

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY, JULY 8, 2019 AT 8:30 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. AWARDS AND RECOGNITION  
  
None
6. \* **CONSENT CALENDAR**
7. \* APPROVAL OF MINUTES FOR JUNE 10, 2019 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. \* SAN ELIJO JOINT POWERS AUTHORITY CONTRACT FOR PROCUREMENT OF FERRIC CHLORIDE
12. \* APPROVE PROFESSIONAL ENGINEERING SERVICES AGREEMENT FOR FUSCOE ENGINEERING, INC.
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. **WATER CAMPUS IMPROVEMENT PROJECT – PURCHASE OF MITIGATION CREDITS**

1. Authorize the General Manager to Purchase Mitigation Credits for an amount not to exceed \$149,500; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager

15. **CAPITAL IMPROVEMENT PROGRAM UPDATE**

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

16. **GENERAL MANAGER'S REPORT**

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

17. **GENERAL COUNSEL'S REPORT**

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

18. **BOARD MEMBER COMMENTS**

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

19. **CLOSED SESSION**

The Board will adjourn to Closed Session to discuss item(s) identified below. Closed Session is not open to the public; however, an opportunity will be provided at this time if members of the public would like to comment on any item listed below. (Three minute limit.) 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".

- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION pursuant to Gov. Code 54956.9(d)(4).

20. **ADJOURNMENT**

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Monday, September 9, 2019 at 8:30 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: July 3, 2019



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

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE REGULAR BOARD MEETING  
HELD ON JUNE 10, 2019  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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David Zito, Chair

Jody Hubbard, Vice Chair

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A regular meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, June 10, 2019, at 8:30 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Zito called the meeting to order at 8:30 a.m.

2. ROLL CALL

*Directors Present:*

David Zito  
Jody Hubbard  
Kristi Becker  
Catherine Blakespear

*Directors Absent:*

None

*Others Present:*

General Manager  
Director of Finance & Administration  
Director of Operations  
Administrative Assistant/Board Clerk

Michael Thornton  
Paul Kinkel  
Chris Trees  
Jennifer Basco

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Adriana Ochoa

*City of Encinitas:*

Director of Public Works

Carl Quiram

*City of Solana Beach:*

City Manager  
Director of Engineering/Public Works

Greg Wade  
Mohammad "Mo" Sammak

3. PLEDGE OF ALLEGIANCE

Chair Zito led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. AWARDS AND RECOGNITION

None

6. CONSENT CALENDAR

Moved by Board Member Blakespear and seconded by Board Member Becker to approve the Consent Calendar.

Agenda Item No. 7	Approval of Minutes for the May 13, 2019 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
Agenda Item No. 11	Approve Sodium Hypochlorite Agreement Extension
Agenda Item No. 12	Approve Professional Engineering Services Agreement for Trussell Technologies, Inc.

Motion carried with the following vote of approval:

AYES:	Zito, Hubbard, Becker, Blakespear
NOES	None
ABSENT:	None
ABSTAIN:	None

13. ITEMS REMOVED FROM CONSENT CALENDAR

None

14. APPROVE BIOSOLIDS HAULING AND REUSE CONTRACTING

General Manager Thornton explained how biosolids are a by-product of the wastewater treatment process. Biosolids can be used to condition soil and fertilize non-human consumption crops or vegetation. Land application occurs through surface spreading, tilling, or injection below the surface. SEJPA, along with many other Southern California treatment facilities, rely on contractors to transport and land apply biosolids for use at farms in Yuma County, Arizona. Recycling biosolids in Yuma Arizona has been found to be a cost effective option for treatment plants in the San Diego area. SEJPA and Encina

Wastewater Authority staff prepared a bid solicitation for biosolids hauling and reuse. Bids were received on May 23, 2019. Denali Water Solutions submitted the low bid proposal of \$51.50 per ton with an estimated FY 2019-20 cost of \$203,700. The FY 2019-20 Recommended Budget includes \$180,000 for biosolids hauling and reuse, and has an additional \$28,000 in contingency funding.

Moved by Vice Chair Hubbard and seconded by Board Member Becker to:

1. Authorize the General Manager to enter into a 5-year agreement with Denali Water Solutions for the procurement of Biosolids Hauling and Reuse for an amount not to exceed \$1,022,661.

Motion carried with the following vote of approval:

AYES:	Zito, Hubbard, Becker, Blakespear
NOES	None
ABSENT:	None
ABSTAIN:	None

16. CONSIDERATION OF APPROVAL OF SALARY AND BENEFITS FOR FISCAL YEARS 2019-20, 2020-21, AND 2021-22

General Manager Thornton presented the proposed employee labor agreement to the Board of Directors for approval consideration. The changes from the prior labor agreement include a salary schedule adjustment, increase in the standby service rate of pay, increase in the dollar amount of the yearly purchase of safety boots, and an increase in the maximum cost of reimbursement for tuition fees and education materials. In addition, Mr. Thornton stated that an Intern position has been added to the FY 2019-20 Classification and Salary Schedule.

Moved by Vice Chair Hubbard and seconded by Board Member Becker to:

1. Adopt Resolution No. 2019-03, Resolution Adopting the San Elijo Joint Powers Authority Salary and Benefits for Fiscal Years 2019-20, 2020-21, and 2021-22; and
2. Approve the addition of Intern to the FY 2019-20 Classification and Salary Schedule.

Motion carried with the following vote of approval:

AYES:	Zito, Hubbard, Becker, Blakespear
NOES	None
ABSENT:	None
ABSTAIN:	None

15. ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2019-20 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF TREASURER

Paul F. Kinkel, Director of Finance and Administration, presented the Recommended Budget for FY 2019-20 to the Board for approval consideration. The SEJPA received no public comments or requests for budget changes. Therefore, at this time, the Recommended Fiscal Year 2019-20 Budget is ready for adoption.

Michael Thornton, General Manager also stated that staff is not recommending any changes to SEJPA's investment policy for Fiscal Year 2019-20, and that the 2019-20 SEJPA Investment Policy and Guidelines is ready for adoption. The General Manager recommended the appointment of Paul F. Kinkel as SEJPA Treasurer for FY 2019-20.

Moved by Board Member Becker and seconded by Vice Chair Hubbard to:

1. Adopt Resolution No. 2019-04, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2019-20; and
2. Adopt Resolution No. 2019-05, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of Paul F. Kinkel as SEJPA Treasurer.

Motion carried with the following vote of approval:

AYES:	Zito, Hubbard, Becker, Blakespear
NOES	None
ABSENT:	None
ABSTAIN:	None

17. BUILDING AND SITE IMPROVEMENT PROJECT DISCUSSION

The General Manager updated the Board of the Directors on the Building and Site Improvements project. Mr. Thornton stated that permit and easement activities are underway with regulatory stakeholders.

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

18. GENERAL MANAGER'S REPORT

The General Manager shared a "support if amended" letter with the Board of Directors, which was sent to Senate Majority Leader Robert M. Hertzberg addressing SB 332.

19. GENERAL COUNSEL'S REPORT

Adriana Ochoa informed the Board of Directors that the California Supreme Court issued its opinion in *Plantier v. Ramona Municipal Water District* regarding a Proposition 218 challenge against the Ramona Municipal Water District.

20. BOARD MEMBER COMMENTS

None

21. CLOSED SESSION

The Board of Directors adjourned to closed session at 9:19 a.m., pursuant to the following Government Code Sections:

- CONFERENCE WITH LABOR NEGOTIATOR; Agency Negotiator: Michael T. Thornton, General Manager; Unrepresented Employees: All Non-Contract Employees pursuant to Government Code Section 54957.6.
- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION pursuant to Gov. Code 54956.9(d)(4) – Two Matters.
- PUBLIC EMPLOYEE PERFORMANCE EVALUATION: General Manager, pursuant to Gov. Code 54957.

The Board of Directors came out of closed session at 10:01 a.m., with no reportable action.

22. CONSIDERATION OF GENERAL MANAGER PERFORMANCE BONUS (COMPENSATION) PER CURRENT EMPLOYMENT AGREEMENT

Moved by Chair Zito and seconded by Board Member Blakespear to:

1. Approve the General Manager's merit bonus of \$10,000 for Fiscal Year 2018-19.

Motion carried with the following vote of approval:

AYES:	Zito, Hubbard, Becker, Blakespear
NOES	None
ABSENT:	None
ABSTAIN:	None

23. ADJOURNMENT

The meeting adjourned at 10:03 a.m. The next Board of Directors meeting will be held on Monday, July 8, 2019 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager



**SAN ELIJO JOINT POWERS AUTHORITY****PAYMENT OF WARRANTS****20-07****For the Month of June 2019**

<b>Warrant #</b>	<b>Vendor Name</b>	<b>G/L Account</b>	<b>Warrant Description</b>	<b>Amount</b>
37242	A-1 Crane San Diego	Equipment Rental/Lease	Crane for pump placement	270.00
37243	Adler Tank Rentals	Equipment Rental/Lease	Tank for digester cleaning	450.00
37244	Aflac	EE Deduction Benefits	Aflac - June	595.08
37245	Alliant Insurance Services	Insurance - Liability	Government Crime insurance	650.00
37246	American Backflow	Dues & Memberships	Membership	80.00
37247	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease & scum pumping; grit & screenings	2,212.88
37248	Black & Veatch	Services - Management	Encinitas Ranch HOA recycled water project	6,909.00
37249	Brenntag Pacific, Inc.	Supplies - Chemicals	Sodium hydroxide	2,175.05
37250	CS-Amsco	Repair Parts Expense	Valve body	3,598.41
37251	D&H Water Systems	Repair Parts Expense	Micro-feed diaphragm pump	1,808.09
37252	D & R Crane, Inc.	Services - Maintenance	Overhead crane and hoists service	1,540.00
37253	Dudek & Associates	Services - Professional	ESDC - Preliminary treatment upgrades	5,520.00
37254	EDCO Waste & Recycling Service	Utilities - Trash	May	242.75
37255	City of Encinitas	Service - IT Support	Admin network - June	2,703.75
37256	Evantec Lab Supply	Supplies - Lab	Laboratory supplies	1,014.71
37257	Fluid Components International	Services - Maintenance	Flow meter calibration and service	1,505.00
37258	Forte of San Diego	Supplies - Janitorial	Supplies	388.00
37259	Golden State Overnight	Postage/Shipping	Water samples	38.22
37260	GC Pivotal LLC	Utilities - Internet	T-1 service - July	355.24
37261	Harrington Industrial Plastics	Repair Parts Expense	Strainer and slotted pins	188.09
37262	Idexx Distribution, Inc.	Supplies - Lab	Laboratory supplies	3,373.96
37263	Kennedy/Jenks Consultants	Services - Engineering	CMAR-owner representative	1,275.00
37264	McMaster-Carr Supply Co.	Repair Parts Expense	Cam and groove hose, padlock, drain pans	488.96
37265	Michael R. Welch, Ph.D., P.E.	Services - Professional	Regulatory support, plume study	14,280.00
37266	Napa Auto Parts	Vehicle Maintenance	Fuel filter	30.70
37267	NeWest Construction	Services - Contractors	Headworks/grit project	161,749.86
37268	Olivenhain Municipal Water District	Rent	Pipeline rental payment - May	8,347.50
37269	OneSource Distributors, Inc.	Licenses	Remote support agreement	1,569.00
37270	Pacific Pipeline Supply	Repair Parts Expense	Valve, bolts and nut set, flange, camlock, and PVC	1,281.75
37271	PCL Construction Services	Services - Contractors	Design services	23,162.00
37272	Preferred Benefit Insurance	Dental/Vision	Vision - June	314.50
37273	ProBuild Company, LLC	Supplies - Shop & Field	Shop and field supplies	324.35
37274	ReadyRefresh	Supplies - Lab	Kitchen and lab supplies	398.61
37275	Right-Of-Way Engineering	Services - Engineering	Land outfall settlement monitoring	2,268.90
37276	Rockwell Solutions	Repair Parts Expense	Impeller, cutter bar, and strain relief	5,759.03
37277	Rohan & Sons, Inc.	Services - Maintenance	Low voltage wiring	635.00
37278	RSF Security Systems	Services - Alarm	On-site service	78.00
37279	Santa Fe Irrigation District	Utilities - Water	Recycled water	1,377.66
37280	San Dieguito Water District	Utilities - Water	Recycled water	650.09
37281	Thatcher Company of California	Supplies - Chemicals	Citric acid	2,052.26
37282	Michael Thornton	CSRMA Health and Wellness	Health and wellness program	60.00
37283	Unifirst Corporation	Services - Uniforms	Uniform service	227.70
37284	UPS	Postage/Shipping	Postage	8.85
37285	Underground Service Alert/SC	Services - Alarm	Safe excavation board, dig alert - May	277.16
37286	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	6,417.03
37287	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,539.64
37288	Volt Management Corp	Services - Intern Program	Periods ending - 05/17/19, 05/24/19, 05/26/19	7,119.41
37289	VWR International, Inc.	Supplies - Lab	Laboratory supplies	1,827.95
On-line 199	Chevron & Texaco Business Card	Fuel	May	935.56
On-line 200	Home Depot Credit Services	Supplies - Shop & Field	Repair parts	625.41
On-line 201	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 05/18/19 - 05/31/19	13,327.15
37290	Advanced Air & Vacuum	Services - Maintenance	Air compressors	1,502.64
37291	Affordable Pipeline Services	Services - Grit & Screenings	Vacuumed liquids and grit; flushed grit from line	4,235.00
37292	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling - May	18,836.84
37293	AT&T	Utilities - Telephone	Phone service - 05/13/19 - 06/12/19	398.33
37294	AT & T	Utilities - Telephone	Alarm service - June	399.60
37295	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping; grit and screenings	2,212.88
37296	American Water Chemicals, Inc.	Services - Maintenance	Full membrane autopsy	1,500.00
37297	Scott Best	CSRMA Health and Wellness	Health and wellness program	59.98
37298	Black & Veatch	Services - Management	Solids treatment process; Encinitas Ranch RW projec	6,975.40
37299	Carollo Engineers	Services - Engineering	SCADA Upgrade	4,354.00

**SAN ELIJO JOINT POWERS AUTHORITY****PAYMENT OF WARRANTS****20-07****For the Month of June 2019**

<b>Warrant #</b>	<b>Vendor Name</b>	<b>G/L Account</b>	<b>Warrant Description</b>	<b>Amount</b>
37300	Coast Waste Management, Inc.	Services - Grit & Screenings	Grit & screenings roll-off	3,459.53
37301	Complete Office	Supplies - Office	Office supplies	61.73
37302	Corodata	Rent	Record storage - May	97.97
37303	County of San Diego	Fees - Permits	Facility permits	1,936.00
37304	Dell Marketing L.P.	Supplies - Office	Monitors	3,659.76
37305	DMV	Services - Other	Safety records - 05/01/19 - 05/31/19	1.00
37306	City of Encinitas	Service - IT Support	Admin network - May	2,703.75
37307	Firehawk Fire & Safety	Training - Safety	Training class	299.95
37308	Hardy Diagnostics	Supplies - Lab	Laboratory supplies	2,420.18
37309	Michael Henke	CSRMA Health and Wellness	Health and wellness program	60.00
37310	Kemira Water Solutions, Inc.	Supplies - Chemicals	Ferric chloride	4,811.56
37311	Kimley-Horn & Associates, Inc.	Services - Professional	Caltrans trail and entrance	25,397.15
37312	Larry Walker Associates	Services - Professional	Laboratory audit and review	5,324.75
37313	McMaster-Carr Supply Co.	Repair Parts Expense	Pipe, iron wheel, bushings, sockets, valve, sampler	1,065.68
37314	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium hypochlorite	3,595.01
37315	Olivenhain Municipal Water District	Services - Lobbying	NSDCRRWP	7,964.47
37316	Olivenhain Municipal Water District	Services - Professional	NSDWRC	1,016.23
37317	Olivenhain Municipal Water District	Prepaid - Other	NSDCRRWP	12,935.78
37318	Pacific Pipeline Supply	Repair Parts Expense	Handwheel and valve	856.33
37319	Michael Piper	CSRMA Health and Wellness	Health and wellness	60.00
37320	Procopio Cory Hargreaves	Services - Legal	General - May	4,195.38
37321	Quality Microscope Service	Services - Maintenance	Microscope maintenance	215.00
37322	Roesling Nakamura Terada Architects	Services - Professional	Building design	9,152.50
37323	Rusty Wallis, Inc.	Services - Maintenance	Water softener, tanks, and salt bags	124.38
37324	SAF-T-Flo Water Services	Repair Parts Expense	PVC solution tube	407.37
37325	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - May	1,290.29
37326	San Dieguito Water District	Utilities - Water	Recycled water	1,727.61
37327	Southern California Coastal	Services - Engineering	Field and laboratory service related to ocean outfall	62,889.00
37328	Terminix Processing Center	Services - Maintenance	May	384.00
37329	Test America	Services - Laboratory	Testing water samples	2,052.50
37330	Thatcher Company of California	Supplies - Chemicals	Aluminum sulfate	6,510.28
37331	Michael Thornton	Subsistence - Travel/Rm & Bd	DC Congressional visit	1,940.56
37332	Technology Integration Group	Services - Maintenance	Copier	102.69
37333	Christopher A. Trees	Subsistence - Travel	Mileage to Caltrans and SDCWA meetings	45.18
37334	Trussell Technologies, Inc.	Services - Engineering	MF and RO training and data analysis	9,882.00
37335	Unifirst Corporation	Services - Uniforms	Uniform service	222.28
37336	United Laboratories	Shop Tools and Equip.	Polymerge polymer and spill encapsulate	221.60
37337	USP Technologies	Equipment Rental/Lease	Feed systems	862.00
37338	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	6,380.17
37339	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,412.29
37340	Verizon Wireless	Utilities - Telephone	05/11/19 - 06/10/19	337.95
37341	Verizon Wireless	Utilities - Telephone	Cell phone service - 05/08/19 - 06/07/19	811.76
37342	Volt Management Corp	Services - Intern Program	Periods ending - 04/26/19, 05/31/19, 06/07/19	6,603.68
37343	VWR International, Inc.	Supplies - Lab	Laboratory supplies	1,484.79
37344	WageWorks	Payroll Processing Fees	Admin and compliance fees	268.00
37345	Western Hose & Gasket	Shop Tools and Equip.	50' reclaimed water 200 psi hose	604.92
On-line 202	BankCard Center	Various	Security, parts, and supplies	8,550.88
On-line 203	Chevron & Texaco Business Card	Fuel	June	292.14
On-line 204	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 06/01/19 - 06/14/19	13,206.49
On-line 205	SDG&E	Utilities - Gas & Electric	Gas and electric - 03/18/19 - 05/15/19	65.29
On-line 206	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 05/06/19 - 06/05/19	56,369.00
On-line 207	Sun Life Financial	Life Insurance/Disability	Life and disability insurance - July	1,667.32
	San Elijo Payroll Account	Payroll	Payroll - 06/07/2019	71,796.11
	San Elijo Payroll Account	Payroll	Payroll - 06/21/2019	82,022.87
				<u>\$ 770,327.04</u>

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

**For the Month of June 2019**

**As of June 25, 2019**

PAYMENT OF WARRANTS	\$ 770,327.04
Reference Number	20-07

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 June 25, 2019

FUNDS ON DEPOSIT WITH	AMOUNT
<b>LOCAL AGENCY INVESTMENT FUND</b>	
<i>(MAY 2019 YIELD 2.449%)</i>	
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 8,860,443.29
<b>CALIFORNIA BANK AND TRUST</b>	
<i>(MAY 2019 YIELD 0.01%)</i>	
REGULAR CHECKING	\$ 203,808.14
PAYROLL CHECKING	\$ 5,000.00
<b>UNION BANK - TRUSTEE (BOND FUNDS)</b>	
BLACKROCK	\$ 396,089.09
<i>(MAY 2019 YIELD 2.28%)</i>	
LAIF	\$ 15,266,036.67
<i>(MAY 2019 YIELD 2.449%)</i>	
<b>PARS - TRUSTEE (POST-EMPLOYMENT BENEFITS TRUST)</b>	\$ 50,000.00
<i>(Q1 2019 ANNUALIZED 7.99% NET OF FEES)</i>	
<b>TOTAL RESOURCES</b>	<u>\$ 25,411,377.19</u>

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

July 8, 2019

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

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

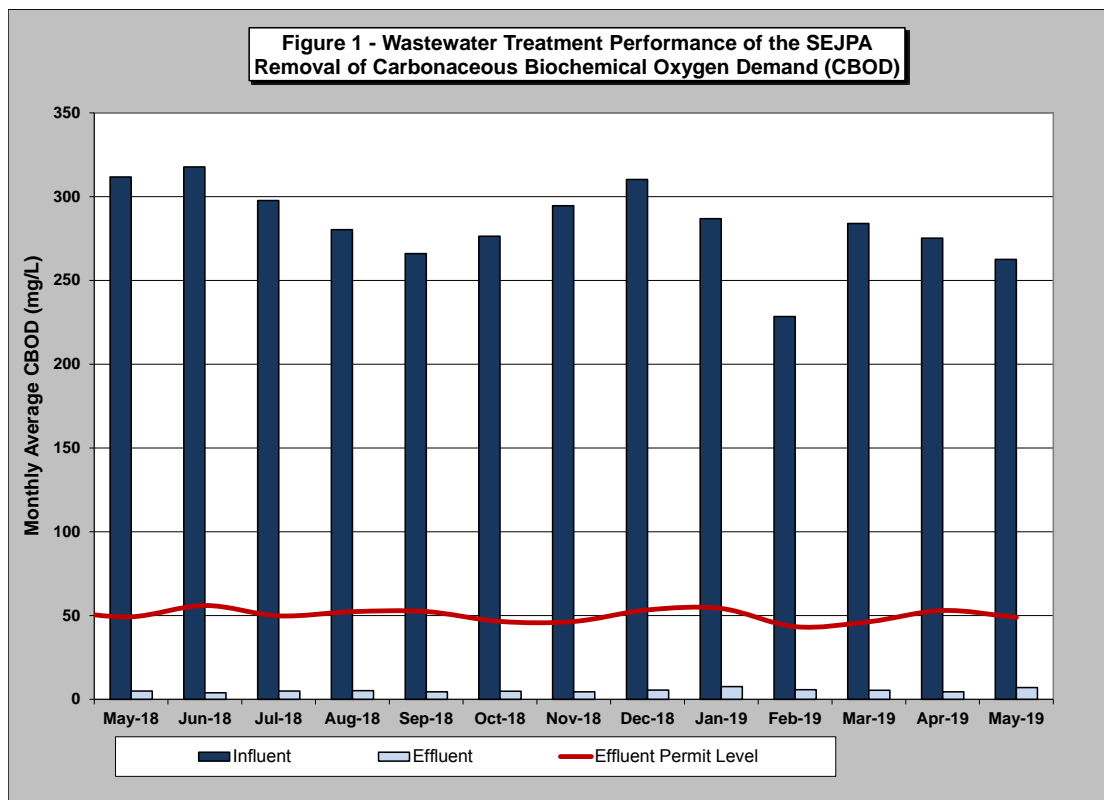
RECOMMENDATION

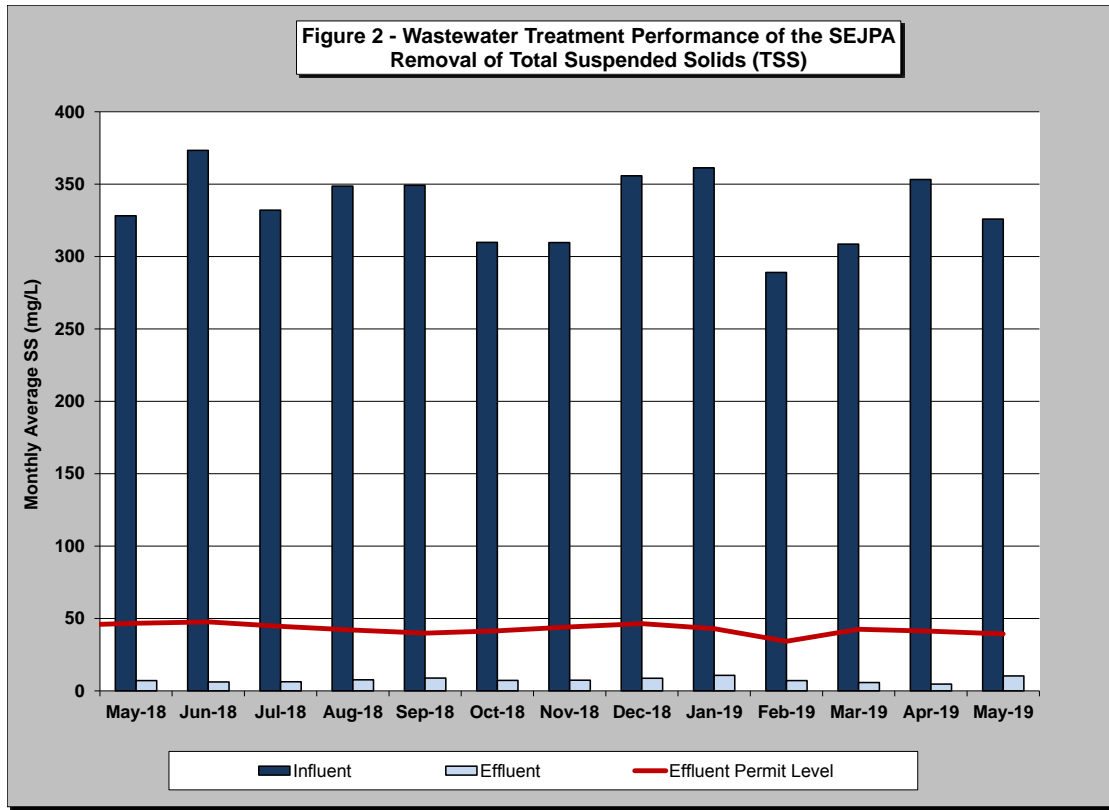
No action required. This memorandum is submitted for information only.

DISCUSSION

Monthly Treatment Plant Performance and Evaluation

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all National Pollutant Discharge Elimination System (NPDES) ocean effluent limitation requirements for the month of May 2019. 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 97.3 and 96.8 percent removal, respectively (as shown in Figure 1 and Figure 2).





### Member Agency Flows

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

	May	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.125	0.493
City of Solana Beach	0.880	0.386
Rancho Santa Fe SID	0.133	0.059
City of Del Mar	0.361	0.158
<b>Total San Elijo WRF Flow</b>	<b>2.499</b>	<b>1.096</b>

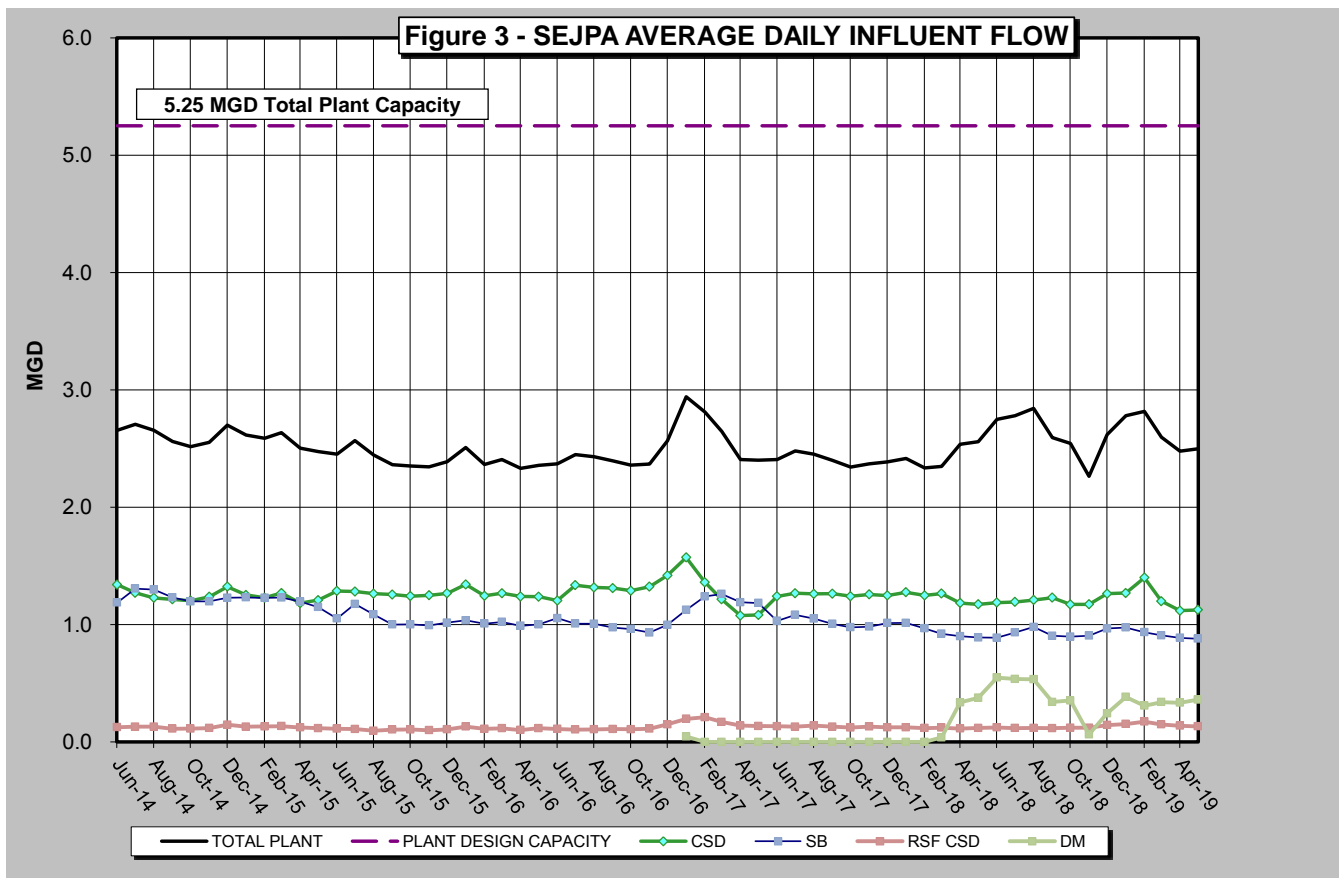
\* Effluent is calculated by subtracting the recycled water production from the influent wastewater.

Table 1 (below) presents the historical average, maximum, and unit influent and effluent flow rates per month for each of the Member Agencies during the past 5 years. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each of the Member Agencies during this same time period.

**TABLE 1 - 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	DM	TOTAL PLANT	CSD	RSF	CSD	SB	DM	TOTAL PLANT	CSD EDUS	RSF EDUS	CSD EDUS	SB EDUS	DM EDUS	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
Jun-14	1.341	0.126	1.188			2.655	0.207	0.020	0.183			0.410	8,333	498	7,728			16,559	161	253	154		160
Jul-14	1.271	0.130	1.307			2.708	0.232	0.024	0.239			0.495	8,338	499	7,728			16,565	152	261	169		163
Aug-14	1.228	0.130	1.298			2.656	0.227	0.024	0.239			0.490	8,345	500	7,728			16,573	147	260	168		160
Sep-14	1.215	0.113	1.232			2.560	0.211	0.019	0.214			0.444	8,351	500	7,728			16,579	145	226	159		154
Oct-14	1.204	0.114	1.198			2.516	0.394	0.038	0.392			0.824	8,353	500	7,728			16,581	144	228	155		152
Nov-14	1.237	0.118	1.198			2.553	0.667	0.063	0.646			1.376	8,354	502	7,728			16,584	148	235	155		154
Dec-14	1.323	0.147	1.229			2.699	1.163	0.129	1.081			2.373	8,355	502	7,728			16,585	158	293	159		163
Jan-15	1.253	0.130	1.232			2.615	0.984	0.102	0.967			2.053	8,359	503	7,977			16,838	150	259	154		155
Feb-15	1.229	0.132	1.228			2.589	0.757	0.081	0.757			1.595	8,361	504	7,977			16,841	147	262	154		154
Mar-15	1.269	0.135	1.231			2.635	0.583	0.062	0.566			1.211	8,365	504	7,977			16,846	152	268	154		156
Apr-15	1.183	0.124	1.196			2.503	0.350	0.036	0.354			0.740	8,366	504	7,977			16,847	141	246	150		149
May-15	1.209	0.117	1.149			2.475	0.545	0.053	0.518			1.116	8,367	505	7,977			16,848	144	232	144		147
Jun-15	1.287	0.113	1.052			2.452	0.362	0.032	0.296			0.690	8,369	506	7,977			16,852	154	224	132		146
Jul-15	1.282	0.110	1.176			2.568	0.392	0.034	0.359			0.785	8,370	510	8,003			16,883	153	216	147		152
Aug-15	1.264	0.095	1.087			2.446	0.315	0.023	0.271			0.609	8,371	510	8,003			16,884	151	186	136		145
Sep-15	1.256	0.105	1.001			2.362	0.457	0.038	0.364			0.859	8,372	511	8,003			16,885	150	206	125		140
Oct-15	1.243	0.106	1.002			2.351	0.681	0.058	0.549			1.288	8,373	511	8,003			16,886	148	208	125		139
Nov-15	1.250	0.100	0.994			2.344	0.792	0.063	0.630			1.485	8,376	511	8,003			16,889	149	196	124		139
Dec-15	1.266	0.107	1.016			2.389	0.971	0.082	0.780			1.833	8,377	511	8,003			16,891	151	210	127		141
Jan-16	1.342	0.131	1.037			2.510	1.189	0.116	0.918			2.223	8,380	511	8,003			16,894	160	257	130		149
Feb-16	1.245	0.112	1.008			2.365	0.780	0.070	0.631			1.481	8,383	512	8,003			16,897	149	219	126		140
Mar-16	1.267	0.116	1.023			2.406	0.763	0.070	0.616			1.449	8,388	512	8,003			16,903	151	227	128		142
Apr-16	1.240	0.102	0.990			2.332	0.675	0.055	0.539			1.269	8,389	512	8,003			16,904	148	199	124		138
May-16	1.238	0.117	1.002			2.357	0.505	0.048	0.409			0.962	8,389	512	8,003			16,904	148	229	125		139
Jun-16	1.205	0.111	1.055			2.371	0.362	0.033	0.317			0.712	8,390	514	8,003			16,907	144	216	132		140
Jul-16	1.336	0.105	1.008			2.449	0.586	0.046	0.442			1.074	8,392	514	8,020			16,926	159	204	126		145
Aug-16	1.317	0.107	1.007			2.431	0.647	0.053	0.495			1.195	8,393	516	8,020			16,929	157	207	126		144
Sep-16	1.311	0.110	0.975			2.396	0.601	0.050	0.447			1.098	8,394	516	8,020			16,930	156	213	122		142
Oct-16	1.289	0.108	0.962			2.359	0.521	0.043	0.389			0.953	8,397	517	8,020			16,933	154	209	120		139
Nov-16	1.323	0.113	0.932			2.368	0.730	0.062	0.514			1.306	8,403	517	8,020			16,940	157	219	116		140
Dec-16	1.419	0.150	0.998			2.567	1.179	0.125	0.829			2.133	8,406	549	8,020			16,975	169	273	124		151
Jan-17	1.572	0.197	1.125	0.047		2.941	1.489	0.186	1.066	0.045		2.786	8,409	549	8,020	1,716		18,694	187	359	140	142	157
Feb-17	1.361	0.211	1.240	0.000		2.812	1.236	0.192	1.126	0.000		2.554	8,409	549	8,020	1,716		18,694	162	384	155	0	166
Mar-17	1.215	0.170	1.261	0.000		2.646	0.856	0.120	0.889	0.000		1.865	8,413	550	8,020	1,716		18,698	144	309	157	0	156
Apr-17	1.077	0.139	1.190	0.000		2.406	0.841	0.108	0.929	0.000		1.878	8,414	551	8,020	1,716		18,700	128	252	148	0	142
May-17	1.082	0.136	1.184	0.000		2.402	0.842	0.106	0.922	0.000		1.870	8,416	551	8,049	1,716		18,732	129	247	147	0	141
Jun-17	1.241	0.134	1.032	0.000		2.407	0.980	0.106	0.815	0.000		1.901	8,420	551	8,049	1,716		18,737	147	243	128	0	141
Jul-17	1.267	0.130	1.083	0.000		2.480	0.802	0.082	0.685	0.000		1.569	8,421	551	8,061	1,716		18,749	150	236	134	0	146
Aug-17	1.262	0.139	1.051	0.000		2.452	0.852	0.094	0.709	0.000		1.655	8,423	553	8,061	1,716		18,753	150	251	130	0	144
Sep-17	1.264	0.130	1.006	0.000		2.400	0.866	0.089	0.689	0.000		1.644	8,427	555	8,061	1,716		18,759	150	234	125	0	141
Oct-17	1.242	0.123	0.977	0.000		2.342	0.543	0.053	0.427	0.000		1.023	8,431	555	8,061	1,716		18,763	147	222	121	0	137
Nov-17	1.257	0.131	0.983	0.000		2.371	0.661	0.069	0.517	0.000		1.247	8,431	554	8,061	1,716		18,762	149	237	122	0	139
Dec-17	1.248	0.125	1.014	0.000		2.387	0.693	0.070	0.563	0.000		1.326	8,431	554	8,061	1,716		18,762	148	226	126	0	140
Jan-18	1.276	0.125	1.015	0.000		2.416	0.886	0.087	0.705	0.000		1.678	8,435	555	8,061	1,716		18,767	151	225	126	0	142
Feb-18	1.249	0.118	0.968	0.000		2.335	0.601	0.056	0.466	0.000		1.123	8,441	555	8,061	1,716		18,773	148	213	120	0	137
Mar-18	1.265	0.122	0.922	0.039		2.348	0.857	0.083	0.625	0.026		1.591	8,451	555	8,061	1,716		18,782	150	220	114	149	125
Apr-18	1.184	0.115	0.901	0.337		2.537	0.627	0.061	0.477	0.179		1.344	8,451	559	8,061	1,716		18,786	140	206	112	129	135
May-18	1.173	0.119	0.890	0.376		2.558	0.566	0.057	0.430	0.182		1.235	8,461	562	8,061	1,716		18,799	139	212	110	144	136
Jun-18	1.188	0.124	0.888	0.549		2.749	0.557	0.058	0.417	0.258		1.290	8,466	562	8,061	1,716		18,804	140	221	110	210	146
Jul-18	1.193	0.118	0.933	0.537		2.781	0.619	0.061	0.484	0.278		1.442	8,478	562	8,083	2,611		19,733	141	210	115	206	141
Aug-18	1.210	0.119	0.980	0.534		2.843	0.686	0.067	0.555	0.303		1.611	8,481	563	8,083	2,611		19,737	143	212	121	205	144
Sep-18	1.230	0.117	0.905	0.341		2.593	0.677	0.064	0.498	0.188		1.427	8,481	563	8,083	2,611		19,737	145	208	112	131	131
Oct-18	1.172	0.121	0.897	0.354		2.544	0.529	0.054	0.405	0.160		1.148	8,481	564	8,083	2,611		19,738	138	215	111	136	129
Nov-18	1.173	0.121	0.906	0.064		2.264	0.495	0.051	0.383	0.027		0.956	8,488	565	8,083	2,611		19,746	138	214	112	136	129
Dec-18	1.264	0.144	0.967	0.244		2.619	1.017	0.116	0.778	0.196		2.107	8,491	566	8,083	2,611		19,751	149	255	120	136	138
Jan-19	1.269	0.153	0.975	0.384		2.781	1.221	0.147	0.938	0.369		2.675	8,491	566	8,083	2,611		19,751	149	271	121	147	141
Feb-19	1.400	0.173	0.935	0.309		2.817	1.256	0.156	0.839	0.277		2.528	8,492	566	8,083	2,611		19,752	165	306	116	137	145
Mar-19	1.200	0.149	0.908	0.340		2.597	0.956	0.119	0.724	0.271		2.070	8,493	568	8,083	2,611		19,755	141	263	112	132	132
Apr-19	1.119	0.138	0.887	0.334		2.478	0.330	0.040	0.262														

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. 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 2.2 mgd, Rancho Santa Fe Community Service District leases 0.25 mgd, and the City of Del Mar leases 0.60 mgd.





### City of Escondido Flows

The average and peak flow rate for the month of May 2019 from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below.

	<b>Flow (mgd)</b>
Escondido (Average flow rate)	10.7
Escondido (Peak flow rate)	18.2

### Connected Equivalent Dwelling Units

The City of Solana Beach and the City of Del Mar updated the connected EDUs number that is reported to the SEJPA in July 2018. The City of Encinitas and Rancho Santa Fe CSD report their connected EDUs every month. The number of EDUs connected for each of the Member Agencies and lease agencies is as follows:

	<b>Connected (EDU)</b>
Cardiff Sanitary Division	8,494
Rancho Santa Fe SID	568
City of Solana Beach	7,747
San Diego (to Solana Beach)	337
City of Del Mar	2,611
<b>Total EDUs to System</b>	<b>19,756</b>

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

July 8, 2019

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 May 2019, recycled water demand was 108.92 acre-feet (AF), which was met using 108.92 AF of recycled water no supplementation with potable water.

May demand was 40% below budget due to cool and wet weather. The total water production for the year is below budget by 11% or 157 AF for the first 11 months of the fiscal year. The decline in recycled water sales is due to higher than expected rainfall and cool weather.

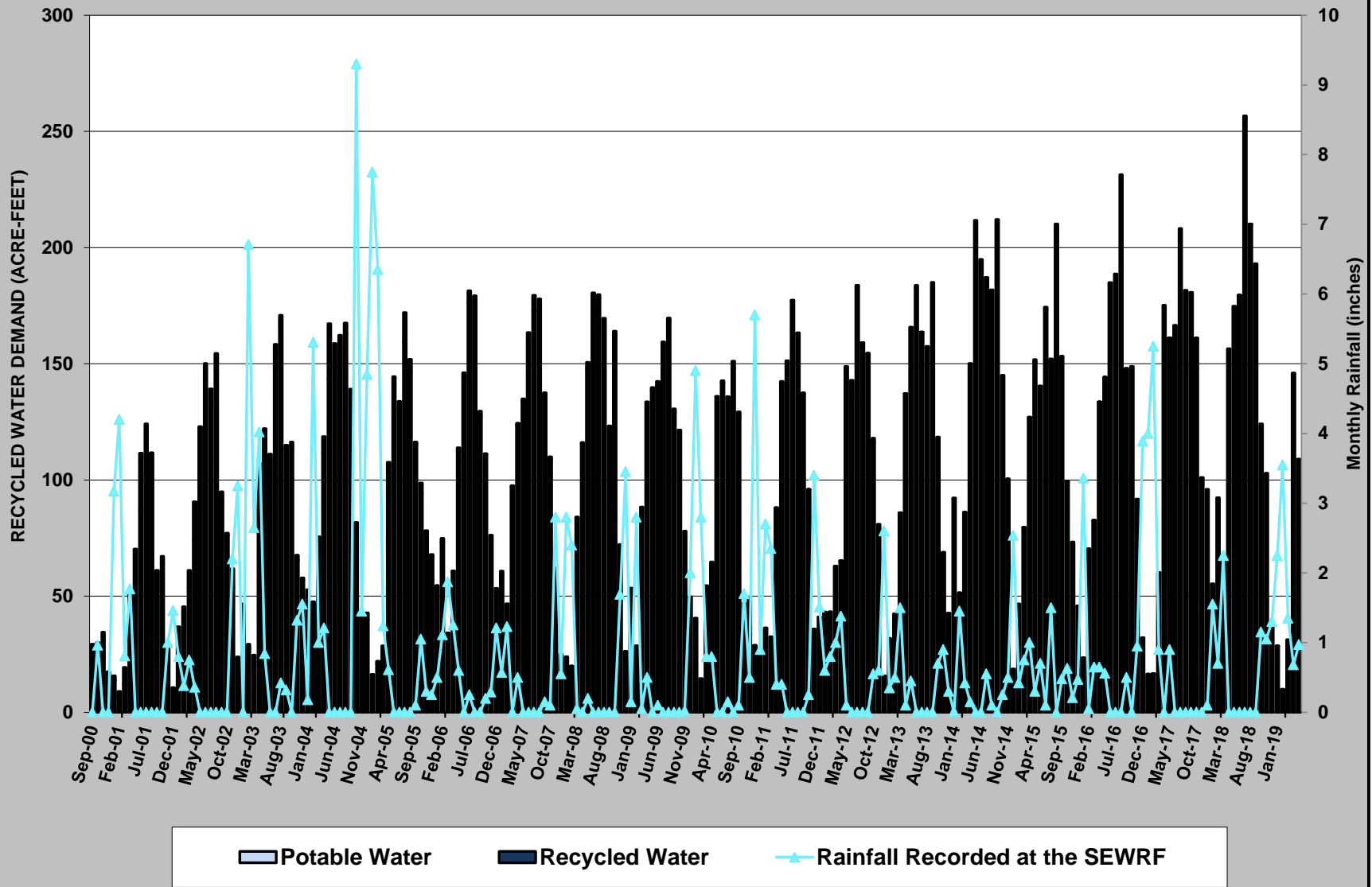
Figure 1 (attached) provides monthly demands for recycled water since deliveries began in September 2000. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning the last 18 fiscal years. Figure 3 (attached) shows the monthly recycled water demand for each May since the program began. Figure 4 (attached) compares budget versus actual recycled water sales for FY 2018-19; showing sales are trending slightly below budget.

Respectfully submitted,

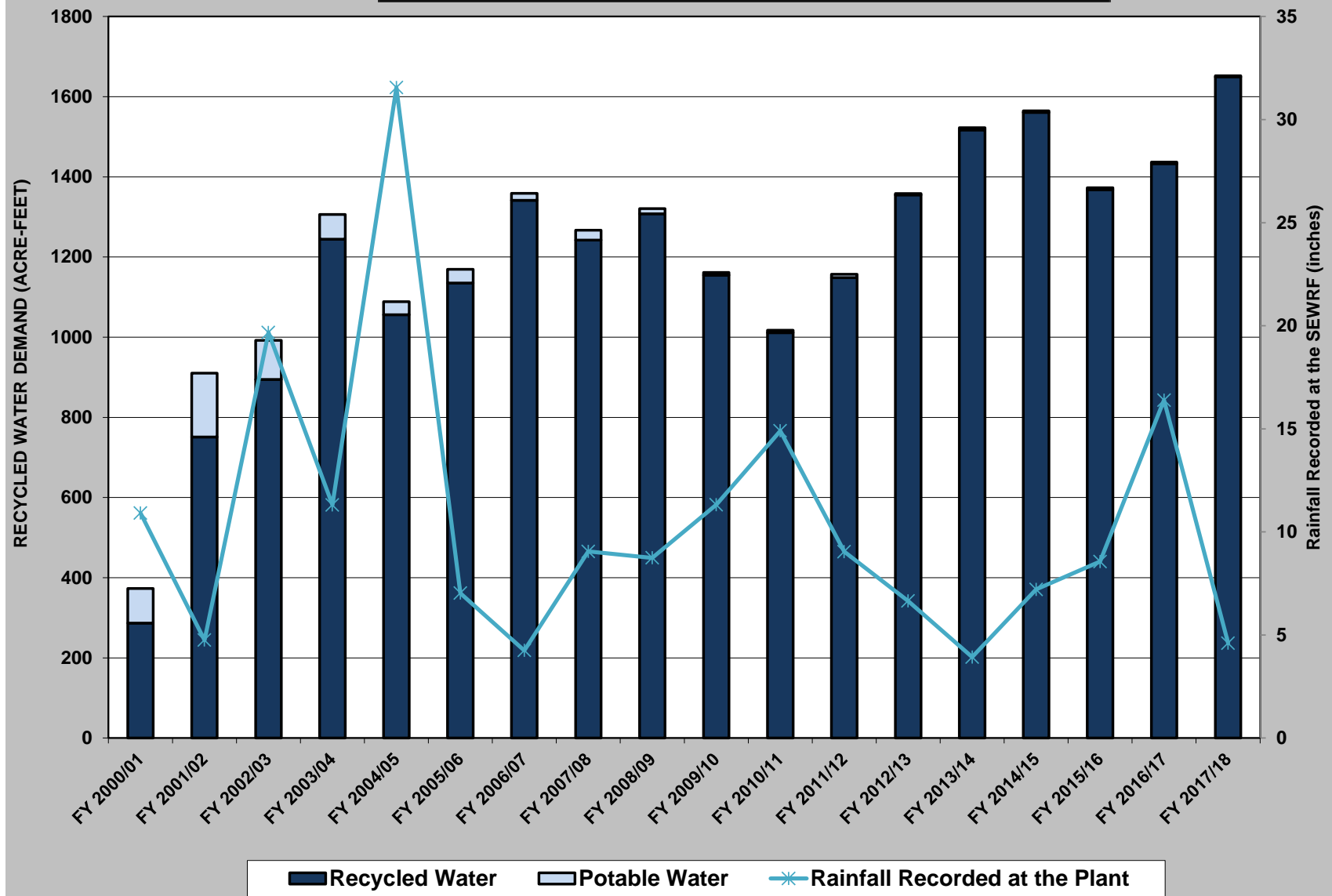


Michael T. Thornton, P.E.  
General Manager

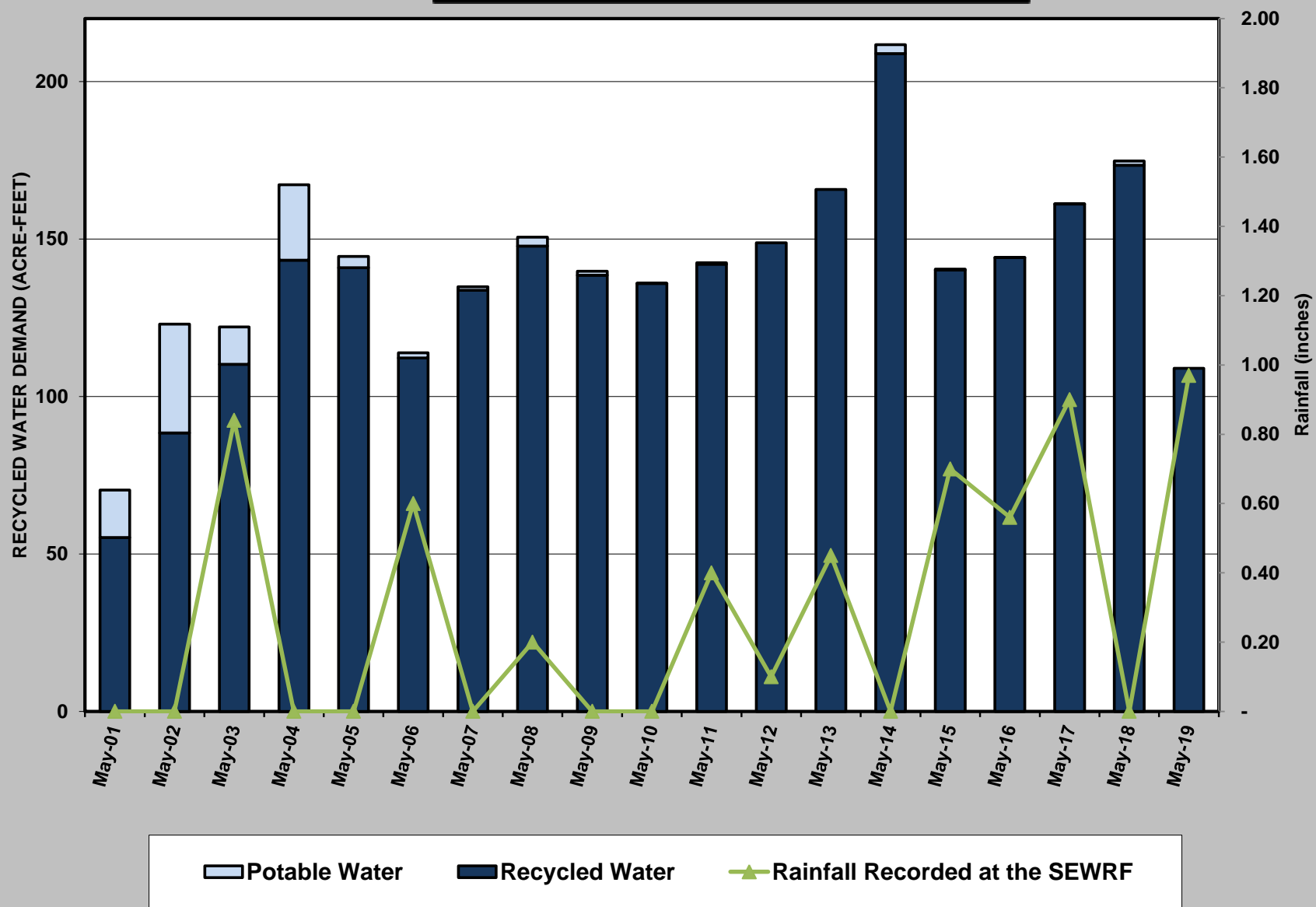
**Figure 1 - MONTHLY RECYCLED WATER DEMAND**



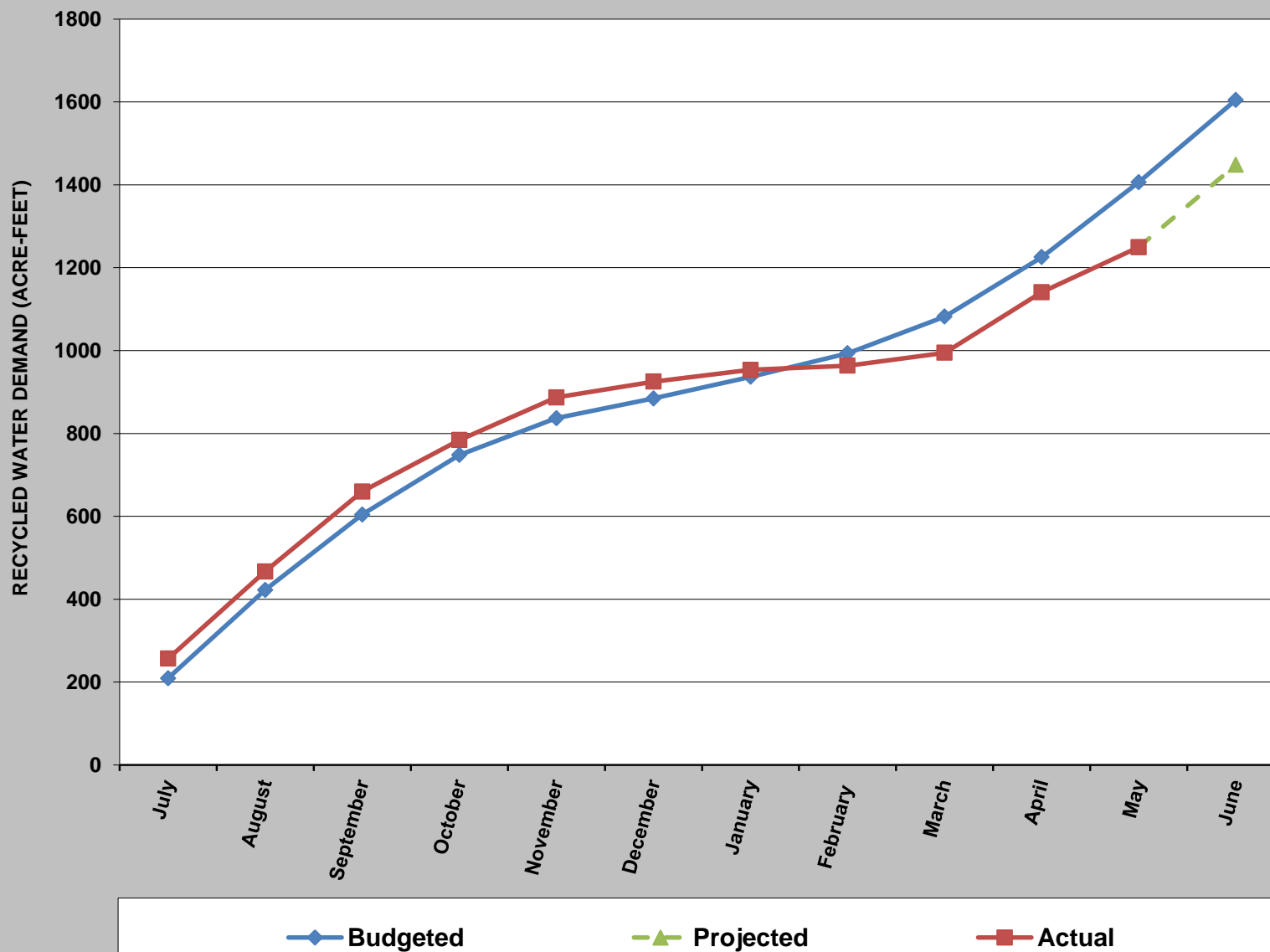
**Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR**



**Figure 3 - MAY RECYCLED WATER DEMAND**



**Figure 4 - RECYCLED WATER DEMAND BUDGET vs ACTUAL**



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

July 8, 2019

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY CONTRACT FOR PROCUREMENT  
OF FERRIC CHLORIDE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into an agreement with California Water Technologies, LLC for the procurement of Ferric Chloride for an amount not to exceed \$78,000;
2. Discuss and take action as appropriate.

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) and Encina Wastewater Authority (EWA) operate similar facilities in north coastal San Diego County. Over the last several years, the agencies have partnered to identify opportunities to share resources, collaborate on mutual aid, and create efficiencies to reduce costs and improve service.

Success has been obtained in shared HR services, work safety collaboration, and emergency response assistance. EWA and SEJPA have also implemented a labor leasing agreement that allows employee sharing between the agencies to address spikes in workloads and fluctuation in staffing, conduct special projects, or other assignments.

In 2016 and 2018, EWA and SEJPA were successful in partnering on opportunities to reduce cost through bulk purchasing of supplies and services. Staff identified two chemicals (Sodium Hypochlorite and Ferric Chloride) that are common to the operation of both agencies and that are purchased in large quantities, usually through multi-year contracts.

Staff worked with Procopio Cory Hargreaves & Savitch LLP to develop joint agency agreements for bulk purchasing of supplies and services. The agreements address purchasing terms and responsibilities of each agency, as well as liability, indemnification, and insurance requirements

to reduce risk to all parties. EWA and SEJPA have found that jointly requesting bids and issuing separate supply contracts is an efficient method of procurement and contract administration.

## DISCUSSION

EWA staff solicited bids for Ferric Chloride on May 7, 2019 and opened the bids on June 10, 2019. Four vendors responded with only three providing pricing. The results are shown in the Table 1 below:

**Table 1: Ferric Chloride Bid Results**

Vendor	Cost per Dry Ton
California Water Technologies	\$ 630.00
Kemira Water Solutions, Inc.	\$ 631.00
Pencoo, Inc.	\$ 700.00
Univar USA	No Bid

The low bidder is California Water Technologies. SEJPA has previously purchased ferric chloride from this vendor. Previous service by California Water Technologies was satisfactory with no noted issues or concerns.

## FISCAL IMPACT

Funding for the proposed Ferric Chloride chemical purchase is budgeted at \$78,028 in SEJPA's Adopted Budget.

It is therefore recommended that the Board of Directors:

1. Authorize the General Manager to enter into an agreement with California Water Technologies, LLC for the procurement of Ferric Chloride for an amount not to exceed \$78,000;
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

Attachment 1: Agreement between San Elijo Joint Powers Authority and California Water Technologies, LLC for the Procurement of Ferric Chloride



## ATTACHMENT 1

### **AGREEMENT**

THIS AGREEMENT is made and entered into on this 1<sup>st</sup> day of July, 2019, by and between the San Elijo Joint Powers Authority, a joint powers authority organized and operating pursuant to Government Code Sections 6500 et seq., hereinafter referred to as AUTHORITY, and California Water Technologies, LLC, a Michigan limited liability company, hereinafter referred to as SUPPLIER.

### WITNESSETH:

WHEREAS, Encina Wastewater Authority (EWA) invited bids for the provision of Ferric Chloride.

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

WHEREAS, AUTHORITY desires and SUPPLIER is willing to provide said services to AUTHORITY on the same pricing terms as EWA.

WHEREAS, the SEJPA Purchasing Policy and Procedures, Section 10.2 authorizes the General Manager to acquire supplies and equipment from or in cooperation with another governmental agency.

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, 2020, with the option of two (2) additional one (1) year terms at the request of AUTHORITY.
2. AUTHORITY'S OBLIGATIONS. For furnishing services or supplies as specified in the Agreement, AUTHORITY will pay and SUPPLIER shall receive compensation for Ferric Chloride at the unit price of \$630 per dry ton. The total amount of Ferric Chloride to be purchased under this Agreement has been estimated to be 123.8 dry tons per year, but actual usage may be considerably less. In no case will total compensation exceed \$78,000. The unit cost and total cost shall include all delivery, tax and shipping charges.

Payments to the SUPPLIER shall be made within forty-five (45) days after receipt of an original invoice from the SUPPLIER and provision of said services to AUTHORITY. SUPPLIER shall invoice no more frequently than monthly for services or supplies provided. Neither AUTHORITY'S acceptance of, nor payment for any of the services, shall be construed to operate as a waiver of any rights under this Agreement or any cause of action arising out of the performance of this Agreement.

3. SUPPLIER'S OBLIGATIONS. For and in consideration of the payments and agreements hereinbefore mentioned to be made and performed by AUTHORITY, SUPPLIER 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, SUPPLIER warrants on behalf of itself and all sub-SUPPLIERS 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. In performing services under this Agreement, SUPPLIER agrees to comply with all laws, rules and regulations and ordinances, whether federal, state or local, and any and all AUTHORITY policies, procedures, departmental rules or other directives applicable to the services to be performed by provided by AUTHORITY'S General Manager or his designee, to SUPPLIER. Any changes to AUTHORITY'S policies and procedures that relate to SUPPLIER will be provided to SUPPLIER in writing. SUPPLIER agrees to review such policies, procedures, rules and directives and the contents of which SUPPLIER will be deemed to have knowledge. SUPPLIER shall ensure that any report generated under this Agreement complies with California Government Code section 7550.

4. HOLD HARMLESS AND INDEMNIFICATION. SUPPLIER agrees to defend, indemnify, and hold harmless AUTHORITY, its member agencies (to include the City of Encinitas and the City of Solana Beach), and each of their respective directors, officials, officers, employees, representatives, and agents (collectively, "Indemnified Parties"), from and against all claims, lawsuits, liabilities or damages, including attorney's fees and costs, of whatsoever nature arising out of or in connection with, or relating in any manner to any act or omission of SUPPLIER, its agents, employees, and sub-SUPPLIERS of any tier and employees thereof in connection with the performance or non-performance of this Agreement. The SUPPLIER shall thoroughly investigate any and all claims and indemnify the Indemnified Parties and do whatever is necessary to protect the Indemnified Parties as to any such claims lawsuits, liabilities, expenses, or damages.
5. INSURANCE. During the course of the Agreement, SUPPLIER shall pay for and maintain, in full force and effect, all insurance required by any governmental agency having jurisdiction to require particular insurance of SUPPLIER in connection with or related to the work covered hereby. SUPPLIER 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 AND AUTO LIABILITY WITH AUTHORITY, ITS MEMBER AGENCIES (TO INCLUDE THE CITY OF ENCINITAS AND THE CITY OF SOLANA BEACH), AND EACH OF THEIR RESPECTIVE DIRECTORS, OFFICIALS, OFFICERS, EMPLOYEES, REPRESENTATIVES AND AGENTS ("INSURED PARTIES") NAMED HEREIN AS ADDITIONAL INSUREDS, AS WELL AS ALL OTHER COVERAGE REQUIRED BY THIS AGREEMENT. Insurance carrier shall be satisfactory to AUTHORITY, and insurance shall be purchased from insurance companies with a current A.M. Best rating of no less than A:VII, unless otherwise agreed in writing by AUTHORITY. Insurance shall be in such form approved by AUTHORITY so as to protect all Insured Parties against loss from liability assumed by contract or 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 SUPPLIER or any subcontract with SUPPLIER thereunder, and also to protect all Insured Parties 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 SUPPLIER; which insurance shall also cover accidents arising out of the use and operation of owned, non-owned and hired automobiles, trucks, and/or other mobile equipment. Automobile liability shall be at least as broad as form number CA 0001, covering code 1 (any auto), covering bodily injury and property damage, with a combined single limit of no less than \$1,000,000 per claim for bodily injury and property

damage. General liability shall be at least as broad as occurrence form CG 0001, covering bodily injury, personal injury and property damage. The amounts of coverage of said insurance shall not be less than the following:

Public Liability	\$1,000,000 single limit/\$3,000,000 aggregate
Property Damage	\$1,000,000 single limit/\$3,000,000 aggregate

SUPPLIER 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 with a combined single limit of no less than \$1,000,000 per claim for bodily injury or disease, and shall require similar insurance to be provided by its sub-SUPPLIERS. A certificate shall be furnished to AUTHORITY showing compliance with above.

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 SUPPLIER'S insurance carrier and shall specifically cover any contractual liability incurred hereunder.

All insurance policies shall be on an occurrence basis and cover the period of performance under this Agreement.

The coverage shall contain no special limitations on the scope of protection afforded to the Insured Parties.

SUPPLIER'S Insurance shall be primary insurance as respects the Insured Parties, and each of them. Any insurance, self-insurance or other coverage maintained by Insured Parties shall be excess of the SUPPLIER'S insurance and not contribute to it.

SUPPLIER hereby agrees to waive rights of subrogation which any insurer of SUPPLIER may acquire from SUPPLIER by virtue of the payment of any loss. SUPPLIER agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The workers' compensation policy shall be endorsed with a waiver of subrogation in favor of the Insured Parties for all work performed by the SUPPLIER, its employees, agents and sub-SUPPLIERS.

Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to Insured Parties.

SUPPLIER'S insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of insurer's liability.

All insurance policies shall specifically cover any contractual liability incurred pursuant to this Agreement.

Any deductibles or self-insured retention limits must be disclosed to and approved by AUTHORITY prior to execution of this Agreement. At the option of AUTHORITY, either: the insurer shall reduce or eliminate such deductibles as respects the Insured Parties; or SUPPLIER shall provide a financial guarantee satisfactory to AUTHORITY guaranteeing

payment of losses and related investigations, claim administration and defense expenses.

SUPPLIER shall furnish to AUTHORITY certificates of insurance prior to the commencement of work under this Agreement, and as may be periodically requested by AUTHORITY. SUPPLIER shall include all endorsements necessary to comply with this Agreement, including additional insured endorsements, signed by the insurer's representative. Such evidence shall include confirmation that coverage includes or has been modified to include all provisions required by this Agreement. SUPPLIER shall, upon request of AUTHORITY at any time, deliver to AUTHORITY complete, certified copies of the policies of insurance, including endorsements, and receipts for payment or premiums thereon, required by this Agreement. Failure to obtain the required documents prior to the work beginning shall not waive SUPPLIER'S obligation to provide them.

If any of the required coverages expire during the term of this Agreement, SUPPLIER shall deliver the renewal certificate(s) including the general liability and auto liability additional insured endorsements to AUTHORITY at least ten (10) days prior to the expiration date.

In the event that SUPPLIER employs sub-SUPPLIERS to perform any portion of the services to be performed pursuant to this Agreement, it shall be SUPPLIER'S responsibility to require and confirm that each sub-SUPPLIER meets the minimum insurance requirements specified in this Agreement.

6. AMENDMENTS. Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon written approval by the Manager of the AUTHORITY.
7. TERMINATION. If, during the term of this contract, AUTHORITY determines that SUPPLIER is not faithfully abiding by any term or condition contained herein, AUTHORITY may notify SUPPLIER in writing of such defect or failure to perform; which notice must give SUPPLIER five (5) working days thereafter in which to perform said work or cure the deficiency. If SUPPLIER 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 SUPPLIER to said effect. Thereafter, neither party shall have any further duties, obligations, responsibilities, or rights under this Agreement, except, however, any and all indemnification, hold harmless and defense obligations of SUPPLIER shall remain in full force and effect, and shall not be extinguished, reduced, or in any manner waived by the termination hereof. In said event, SUPPLIER 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 SUPPLIER be entitled to receive in excess of the compensation quoted in its bid.
8. STATUS OF SUPPLIER. SUPPLIER and its employee(s) are engaged in an independent SUPPLIER relationship with AUTHORITY in performing all work, duties and obligations hereunder. AUTHORITY shall not exercise any control or direction over the methods by which SUPPLIER shall perform its work and functions. AUTHORITY'S sole

interest and responsibility is to ensure that the services covered by this Agreement are performed and rendered in a competent, satisfactory and legal manner. SUPPLIER represents that its employee(s) have the qualifications and skills necessary to perform the services under this Agreement in a competent, professional manner, without the advice or direction of AUTHORITY. SUPPLIER will supply all tools, materials and equipment required to perform the services under this Agreement. The parties agree that no work, act, commission or omission of SUPPLIER or its employee(s) pursuant to this Agreement shall be construed to make SUPPLIER and its employee(s) the agent, employee or servant of AUTHORITY. SUPPLIER and its employee(s) are not entitled to receive from AUTHORITY vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability benefits, unemployment benefits or any other employee benefit of any kind. SUPPLIER shall be solely responsible for paying all federal and state employment and income taxes, for carrying workers' compensation insurance and for otherwise complying with all other employment law requirements with respect to SUPPLIER or its employee(s). To the maximum extent allowable by law, SUPPLIER agrees to indemnify, defend and hold AUTHORITY harmless from any and all liability, damages or losses (including attorney's fees, costs, penalties and fines) AUTHORITY suffers as a result of (a) SUPPLIER'S failure to meet its employer obligations, or (b) a third party's designation of SUPPLIER or its employee as an employee of AUTHORITY, regardless of any actual or alleged negligence by AUTHORITY.

9. ASSIGNMENT. Neither this Agreement nor any duties or obligations under this Agreement may be assigned or subcontracted by SUPPLIER without the prior written consent of AUTHORITY. AUTHORITY has entered into this Agreement in order to receive the professional services of SUPPLIER. The provisions of this Agreement shall apply to any sub-SUPPLIER of SUPPLIER. AUTHORITY shall have the right to approve any sub-SUPPLIER agreements, in addition to the written consent required by this section.
10. PROPRIETARY RIGHTS. Any written, printed, graphic, or electronically or magnetically recorded information furnished by AUTHORITY for SUPPLIER'S use are the sole property of AUTHORITY. SUPPLIER and its employee(s) will keep any information identified by AUTHORITY as confidential in the strictest confidence, and will not disclose it by any means to any person except with AUTHORITY approval, and only the extent necessary to perform the services under this Agreement. This prohibition also applies to SUPPLIER'S employees, agents, and sub-SUPPLIERS. On termination of this Agreement, SUPPLIER will promptly return any confidential information in its possession to AUTHORITY.
11. PARTIAL INVALIDITY. If any non-material provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.
12. COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.
13. PROVISIONS REQUIRED BY LAW. Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein,

and the Agreement shall be read and enforced as though they were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the request of either party, the Agreement shall forthwith be physically amended to make such insertion.

14. GOVERNING LAW. This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of actions), shall be governed by and construed in accordance with the laws of the State of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary and without the aid of any canon, custom, or rule of law requiring construction against the draftsman.
15. JURISDICTION, FORUM AND VENUE. The proper jurisdiction, forum and venue for any claims, causes of action or other proceedings concerning this Agreement shall be in the state and federal courts located in the State of California, County of San Diego. AUTHORITY and SUPPLIER agree not to bring any action or proceeding arising out of or relating to this Agreement in any other jurisdiction, forum or venue. AUTHORITY and SUPPLIER hereby submit to personal jurisdiction in the State of California for the enforcement of this Agreement and hereby waive any and all personal rights under the law of any state to object to jurisdiction within the State of California for the purposes of any legal action or proceeding to enforce this Agreement, whether on grounds of inconvenient forum or otherwise.
16. 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.
17. AUDIT. AUTHORITY shall have the option of inspecting and/or auditing all records and other written materials used by SUPPLIER in preparing its statements to AUTHORITY as a condition precedent to any payment to SUPPLIER. This Agreement is subject to examination and audit of the State Auditor, at the request of AUTHORITY or as part of any audit of AUTHORITY, for a period of three (3) years after final payment under the Agreement. SUPPLIER shall cooperate with AUTHORITY, including any authorized representatives of AUTHORITY, regarding any such audit at no charge to AUTHORITY.
18. NOTICE. All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered, certified, or first class mail addressed as follows:

AUTHORITY

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

SUPPLIER

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

Notices shall be deemed communicated as of the day of receipt or the fifth day after mailing, whichever occurs first.

19. PROTECTION OF EXISTING FACILITIES AND NON-INTERFERENCE WITH PLANT OPERATIONS. SUPPLIER 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. SUPPLIER will also perform all work in such a way that there is no interference with plant operations.
20. AUTHORITY TO EXECUTE AGREEMENT. AUTHORITY and SUPPLIER do covenant that the individual executing this agreement on their behalf is a person duly authorized and empowered to execute this Agreement for such party.

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

SAN ELIJO JOINT POWERS AUTHORITY

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

CALIFORNIA WATER TECHNOLOGIES, LLC

By: \_\_\_\_\_ (Signature)  
Name: \_\_\_\_\_ (Print)  
Title: \_\_\_\_\_

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

July 8, 2019

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: APPROVE PROFESSIONAL ENGINEERING SERVICES  
AGREEMENT FOR FUSCOE ENGINEERING, INC.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into a Professional Engineering Services Agreement with Fuscoe Engineering, Inc. for an amount not to exceed \$25,300; and
2. Discuss and take action as appropriate.

BACKGROUND

The Water Campus Improvements project requires civil engineering for both the new building construction and related site improvements, as well as the regional bicycle and pedestrian trail. Fuscoe Engineering is providing the civil engineering services for the site improvements portion, which includes underground infrastructure, onsite storm water capture and treat, and general site grading and drainage.

DISCUSSION

Due to additional permit requirements and adjustments to the regional bicycle and pedestrian path design, revisions to the site plan design are necessary. If approved, Fuscoe Engineering will provide additional engineering services related to revisions to the site plan and area drainage, storm water management water quality requirements, revisions to the site drainage study, and ongoing project coordination.

These services will supplement the ongoing building architectural design to provide site modifications in response to City of Encinitas planning department requirements and additional bike/pedestrian trail design coordination in development of final approved construction plans.



## FINANCIAL IMPACT

Funding for these additional engineering services can be accessed within the project contingency, which has funds of \$880,000.

It is therefore, recommended that the Board of Directors:

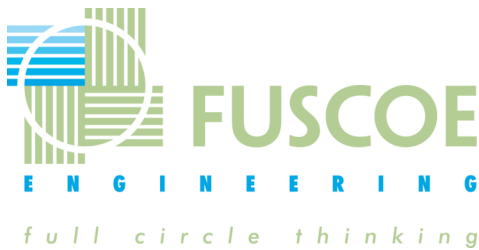
1. Authorize the General Manager to enter into a Professional Engineering Services Agreement with Fuscoe Engineering, Inc. for an amount not to exceed \$25,300; and
2. Discuss and take action as appropriate.

Respectfully submitted,

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

Michael T. Thornton, P.E.  
General Manager

Attachment 1: Fuscoe Engineering, Inc. Professional Engineering Services Scope of Work



## PROFFESIONAL ENGINEERING SERVICES SCOPE OF WORK

Project Name:	SEJPA BUILDING IMPROVEMENT PROGRAM	FEI RCO #:	Revised R04A - R04E
Company:	SAN ELIJO JOINT POWERS AUTHORITY	Project #:	01708-001-01
Attention:		Date:	June 26, 2019
Client Contract #:		FEI Proj Mgr:	Bryan Smith

Fusco Engineering, Incorporated (FEI) requests authorization to proceed with revisions to the contract documents for the subject project. By approval signature hereon below, client shall incorporate this revision as an addendum to the original contract. Change Orders will be invoiced at the billing rates in effect on the date of Request for Change Order approval.

CO #	Task Name	Scope Description	Bill Type	Amount
R04A	Plan Revisions	Revise site plan and precise grading plans to accommodate client directed site plan changes including removal of the roundabout and reconfiguration of the entry, revisions at edge condition of bike path, culvert design changes (requires precise grading revisions), elimination of one building, removal of bike path sheets from the plan set, revisions to area tabulations and grading quantities.	Fee	\$3,200.00
R04B	SWQMP & Drainage Study Revisions	Revise preliminary SWQMP to accommodate client directed site plan changes described in task R04A and changes to City SWQMP template which occurred while the project was on hold. Includes updates of SWQMP to current City template, revisions to SWQMP and Drainage Study exhibits, impervious area tabulations, basin and DMA areas, and remodeling of the SDHM hydromodification study to accommodate the revisions. Note, the project site area was increased with the elimination of the roundabout due to right of way dedication being eliminated. Bike path and frontage improvement tabulations and descriptions to be provided to Fuscoe by KHA to include in the report. Includes additional revisions to bioretention basins including additional continuous simulation SDHM models, retention calculations, and inlet design to accommodate design changes to the bioretention basins directed in June 2019.	Fee	\$5,500.00
R04C	Existing and Proposed Utility Revisions	Revise existing utilities and utility plans and base files to accommodate site changes and supplemental survey / pothole information provided by Kennedy Jenks in April. The supplemental information requires realignment of proposed utilities, reconfiguration of grading to eliminate storm drain, a recycled water main relocation, and a force main relocation.	Fee	\$3,800.00
R04D	Add'l Coord. & Processing	Provide additional coordination and processing related to the extended project schedule and changes described in R04A-C and for	Hourly	\$6,300.00

		construction document phase. Includes phone calls, email correspondence, agency coordination, and processing for changes. Includes a total of 32 hours of project management time.		
R04E	As-Needed Design Changes	Provide design changes, studies, exhibits, and other engineering support tasks on an as-needed basis at the direction of the client. Hourly estimate includes 40 hours of engineer / senior engineer not to exceed.	Hourly	\$6,500.00
		<b>Total</b>		<b>\$25,300</b>

**Prepared By:**

Consultant: FUSCOE ENGINEERING, INC.

Signed: 

Name: Bryan Smith

Title: Senior Project Manager

Date: June 26, 2019

**Approved By:**

Client: SAN ELIJO JOINT POWERS  
AUTHORITY

Signed: \_\_\_\_\_

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

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

Date: \_\_\_\_\_

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

July 8, 2019

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: WATER CAMPUS IMPROVEMENT PROJECT – PURCHASE OF  
MITIGATION CREDITS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to Purchase Mitigation Credits for an amount not to exceed \$149,500; and
2. Discuss and take action as appropriate.

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) is developing the Water Campus Improvement project (formerly the Building and Site Improvement project) that will include a new facility building, site improvements, and a community bike/pedestrian path. Building improvements include the construction of a new administration, operation, and laboratory building; upgraded physical and cyber security measures; and new public parking equipped with EV charging stations. Site improvements include solar power (roof and ground mounted), potable water and fire-fighting systems enhancements; new perimeter fencing and lighting upgrades; access road improvements; and storm water capture and reuse infrastructure. Transportation improvements include a regional bicycle/pedestrian path connecting Birmingham Drive to Manchester Avenue through SEJPA property and road crossing enhancements at Manchester Avenue.

DISCUSSION

The Water Campus Improvement project requires the undergrounding of approximately 1,400 linear feet of an existing concrete open channel that conveys storm water through SEJPA's property to the San Elijo Lagoon. This portion of the storm water channel will be replaced with three large diameter pipes buried beneath the project site to provide adequate space for the proposed bike/pedestrian path and associated public parking (see Figure 1 – Project Site Map).

The storm water channel is within the jurisdiction of several resource agencies including the San Diego Regional Water Quality Control Board (RWQCB). It is estimated that the project will impact 0.26 acre (1,400 linear feet) of the concrete-lined channel, which is considered a permanent water quality loss by RWQCB of ephemeral, non-wetland, concrete surface waters that are tributary to San Elijo Lagoon.



**FIGURE 1 – Project Site Map**

SEJPA met with RWQCB on June 13, 2019, and it was determined that a 1:1 mitigation ratio for 0.26 acre of mitigation credits from the San Luis Rey Mitigation Bank would be acceptable by the RWQCB. The cost of the mitigation would be \$149,500.

Mitigation banks are regional efforts whereby entities incur the cost of acquisition, prospectus, entitlement, permitting, enabling instrument, and construction of larger aquatic resource restoration projects at regionally important locations for the rights to sell-off the mitigation credits over time to buyers in need of mitigation in the region. In-lieu fee programs are similar to mitigation banks in that credits are sold for restoration activities that have already occurred or are ongoing at a regionally important aquatic resource area. Various types of mitigation credits are offered from banks and in-lieu fee programs, including aquatic resource establishment (creation), re-establishment (restoration), rehabilitation (restoration), enhancement, and preservation.

There are two active mitigation banks in San Diego County, the San Luis Rey Mitigation Bank and the Brook Forest Mitigation and Conservation Bank, both of which are located in the San Luis Rey River Watershed. There are no active in-lieu fee programs available in San Diego County. Both banks essentially involved restoring river/stream and floodplain areas to their historic condition after years of being filled and impacted by agricultural practices. The banks are located at locations where the agencies have agreed there is a benefit to the watershed and region. The cost per acre (each credit equals 1.0 acre) at these mitigation banks is \$575,000/acre.

## FINANCIAL IMPACT

Funding for the mitigation bank credit of \$149,500 is proposed to be from the SEJPA Capital Program Fund. As this was an unplanned expense, this capital expenditure will likely be replenished in FY 2020-21 with cash contribution from SEJPA's two core programs, Wastewater Treatment and Recycled Water.

It is therefore, recommended that the Board of Directors:

1. Authorize the General Manager to Purchase Mitigation Credits for an amount not to exceed \$149,500; and
2. 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

July 8, 2019

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CAPITAL IMPROVEMENT PROGRAM UPDATE

RECOMMENDATION

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

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) has the responsibility to maintain permit compliance with regulatory agencies and legal agreements with customers to provide wastewater and recycled water services. Proactive asset management and capital improvement planning are key components in keeping these commitments.

In 2014, SEJPA retained the services of Carollo Engineers to conduct an evaluation of the wastewater and recycled water capital assets owned by SEJPA at the San Elijo Water Reclamation Facility (SEWRF).

The results of the evaluation and Carollo's recommendations were documented in the 2015 Facility Plan. Recommended projects were prioritized using a "triple-bottom line" approach to evaluate and weight each project against the others using three main factors:

- ✓ Financial (30%): Implement cost effective projects and solutions. Maximize economic benefits for customers through cost effective operations.
- ✓ Environmental (35%): Meet or exceed permit requirements and minimize reportable violations. Seek sustainable and efficient operational practices, maximize resource recovery, and minimize impacts to the environment.
- ✓ Social (35%): Maintain a high standard of work safety and maximize community benefits through improved aesthetics and recreational uses.

The recommendations from the 2015 Facility Plan created the foundation for the SEJPA Capital Improvement Program, which includes regulatory compliance analysis, risk assessment for system failure, project prioritization, and budgetary cost estimates.

In 2017, SEJPA successfully secured \$23.9 million in a bond offering to fund a majority of recommended capital projects. The SEJPA has also collected \$14.8 million in cash, \$4.7 million

from Caltrans, and anticipates \$1.0 million in grants. Staff bundled the projects into phases in order to prioritize capital spending, streamline project delivery, minimize community impacts, and reduce cost through economies of scale.

## DISCUSSION

Phase I of the SEJPA Capital Improvement Program is substantially complete and includes the Land Outfall Replacement, Preliminary Treatment Upgrades, and Odor Control Improvements.

- The Land Outfall Replacement project was completed in 2018. This project replaced the original 30-inch diameter asbestos-concrete land outfall that was installed in 1965. The new pipeline is approximately 2,600 linear feet in length, constructed of high density polyethylene, and installed at a depth greater than the original pipeline to minimize conflicts with other buried utilities and future construction projects.
- The Preliminary Treatment and Odor Control Upgrades were combined into a single project and will replace antiquated equipment, repair or replace damaged steel and concrete, improve the treatment process performance, and upgrade the odor control system. Construction began in June 2017 and the project reached substantial completion in May 2019.

Phase II of the Capital Program consists of Water Campus Improvements (formerly Building and Site Improvements), Encinitas Ranch Recycled Water Expansion, Electrical System Improvements, and the 2018 Supervisory Control and Data Acquisition (SCADA) Upgrade projects.

The Water Campus Improvements project is currently in the design and permitting phase and includes:

- New buildings
- Road and parking improvements
- Regional bike/pedestrian path in cooperation with Caltrans and the City of Encinitas
- Fire system modernization
- New perimeter fencing, access control, and security improvements
- SCADA and electrical system upgrades
- Solar power generation
- Storm water conveyance, attenuation, and treatment

The Construction Manager At-Risk (CMAR) alternative delivery method was chosen to expedite the project, and to provide cost controls beyond the traditional design-bid-build delivery method. PCL Construction was awarded the contract at the December 2018 Board meeting. Currently, staff is coordinating with resource agencies to obtain project permits. Contribution agreements with Caltrans are in place for engineering, environmental services, and construction cost sharing. Construction is planned to begin in late 2019, however the start date is subject to resource agencies' approval.

The Encinitas Ranch Recycled Water Expansion project includes the construction of pipelines and a water pressure boosting station to serve the Encinitas Ranch Community Association, two agricultural users, and the City of Encinitas trail system. Burtech Pipeline, Inc. was awarded the



construction contract, which began in October 2018, and the project is now substantially complete. Recycled water service is expected to commence in July 2019.

Electrical System Improvements were completed in 2018. These improvements included the replacement of Meter Service No. 2 automatic transfer switch, electrical breaker repair and maintenance, replacement of the control panels within the headworks building, and the completion of an arc-flash study on all high voltage equipment at the SEWRF. The study was performed in compliance with current National Fire Protection Association codes and standards.

In September 2018, the SCADA Upgrade project was awarded to Tesco Controls, Inc. The main elements of the project include new hardware, software, programming, equipment installation, and system testing and commissioning. SCADA upgrades will be performed at six functional areas within the SEWRF and at five wastewater pump stations located within the Cities of Encinitas and Solana Beach. Cybersecurity enhancements will raise security to meet current industry standards. The project is expected to be complete by September 2019.

Phase III, the Solids Treatment Project, is in the pre-design phase. A Project Definition Report (PDR) is currently in development that will identify the preferred project alternatives. The PDR is expected to be complete by late-2019.

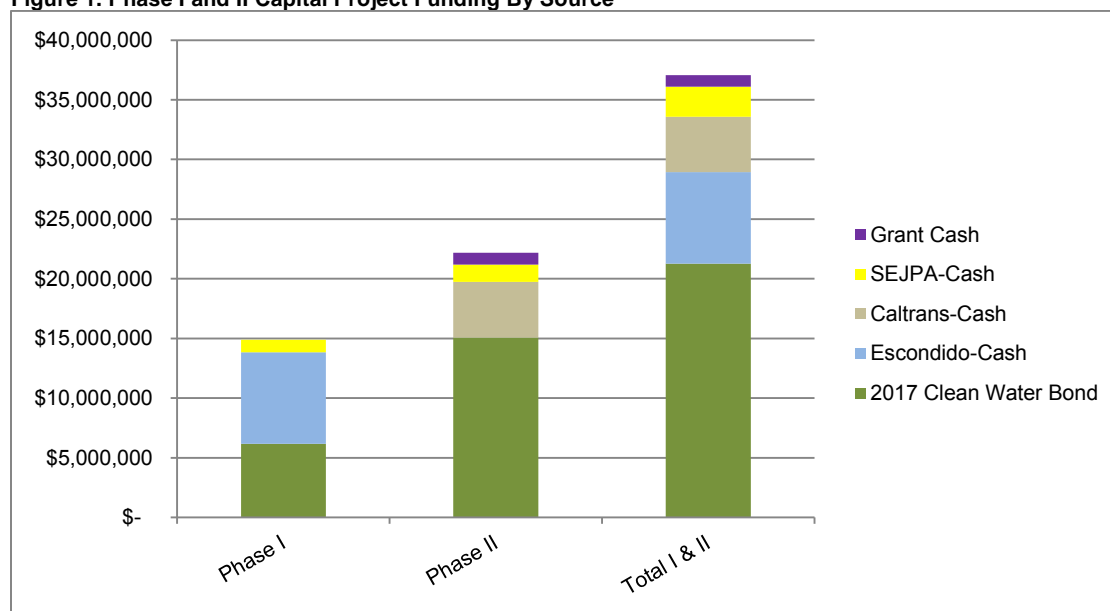
## FINANCIAL IMPACT

Phase I capital budget was estimated at \$13.7 million. Currently these projects are on track to be completed at \$14.95 million, or approximately 9% above budget. The funding strategy is \$8.0 million in cash and \$6.9 million in bond funds.

Phase II capital budget is estimated to be \$21.8 million. The funding strategy is \$1.6 million in cash, \$14.5 million in bond funds, \$4.7 million from Caltrans, 1.0 million in grants.

Funding for Phase I and II are shown in Figure 1 below:

**Figure 1. Phase I and II Capital Project Funding By Source**



Funding for the capital projects is based on owned or leased capacity by the agencies served, which includes the Cities of Encinitas, Solana Beach, Escondido, and Del Mar, and Rancho Santa Fe Community Services Districts.

Phase III capital budget is estimated at \$7.8 million. This phase is in early development stages and staff is working with engineers to evaluate current technologies and select desired project elements. Phase III will be funded with the remaining bond proceeds and cash contributions.

Budget and funding adjustments will be made as capital projects are developed, awarded, and constructed. The 2017 Clean Water Bonds and grant funding, combined with current and future cash contributions for capital projects, are the financial basis for SEJPA's Capital Improvement Program.

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

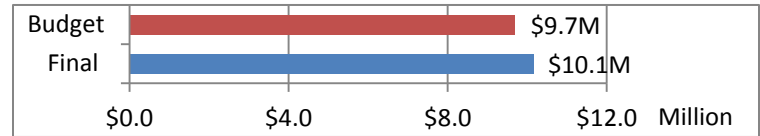
Attachments: Capital Project Status Reports



# Land Outfall Replacement Project



**Capital Program:** Phase I  
**Project Status:** Completed  
**Notice to Proceed:** May 2017  
**Completion Date:** June 2018



## Timeline

**Construction Start**  
 May 2017

**Original End Date**  
 March 2018

**Substantial Completion**  
 June 2018



	<b>Budget</b>	<b>Approved Changes</b>	<b>Revised Budget</b>	<b>Spent to Date</b>
Construction	\$ 8,553,000	\$ 422,521*	\$ 8,975,521	8,975,521
CM/Engr/Env	698,177	189,344	887,521	887,521
Contingency	428,000	(428,000)	-	-
Permits/Other	-	194,532	194,532	194,532
<b>Total:</b>	<b>\$ 9,679,177</b>	<b>\$ 378,397</b>	<b>\$10,057,574</b>	<b>10,057,574</b>

\*includes sum of deductive change orders and final change order of \$450,000.

## Project Description

The work included installation of (approximate lengths) 2,600 feet of 30-inch diameter HDPE pipe via horizontal directional drilling (HDD), 400 feet of 30-inch pipe via open trench construction, 300 feet of dual 10-inch force mains via open trench construction, and 110 feet of 60-inch steel casing under Coast Highway. The HDD began at Cardiff State Beach, continued beneath Coast Highway (through the steel casing), the San Elijo Lagoon, NCTD railroad, the Nature Center, and Manchester Avenue before daylighting at the San Elijo Water Reclamation Facility (SEWRF). Tie-ins to the new pipeline were made at the beach and at the SEWRF. Project work sites have been restored after all work was completed. Project was completed with zero work injuries and environmental claims.

## Work Completed: April 2019 – June 2019

None.

## Planned Work: July 2019

None.

## Priorities or Issues to be Resolved

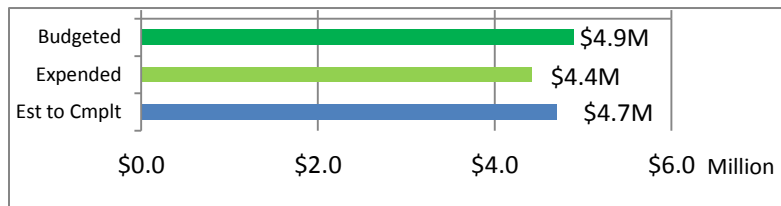
None.



# Preliminary Treatment & Odor Control Upgrades



**Capital Program:** Phase I  
**Project Status:** Construction  
**Notice to Proceed:** June 2017  
**Est. Completion Date:** July 2019



## Timeline

**Construction Start**  
June 2017

**Orig. Completion**  
October 2018

**Est. Completion**  
July 2019



Budget	Original Budget	Approved Changes	Revised Budget	Spent to Date
Construction:	\$3,871,480	\$127,942	\$3,999,422	\$3,676,816
CM/Engineering:	582,137	190,126	772,263	736,092
Contingency:	443,570	(318,068)	125,502	-
Total:	<b>\$4,897,187</b>	<b>\$0</b>	<b>\$4,897,187</b>	<b>\$4,412,908</b>

## Project Description

The project consists of constructing new concrete treatment structures, installing new screening and dewatering equipment, rehabilitating existing concrete channels and structures, and replacing aged chemical storage tanks. The work also includes replacing worn out mechanical, electrical, and other components associated with odor control systems necessary to capture and remove odors and corrosive gases.

## Work Completed: April 2019 – June 2019

Began demobilization and clean-up activities. Performed asphalt restoration work. Completed start-up, programming, and commissioning of new screening and dewatering equipment. Prepared punchlist and began correction of identified deficiencies. Negotiated settlement and release agreement with the contractor (NEWest).

## Planned Work: July 2019

Test and balance the odor control system. Asphalt roadways and parking areas. Pour remaining concrete sidewalk and retaining wall. Finalize electrical component verification. Complete startup and commissioning of odor control system.

## Priorities or Issues to be Resolved

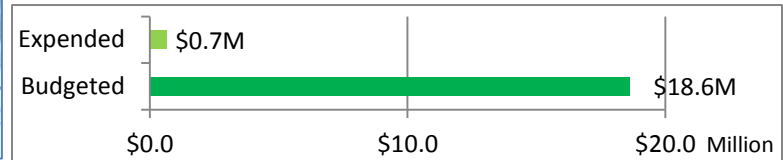
Finalize settlement agreement with NEWest to close out the construction contract.



# Water Campus Improvements



**Capital Program:** Phase II  
**Project Status:** Design/Permitting  
**Design Start:** March 2017  
**Est. Design Completion:** Summer 2019  
**Est. Construction Completion:** Spring 2021



## Timeline

CMAR RFP

September 2018

Full Construction

Fall 2019

Est. Completion

Spring 2021

	<i>Budget</i>	<i>Approved Changes</i>	<i>Revised Budget</i>	<i>Spent to Date</i>
SEJPA Construction:	\$10,940,000	-	\$10,940,000	-
Caltrans/Misc	5,300,000	-	5,300,000	429,294
CM/Engineering:	1,480,000	-	1,480,000	319,000
Contingency:	880,000	-	880,000	-
Total:	<b>\$18,600,000</b>	<b>\$0</b>	<b>\$18,600,000</b>	<b>\$748,294</b>

## Project Description

Work consists of replacing aging administration, operations, and maintenance buildings; enhancing safety, security, and public access; improving storm water capture and reuse; and upgrading onsite utilities and fire fighting systems. Solar power, energy efficiency, electric car charging, and other Climate Action Plan measures will be incorporated. Planned community benefits include public parking, regional bicycle/pedestrian path, and traffic calming measures. Opportunities for interactive learning and education will be integrated into the site design.

## Work Completed: April 2019 - June 2019

Ongoing permitting coordination with regulatory agencies. Received Coastal Commission easement amendment approval. Received US Army Corps of Engineering 404 Permit, and negotiated mitigation requirements for the San Diego Regional Water Quality Control Board 401 Water Quality Permit. Submitted Coastal Development Permit application to the City of Encinitas. Ongoing coordination meetings with the project team to prepare permit information necessary for final approvals to commence construction.

## Planned Work: July 2019

Ongoing coordination with regulatory agencies including the City of Encinitas and Regional Water Quality Control Board to determine permitting requirements. Define solar power scope of work and procurement options. Refine the storm water conveyance and treatment design.

## Priorities or Issues to be Resolved

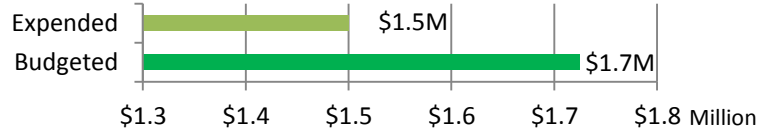
Obtain regulatory agency permits necessary to commence construction. Develop project guaranteed maximum price and execute Stage II agreement with PCL.



# Encinitas Ranch Recycled Water Expansion



**Capital Program:** Phase II  
**Project Status:** Construction  
**Construction Start:** October 2018  
**Est. Construction Completion:** July 2019



## Timeline

**Construction Start**  
 October 2018

**Est. Completion**  
 July 2019

	<i>Budget</i>	<i>Approved Changes</i>	<i>Revised Budget</i>	<i>Spent to Date</i>
Construction Schedule A	\$1,225,000	\$28,920	\$1,253,920	\$1,206,570
CM/Engr/PR	274,683	-	274,683	259,757
Contingency (15%):	224,953	(28,920)	196,033	-
<b>PROJECT TOTAL:</b>	<b>\$1,724,636</b>	<b>\$0</b>	<b>\$1,724,636</b>	<b>\$1,466,327</b>

## Project Description

Schedule A includes construction of a booster pump station (located at Encinitas Ranch Golf Course) and recycled water pipeline extension. The 1.5 mile small diameter (6-inch to 8-inch) pipeline will serve the community of Encinitas Ranch, two agricultural users, and the City of Encinitas trail system. The project is a key component of the SEJPA's \$2.5M IRWM grant. The project is anticipated to offset 45 acre-feet per year of potable water use for landscape irrigation or approximately 50% of the total IRWM project potable water offset. Schedule B includes construction of 1,100 feet of 6-inch pipeline intended to serve HOA's along Requeza Street, but will not be installed at this time due to lack of water use commitments along the proposed pipeline alignment.

## Work Completed: April 2019 – June 2019

Ongoing site restoration and demobilization work. Continued coordination with Encinitas Ranch Community Association, City of Encinitas Parks Department, Fox Point Farms, San Dieguito Water District, and County Department of Environmental Health for recycled water conversion of community and City hiking trail. Performed staff operations and maintenance training for new pump station.

## Planned Work: July 2019

Removing from service potable water laterals that were replaced with recycled water services. Finalize any remaining work items identified during closeout. Negotiate final project change order with contractor for additional work related to the pipeline construction and unforeseen field conditions.

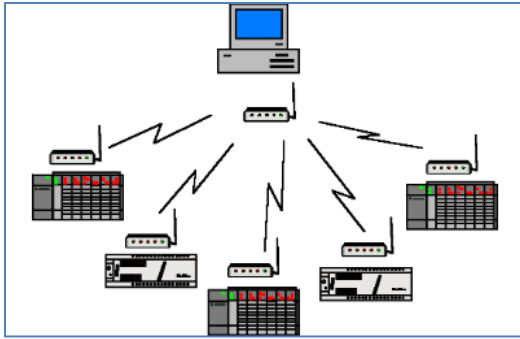
## Priorities or Issues to be Resolved

Assist with recycled water conversion work with Encinitas Ranch Community Association, City of Encinitas – Parks Department, and Fox Point Farms. Continued coordination with County Department of Environmental Health for final customer site approvals. Resolve remaining construction change orders.

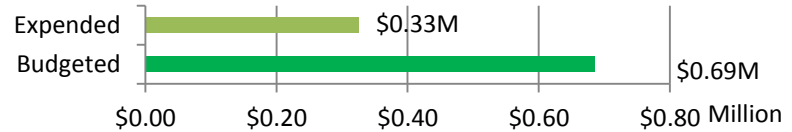




# 2018 SCADA Upgrade Project



**Capital Program:** Phase II  
**Project Status:** Construction  
**Notice to Proceed:** November 13, 2018  
**Est. Completion Date:** August 2019



## Timeline

**Construction Start**  
October 2018

**Est. Completion**  
August 2019



Budget	Budget	Approved Changes	Revised Budget	Spent to Date
Construction	\$560,000	\$39,714	\$599,714	\$295,500
CM/Engineering	63,200	-	63,200	29,544
Contingency (10%):	62,320	(39,714)	22,606	-
<b>PROJECT TOTAL:</b>	<b>\$685,520</b>	<b>\$0</b>	<b>\$685,520</b>	<b>\$325,044</b>

## Project Description

The Work consists of SCADA System improvements including new hardware, software, programming, equipment installation, system testing and commissioning, warranty, training and support services. Hardware includes servers, data historians, monitors, programmable logic controllers, and equipment panels. Software to replace 11 workstations with remote terminals will also be supplied. Programming, hardware/software, and equipment installation will be performed at six functional areas within the San Elijo Water Reclamation Facility and at five wastewater pump stations located within the cities of Encinitas and Solana Beach. Cybersecurity enhancements are also included to help detect, protect, respond, and recover from cyber threats.

## Work Completed: April 2019 – June 2019

Received, reviewed, and approved change order for relocation of hardware rack and fiber optic connection changes from contractor. Completed Pre-Installation workshop and system installation coordination meeting. Continued bi-weekly progress meetings. Contractor continued programming and software setup for new system including onsite meeting with programmer to test system with live data.

## Planned Work: July 2019

Equipment shipment, installation, setup, and functional testing. Initiate system startup and develop outstanding punch list items.

## Priorities or Issues to be Resolved

Planning and preparation for system startup/testing and conversion from the existing system to the new system. Installation of new hardware with minimal system downtime.