent  
to Provide Additional Recycled Water Service to Olivenhain Municipal Water District



October 14, 2013

Olivenhain Municipal Water District  
Kimberly A. Thorner, Esq.  
General Manager  
1966 Olivenhain Road  
Encinitas, CA 92024

LETTER OF INTENT FOR THE SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) TO DELIVER RECYCLED WATER TO THE OLIVENHAIN MUNICIPAL WATER DISTRICT (OMWD) FOR THE NORTHWEST QUADRANT PHASE II SERVICE AREA

Dear Ms. Thorner:

This letter provides SEJPA's intent to provide a recycled water supply to OMWD for its Northwest Quadrant Phase II expansion. With this letter, OMWD can proceed with the final design of improvements from the Wiegand Tank to customers in the Village Park area of the City of Encinitas. We will forward a draft agreement to you in the next few weeks to begin formal negotiations. In the meantime, this letter provides the framework for the agreement, and the general terms.

1. Amount of Recycled Water - SEJPA will deliver approximately 100 acre-feet per year (AFY) initially, and 350 AFY ultimately, to OMWD's Wiegand Tank. OMWD will provide an approximate phasing plan showing demand by year.
2. Recycled Water Quality - SEJPA will provide recycled water that meets all applicable water quality regulations.
3. Schedule for Initial Deliveries - The startup of deliveries is planned for early 2016.
4. Price of Recycled Water - Purchase prices and terms will be similar to the October 10, 2012 agreement between SEJPA and OMWD, and other SEJPA agreements.
5. Non-Interruptible Delivery - The delivery will be non-interruptible, under a definition that is similar to what is provided to other SEJPA customers. OMWD may utilize water from Vallecitos Water District in the summer, if available, to help meet system peak demands.
6. Wiegand Tank Ownership - OMWD will continue to own the Wiegand Tank but SEJPA will be provided with a long term lease for its use.

7. Wiegand Tank Operation - SEJPA will operate the Tank to provide the recycled water flows to meet the demands described above. SEJPA may operate the Tank to serve their other customers and provide system storage while Oak Crest Tank is rehabilitate, provided this can be done with no loss of supply to OMWD customers.
8. Wiegand Tank Improvements - OMWD will construct improvements to facilitate SEJPA's connection to Wiegand. OMWD will construct, own, operate, and maintain flow meters. Both agencies will maintain monitoring equipment at the tank.
9. Wiegand Tank Maintenance – OMWD and SEJPA will share equally the maintenance expenses.
10. SEJPA Recycled Water System Improvements – SEJPA will be responsible for the design, construction, operation, maintenance, and cost of all improvements needed for its system to be able to provide the supply to the Wiegand Tank.
11. OMWD Recycled Water Improvements - OMWD will be responsible for the design, construction, operation, maintenance, and cost of all improvements for the distribution of recycled water from the Wiegand Tank to its customers.
12. Coordination of Design and Construction – OMWD and SEJPA will share design documents and coordinate the design and construction of facilities.

Please contact me if you have any questions about this letter. We look forward to successful contract negotiations and continuing our partnership with OMWD.

Sincerely,

SAN ELIJO JOINT POWERS AUTHORITY

Michael T. Thornton, P.E.  
General Manager

Attachment 3 to Agenda Item No. 15

Pipeline Alignment Figures 1 – 3

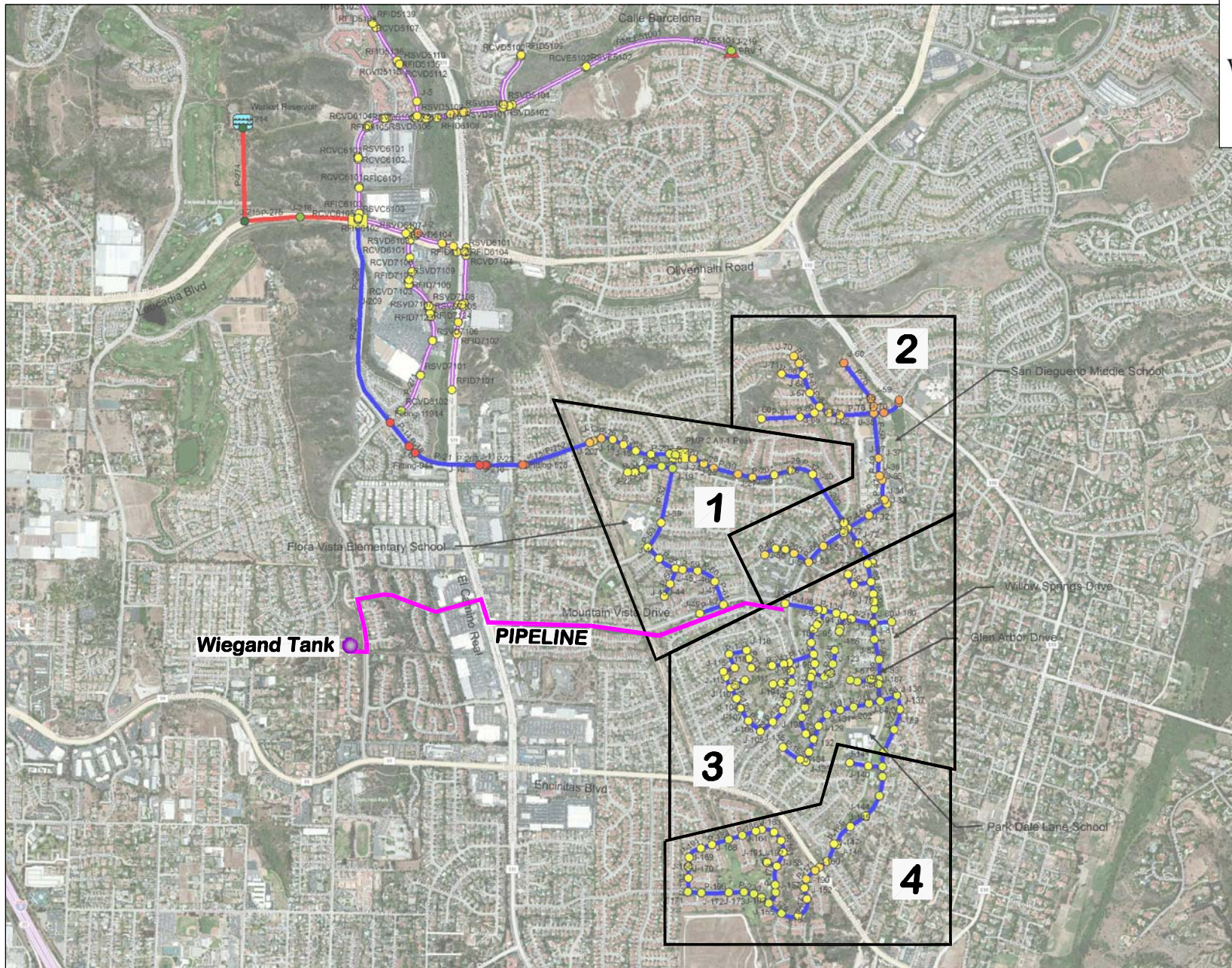


Figure:

1

Evaluation of the Wiegand Tank for the Storage of Recycled Water

Phase II Demand Nodes and Possible Distribution Pipeline from Wiegand Tank

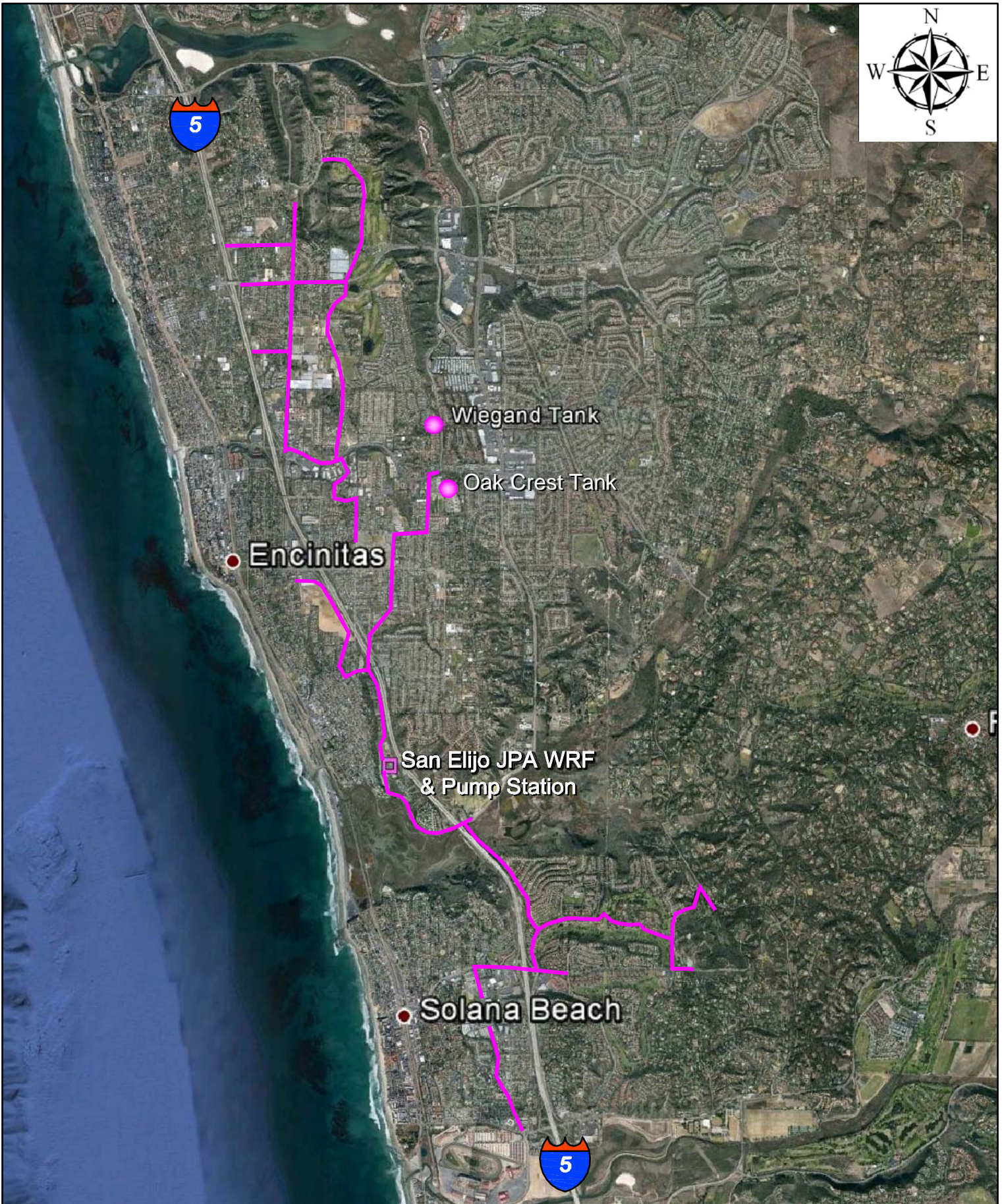


Figure:

2

*Evaluation of the Wiegand Tank  
for the Storage of Recycled Water*

San Elijo JPA Recycled  
Water Facilities





Figure:

3

Evaluation of the Wiegand Tank for the Storage of Recycled Water

Pipeline Alignment from Oak Crest Tank to Wiegand Tank



Attachment 4 to Agenda Item No. 15

Draft Wholesale Agreement Amendments for  
San Dieguito Water District & Santa Fe Irrigation District

# DRAFT

## SECOND AMENDMENT TO THE AGREEMENT FOR SALE OF RECLAIMED WATER TO THE SAN DIEGUITO WATER DISTRICT BY THE SAN ELIJO JOINT POWERS AUTHORITY

This Second Amendment to the Agreement for Sale of Reclaimed Water, hereinafter referred to as the "Second Amendment," is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the San Elijo Joint Powers Authority, a joint powers authority, hereinafter referred to as the "San Elijo JPA," and the San Dieguito Water District, a California irrigation district, hereinafter referred to as the "Reclaimed Water Purveyor."

### RECITALS

WHEREAS, the San Elijo JPA and the Reclaimed Water Purveyor have entered into an agreement dated March 26, 1997, first amendment dated August 23, 2000, for the sale of reclaimed water by the San Elijo JPA to the Reclaimed Water Purveyor, hereinafter referred to as the "Purveyor Agreement"; and

WHEREAS, the Reclaimed Water Purveyor is interested in purchasing and the San Elijo JPA is capable of providing Reclaimed or Recycled Water; and

WHEREAS, Section 11 of the Purveyor Agreement provides that the cost of reclaimed water to the Reclaimed Water Purveyor in subsequent years may be adjusted by agreement of both parties no later than February 1<sup>st</sup> each year; and

WHEREAS, the parties desire to establish the cost of reclaimed water to the Reclaimed Water Purveyor pursuant to Section 11 of the Purveyor Agreement and minimum quantity requirements for a two year period commencing January 1, 2014, as set forth herein; and

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, and notwithstanding anything to the contrary in the Purveyor Agreement, the San Elijo JPA and Reclaimed Water Purveyor agree as follows:

1. For the term of this Second Amendment, the provisions of Section 11 of the Purveyor Agreement are suspended and San Elijo JPA and the Reclaimed Water Purveyor agree that the cost of reclaimed water charged by the San Elijo JPA to Reclaimed Water Purveyor shall increase as follows:
  - a) The provisions of this Second Amendment shall apply to the sale of reclaimed water by the San Elijo JPA to the Reclaimed Water Purveyor for two and one-half years commencing January 1, 2014, through June 30, 2016.
  - b) Commencing July 1, 2014, the recycled water rate shall be \$1,310 per acre-foot, which equates to an approximate rate increase of two-tenths of one percent (0.2%) from the current cost of reclaimed water in effect September 1, 2013.



c) Commencing July 1, 2015, the recycled water rate shall be \$1,356 per acre-foot, which equates to an approximate rate increase of three and one-half percent (3.5%) from the July 1, 2014 cost of reclaimed water.

2. For the term of this Second Amendment, the Reclaimed Water Purveyor agrees to purchase from the San Elijo JPA no less than four hundred (400) acre-feet ("AF") of reclaimed water for the term of this Second Amendment. In the event Reclaimed Water Purveyor fails to accept the minimum 400 AF per year, Reclaimed Water Purveyor agrees to pay for the difference between the AF accepted by the Reclaimed Water Purveyor during the fiscal year and the minimum 400 AF at the applicable reclaimed water rate stated in this Second Amendment.
3. For the term of this Second Amendment, the Reclaimed Water Purveyor and the San Elijo JPA agree that the Administrative Costs, as defined in Section 5, shall be waived. In lieu of payment by the San Elijo JPA, the Reclaimed Water Purveyor shall collect its administrative costs through the application of a meter fee to the end customer.

The expiration of the provisions of this Second Amendment shall not affect the term of the Purveyor Agreement. Upon expiration of the provisions of this Second Amendment, and unless the parties execute a written agreement otherwise, the terms of the Purveyor Agreement, including any other duly executed amendment thereto and excluding this Second Amendment, shall apply.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed and be effective on the date first mentioned above.

**SAN ELIJO  
JOINT POWERS AUTHORITY**

**SAN DIEGUITO WATER DISTRICT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

# DRAFT

## FOURTH AMENDMENT TO THE AGREEMENT FOR SALE OF RECLAIMED WATER TO THE SANTA FE IRRIGATION DISTRICT BY THE SAN ELIJO JOINT POWERS AUTHORITY

This Fourth Amendment to the Agreement for Sale of Reclaimed Water, hereinafter referred to as the "Fourth Amendment," is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the San Elijo Joint Powers Authority, a joint powers authority, hereinafter referred to as the "San Elijo JPA," and the Santa Fe Irrigation District, an irrigation district, hereinafter referred to as the "Reclaimed Water Purveyor."

### RECITALS

WHEREAS, the San Elijo JPA and the Reclaimed Water Purveyor have entered into an agreement dated October 10, 1996, first amendment dated August 14, 2000, for the sale of reclaimed water by the San Elijo JPA to the Reclaimed Water Purveyor, hereinafter referred to as the "Purveyor Agreement"; and

WHEREAS, a Second Amendment of the Purveyor Agreement was executed on November 22, 2010 in order to modify the pricing structure for a two year period; and

WHEREAS, a Third Amendment of the Purveyor Agreement was executed on October 23, 2012 in order to modify the pricing structure for a two year period; and

WHEREAS, the parties are interested in amending the terms of the purveyor agreement to extend its term, adjust its pricing for reclaimed water from indexed pricing to a rate based on cost of service principles, and set commitments for reclaimed water delivery and planning of future expansion and/or work; and

WHEREAS, Section 11 of the Purveyor Agreement provides that the cost of reclaimed water to the Reclaimed Water Purveyor in subsequent years may be adjusted by agreement of both parties no later than February 1<sup>st</sup> each year; and

WHEREAS, the parties desire to establish the cost of reclaimed water to the Reclaimed Water Purveyor pursuant to Section 11 of the Purveyor Agreement and minimum quantity requirements for a two year period commencing January 1, 2014, as set forth herein;

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, and notwithstanding anything to the contrary in the Purveyor Agreement, the San Elijo JPA and Reclaimed Water Purveyor agree as follows:

1. Subject to the rights of the Parties to an earlier termination as provided in Section 20 of the Purveyor Agreement, the term of the Purveyor Agreement shall be thirty (30) years ("Initial Term"). After the Initial Term, either Party may elect to extend the term of the Purveyor Agreement for a subsequent thirty (30)-year term ("First Optional Extension") by providing written notice before expiration of the Initial Term. After the First Optional Extension, either Party may elect to extend the term of this Purveyor Agreement for a second subsequent thirty (30)-year term ("Second Optional Extension") by providing written notice before expiration of the First Optional Extension. After the Second Optional Extension, this Purveyor

Agreement shall continue in force from year-to-year until either Party gives one (1) year written notice to the other of its intention to terminate or renegotiate the Purveyor Agreement, and the Purveyor Agreement shall terminate one (1) year from the date upon which such written notice is received unless the Parties otherwise agree in writing.

2. For the term of this Fourth Amendment, the provisions of Section 11 of the Purveyor Agreement are suspended and San Elijo JPA and the Reclaimed Water Purveyor agree that the cost of reclaimed water charged by the San Elijo JPA to Reclaimed Water Purveyor shall increase as follows:
  - a. Commencing January 1, 2014, the recycled water rate shall increase zero percent (0%) from the current cost of reclaimed water in effect October 1, 2013. The resulting recycled water rate beginning July 1, 2014 shall be \$1,310 per acre-foot.
  - b. Commencing July 1, 2015, the recycled water rate shall increase to \$1,356 per acre-foot, which equates to an approximate rate increase of three and one-half percent (3.5%) from the July 1, 2014 cost of reclaimed water.
  - c. Commencing July 1, 2016, the recycled water rate may increase annually based on mutually acceptable cost of service principles.
3. For the term of this Fourth Amendment, the Reclaimed Water Purveyor agrees to purchase from the San Elijo JPA no less than four hundred-fifty (450) acre-feet ("AF"). In the event Reclaimed Water Purveyor fails to accept the minimum 450 AF per year, Reclaimed Water Purveyor agrees to pay for the difference between the AF accepted by the Reclaimed Water Purveyor during the fiscal year and the minimum 450 AF at the applicable reclaimed water rate stated in this Fourth Amendment.
4. For the term of this Fourth Amendment the San Elijo JPA shall make available and deliver a minimum reclaimed water supply of 620 acre-feet per year ("Supply Minimum") to Reclaimed Water Purveyor, which may be requested in whole or in part, at Reclaimed Water Purveyor's option,
5. For the term of this Fourth Amendment, the Reclaimed Water Purveyor and the San Elijo JPA agree that the Administrative Costs, as defined in Section 5, shall be waived. In lieu of payment by the San Elijo JPA, the Reclaimed Water Purveyor shall collect its administrative costs through the application of a meter fee to the end customer.

The expiration of the provisions of this Fourth Amendment shall not affect the term of the Purveyor Agreement. Upon expiration of the provisions of this Fourth Amendment, and unless the parties execute a written agreement otherwise, the terms of the Purveyor Agreement, including any other duly executed amendment thereto and excluding this Fourth Amendment, shall apply.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Amendment to be executed and be effective on the date first mentioned above.

**SAN ELIJO JOINT POWERS  
AUTHORITY**

**SANTA FE IRRIGATION DISTRICT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_