

AGENDA
REGULAR BOARD MEETING OF THE
SAN ELIJO JOINT POWERS AUTHORITY
APRIL 15, 2025 AT 8:30 A.M.
SAN ELIJO WATER CAMPUS – BOARD MEETING ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, CALIFORNIA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD (NON-ACTION ITEM)
5. NEW HIRES, AWARDS AND RECOGNITION
6. * **CONSENT CALENDAR**
7. * [APPROVAL OF MINUTES FOR MARCH 18, 2025 MEETING](#)
8. * [APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS – MARCH 2025](#)
9. * [WASTEWATER TREATMENT REPORT – FEBRUARY 2025](#)
10. * [RECYCLED WATER REPORT – FEBRUARY 2025](#)
11. * [REPORTABLE MEETINGS](#)
12. * [UPDATE ON EMERGENCY REPAIRS TO NATURAL GAS PIPE ON SAN ELIJO WATER CAMPUS](#)
13. * [CONSTRUCTION PHASE CONTRACT AMENDMENTS FOR THE BIOSOLIDS DEWATERING FACILITY IMPROVEMENT PROJECT](#)
14. * [SAN ELIJO JOINT POWERS AUTHORITY CONTRACT FOR PROCUREMENT OF SODIUM HYPOCHLORITE, FERRIC CHLORIDE, SODIUM HYDROXIDE, AND CITRIC ACID FOR FISCAL YEAR 2025-26](#)

15. * [SAN ELIJO JOINT POWERS AUTHORITY CONTRACT AMENDMENT FOR JANITORIAL MAINTENANCE SERVICES FOR FISCAL YEAR 2025-26](#)

16. * 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

17. [PRESENTATION OF SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2025-26 RECOMMENDED BUDGET](#)

1. Review the Fiscal Year 2025-26 Recommend Budget; and
2. Discuss and take action as appropriate.

Staff Reference: Director of Finance and Administration

18. [GENERAL MANAGER'S REPORT](#)

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

19. [GENERAL COUNSEL'S REPORT](#)

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

20. [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.

21. [CLOSED SESSION](#)

None.

22. [ADJOURNMENT](#)

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Tuesday, May 20, 2025 at 8:30 a.m.

NOTICE:

The San Elijo Joint Powers Authority's open and public meetings comply with 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 are available for public review in the lobby of the SEJPA Administrative Office during normal business hours. Agendas and minutes are available at www.sejpa.org. The 2025 SEJPA Board meetings schedule, adopted following the January 2025 SEJPA Board Meeting, is available at [SEJPA Board Meeting Dates](#).

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 on the SEJPA website at www.sejpa.org, and in the following locations:

- San Elijo Water Campus (formerly known as San Elijo Water Reclamation Facility), 2695 Manchester Avenue, Encinitas, 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: April 10, 2025



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MARCH 18, 2025
AT THE SAN ELIJO WATER CAMPUS

Kristi Becker, Chair

Luke Shaffer, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, March 18, 2025, at 8:30 a.m., at the San Elijo Water Campus.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

Board Chair	Kristi Becker
Vice Chair	Luke Shaffer (arrived 8:33 a.m.)
Board Member	David Zito
Board Member	Jim O'Hara

Others Present:

Director of Operations	Christopher Trees
Director of Infrastructure and Sustainability	Thomas Falk
Director Finance and Administration	Kevin Lang
Senior Project Manager	Michael Konicke
Accounting Technician I	Maria Cruz

SEJPA Counsel:

Snell & Wilmer	Adriana Ochoa
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City of Encinitas:

Senior Engineer	Daniel Nutter
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Santa Fe Irrigation District:

Director, Division #2	Dana Frieauf
Director, Division #1	Kenneth Westphal
Director of Administrative Services	Seth Gates

San Dieguito Water District

Finance and Administration Manager	Mary Kazungu
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City of Solana Beach:

City Manager	Alyssa Muto
Principal Engineer	Dan Goldberg

3. PLEDGE OF ALLEGIANCE

Board Chair Becker led the Pledge of Allegiance.

4. ORAL COMMUNICATION/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

None.

6. CONSENT CALENDAR

Agenda Item No. 7	Approval of Minutes for the February 18, 2025 Board Meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report – February 2025
Agenda Item No. 9	Wastewater Treatment Report – January 2025
Agenda Item No. 10	Recycled Water Report – January 2025
Agenda Item No. 11	Reportable Meetings
Agenda Item No. 12	Notice of Emergency Situation and Award of Construction Contract for Emergency Repairs to Natural Gas Pipe on San Elijo Water Campus

Moved by Board Member Zito and seconded by Board Member O’Hara to approve the Consent Calendar.

Motion carried with the following vote of approval:

AYES: Becker, O’Hara, Zito
NOES: None
ABSENT: Shaffer
ABSTAIN: None

Note, Board Member Shaffer arrived at 8:33 a.m. after the vote was taken.

14. CAPITAL PROGRAM UPDATE

Director of Infrastructure and Sustainability Thomas Falk provided a quarterly update on the 3-Year Capital Plan (2023–2025), noting that SEJPA is revising its Facility Plan to establish capital priorities through 2035. The 3-Year Capital Plan, originally approved at \$32.6 million, has been reduced to \$21 million due to the postponement of the Biological Treatment Improvement Project, prompted by significant cost inflation and other financial factors. SEJPA’s capital needs are funded through wastewater customer agency contributions,

recycled water revenues, loans, and external sources such as state and federal grants.

Key ongoing projects include improvements to the Biosolids Dewatering Facility, Wanket Reservoir Refurbishment, and Moonlight Beach Pump Station Modifications. These projects are expected to be completed within the next six months. Mr. Falk also reviewed near-term projects for fiscal years 2026–2028, which will be further defined and prioritized in the 2025 Facility Plan. These projects are estimated to total \$15.8 million across both wastewater and recycled water utilities. Prioritized future initiatives include upgrades to the SCADA system, rehabilitation of the effluent pump station, and improvements to the RAS pump station, among others. No action was required from the Board as this was an informational update.

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

15. RECYCLED WATER COST OF SERVICE WORKSHOP

Director of Finance and Administration Kevin Lang reported that the San Elijo Joint Powers Authority (SEJPA) operates a recycled water utility, established in 2000, aimed at providing an environmentally responsible and cost-effective alternative to potable water for irrigation and other approved uses. Mr. Lang outlined the utility's revenue sources, focusing on the annual incentive payments from the San Diego County Water Authority (SDCWA) and the Metropolitan Water District of Southern CA (MWD), which have been received since 2000 but will expire in August 2025. For fiscal year 2024-2025, these revenues are expected to total \$720,000. These incentive revenues covered 28.9% of operating expenses in FY 2023-24.

In 2021, the SEJPA Board approved a 5-year rate plan for recycled water customers, including annual increases of 3.9% from FY 2021-22 to FY 2025-26. Mr. Lang explained that due to unforeseen financial impacts and the expiration of incentive revenues, SEJPA must update its Recycled Water Cost of Service Study (Study).

Mr. Lang also noted that both incentive revenues and reduced grant funding affect the utility's Debt Service Coverage Ratio (DSCR) debt covenant and would be required to be replaced with rate increases. The goals of the FY 2026 - 2029 Study are to develop rate recommendations that provide financial stability, replace a portion of the expiring incentive revenues, recover losses from inflation during the COVID/post-pandemic period, and create pay-as-you-go savings for upcoming capital projects identified in the 2025 Facility Plan.

Two rate proposals for FY 2026-2029 were presented. Alternative One suggests annual increases of 12%, 12%, 6.5%, and 6.5%, while Alternative Two proposes increases of 14%, 14%, 5%, and 5%. Both proposals aim to recover most of the sunseting incentive revenue, maintain rates below 85% of potable water costs, and ensure compliance with the DSCR covenant. After the update, the Board discussed the proposals and requested more information at the next meeting. They also suggested exploring a rate scenario with a lower initial increase but longer-term increases (e.g., 10%, 10%, 8%, 8%). Mr. Lang agreed to consider additional alternatives and present further details to the Board at a later date.

They also requested that staff assume a 12% increase for the draft budget to be presented in April.

The floor was then opened for a request to address the Board by Santa Fe Irrigation District Board Member Dana Frieauf.

18. GENERAL MANAGER'S REPORT

None.

19. GENERAL COUNSEL'S REPORT

General Counsel Adriana Ochoa reported on her findings from attending the California Association of Sanitation Agencies (CASA) attorney's meeting. Mrs. Ochoa noted that proposed legislation was discussed and that she will monitor and report back to the Board on any legislation that could have an impact on San Elijo Joint Powers Authority and its partner agencies. She also briefed the Board on a recent Supreme Court decision on a lawsuit brought by the City of San Francisco against the EPA where the court rejected a requirement to test receiving water.

20. BOARD MEMBER COMMENTS

None.

21. CLOSED SESSION

None.

22. ADJOURNMENT

The meeting adjourned at 9:49 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, April 15, 2025, at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of MARCH 2025**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
44916	AT&T	Utilities - Internet	Internet service - Feb	\$ 2,175.16
44917	James Barnett	Uniforms - Boots	Employee reimbursement - utility boots	176.39
44918	Brax Process and Pump Equip.	Repair Parts Expense	Various supplies	6,316.41
44919	Brenntag Pacific, Inc	Supplies - Chemicals	Citric acid	3,777.72
44920	California State Lands Commission	Fees - Permits	Staff project charges - Jan	139.59
44921	County of San Diego	Fees - Permits	Emissions deposit permit	8,190.00
44922	Dixieline Lumber Company	Supplies - Safety and Shop & Field, Repair Parts Exp.	Various supplies	356.35
44923	E & M Electric & Machinery, In	Licenses	SCADA software support renewal	885.00
44924	EDCO Waste & Recycling Service	Utilities - Trash	Feb	503.15
44925	Emerson LLP	Repair Parts Expense	Flow meter transmitter an sensor	10,999.37
44926	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	614.00
44927	Evoqua Water Technologies	Supplies - Chem - Odor	Bioxide	8,562.01
44928	Excel Landscape, Inc.	Services - Landscape	Grounds maintenance service - Feb	4,382.00
44929	GHE Repair Service, Inc.	Services - Maintenance	Annual lab service	570.00
44930	Golf Carts and More Inc	Vehicle Maintenance	Golf cart service	368.74
44931	Grainger, Inc.	Supplies - Safety, Shop & Field, Tools and Equip.	Various supplies	1,021.20
44932	Unifirst First Aid Corp	Supplies - Safety	First aid supplies	132.24
44933	GSE Construction Company Inc.	Services - Contractors	Biosolids facilities improvements - Jan	1,422,758.95
44934	Hardy Diagnostics	Supplies - Lab	Various lab supplies	1,604.97
44935	Huber Technology	Repair Parts Expense	Various supplies	4,472.36
44936	Todd Hutchinson	Subsistence - Travel/Rm & Bd	Employee reimbursement - Mileage	65.45
44937	Idexx Distribution, Inc.	Supplies - Lab	Various lab supplies	6,015.02
44938	Lawson Products Inc.	Supplies - Shop & Field	Various supplies	393.35
44939	Lee's Lock & Safe	Supplies - Shop & Field	Lock service	201.49
44940	Liquid Environmental Solution	Services - Grit & Screenings	Roll off box - Feb	1,285.00
44941	Marine Taxonomic Services, LTD	Services - Contractors	Intensive WQ monitoring/plume tracking Q1 25	2,870.00
44942	MBC Aquatic Sciences	Services - Professional	Region nine kelp survey FY 24/25	5,194.84
44943	McMaster-Carr Supply Co.	Repair Parts Expense	Various supplies	1,299.40
44944	Motion Industries, Inc.	Repair Parts Expense	Various supplies	5,455.83
44945	MSE Landscape Professionals	Services - Landscape	Tree maintenance services - Palm pruning	5,480.00
44946	Napa Auto Parts	Vehicle Maintenance	Vehicle repair parts	11.66
44947	Cosby Oil Company, Inc	Fuel	Fuel - Feb	508.49
44948	Olivenhain Municipal Water Dis	Services - Professional, Rent	Rincon NSDWRC support services and Pipeline rental payment	4,324.67
44949	Otis Elevator Company	Services - Maintenance	Elevator maintenance - Mar	221.62
44950	RingCentral, Inc	Utilities - Telephone	Phone service	532.95
44951	Robert Half International, Inc	Services - Temp	Temporary staffing service	5,277.05
44952	RSF Security Systems	Services - Alarm	Security - Mar thru May	1,806.00
44953	San Dieguito Water District	Utilities - Water	Water	2,232.31
44954	Sloan Electric Company	Repair Parts Expense	Area 3 sludge feed grinder motor	1,117.38
44955	Southwest Valve & Equip.	Repair Parts Expense	Valve	6,160.41

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of MARCH 2025**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
44956	Sylvester Roofing Co Inc.	Services - Maintenance	Roof repairs	2,500.00
44957	Tesco Controls	Services - Professional	SCADA support services	840.00
44958	Michael Thornton	Supplies - IT Equipment	Employee reimbursement - Laptop	2,011.57
44959	Trussell Technologies, Inc	Services - Professional	T1 - Operational support - Jan	3,078.25
44960	Unifirst Corporation	Services - Uniforms	Uniform service	605.81
44961	Underground Service Alert/SC	Services - Alarm	Dig alert and safe excavation board	158.06
44962	USA Bluebook	Repair Parts Expense, Supplies - Lab	Various supplies	4,147.58
44963	Valley CM, Inc.	Services - Professional	Management and inspection services SW	1,225.00
44964	VELLAB	Services - Maintenance	Preventative maintenance for lab equipment	792.50
44965	Verizon Wireless	Utilities - Telephone	Cell phone service	1,309.69
44966	Volt Management Corp	Services - Temp	Internship program and temp service	2,724.51
44967	Benefits Coordinators Corp.	Dental/Vision	Vision - Mar	474.30
44968	VWR International, Inc.	Supplies - Lab	Various lab supplies	1,020.45
44969	WageWorks	Payroll Processing Fees	Admin fee - Feb	191.75
44970	Sterling Infosystems, Inc	Preemployment Screening	Security clearance reports	181.23
44971	Abila	Licenses	Accounting software support and subscription	292.56
44972	Aflac	EE Deduction Benefits Payable	Aflac - Mar	698.92
44973	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling and reuse - Feb	17,327.95
44974	Ahrens Mechanical	Services - Contractors	Moonlight Beach P.S. modifications and Wanket Tank RW Pipeline - Feb	110,393.30
44975	Allied Storage Containers	Equipment Rental/Lease	20' and 40' storage containers - Apr fees	359.89
44976	AT&T	Utilities - Telephone	Phone service - Mar	770.83
44977	American Water Chemicals, Inc.	Supplies - Chemicals	Antiscalant	9,472.21
44978	Backflow Services, Inc.	Services - Maintenance	Repair services - Moonlight Beach Pump Station	518.00
44979	BAVCO	Repair Parts Expense	Various supplies	300.83
44980	Black & Veatch	Services - Engineering	Dewatering facilities upgrades and Facility plan update through Jan	74,716.79
44981	Boot World, Inc.	Uniforms - Boots	Safety boots - S. Best and R. Aguilar	450.00
44982	CA. Office Cleaning, Inc.	Services - Janitorial	Office and window cleaning	4,831.00
44983	California Water Technologies	Supplies - Chem - Ferric Chlo	Ferric chloride solution	12,969.28
44984	Carollo Engineers	Services - Engineering	Engineering services through Jan	2,048.50
44985	CDM Smith	Services - Engineering	Services for Wanket Tank, Moonlight Pump Station and Rec. Water Pipeline	129,435.97
44986	Corodata	Rent	Record storage - Feb	119.07
44987	CWEA	Dues & Memberships	Membership renewal - S. Best	239.00
44988	D&H Water Systems	Supplies - Chemicals	Acetate buffer solution	592.76
44989	Dixieline Lumber Company	Supplies - Safety, Shop Tools and Equip.	Various supplies	207.26
44990	Dudek & Associates	Services - Engineering	Stormwater capture reuse and site water quality improvements	4,727.87
44991	Westbound Solar 2, LLC	Utilities - Solar Power	Solar - Feb	5,597.11
44992	City of Encinitas	Service - IT Support	Admin network and Zoom - Mar	6,692.98
44993	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	1,328.50
44994	Evoqua Water Technologies	Supplies - Chem - Odor	Bioxide	9,444.79
44995	FRS Environmental	Services - Maintenance	Parts washer service	291.00

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of MARCH 2025**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
44996	gafcon	Services - Professional, Contractors	Labor compliance for SW Capture, Wanket Pipeline and Wanket Tank - Feb	2,198.75
44997	Global Power Group Inc.	Services - Maintenance	Generator maintenance - Olivenhain Pump Station	857.90
44998	Grainger, Inc.	Repair Parts Expense, Supplies - Safety	Various supplies	560.74
44999	Hach Company	Supplies - Lab	Various lab supplies	1,445.05
45000	Hardy Diagnostics	Supplies - Lab	Various lab supplies	504.87
45001	HASA Inc.	Supplies - Chemicals	Muriatic acid	1,575.21
45002	Helix Environmental Planning	Services - Professional	Environmental consulting - SW Capture and Reuse	2,412.50
45003	Idexx Distribution, Inc.	Supplies - Lab	E-Coli. test kits	362.18
45004	Lawson Products Inc.	Supplies - Shop & Field, Safety	Various supplies	1,805.33
45005	McMaster-Carr Supply Co.	Repair Parts Expense	Various supplies	207.24
45006	MetLife - Group Benefits	Dental/Vision	Dental - Apr	3,417.93
45007	Nautilus Environmental, Inc	Services - Laboratory	Laboratory toxicity testing services for Jan	1,215.00
45008	Cosby Oil Company, Inc	Fuel	Fuel - Mar	975.59
45009	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Procurement of sodium hypochlorite	11,322.95
45010	Pacific Pipeline Supply	Repair Parts Expense	Various supplies	1,835.54
45011	Robert Half International, Inc	Services - Temp	Temporary staffing service	2,496.12
45012	Santa Fe Irrigation District	Utilities - Water	Water	401.36
45013	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment	1,728.31
45014	Snell & Wilmer L.L.P	Services - Legal	General counsel through Feb	3,042.00
45015	SS Mechanical	Services - Maintenance	Underground water leak repair	6,773.39
45016	Terminix Processing Center	Services - Maintenance	Pest control service	500.13
45017	Traffic Safety Store	Supplies - Safety	Various supplies	2,435.69
45018	Trinity Alt Power Solutions	Repair Parts Expense	ATS display unit and installation	5,990.00
45019	Unifirst Corporation	Supplies - Safety	Uniform service and gloves	429.93
45020	UPS	Postage/Shipping	Shipping	18.35
45021	USA Bluebook	Repair Parts Expense, Supplies - Lab	Various supplies	2,566.72
45022	Valley CM, Inc.	Services - Professional	Management and inspection services - Feb	53,273.12
45023	Volt Management Corp	Services - Temp	Internship program and temp service	3,109.87
45024	VWR International, Inc.	Supplies - Lab	Various lab supplies	315.98
On-line 1038	Mission Square	ICMA Retirement	ICMA - 401a	7,554.88
On-line 1039	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	11,293.70
On-line 1040	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Feb Pay Period	25,191.46
On-line 1041	ReadyRefresh	Supplies - Lab	Kitchen and lab supplies	1,245.84
On-line 1042	BankCard Center	Capital Outlay	Various supplies	7,032.73
On-line 1043	Home Depot Credit Services	Supplies - Safety	Various supplies	635.36
On-line 1044	Michelle Pizer	Training	Executive coaching - Jan	750.00
On-line 1045	Mission Square	ICMA Retirement	ICMA - 401a	7,797.33
On-line 1046	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	11,469.01
On-line 1047	P.E.R.S.	Medical Insurance - Pers	Health - Apr	54,959.58
On-line 1048	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Mar Pay Period	25,673.54

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of MARCH 2025**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
On-line 1049	Sun Life Financial	Life Insurance/Disability	Life and disability - Apr	3,511.36
On-line 1050	WM Corporate Services, Inc.	Services - Sediment Disposal	10 yard roll off disposal	3,152.84
On-line 1051	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - Feb	67,241.51
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 03/07/2025	123,619.47
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 03/21/2025	123,711.10
				<u>\$ 2,532,163.06</u>

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS SUMMARY**

**For the Month of March 2025
As of March 31, 2025**

PAYMENT OF WARRANTS \$ 2,532,163.06

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



Kevin Lang
Director of Finance and Administration

SAN ELIJO JOINT POWERS AUTHORITY
STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS
AND INVESTMENT INFORMATION

As of March 31, 2025

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(MARCH 2025 YIELD 4.333%)</i>	\$ 9,250,204.84
CALIFORNIA BANK AND TRUST <i>(MARCH 2025 YIELD 0.01%)</i>	255,736.41
U.S. Bank <i>(MARCH 2025 YIELD 4.40%)</i>	16,107,809.31
PARS <i>(MARCH 2025 YIELD 0.69%)</i>	1,065,013.80
TOTAL RESOURCES	<u>\$ 26,678,764.36</u>

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: WASTEWATER TREATMENT REPORT – FEBRUARY 2025

RECOMMENDATION

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

DISCUSSION

Monthly Treatment Facility 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 February 2025. The primary indicators of treatment performance include the removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD). The SEJPA is required to remove a minimum of 85 percent of the TSS and CBOD from the wastewater. Treatment levels for **TSS** and **CBOD** were **98.1** and **98.4** percent removal, respectively, during the month of February.

Exceptional Water Treatment

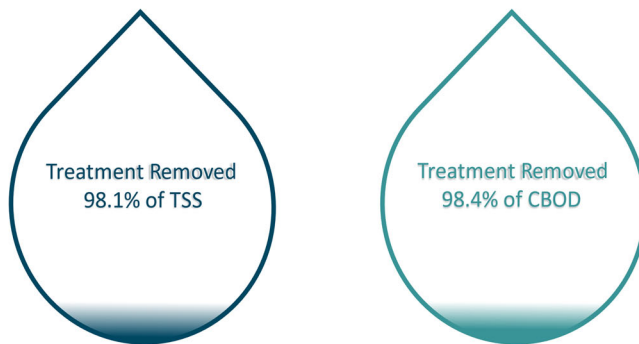
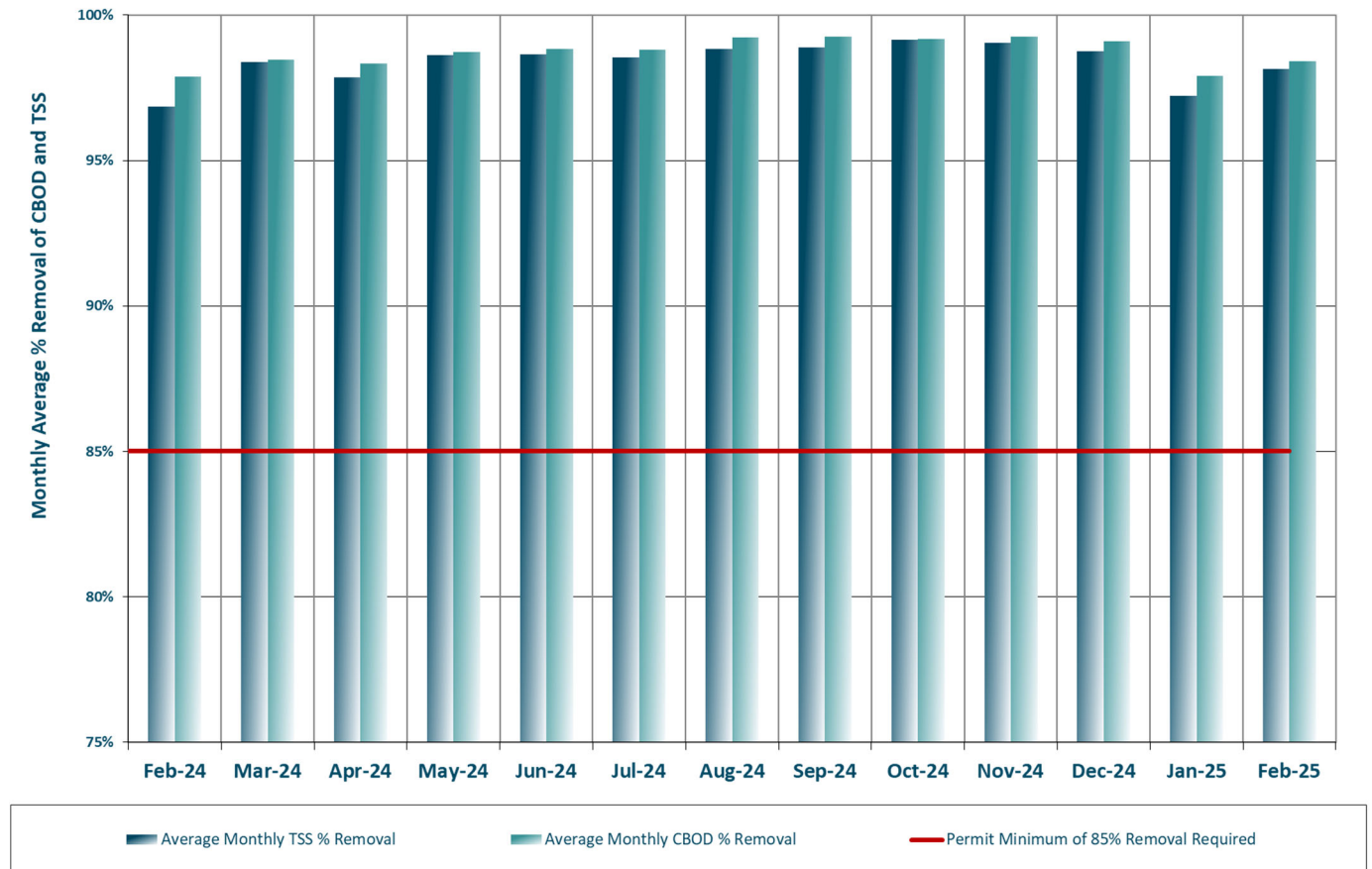


Figure 1 (below) shows historic treatment performance trends for the removal of TSS and CBOD over the last 13 months compared to the permit minimum removal requirement of 85%.

Figure 1: Wastewater Treatment Performance of the SEJPA % Removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD)



Figures 2 and 3 (below) show historic influent vs effluent TSS and CBOD concentration fluctuations in the strength of the wastewater being received and discharged by the SEJPA.

FIGURE 2: TREATED EFFLUENT FLOWS REMOVAL OF TSS

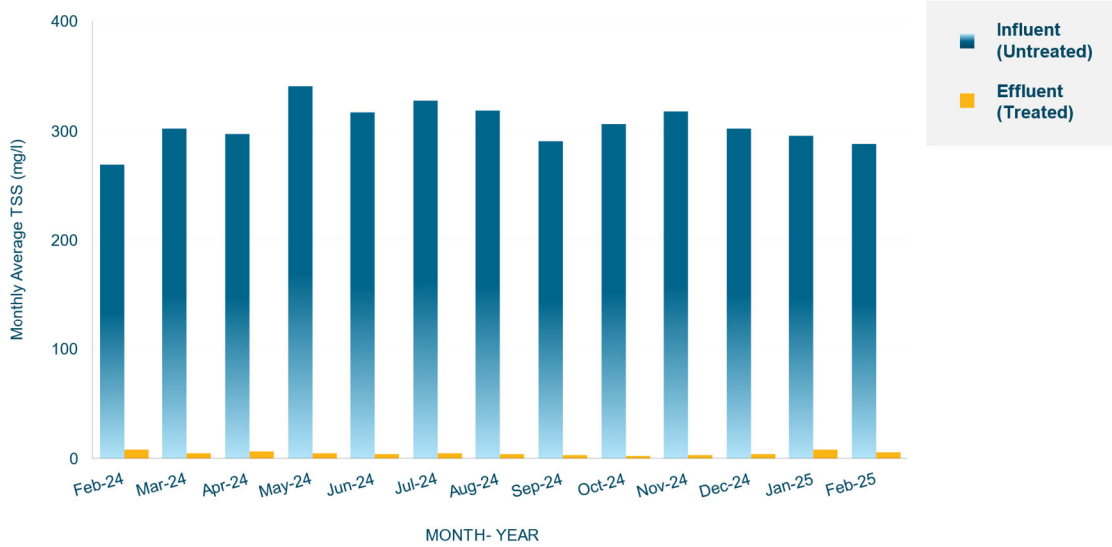
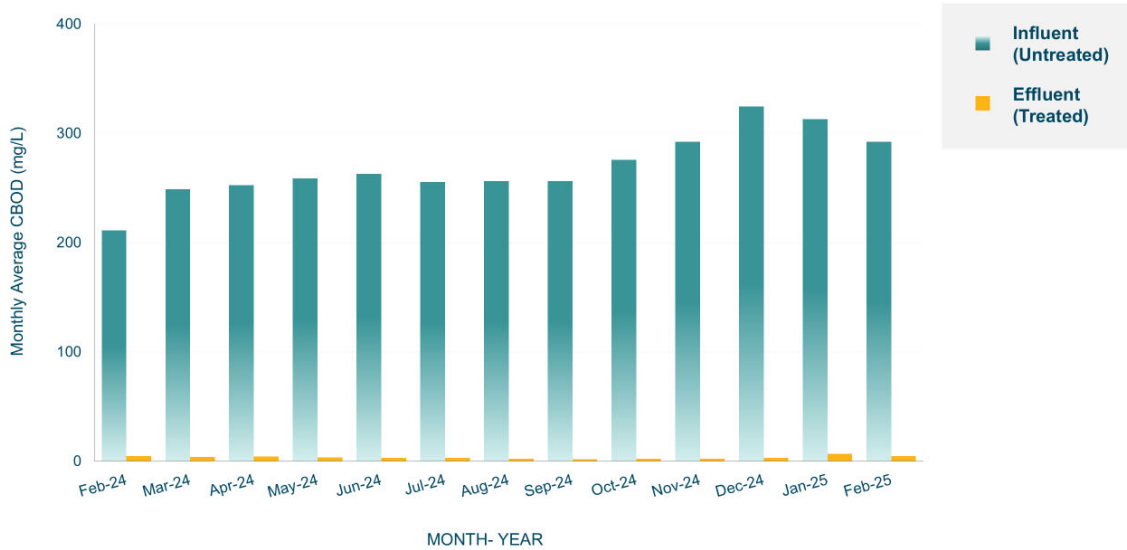


FIGURE 3: TREATED EFFLUENT FLOWS REMOVAL OF CBOD



Member Agency Flows

Table 1 (below) presents the influent and effluent flows for the month of February. Average daily influent flows were recorded for each contributing agency. In February, about 22% of the incoming flow was repurposed as recycled water with the remaining flow discharged to the ocean.

TABLE 1 – INFLUENT AND EFFLUENT FLOWS IN FEBRUARY

	Influent (mgd)	Recycled Water (mgd)	Effluent (mgd)*
Cardiff Sanitary Division	1.321	0.292	1.029
City of Solana Beach	1.120	0.248	0.872
Rancho Santa Fe SID	0.186	0.041	0.145
City of Del Mar	0.408	0.090	0.318
Total San Elijo Water Campus Flow	3.035	0.671	2.364

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

Table 2 (below) presents the historical average and unit influent rates per month for each of the contributing agencies during the past 3 years. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each agency during this same time.

TABLE 2 - SAN ELIJO WATER CAMPUS MONTHLY REPORT - FLOWS AND EDUS

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)					CONNECTED EDUs					AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)				
	CSD	RSF	SB	DM	TOTAL DESIGN	CSD	RSF	SB	DM	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
Jan-22	1.174	0.140	0.906	0.357	2.577	8,557	581	8,124	2,616	19,878	137	241	112	145	130
Feb-22	1.113	0.158	0.929	0.300	2.500	8,557	581	8,124	2,616	19,878	130	272	114	120	126
Mar-22	1.176	0.142	0.946	0.307	2.571	8,557	581	8,124	2,616	19,878	137	245	116	123	129
Apr-22	1.134	0.140	0.875	0.315	2.464	8,557	582	8,124	2,616	19,879	133	241	108	129	124
May-22	1.146	0.140	0.877	0.301	2.464	8,557	582	8,124	2,616	19,879	134	241	108	123	124
Jun-22	1.133	0.138	0.921	0.452	2.644	8,557	583	8,124	2,616	19,880	132	237	113	184	133
Jul-22	1.124	0.129	0.948	0.438	2.639	8,557	583	8,142	2,616	19,898	131	221	116	179	133
Aug-22	1.163	0.133	0.929	0.448	2.673	8,557	583	8,142	2,616	19,898	136	228	114	185	134
Sep-22	1.139	0.125	0.904	0.381	2.549	8,557	584	8,142	2,616	19,899	133	214	111	158	128
Oct-22	1.083	0.128	0.890	0.295	2.396	8,557	584	8,142	2,616	19,899	127	219	109	122	120
Nov-22	1.205	0.124	0.879	0.336	2.544	8,557	585	8,142	2,616	19,900	141	212	108	138	128
Dec-22	1.186	0.133	0.906	0.374	2.599	8,557	585	8,142	2,616	19,900	139	228	111	151	131
Jan-23	1.630	0.200	0.979	0.379	3.188	8,557	585	8,142	2,616	19,900	190	342	120	153	160
Feb-23	1.323	0.167	0.930	0.371	2.791	8,557	585	8,142	2,616	19,900	155	286	114	149	140
Mar-23	1.892	0.255	1.044	0.392	3.583	8,557	585	8,142	2,616	19,900	221	436	128	154	180
Apr-23	1.244	0.187	0.915	0.303	2.649	8,557	586	8,142	2,616	19,901	145	319	112	123	133
May-23	1.184	0.167	0.879	0.295	2.525	8,557	586	8,142	2,616	19,901	138	285	108	120	127
Jun-23	1.185	0.144	0.891	0.413	2.633	8,557	586	8,142	2,616	19,901	136	282	109	171	132
Jul-23	1.160	0.146	0.949	0.446	2.701	8,557	586	8,166	2,616	19,925	136	249	116	182	136
Aug-23	1.242	0.177	0.954	0.494	2.867	8,559	586	8,166	2,622	19,933	145	302	117	200	144
Sep-23	1.161	0.161	0.885	0.371	2.578	8,559	586	8,166	2,622	19,933	136	275	108	152	129
Oct-23	1.125	0.163	0.870	0.308	2.466	8,559	587	8,166	2,622	19,934	131	278	107	125	124
Nov-23	1.246	0.186	0.961	0.409	2.802	8,559	588	8,166	2,622	19,935	146	317	118	149	141
Dec-23	1.313	0.173	1.011	0.377	2.874	8,559	588	8,166	2,622	19,935	153	294	124	133	144
Jan-24	1.416	0.190	1.055	0.380	3.041	8,569	588	8,166	2,622	19,945	165	323	129	134	152
Feb-24	1.788	0.256	1.099	0.422	3.565	8,569	588	8,166	2,622	19,945	209	436	135	151	179
Mar-24	1.395	0.200	1.061	0.352	3.008	8,616	588	8,166	2,639	20,009	162	340	130	125	150
Apr-24	1.313	0.216	1.036	0.368	2.933	8,620	588	8,166	2,639	20,013	152	368	127	130	147
May-24	1.294	0.196	1.017	0.349	2.856	8,620	588	8,166	2,639	20,013	150	334	125	125	143
Jun-24	1.275	0.191	1.058	0.508	3.032	8,620	588	8,166	2,639	20,013	148	325	130	184	152
Jul-24	1.310	0.185	1.076	0.494	3.065	8,620	588	8,166	2,639	20,013	152	315	132	182	153
Aug-24	1.279	0.166	1.090	0.512	3.047	8,621	588	8,178	2,639	20,025	148	283	133	188	152
Sep-24	1.278	0.165	1.034	0.399	2.876	8,621	588	8,178	2,657	20,043	148	281	126	147	143
Oct-24	1.296	0.160	1.019	0.340	2.815	8,621	591	8,178	2,657	20,046	150	271	125	122	140
Nov-24	1.250	0.184	0.967	0.482	2.883	8,621	591	8,178	2,657	20,046	145	312	118	165	144
Dec-24	1.231	0.182	1.079	0.408	2.900	8,621	593	8,178	2,657	20,048	143	307	132	134	145
Jan-25	1.242	0.187	1.105	0.381	2.915	8,621	593	8,178	2,657	20,048	144	316	135	124	145
Feb-25	1.321	0.186	1.120	0.408	3.035	8,621	593	8,178	2,657	20,048	153	314	137	134	151

CSD: Cardiff Sanitary Division

RSF: Ranch Santa Fe Community Service District

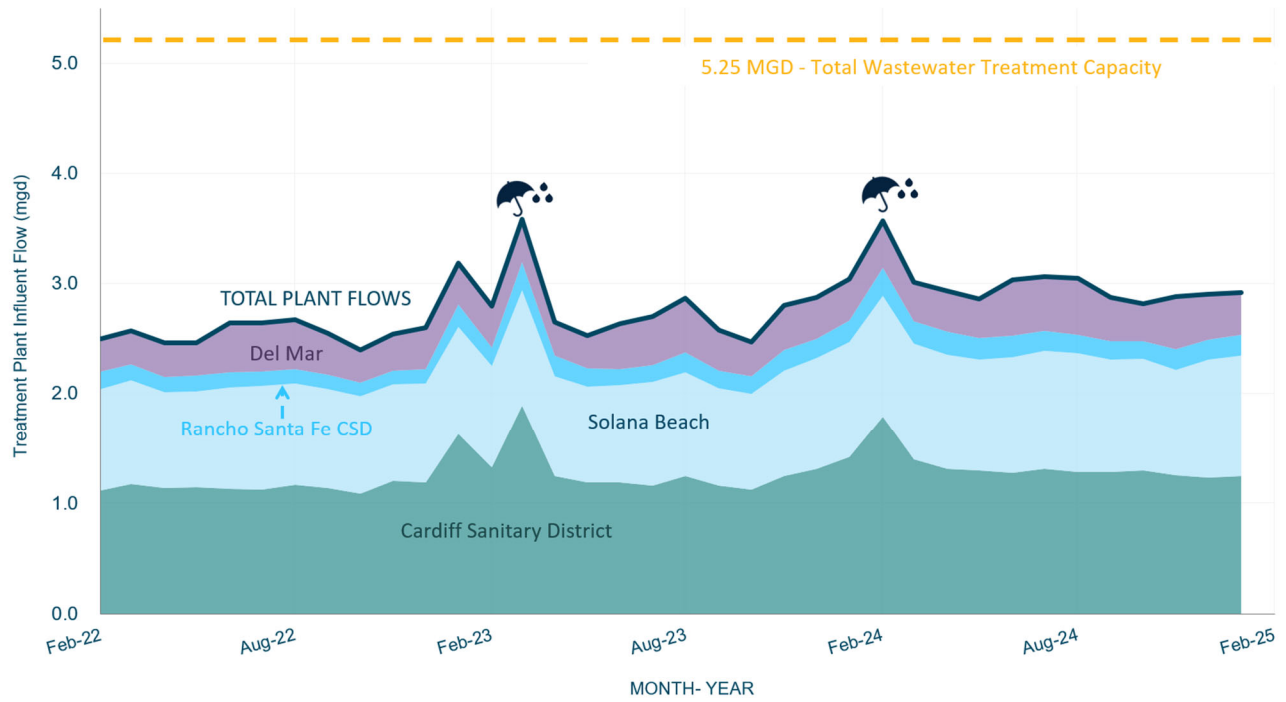
SB: Solana Beach

DM: City of Del Mar

EDU: Equivalent Dwelling Unit

Figure 4 (below) presents the 3-year historical average daily flows per month for each contributing agency. This is to provide a historical overview of the average flow treated for each agency. Also shown in Figure 4 is the total wastewater treatment capacity of the water campus, 5.25 mgd, of which the Cities of Encinitas and Solana Beach 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.

FIGURE 4: SEJPA AVERAGE DAILY FLOWS OVER THE PAST 3 YEARS



City of Escondido Flows

The average and peak flow rate for the month of February 2025 from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below in Table 3.

TABLE 3 – CITY OF ESCONDIDO FLOWS

	Flow (mgd)
Escondido (Average flow rate)	7.0
Escondido (Peak flow rate)	18.1

Connected Equivalent Dwelling Units

The City of Solana Beach updated the number of connected EDUs that are reported to the SEJPA in August 2024. The number of connected EDUs for City of Del Mar was updated in September 2024. City of Encinitas and Rancho Santa Fe CSD update their connected EDUs report every month. The number of EDUs connected for each of the Member Agencies and lease agencies is reported in Table 4 below.

TABLE 4 – CONNECTED EDUs BY AGENCY

	Connected (EDU)
Cardiff Sanitary Division	8,621
Rancho Santa Fe SID	593
City of Solana Beach	7,840
San Diego (to Solana Beach)	337
City of Del Mar	2,657
Total EDUs to System	20,048

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: RECYCLED WATER REPORT – FEBRUARY 2025

RECOMMENDATION

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

DISCUSSION

Recycled Water Production

For the month of February 2025, recycled water demand was 52.1 acre-feet (AF), which was 52.1 AF of recycled water and no supplemental water. February demand was 11.5% lower than budget expectations of 59 AF. Demand for the first eight months of the fiscal year is 18.9% ahead of budget.

Figure 1 (attached) provides a graphical view of annual recycled water demand spanning the last 10 fiscal years, with the overlay of annual rainfall. Since the recycled water program primarily serves outdoor irrigation, annual demand is reduced during wet periods and increases during times of drought. Figure 2 (attached) shows the monthly recycled water demand for each February for the last ten years to provide a year-over-year comparison. Figure 3 (attached) compares budget versus actual recycled water sales for FY 2024-25.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

FIGURE 1: RECYCLED WATER DEMAND AND RAINFALL COMPARISON

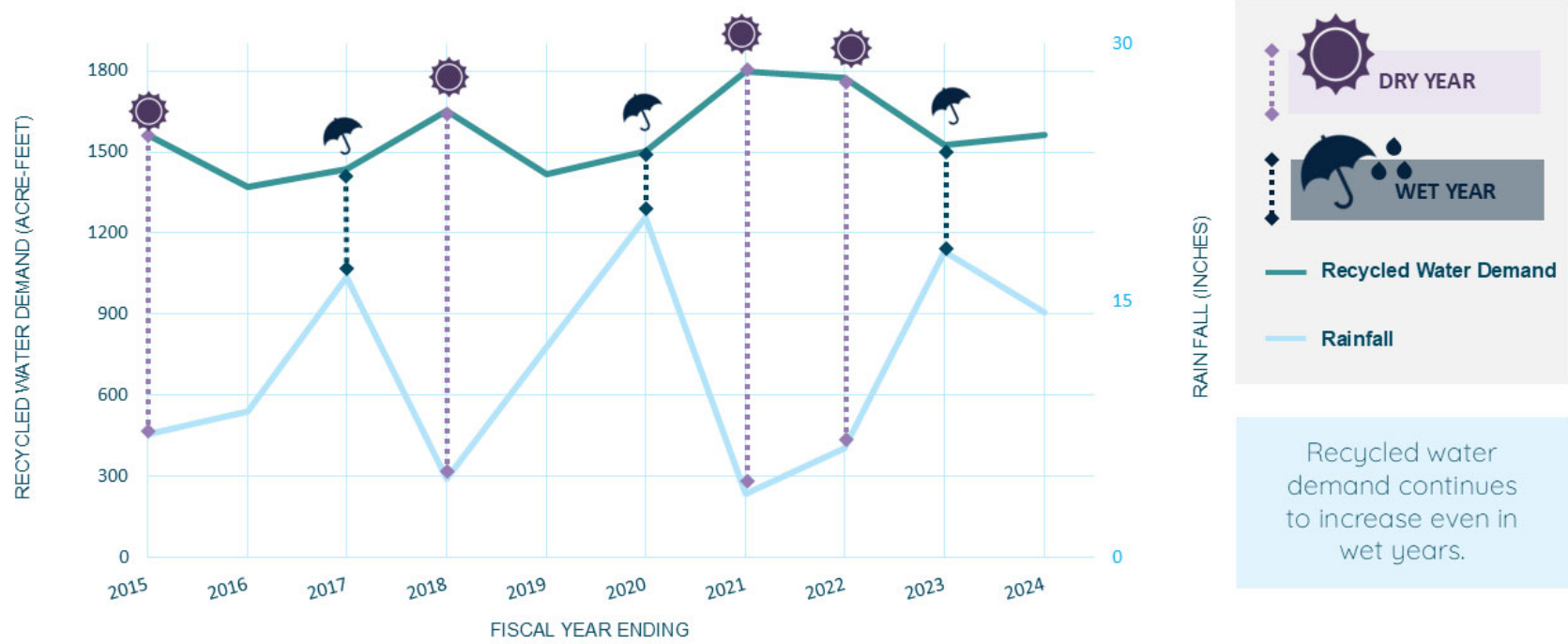


FIGURE 2: FEBRUARY RECYCLED WATER DEMAND

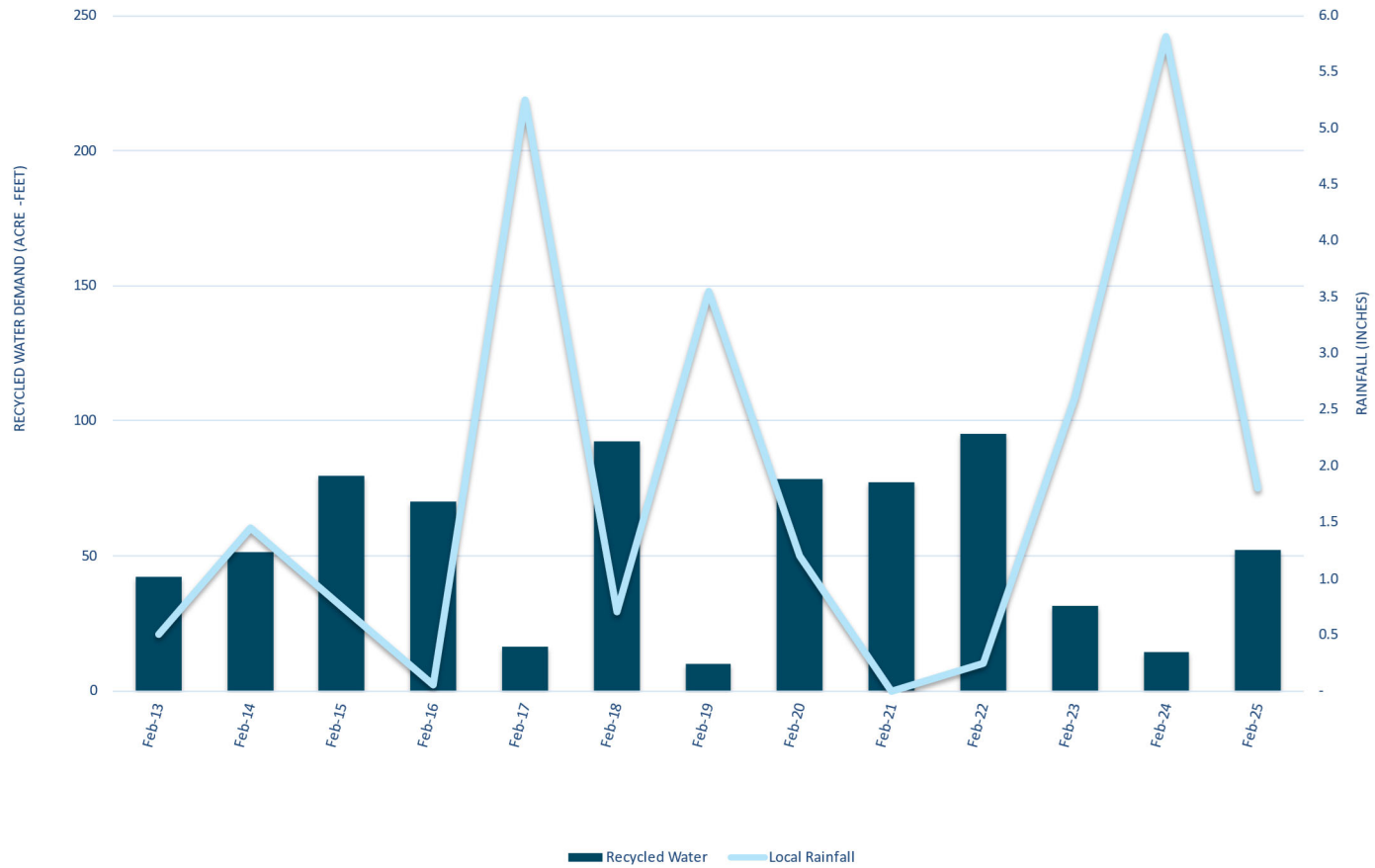
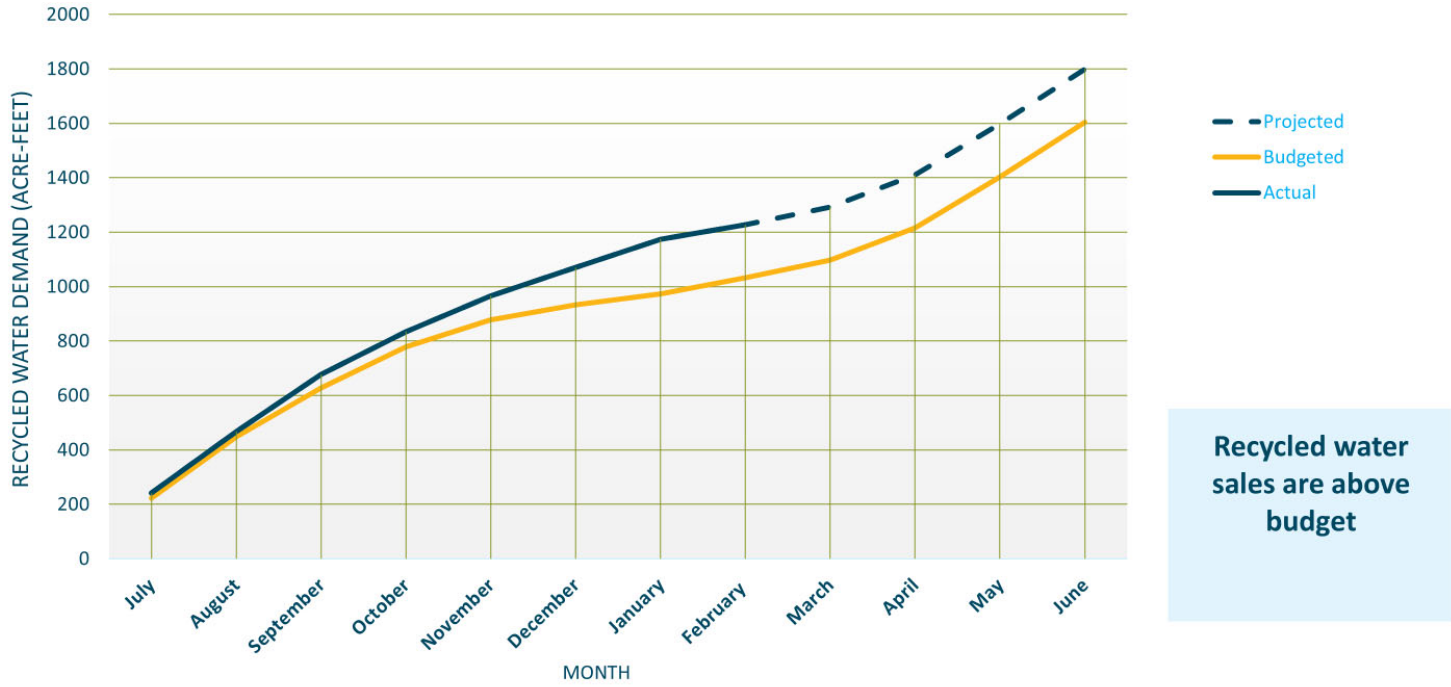


FIGURE 3: FY2024/25 CUMULATIVE DEMAND VS BUDGET



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AGENDA ITEM NO. 11

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: REPORTABLE MEETINGS

RECOMMENDATION

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

BACKGROUND

The General Manager or his designee may meet monthly with one or more Board Members in preparation for the Board Meeting.

DISCUSSION

The following meetings have taken place since previously reported:

1. Meeting to review Board Meeting Agenda with Chairperson Becker on March 14, 2025.

FINANCIAL IMPACT

Per the SEJPA Restatement Agreement, SEJPA offers the Board Member \$160 for each reportable meeting, which the Board Member may choose to accept or reject. These meetings are accounted for in our annual budget.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: UPDATE OF EMERGENCY REPAIRS TO NATURAL GAS PIPE ON SAN ELIJO
WATER CAMPUS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to Accept the Emergency Repairs to Natural Gas Pipe on San Elijo Water Campus Project and record Notice of Completion.

BACKGROUND

The San Elijo Water Campus relies on natural gas for both treatment processes and building operations. Within the wastewater treatment process, natural gas powers pilot lights on the waste digester flares and fuels hot water boilers that heat the anaerobic digesters. Additionally, occupied buildings use natural gas for heating and hot water, and the laboratory uses natural gas for its furnaces and Bunsen burners.

The facility's natural gas service lateral was installed in the 1970s and runs north from Manchester Avenue along the main access road to the Laboratory/Mechanics Building and also feeds the City of Encinitas' collections department offices.

On March 4, 2025, the General Manager made an emergency condition declaration per SEJPA's Purchasing Policies and Procedures and California Public Contract Code. The Board ratified and approved the action and related contract with Ahrens Mechanical at its regular Board meeting on March 18, 2025. Pursuant to Section 22050 of the Public Contract Code (PCC) SEJPA is to provide an update to the governing Board until the action (here, the emergency repair contract) is terminated.

DISCUSSION

On Tuesday, March 4th, a natural gas odor was observed on the Water Campus, just outside the Laboratory/Mechanics Building. SEJPA promptly shutdown the natural gas riser into the building and investigated the situation, determining that the apparent gas odor was emanating from below ground through an abandoned conduit riser on the outside of the building. The

exterior area was partitioned and the abandoned conduit riser vented to relieve risk of gas accumulation; gas was not detected inside the building.

Ahrens Mechanical mobilized equipment, operators and laborers to install an isolation valve in a location to allow the branch to the Laboratory and Mechanics Building and collections department trailer from the process uses so that the leak location could be safely identified and fixed. Upon exposing the natural gas pipeline, an active leak was located and a repair coupling installed. However, that initial repair did not alleviate the gas emission in the conduit riser. Ahrens Mechanical proceeded to expose the natural gas pipeline, locating several more leaks and SEJPA made the determination that the remaining 3" steel natural gas pipeline to the north of the newly installed isolation valve was in similar condition and not salvageable. SEJPA directed Ahrens Mechanical to replace approximately 200-linear feet with a new 1-1/2" polyethylene pipe. Ahrens Mechanical completed the installation, testing, and backfill of this segment on Thursday March 27, 2025.

Although the initial segment replacement did locate and resolve several leaks by replacing a significant length of failed gas piping on the Water Campus, it did not resolve the original observed natural gas leak emanating from the abandoned conduit. Ahrens Mechanical was then directed to excavate further south to install an isolation valve around the waste gas flares which would allow testing and further investigation at a secondary location. This work commenced on March 28, 2025, including installation of two more isolation valves on the existing pipe to allow testing of intermediate segments. On April 4, 2025, Ahrens Mechanical located the damaged phone conduit in close proximity to a gas pipe leak near an AT&T pedestal and SEJPA's fiber optic duct bank and handhole. SEJPA directed Ahrens to replace approximately 50-ft of damaged gas pipe in this segment. The work was completed on April 4, 2025 and site cleanup was completed on April 7-8, 2025.

The General Manager terminated the emergency declaration on April 8, 2025. With the gas leak resolved and all emergency work completed, SEJPA will now coordinate with Ahrens to reconcile time and materials charges, approve the final invoice, and formally close out the contract.

FINANCIAL IMPACT

Based on the completed replacement work and resolution of the natural gas leak, the total cost of this emergency repair is now estimated at approximately \$130,000. Following reconciliation of time and materials charges, SEJPA will process Ahrens Mechanical's final invoice and formally close out the emergency contract.

Although the project was initiated as an emergency repair, the work led to the identification of additional needs. Specifically, approximately 300 linear feet of natural gas pipeline—originally installed in the 1970s—was replaced. This replacement is expected to extend the service life of the gas line by an estimated 30 years. As a result, the expenditures are classified as the replacement of a failed critical asset rather than a simple repair. In accordance with SEJPA policy, these costs will be capitalized and charged to the Wastewater Capital Program.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to Accept the Emergency Repairs to Natural Gas Pipe on San Elijo Water Campus Project and record Notice of Completion.

Respectfully submitted,

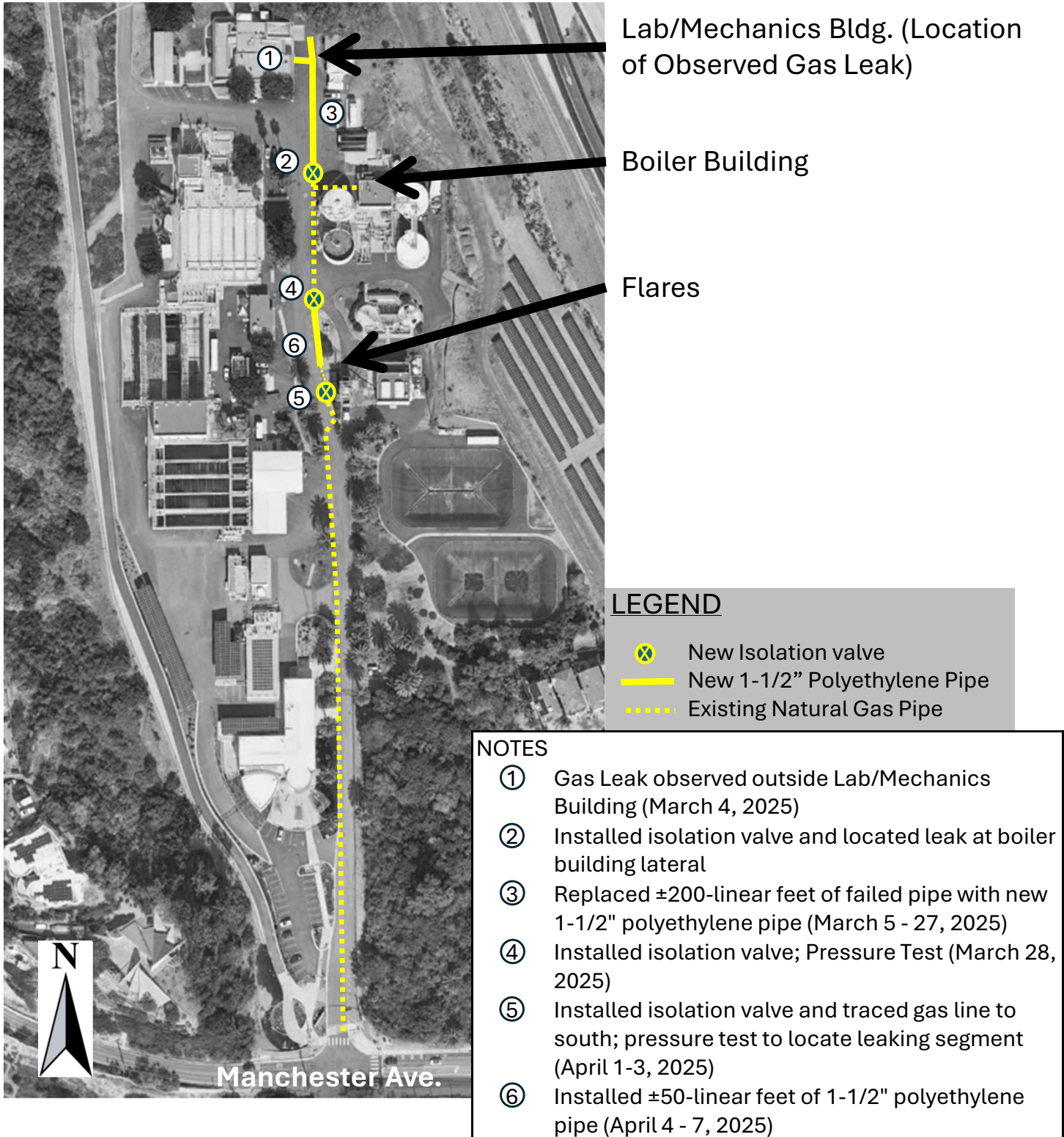
A handwritten signature in black ink, appearing to read 'M. Thornton', written over a horizontal line.

Michael T. Thornton, P.E.
General Manager

Attachments:

1. Emergency Natural Gas Pipe Repair Exhibit
2. Emergency Natural Gas Pipe Repair Photos

EMERGENCY NATURAL GAS PIPE REPAIR EXHIBIT



EMERGENCY NATURAL GAS PIPE REPAIR PHOTOS



March 4, 2025
Boiler Building Lateral – location of first identified leak



March 25, 2025
North end (looking south) of new 1-1/2" polyethylene pipe



April 3, 2025
South end (looking north) of new 1-1/2" polyethylene pipe



April 4, 2025
Location of damaged conduit and gas pipe below AT&T pedestal and SEJPA fiber optic handhole

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Infrastructure and Sustainability

SUBJECT: CONSTRUCTION PHASE CONTRACT AMENDMENTS FOR THE BIOSOLIDS
DEWATERING FACILITY IMPROVEMENT PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Ratify Change Order No. 11 (increase contract value by \$117,444 and 0 days) for work previously approved by the Board;
2. Authorize the General Manager to execute Contract Change Order No. 12 in an amount of \$70,671 for additional construction services related to the Biosolids Dewatering Facility Improvements project;
3. Ratify Amendment 4 (increase contract value by \$50,000) and Authorize Amendment 5 (increase contract value by \$50,000) to Black & Veatch's professional services agreement for engineering and construction support services for the Biosolids Dewatering Facility Improvements project; and
4. Discuss and take action as appropriate.

BACKGROUND

The Biosolids Dewatering Facilities Improvements Project (Biosolids Project) consists of two major components – (1) replacement of the aging biosolids dewatering equipment, polymer system, electrical systems, and biosolids handling systems, and rehabilitation of the dewatering building and ancillary systems and structures; and (2) replacement of Main Switchboard No. 2 (MS-2) which feeds secondary, tertiary, Advanced Water Purification (AWP), and solids treatment processes. The biosolids facility and MS-2 were originally constructed in 1991 and are approaching the end of their service life and the building is exhibiting deterioration that requires remediation.

The project was publicly bid and SEJPA awarded a contract to GSE Construction, Inc. (GSE) in January 2023 in the amount of \$8,687,200. SEJPA has executed Contract Change Order (CCO) Nos. 1 through 11 to date totaling \$526,703 and granted time extension of 125 calendar days, bringing the construction contract value to \$9,213,903. CCO No. 11 charges against the not-to-exceed allowance of \$160,000 approved by the Board in December 2024 for restoration of Dewatering Building roof and there is \$42,556 remaining within that allowance, allocated for the remaining roof repair work.

Black & Veatch was retained by SEJPA as the design engineer of record for the dewatering project in August 2021 (original design contract value of \$498,464). SEJPA has executed four Amendments to that contract for additional engineering services and construction phase services bringing the current contract value to \$859,631.

DISCUSSION

At the December 14, 2024 Board meeting, the Board authorized the General Manager to direct and negotiate the costs for repairs to the Dewatering Building roof that was found to be badly corroded and structurally compromised. CCO No. 11 covers the structural modifications, infill and roofing and painting and coating. The existing coating on the roof structure was found to be high in zinc, requiring special handling and disposal that has not yet been completed. CCO No. 11 covers completed work to date totaling \$117,444. The unfinished work is expected to be completed within the remaining amount previously authorized by the Board.

CCO No. 12 addresses necessary additional work to accommodate changed field conditions discovered during demolition and underground excavation and to incorporate scope to ancillary dewatering systems. CCO No. 12 will increase the contractor's scope to include requested changes to address unforeseen conditions and identified operational improvements:

- Modifications to footings to accommodate unanticipated conflicts below the polymer area and building ventilation equipment slabs adjacent to the existing dewatering building foundation;
- Replacement of existing non-potable water piping that was not salvageable and non-potable water extensions in/around the dewatering building and polymer area to provide additional washdown stations;
- Additional electrical work to accommodate electrical wiring within constrained existing building areas and make provisions for future improvements while the area is accessible;
- Modifications to improve operational ease and housekeeping at the polymer area, and centrifuge cake sampling; and
- Addition of panic hardware on electrical room doors as required by SDG&E.

The engineer of record, Black & Veatch is under contract to provide Engineering Services During Construction (ESDC) for the project. As the project has progressed, they have provided responsive service and supported owner-requested changes to the project including: Upsizing of MS-2, structural modifications to the dewatering building, revisions to the PV-solar interconnect required by our solar provider, and relocation of electrical equipment for the dewatering feed pumps. These changes resulted in significant additional engineering work that was not contemplated in the original ESDC scope of services. Additional funding is now required to maintain their role through completion of construction.

FISCAL IMPACT

The Biosolids Project construction phase was budgeted at \$11.2 million, including \$1.02 million in contingency, and is fully funded from the Wastewater Capital Program. Upon executing CCO No. 12 (\$70,671) and amendments to engineering services agreement, unencumbered contingency funds (including pending change order for Dewatering Building roof repairs) will be reduced to approximately \$279,000 for the remainder of the project. The project is approximately 80% complete – current completion date is June 2025. No additional capital appropriations are needed at this time.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Ratify Change Order No. 11 (increase contract value by \$117,444 and 0 days) for work previously approved by the Board;
2. Authorize the General Manager to execute Contract Change Order No. 12 in an amount of \$70,671 for additional construction services related to the Biosolids Dewatering Facility Improvements project;
3. Ratify Amendment 4 (increase contract value by \$50,000) and Authorize Amendment 5 (increase contract value by \$50,000) to Black & Veatch's professional services agreement for engineering and construction support services for the Biosolids Dewatering Facility Improvements project; and
4. Discuss and take action as appropriate.


Respectfully submitted,



Thomas C. Falk, P.E., PMP
Director of Infrastructure and Sustainability



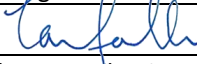

Attachments:

1. Construction Contract Change Order No. 11
2. Construction Contract Change Order No. 12
3. Engineering Services Agreement Amendment 4
4. Engineering Services Agreement Amendment 5

 <p>SAN ELIJO JOINT POWERS AUTHORITY 2695 Manchester Avenue Cardiff by the Sea, CA 92007</p>	Contract Change Order (CCO) No. 11
	Contract Name: Biosolids Dewatering Facility Improvement
	Contract No.: 2023-026 SC Program Code: 13019
Contractor: GSE Construction Construction	Created By: George Foote
Date: January 22, 2025	Reviewed By: Tom Falk
Status:	Accepted By: See signatures below
Revision:	Approved By: See signatures below
Time Change (Days) Zero	CCO Amount: \$117,444.00
Summary 1. PCO #42-Infill skylights	
Attachments: PCO #42	
<i>To Contractor: You are hereby directed to make the herein described changes from the Contract Documents. Note: This CCO is not effective until approved by San Elijo Joint Power Authority's General Manager.</i>	
CCO SCOPE OF WORK DESCRIPTION	
The scope of this work includes all the work described in: 1. PCO #42(add)- This change was necessary for structural support of existing roof metal deck. This change does not account for the disputed portion of PCO #42 of the metal roof deck blast or the non-disputed portion of the PCO #42 for hazardous zinc coating removal. Add \$117,444.00.	
CCO COST (ADD/DEDUCT/NET) DESCRIPTION	
CONTRACT SUMMARY	
Original Contract Amount.....	\$ 8,687,200.00
Net Change from Previous CCOs (1-10)	\$ 409,258.64
Contract Amount Prior to this CO CCO (1-10).....	\$ 9,096,458.64
Contract Amount Change by this CCO (11).....	\$ 117,444.00
New Contract Amount (1-11).....	\$ 9,213,902.64
In Words: Nine Million, Two Hundred and Thirteen Thousand, Nine Hundred and Two Dollars and 64/100ths Dollars	
Notice to Proceed Date.....	March 15, 2023
Original Contract Time.....	700 Calendar Days
Original Contract Completion Date.....	February 11, 2025
Contract Time Change from Previous CCOs.....	125 Days
Contract Completion Date Prior to this CCO.....	June 17, 2025
Contract Time Change by this CCO.....	0 Calendar Days


New Contract Completion Date..... June 17, 2025

APPROVALS

Contractor	By:  Date: 2/3/2025
	Steven Villanueva, PM, GSE Construction
Construction Manager	By:  Date: 1/22/25
	George Foote Construction Manager, Valley CM
SEJPA	By:  Date: 2/3/25
	Thomas Falk, Director of Infrastructure and Sustainability, San Elijo Joint Powers Authority
SEJPA	By:  Date: 2/19/2025
	Michael Thornton, General Manager, San Elijo Joint Powers Authority

Notes:

1. *It is understood and agreed that the above adjustments constitute compensation in full on behalf of the Contractor, its Subcontractors and Suppliers, for all costs and markups directly or indirectly attributed to the change ordered, for all time impacts and work sequencing related thereto and all extended overhead costs, and for performance of all remaining and change order Work within the Contract Time stated.*
2. *All other Contract Work and Terms and Conditions of the Contract remain unchanged.*
3. *If the Contractor does not sign acceptance of this CCO, attention is directed to the requirements of the Contract Documents as to proceeding with the ordered Work and filing a written protest within the time stipulated.*

 <p>SAN ELIJO JOINT POWERS AUTHORITY 2695 Manchester Avenue Cardiff by the Sea, CA 92007</p>	Contract Change Order (CCO) No. 12
	Contract Name: Biosolids Dewatering Facility Improvement
	Contract No.: 2023-026 SC Program Code: 13019
Contractor: GSE Construction Construction	Created By: George Foote
Date: April 4, 2025	Reviewed By: Tom Falk
Status:	Accepted By: Tom Falk
Revision:	Approved By: Michael Thornton
Time Change (Days) Zero	CCO Amount: \$70,671.00
Summary <ol style="list-style-type: none"> 1. PCO #28-NPW Underground connection to existing building 2. PCO #33-Vent Pipe in electrical room RFI #66 3. PCO #34-DAF Pump procurement of mechanical materials 4. PCO #37-Demo existing electrical in electrical building RFI #71 5. PCO #38-Footing change at polymer slab RFI #72 6. PCO #41-Footing change at air handler slab RFI #74 7. PCO #47-Larger floor box for MCC-J 8. PCO #49-Rotate conveyor gate 9. PCO #50-J Box for fiber RFI #102 10. PCO #52-Centrifuge sample access hatches 11. PCO #53-UGPS pad extension to the east 12. PCO #54-Modify existing door openings 13. PCO #55-Modify trench drain 14. PCO #56-Add hose rack & bib at polymer area 15. PCO #57-Add electrical for future sludge valve actuators 16. PCO #61-Misc PVC improvements in centrifuge room 17. PCO #62-Field investigate corroded conduit at existing sludge pumps 18. PCO #63-Add SDG&E Door hardware to electrical meter room. 	
Attachments: PCO #28, 33,34, 37, 38, 41, 47, 49, 50, 52, 53, 54, 55, 56, 57, 61, 62, 63.	
<i>To Contractor: You are hereby directed to make the herein described changes from the Contract Documents. Note: This CCO is not effective until approved by San Elijo Joint Power Authority's General Manager.</i>	
CCO SCOPE OF WORK DESCRIPTION	
The scope of this work includes all the work described in: <ol style="list-style-type: none"> 1. PCO #28(add)- Plans required the new underground non-potable water pipe to connect to the existing below-grade pipe in the dewatering building; the existing pipe entering the building was found to be severely corroded and not salvageable so Contractor was directed to install new above-grade riser/entry into the building. Add \$6,202.00. 2. PCO #33(add)- The existing electrical building had a vent pipe that was interfering with the installation of the new electrical equipment; Contractor was directed to remove the vent pipe and plug the floor drain. Add \$545.00. 	

3. PCO #34(add)- The existing DAF pump needs to be replaced. This change authorized the procurement of long-leading mechanical materials. Pump/piping installation is not included in this PCO. Add \$1,741.00.
4. PCO #37(no cost)- Existing conduit and wire in the existing electrical building was interfering with the new electrical equipment installation; Contractor was directed to remove and safe-off electrical components. No cost.
5. PCO #38(add)- The new polymer area structure is adjacent to the existing dewatering building. The footing of the new polymer foundation needed to be modified in the field to integrate with the existing footing of the existing dewatering building. Add \$8,913.00.
6. PCO #41(add)- The new building ventilation unit structure is adjacent to the existing dewatering building. The footing of the new supply fan (MAU-1) slab needed to be modified in the field to integrate with the existing footing of the existing dewatering building. Add \$4,463.00.
7. PCO #47(add)- Contractor was directed to furnish and install a larger pull box in existing electrical building to provide space for future electrical work in that area. Add \$870.00.
8. PCO #49(add)- A gate on one of the sludge cake conveyors needed to be rotated 180 degrees to improve O&M access to equipment, requiring field modifications, welding and labor to remove/reinstall. Add \$1,072.00.
9. PCO #50(add)- The contract documents indicated existing conduits to be utilized for the new fiber optic cable installation; however, the existing bends were too tight for the cable pull, so Contractor was directed to furnish/install junction boxes to allow for proper fiber installation. Add \$2,381.00.
10. PCO #52(add)- Contractor was directed to install sludge sample access hatches to the discharge chute below the centrifuges to provide operational access per SEJPA's request. Add \$810.00.
11. PCO #53(zero)- Previous change orders 1, 2, 4 included work to upsize the electrical equipment to allow for future expansion; After the existing equipment was demolished, several pre-existing conduits were found to interfere with the new larger underground pull section (UGPS); Contractor was directed to extend the equipment pad 3" to the east to accommodate existing conduit penetrations thru the floor. No cost.
12. PCO #54(add)- When fitting up door frames in the existing dewatering building, existing openings were found to be out of plumb and did not meet tolerances for the new door types. The Contractor modified existing block wall openings to accept the new doors and frames as necessary to complete installation (time and materials). Add \$1,589.00.
13. PCO #55(add)- SEJPA requested modifications to improve ease of routine housekeeping and operations at the new polymer process area: add grout slope to trench floor and increased drain outlet to 3" piping and valve to improve draining. Add \$10,720.00.
14. PCO #56(add)- SEJPA requested additional hose rack and bib at the polymer area to ease housekeeping and washdowns. SEJPA furnished the hose rack; Contractor installing rack and extending non-potable waterline with hose bibb. Add \$600.00.
15. PCO #57(add)- The design did not require actuated isolation valves for the sludge forcemains (2 total) that feed the centrifuges; Contractor is directed to install rough electrical work to accommodate the future actuated valves that will be furnished and installed by SEJPA at a future date. Add \$15,405.00.
16. PCO #61(add)- SEJPA requested modifications to the non-potable piping within the dewatering building to improve O&M functionality: added isolation valves at laterals, install

an SEJPA-furnished hose rack, and extend NPW line to the existing odor control recirculation pumps. Add \$6,051.00.

17. PCO #62(add)-Discovered corroded conduit at the existing electrical riser at existing dewatering pump 1. Contractor was directed under time and materials to chip out concrete around the conduit to allow for repair and extension of new electrical conduit. Add \$941.00.



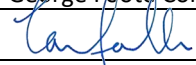
18. PCO #63(add)- It was determined that the new doors require panic door hardware to comply with SDG&E's standards. Contractor was directed to modify existing doors to accommodate requisite panic hardware. Add \$8,368.00.

CCO COST (ADD/DEDUCT/NET) DESCRIPTION

CONTRACT SUMMARY

Original Contract Amount.....	\$	8,687,200.00
Net Change from Previous CCOs (1-11)	\$	526,702.64
Contract Amount Prior to this CO CCO (1-11).....	\$	9,213,902.64
Contract Amount Change by this CCO (12).....	\$	70,671.00
New Contract Amount (1-12).....	\$	9,284,573.64
In Words: Nine Million, Two Hundred Eighty-Four Thousand, Five Hundred Seventy-Three Dollars and 64/100ths Dollars		
Notice to Proceed Date.....		March 15, 2023
Original Contract Time.....		700 Calendar Days
Original Contract Completion Date.....		February 11, 2025
Contract Time Change from Previous CCOs.....		125 Days
Contract Completion Date Prior to this CCO.....		June 17, 2025
Contract Time Change by this CCO.....		0 Calendar Days
New Contract Completion Date.....		June 17, 2025

APPROVALS

Contractor	By: 	Date: 4-7-2025
	Steven Villanueva, PM, GSE Construction	
Construction Manager	By: 	Date: 4/8/25
	George Foote Construction Manager, Valley CM	
SEJPA	By: 	Date: 4/8/2025
	Thomas Falk, Director of Infrastructure and Sustainability, San Elijo Joint Powers Authority	
SEJPA	By: Pending Board Approval	Date:
	Michael Thornton, General Manager, San Elijo Joint Powers Authority	

Notes:

1. It is understood and agreed that the above adjustments constitute compensation in full on behalf of the Contractor, its Subcontractors and Suppliers, for all costs and markups directly or indirectly attributed to the change ordered, for all time impacts and work sequencing related thereto and all extended overhead costs, and for performance of all remaining and change order Work within the Contract Time stated.
2. All other Contract Work and Terms and Conditions of the Contract remain unchanged.
3. If the Contractor does not sign acceptance of this CCO, attention is directed to the requirements of the Contract Documents as to proceeding with the ordered Work and filing a written protest within the time stipulated.

AMENDMENT 4

This **AMENDMENT 4** is made and entered into on this 5th day of February, 2025, by and between the **San Elijo Joint Powers Authority**, hereinafter referred to as "AUTHORITY", and **Black & Veatch Corporation**, hereinafter referred to as "CONSULTANT".

WITNESSETH:

WHEREAS, on August 17, 2021, AUTHORITY entered into an Agreement with CONSULTANT for Design of the Solids Dewatering System in the amount not-to-exceed \$498,464;

WHEREAS, on April 19, 2022, AUTHORITY entered into an Amendment 1 with CONSULTANT to provide additional potholing services in the amount not to exceed \$10,127;

WHEREAS, on December 31, 2022, AUTHORITY entered into an Amendment 2 with CONSULTANT to provide additional bidding services in the amount not to exceed \$2,860;

WHEREAS, on January 30, 2023, AUTHORITY entered into an Amendment 3 with CONSULTANT to extend the term of the Agreement to June 30, 2025, to provide additional engineering services during construction in an amount not to exceed \$298,180; and

WHEREAS, the AUTHORITY desires and the CONSULTANT is willing to extend the term of the Agreement to provide additional engineering services during construction as described in Attachment A in an amount not to exceed \$50,000, unless otherwise agreed to by both parties in writing.

NOW THEREFORE, the AUTHORITY and CONSULTANT agree to amend Section 2.01 and Section 3.01 of the AGREEMENT as follows:

- 2.01 **TERM OF CONTRACT.** This Agreement will become effective on the date stated above and will continue in effect until the earlier of the completion of services provided for in this Agreement, September 30, 2025, or until terminated as provided in this Agreement.
- 3.01 **COMPENSATION.** Compensation for all work performed under this Agreement, including labor, equipment, materials and services which CONSULTANT is obligated to perform, including all applicable taxes, for the services described in Attachment A shall not exceed Eight Hundred Fifty-Nine Thousand Six Hundred and Thirty-One Dollars (\$859,631). This amount shall not be exceeded unless there is a change in scope of work, and agreed to in writing by both parties, and set forth in an amendment to this Agreement. Such amendment shall identify any change in compensation as a result of the change in scope of work. CONSULTANT and SEJPA agree that this fee was arrived at through arm's length negotiations between the parties. SEJPA shall make payments to CONSULTANT in response to duly submitted invoices in accordance with this Section.

All other provisions of the AGREEMENT shall remain unchanged.

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
Michael T. Thornton
General Manager

BLACK & VEATCH CORPORATION

By: Kevin N. Davis
Kevin Davis, P.E., BCEE

Agreement No.: 2022-006SC
Account: 50-5404-10-13019

Attachment A – Scope of Work

SEJPA
BIOSOLIDS DEWATERING FACILITIES IMPROVEMENTS
BLACK & VEATCH
ENGINEERING SERVICES DURING CONSTRUCTION
AMENDMENT NO. 4
SCOPE OF SERVICES

The following Consultant (Black & Veatch) scope of the services identifies additional tasks required to perform Engineering Services During Construction (ESDC) for the Biosolids Dewatering Facilities Improvements at the San Elijo Water Campus. This scope of services includes Consultant assumptions utilized as the basis for development of the project budget. It is assumed that the construction duration will be 27 months (23 months original + 4 months under this amendment).

SUMMARY OF THE GENERAL PROJECT IMPROVEMENTS

The project consists of dewatering system upgrades and replacement of main Switchboard 2 (MS-2) as defined in the Construction Documents bid in December 2022.

SCOPE OF WORK

1. Project Management

- a. Provide overall project management and prepare monthly invoices. Invoices shall include:
 - Currently monthly charges broken up by professional
 - Charges to Date
 - Amount Remaining
 - Percent Complete
 - Receipt of all applicable expenses
- b. Prepare Monthly Progress Reports for SEJPA staff: Consultant will prepare the monthly progress reports that will include the following:
 - Summary of the main accomplishments over the previous month including efforts conducted (i.e. field visits, meetings, submittal reviews, RFI correspondence, change order assistance, etc)

2. SERVICES DURING CONSTRUCTION

2.1 Meetings

- a. Monthly Construction Progress Meetings: Consultant attend progress meetings with the Contractor, CM and the SEJPA. Meetings will be attended by PM or EM. Assumes 4 additional formal construction meetings, 1 hour duration for a total of 4 hours. Meeting attended via teleconference, no travel.

2.2 Shop Drawing Submittal and O&M Manual Reviews

- a. Submittal Reviews: Consultant shall review submittals to confirm conformance with the bid documents. Assumes up to 9 additional 1st submittals at 5 hours each, and 4 2nd submittals at 3 hours each plus an additional. Review by Consultant doesn't replace the responsibility of the Contractor.
- b. Operations & Maintenance Manuals: Completed, no additional services required as SEJPA taking lead on.
- c. Submittal Log and Status of Submittals: Consultant shall utilize the third party online system (i.e. Smartsheet) as established and maintained by the CM to help route, track, and monitor shop drawings, calculations, data samples, and manuals from the Contractor as required by the construction Contract Documents.

2.3 Plan and Specification Interpretation and Control

- a. Requests for Information (RFI): Consultant will respond to the Contractor RFIs within five (5) calendar days. Assumes an additional 15 RFI at 3 hours each.
- b. Substitution Requests: Completed, no additional services required.

2.4 Change Order Management Support

- a. Review Change Orders: Consultant will provide additional technical input to Change Order work initiated by the Contractor or SEJPA. Changes to drawings and specifications will be issued as needed. A budget of 16 hours has been established for this effort.

2.5 Field Visits

- a. Field Visits: Consultant will provide periodic field visits, as requested by the CM or SEJPA to confirm work complies to the Contract Documents. A budget of 22 additional hours has been allocated for field visits. Field visits effort includes time for PM, EM and Structural.

2.6 Startup and Record Drawings

- a. Operation Testing Plan: Consultant will review the operational testing plan that is developed by the Contractor and the appropriate equipment vendors. A budget of 27
- b. hours has been allocated.
- c. Record Drawings: To be addressed in future Amendment.

SCHEDULE

The construction of the Biosolids Dewatering Facilities Improvements, including startup and testing, shall be completed within 26 months after notice to proceed of Amendment No. 3 (start of the construction/ESDC phase).

SAN ELIJO JOINT POWERS AUTHORITY San Elijo Water Campus Biosolids Dewatering Facilities Improvements ESDC Black & Veatch Fee Proposal		Sr. Project Manager	Engineering Manager	Civil Engineer	Senior Structural	Senior Architect	Bldg Mech Sr. Engineer	Proc Mech Sr. Engineer	Proc Sr. Engineer	Chem Feed Sr. Engineer	Electrical Engineer	I&C Engineer	Finance	Biller	Sr. Project Controls	SUBTOTAL, Hours	SUBTOTAL, Billings \$	Mileage	TOTAL Billings
PHASE		\$340.00	\$280.00	\$190.00	\$295.00	\$230.00	\$245.00	\$250.00	\$325.00	\$270.00	\$185.00	\$280.00	\$130.00	\$130.00	\$160.00				
1.0 Project Management		1000	4	2	-	-	-	-	-	-	-	-	-	7	7	7			
2.0 Services During Construction		2000																	
2.1 Meetings		2010	-	4	-	-	-	-	-	-	-	-	-	-	-	4	\$ 1,120	\$ -	\$ 1,120
2.2 Shop Drawings Submittal Reviews		2020	4	10	11	2	2	2	2	2	2	10	10	-	-	57	\$ 14,130	\$ -	\$ 14,130
2.3 Plan and Specification Interpretation and Control		2030	4	12	9	2	2	2	2	2	2	4	4	-	-	45	\$ 11,520	\$ -	\$ 11,520
2.4 Change Order Management Support		2040	2	8	-	2	-	-	-	-	-	2	2	-	-	16	\$ 4,440	\$ -	\$ 4,440
2.5 Field Visits		2050	4	10	-	8	-	-	-	-	-	-	-	-	-	22	\$ 6,520	\$ 210	\$ 6,730
2.6 Startup, Closeout and Acceptance Testing		2060	3	10	4	-	-	#	2	2	2	2	-	-	-	27	\$ 7,200	\$ -	\$ 7,200
Total, Hours			21	56	24	14	4	4	6	6	6	18	18	7	7	7	198		
Total, Billings			\$ 7,140	\$ 15,680	\$ 4,560	\$ 4,130	\$ 920	\$ 980	\$ 1,500	\$ 1,950	\$ 1,620	\$ 3,330	\$ 5,040	\$ 910	\$ 910	\$ 1,120	\$ 49,790	\$ 210	\$ 50,000

AMENDMENT 5

This **AMENDMENT 5** is made and entered into on this 15th day of April, 2025, by and between the **San Elijo Joint Powers Authority**, hereinafter referred to as "AUTHORITY", and **Black & Veatch Corporation**, hereinafter referred to as "CONSULTANT".

WITNESSETH:

WHEREAS, on August 17, 2021, AUTHORITY entered into an Agreement with CONSULTANT for Design of the Solids Dewatering System in the amount not-to-exceed \$498,464;

WHEREAS, on April 19, 2022, AUTHORITY entered into an Amendment 1 with CONSULTANT to provide additional potholing services in the amount not to exceed \$10,127;

WHEREAS, on December 31, 2022, AUTHORITY entered into an Amendment 2 with CONSULTANT to provide additional bidding services in the amount not to exceed \$2,860;

WHEREAS, on January 30, 2023, AUTHORITY entered into an Amendment 3 with CONSULTANT to extend the term of the Agreement to June 30, 2025, to provide additional engineering services during construction in an amount not to exceed \$298,180;

WHEREAS, on February 5, 2025, AUTHORITY entered into an Amendment 4 with CONSULTANT to extend the term of the Agreement to September 30, 2025, to provide additional engineering services during construction in an amount not to exceed \$50,000; and

WHEREAS, the AUTHORITY desires and the CONSULTANT is willing to increase the budget to provide additional engineering services during construction as described in Attachment A in an amount not to exceed \$50,000, unless otherwise agreed to by both parties in writing.

NOW THEREFORE, the AUTHORITY and CONSULTANT agree to amend Section 3.01 of the AGREEMENT as follows:

- 3.01 COMPENSATION. Compensation for all work performed under this Agreement, including labor, equipment, materials and services which CONSULTANT is obligated to perform, including all applicable taxes, for the services described in Attachment A shall not exceed Eight Hundred Fifty-Nine Thousand Six Hundred and Thirty-One Dollars (\$909,631). This amount shall not be exceeded unless there is a change in scope of work, and agreed to in writing by both parties, and set forth in an amendment to this Agreement. Such amendment shall identify any change in compensation as a result of the change in scope of work. CONSULTANT and SEJPA agree that this fee was arrived at through arm's length negotiations between the parties. SEJPA shall make payments to CONSULTANT in response to duly submitted invoices in accordance with this Section.

All other provisions of the AGREEMENT shall remain unchanged.

Agreement No.: 2022-006SC
Account: 50-5404-10-13019

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

BLACK & VEATCH CORPORATION

By: _____
Michael T. Thornton
General Manager

By: _____
Kevin Davis, P.E., BCEE

Agreement No.: 2022-006SC
Account: 50-5404-10-13019

Attachment A – Scope of Work

SEJPA
BIOSOLIDS DEWATERING FACILITIES IMPROVEMENTS
BLACK & VEATCH
ENGINEERING SERVICES DURING CONSTRUCTION
AMENDMENT NO. 5
SCOPE OF SERVICES

The following Consultant (Black & Veatch) scope of the services identifies additional tasks required to perform Engineering Services During Construction (ESDC) for the Biosolids Dewatering Facilities Improvements at the San Elijo Water Campus. This scope of services includes Consultant assumptions utilized as the basis for development of the project budget. It is assumed that the construction duration will be 30 months (27 months original with amendments + 3 months under this amendment).

SUMMARY OF THE GENERAL PROJECT IMPROVEMENTS

The project consists of dewatering system upgrades and replacement of main Switchboard 2 (MS-2) as defined in the Construction Documents bid in December 2022.

SCOPE OF WORK

1. Project Management

- a. Provide overall project management and prepare monthly invoices. Invoices shall include:
 - Currently monthly charges broken up by professional
 - Charges to Date
 - Amount Remaining
 - Percent Complete
 - Receipt of all applicable expenses

- b. Prepare Monthly Progress Reports for SEJPA staff: Consultant will prepare the monthly progress reports that will include the following:
 - Summary of the main accomplishments over the previous month including efforts conducted (i.e. field visits, meetings, submittal reviews, RFI correspondence, change order assistance, etc)

2. SERVICES DURING CONSTRUCTION

2.1 Meetings

- a. Monthly Construction Progress Meetings: Consultant attend progress meetings with the Contractor, CM and the SEJPA. Meetings will be attended by PM or EM. Assumes 4 additional formal construction meetings, 1 hour duration, attended by two staff members, for a total of 8 hours. Meeting attended via teleconference, no travel.

2.2 Shop Drawing Submittal and O&M Manual Reviews

- a. Submittal Reviews: Consultant shall review submittals to confirm conformance with the bid documents. Assumes up to 4 additional 1st submittals at 5 hours each, and 2 2nd submittals at 3 hours each. Review by Consultant doesn't replace the responsibility of the Contractor.
- b. Operations & Maintenance Manuals: Completed, no additional services required as SEJPA taking lead on.
- c. Submittal Log and Status of Submittals: Consultant shall utilize the third party online system (i.e. Smartsheet) as established and maintained by the CM to help route, track, and monitor shop drawings, calculations, data samples, and manuals from the Contractor as required by the construction Contract Documents.

2.3 Plan and Specification Interpretation and Control

- a. Requests for Information (RFI): Consultant will respond to the Contractor RFIs within five (5) calendar days. Assumes an additional 8 RFI at 3 hours each.
- b. Substitution Requests: Completed, no additional services required.

2.4 Change Order Management Support

- a. Review Change Orders: Consultant will provide additional technical input to Change Order work initiated by the Contractor or SEJPA. Changes to drawings and specifications will be issued as needed. A budget of 32 hours has been established for this effort.

2.5 Field Visits

- a. Field Visits: Consultant will provide periodic field visits, as requested by the CM or SEJPA to confirm work complies to the Contract Documents. A budget of 20 additional hours has been allocated for field visits. Field visits effort includes time for PM, EM and structural.

2.6 Startup and Record Drawings

- a. Operation Testing Plan: Consultant will review the operational testing plan that is developed by the Contractor and the appropriate equipment vendors. A budget of 70
- b. hours has been allocated.
- c. Record Drawings: To be addressed in future Amendment.

SCHEDULE

The construction of the Biosolids Dewatering Facilities Improvements, including startup and testing, shall be completed within 30 months after notice to proceed of Amendment No. 3 (start of the construction/ESDC phase).

SAN ELIJO JOINT POWERS AUTHORITY San Elijo Water Campus Biosolids Dewatering Facilities Improvements ESDC Amendment 05 Black & Veatch Fee Proposal		Sr. Project Manager	Engineering Manager	Civil Engineer	Senior Structural	Proc Mech Sr. Engineer	Proc Sr. Engineer	Chem Feed Sr. Engineer	Electrical Engineer	I&C Engineer	Finance	Biller	Sr. Project Controls	SUBTOTAL, Hours	SUBTOTAL, Billings \$	Mileage	TOTAL Billings
PHASE		\$340.00	\$280.00	\$190.00	\$295.00	\$250.00	\$325.00	\$270.00	\$185.00	\$280.00	\$130.00	\$130.00	\$160.00				
1.0 Project Management	1000																
1.1 Project Management	1010	4	2	-	-	-	-	-	-	-	4	4	4	18	\$ 3,600	\$ -	\$ 3,600
2.0 Services During Construction	2000																
2.1 Meetings	2010	-	4	-	-	-	-	-	2	2	-	-	-	8	\$ 2,050	\$ -	\$ 2,050
2.2 Shop Drawings Submittal Reviews	2020	-	6	6	-	2	2	2	4	4	-	-	-	26	\$ 6,370	\$ -	\$ 6,370
2.3 Plan and Specification Interpretation and Control	2030	-	6	4	-	2	2	2	4	4	-	-	-	24	\$ 5,990	\$ -	\$ 5,990
2.4 Change Order Management Support	2040	2	8	-	-	-	-	-	14	8	-	-	-	32	\$ 7,750	\$ -	\$ 7,750
2.5 Field Visits	2050	4	8	-	8	-	-	-	-	-	-	-	-	20	\$ 5,960	\$ 270	\$ 6,230
2.6 Startup, Closeout and Acceptance Testing	2060	4	16	8	-	6	6	6	12	12	-	-	-	70	\$ 18,010	\$ -	\$ 18,010
Total, Hours		14	50	18	8	10	10	10	36	30	4	4	4	198			
Total, Billings		\$ 4,760	\$ 14,000	\$ 3,420	\$ 2,360	\$ 2,500	\$ 3,250	\$ 2,700	\$ 6,660	\$ 8,400	\$ 520	\$ 520	\$ 640		\$ 49,730	\$ 270	\$ 50,000

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY CONTRACT AMENDMENTS FOR
PROCUREMENT OF SODIUM HYPOCHLORITE, FERRIC CHLORIDE, SODIUM
HYDROXIDE, AND CITRIC ACID FOR FISCAL YEAR 2025-26

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to amend the agreement with Olin Corporation for the procurement of sodium hypochlorite for an amount not-to-exceed \$229,302 in FY 2025-26;
2. Authorize the General Manager to amend the agreement with California Water Technologies, LLC for the procurement of ferric chloride for an amount not-to-exceed \$146,415 in FY 2025-26;
3. Authorize the General Manager to amend the agreement with Brenntag Pacific, Inc. for the procurement of sodium hydroxide for an amount not-to-exceed \$25,650 in FY 2025-26;
4. Authorize the General Manager to amend the agreement with Brenntag Pacific, Inc. for the procurement of citric acid for an amount not-to-exceed \$25,000 in FY 2025-26; and
5. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) solicits bids for chemicals used in wastewater treatment and recycled water production, in accordance with its procurement policy. Contracts for certain chemicals may exceed the General Manager's signing authority of \$50,000 and therefore require approval by the Board of Directors.

DISCUSSION

For Fiscal Year 2025-26, SEJPA requires Board approval for the purchase of four chemicals: sodium hypochlorite, ferric chloride, sodium hydroxide, and citric acid. These chemicals are essential for the treatment of wastewater and the production of recycled water.

- **Sodium hypochlorite** is used for disinfection of recycled water and in the facility's odor control system.
- **Ferric chloride** is applied in the primary clarification and anaerobic digestion processes to improve solids settling and reduce the formation of hydrogen sulfide gas.
- **Sodium hydroxide** is used in the odor control system and in the advanced water purification process for membrane cleaning.
- **Citric acid** is also used in membrane cleaning as part of the advanced water purification system.

Sodium Hypochlorite

In 2022, SEJPA publicly advertised and bid the purchase of sodium hypochlorite. Olin Corporation was selected as the lowest responsive bidder and awarded a one-year contract with two optional one-year extensions. Following Board approval, Amendment 2 extended the agreement for FY 2024-25, allowing for a final optional one-year term. Olin Corporation has agreed to maintain its pricing at \$2.29 per gallon for FY 2025-26.

Staff reviewed pricing from eight other California wastewater agencies and confirmed that the proposed rate is approximately 30% lower than the lowest price observed among the group. Staff recommends accepting the continued pricing of \$2.29 per gallon and awarding the final optional one-year term to Olin Corporation.

Ferric Chloride

In 2023, SEJPA publicly advertised and bid the purchase of ferric chloride. California Water Technologies, LLC (CWT) was selected as the lowest responsive bidder and awarded a one-year contract with two optional one-year extensions. CWT is entering its second optional one-year term and has agreed to maintain its current rate of \$1,245 per dry ton for FY 2025-26.

Pricing comparisons with eight other California wastewater agencies indicate that this rate is approximately 11% lower than the lowest rate received in the comparison group. Staff recommends approving the continued pricing and awarding the final optional one-year term to CWT.

Sodium Hydroxide

Also in 2023, SEJPA publicly advertised and bid the purchase of sodium hydroxide. Brenntag Pacific, Inc. (Brenntag) was selected as the lowest responsive bidder and awarded a one-year contract with two optional one-year extensions. Brenntag is entering its second optional one-year term and has requested a revised rate of \$0.22 per wet pound, reflecting a 9.45% increase due to current market conditions for sodium hydroxide and the IHS Chlor Alkali Index.

Staff has reviewed the price adjustment and recommends approving the updated rate of \$0.22 per wet pound and awarding the final optional one-year term to Brenntag.

Citric Acid

In 2023, SEJPA also bid the purchase of citric acid. Brenntag Pacific, Inc. was again selected as the lowest responsive bidder and awarded a one-year contract with two optional one-year extensions. Brenntag is entering its second optional one-year term and has agreed to maintain its current price of \$3,506.00 per 275-gallon tote for FY 2025-26.

Staff recommends approving the continued pricing and awarding the final optional one-year term to Brenntag for citric acid.

FISCAL IMPACT

The FY 2025-26 Recommended Budget, which is currently in development, will include \$229,302 for sodium hypochlorite, \$146,415 for ferric chloride, \$25,650 for sodium hydroxide, and \$25,000 for citric acid purchases.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Authorize the General Manager to amend the agreement with Olin Corporation for the procurement of sodium hypochlorite for an amount not-to-exceed \$229,302 in FY 2025-26;
2. Authorize the General Manager to amend the agreement with California Water Technologies, LLC for the procurement of ferric chloride for an amount not-to-exceed \$146,415 in FY 2025-26;
3. Authorize the General Manager to amend the agreement with Brenntag Pacific, Inc. for the procurement of sodium hydroxide for an amount not-to-exceed \$25,650 in FY 2025-26;
4. Authorize the General Manager to amend the agreement with Brenntag Pacific, Inc. for the procurement of citric acid for an amount not-to-exceed \$25,000 in FY 2025-26; and
5. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachments:

- Attachment 1. Amendment 3 – Olin Corporation Extension Letter
- Attachment 2. Amendment 3 – California Water Technologies, LLC Renewal Letter
- Attachment 3. Amendment 2 – Brenntag Pacific, Inc. Extension Letter for Sodium Hydroxide
- Attachment 4. Amendment 3 – Brenntag Pacific, Inc. Extension Letter for Citric Acid



490 Stuart Road NE, Cleveland, Tennessee 37312
423/336-4850 • 423/336-4830
Internet Address: www.oinchloralkali.com

March 28, 2025

Ms. Abigail Schlenk
San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007-7077

Subject: **PROPOSAL –EXTENSION- SUPPLY OF SODIUM HYPOCHLORITE, 12.5%**

Dear Ms. Schlenk:

Olin Corporation, for and on behalf of itself and its subsidiaries ("Olin") is pleased to provide you with our proposal to extend the current supply of Sodium Hypochlorite to your Cardiff by the Sea area facility. Our proposal is outlined below:

PRODUCT & GRADE:	Sodium Hypochlorite 12.5%, solution.
QUANTITY:	100% of Buyer's requirements for its Cardiff by the Sea area, California area facility, estimated to be 190,000 gallons per calendar year, and not to exceed such estimate in any calendar year without Olin's prior written approval.
DELIVERY PERIOD:	July 1, 2025, through June 30, 2026.
PRICE & FREIGHT	<p>\$2.29 per gallon</p> <p>Price firm from July 1, 2025, through June 30, 2026.</p> <p>Price based on a minimum delivery of at least 4,800 gallons.</p> <p>Normal orders are delivered within three (3) working days ARO.</p> <p>PLUS: any applicable taxes, pesticide assessments (\$0.027%) and/or Federally Mandated Superfund charges (\$0.004per gallon).</p>
FUEL SURCHARGE:	All fuel surcharges are included in the above stated pricing.
CONTAINER:	Olin's approved tank trucks.
ORIGIN:	Olin approved facilities in Santa Fe Springs, CA., Pittsburg, CA and/or Henderson, NV.
DESTINATION:	Buyer's facility in the Cardiff by the Sea, CA area.

TITLE AND RISK OF LOSS POINT:

Buyer's plant gates.

PAYMENT TERMS:

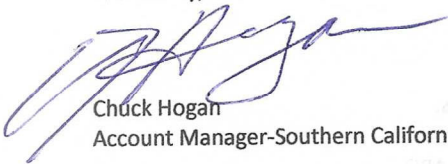
As presently agreed.

ADDITIONAL PROVISIONS:

- This proposal is made subject to the execution by the parties of a sales contract, customer issued agreement or Purchase Order.

We trust the above meets with your approval. Should you require any assistance, or have any questions concerning this proposal, please feel free to contact us at your earliest convenience.

Yours truly,



Chuck Hogan
Account Manager-Southern California

CHLOR ALKALI
PRODUCTS AND SERVICES

March 28, 2025

Mr. Adagaji Schriek

3885 Manchester Avenue

Carroll by the Sea, CA 92007-1077

PROPOSAL - EXTENSION - SUPPLY OF SODIUM HYPOCHLORITE, 12.5%

Dear Mr. Schriek:

Olin Corporation, for and on behalf of itself and its subsidiaries ("Olin"), is pleased to provide you with our proposal to extend the current supply of Sodium Hypochlorite to your Carroll by the Sea area facility. Our proposal is outlined below.

Sodium Hypochlorite 12.5% solution

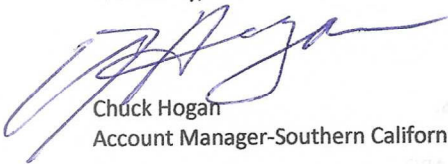
PRODUCT & GRADE:

100% of Buyer's requirements for its Carroll by the Sea area, California area facility, estimated to be 150,000 gallons per calendar year, and not to exceed such estimate in any calendar year without Olin's prior written approval.

QUANTITY:

We trust the above meets with your approval. Should you require any assistance, or have any questions concerning this proposal, please feel free to contact us at your earliest convenience.

Yours truly,



Chuck Hogan
Account Manager-Southern California

\$2.29 per gallon

PRICE & FREIGHT

Price firm from July 1, 2025, through June 30, 2025.

Price based on a minimum delivery of at least 4,800 gallons.

Normal orders are delivered within three (3) working days. All

PLUS: any applicable taxes, pesticide assessment (\$0.027/gal) and/or Federally Mandated Superfund charges (\$0.004/gal)

All fuel surcharges are included in the above stated price.

FUEL SURCHARGE:

Olin's approved tank truck.

CONTAINER:

Olin approved facilities in San Pe Springs, CA, Hillburg, CA and/or Henderson, NV.

ORIGIN:

Buyer's facility in the Carroll by the Sea, CA area.

DESTINATION:



california **water** technologies LLC

8851 Dice Road Santa Fe Springs, CA 90670
Telephone: (866) 337-7427 Fax: (562) 698-6165

March 27, 2025

Christopher Trees
Director of Operations
San Elijo Joint Powers Authority

Dear Chris,

California Water Technologies appreciates the opportunity to provide the San Elijo Joint Powers Authority with a Ferric Chloride contract pricing proposal for the next fiscal year. The cost of raw materials and freight has increased since the last pricing proposal and we anticipate further increases in the next 18 months. Raw material and product supply has at times been limited. We are pleased to offer assurance of contract supply to the San Elijo Joint Powers Authority with this proposal.

Product: Liquid Ferric chloride
Price: \$1,245/ dry ton delivered
Effective Dates: 7/1/25-6/30/26

Thanks again for the opportunity to provide this proposal. We look forward to your response.

A handwritten signature in cursive script, reading 'Tatyana Lipanovich', is written in black ink.

Tatyana Lipanovich/ Director of Sales
Director of Sales of Member, PVS Technologies, Inc. (member)



April 1, 2025

San Elijo Joint Powers Authority,
 Abigail Schlenk, IPMA-HR, *Management Analyst I*
 2695 Manchester Avenue | Cardiff-by-the-Sea, California 92007-7077
 Office (760) 753-6203 x28 | schlenka@SEJPA.org | www.SEJPA.org

Re: Provision of Sodium Hydroxide” (2023-059SC), Amendment 2
 AGREEMENT for the Procurement of Sodium Hydroxide 25%

Thank you for the opportunity to extend the current agreement. Brenntag is pleased to extend the contract to supply and deliver Sodium Hydroxide 25% for next fiscal at same terms, conditions, and noted pricing below.

Product Name	Brenntag Prod#	Min Quantity	Unit price
Sodium Hydroxide 25%	198299	600 gallons MiniBulk loads	\$0.22/lb

- Effective date: Jul 01, 2025- Jun 30, 2026

Please click the link below to view our Terms and Conditions.
<http://bna.brenntag.com/Terms/Terms?req=OESWIIIRWOTSSGTTDIO>

Order products online and download documents online from Brenntag Connect.

<https://us.brenntagconnect.com>

Laura Tua | Municipal Bid Manager

BRENNTAG PACIFIC

10747 Patterson Place | Santa Fe Springs, CA 90670

P: 562.777.9389 | M: 323 997-5529 ltua@brenntag.com www.brenntagpacifc.com



April 1, 2025

San Elijo Joint Powers Authority,
 Abigail Schlenk, IPMA-HR, *Management Analyst I*
 2695 Manchester Avenue | Cardiff-by-the-Sea, California 92007-7077
 Office (760) 753-6203 x28 | schlenka@SEJPA.org | www.SEJPA.org

Re: Provision of Citric Acid" (2023-058SC) Amendment3

Thank you for the opportunity to extend the current agreement. Brenntag is pleased to extend the contract to supply and deliver Citric Acid 50% for next fiscal at same terms, conditions, and pricing.

Product Name	Brenntag Prod#	Min Quantity	Unit price
Citric Acid 50%	847789	275 gallons 1-Way 275gal IBC tote	\$3,506.00/ea

- Effective date: Jul 01, 2025- Jun 30, 2026

Please click the link below to view our Terms and Conditions.
<http://bna.brenntag.com/Terms/Terms?req=OESWIIIRWOTSSGTTDIO>

Order products online and download documents online from Brenntag Connect.

<https://us.brenntagconnect.com>

Laura Tua | Municipal Bid Manager

BRENNTAG PACIFIC

10747 Patterson Place | Santa Fe Springs, CA 90670

P: 562.777.9389 | M: 323 997-5529 ltua@brenntag.com www.brenntagpacifc.com

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY CONTRACT AMENDMENT FOR
JANITORIAL MAINTENANCE SERVICES FOR FISCAL YEAR 2025-26

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to amend the agreement with California Office Cleaning, Inc. for janitorial maintenance services for an amount not-to-exceed \$52,752 in FY 2025-26; and
2. Discuss and take action as appropriate.

DISCUSSION

In 2023, the San Elijo Joint Powers Authority (SEJPA) initiated a solicitation for janitorial maintenance services. California Office Cleaning, Inc. was selected as the most competitive and responsive bidder, subsequently securing a one-year contract with the provision for two additional one-year term extensions. The current contract, with a value of \$51,216 for the first optional one-year term extension, is set to expire on June 30, 2025.

California Office Cleaning has demonstrated high standards and dependable performance in fulfilling their responsibilities. As a result, the SEJPA staff recommends the extension of the second optional one-year term to California Office Cleaning. This extension entails a 3% annual cost increase, as stipulated in the original agreement and which California Office Cleaning has requested to support an annual living wage increase provided to its employees each July 1st, bringing the total amount not-to-exceed to \$52,752 for FY 2025-26.

FINANCIAL IMPACT

The FY 2025-26 Recommended Budget, which is currently in development, will include \$52,752 for janitorial maintenance service.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to amend the agreement with California Office Cleaning, Inc for janitorial maintenance services for an amount not-to-exceed \$52,752 in FY 2025-26; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment:

Attachment 1. Amendment 2 – California Office Cleaning, Inc. Renewal Letter



California Office Cleaning, Inc
415 Laurel St #350
San Diego, CA 92101
619-888-0520

March 28, 2025

Dear San Elijo Joint Powers Authority,

California Office Cleaning, Inc appreciates the opportunity to continue servicing the janitorial needs at the San Elijo Joint Powers Authority campus located at 2695 Manchester Ave, Cardiff, CA 92007. We would like to request an extension on the current janitorial services agreement. We would also request a 3% yearly increase. The new contract price is stated below.

Effective date: 7/1/25- 6/30/26

Price: \$52,752

Thank you for the opportunity to continue servicing your janitorial needs.

Dustin Landeis
President

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 15, 2025

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: PRESENTATION OF SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR
2025-26 RECOMMENDED BUDGET

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review the Fiscal Year 2025-26 Recommended Budget; and
2. Discuss and take action as appropriate.

DISCUSSION

The Fiscal Year (FY) 2025-26 San Elijo Joint Powers Authority (SEJPA) Recommended Budget has been prepared in accordance with SEJPA formation agreement and service agreements with other government entities. The budget estimates all expenditures necessary to provide wastewater treatment, waste disposal, water recycling, laboratory, ocean outfall, pump stations, and other services. The FY 2025-26 Recommended Budget Document is available on SEJPA's website at <https://www.sejpa.org/about-us/financials>.

The FY 2025-26 Recommended Budget consists of \$11,204,651 operating expense, \$3,941,368 capital appropriation, and \$2,375,506 debt service payments for a total budget of \$17,521,525. This amount includes the Recycled Water utility, which has a total recommended budget of \$5,164,103 including operations and maintenance, capital project appropriations, and debt service payments.

Operating Costs

SEJPA management has developed the recommended budget to control costs, maximize value, and ensure the agency can effectively carry out its essential functions. The proposed operating budget for all programs will increase by \$683,207, or 6.5%. This increase is primarily due to higher personnel costs resulting from labor market competition and the planned addition of a mid-level HR employee. SEJPA has not had a dedicated HR employee for over 10 years, with HR tasks currently being handled by three different employees. The addition of a dedicated HR employee will streamline processes and improve efficiency in supporting our staff.

Additionally, the budget reflects increased engineering services for Arc Flash studies within the pump station programs for Encinitas, Solana Beach, and Del Mar. Finally, general cost inflation is impacting various categories, though SEJPA is actively monitoring and managing these costs to keep them as low as possible.

Program	Adopted Budget 2024-25	Recommended Budget 2025-26	Budget Change	% Change
Wastewater Treatment	\$ 4,306,992	\$ 4,551,366	\$ 244,373	5.7%
Laboratory Services	1,050,738	1,156,952	106,214	10.1%
Ocean Outfall	1,070,306	1,156,141	85,835	8.0%
Cardiff Sanitary Division Pump Stations	405,554	443,583	38,029	9.4%
Encinitas Sanitary Division Pump Station	185,448	203,637	18,190	9.8%
City of Encinitas Urban and Stormwater Services	61,804	66,466	4,662	7.5%
City of Solana Beach Pump Stations	512,799	558,839	46,040	9.0%
City of Solana Beach Generator Maintenance Services	17,556	17,483	(73)	-0.4%
City of Del Mar Pump Station	75,981	104,780	28,799	37.9%
22nd District Agricultural Association (Del Mar Fairgrounds)	172,371	192,020	19,649	11.4%
Leucadia WD Technical Support Services	28,209	29,324	1,115	4.0%
	<u>\$ 7,887,758</u>	<u>\$ 8,480,591</u>	<u>\$ 592,833</u>	<u>7.5%</u>
Recycled Water	2,633,685	2,724,060	90,374	3.4%
Total Operating Expenses	<u>\$10,521,443</u>	<u>\$ 11,204,651</u>	<u>\$ 683,207</u>	<u>6.5%</u>

Recycled Water Program

SEJPA owns and operates a Recycled Water utility that supplies water to the San Dieguito Water District, Santa Fe Irrigation District, Olivenhain Municipal Water District, City of Del Mar, and Encinitas Ranch Golf Authority. For FY 2025-26, total revenues from recycled water are forecasted to be \$3,515,309, which is \$176,458 lower than the previous year's budget. This decrease is primarily due to the expiration of incentive revenue from the San Diego County Water Authority and the Metropolitan Water District in August 2025, partially offset by a proposed 12% increase in recycled water rates.

Total expenses for recycled water are recommended at \$5,164,103, which includes:

- \$2,724,060 in operating costs
- \$1,456,000 in capital appropriations
- \$984,043 in debt service costs

The \$1,456,000 capital appropriation for recycled water projects will fund improvements to the treatment, storage, and conveyance systems. These funds will be used for projects such as enhancing the treatment system, replacing valves in the distribution system, upgrading pumps and motors in the distribution system, and ongoing asset management. The capital funding strategy involves using a portion of the proceeds from the Recycled Water private placement loan, along with pay-as-you-go (PAYGO) funds

RECYCLED WATER PROGRAM REVENUE SOURCES

Revenue Source	Adopted Budget 2024-25	Recommended Budget 2025-26	Budget Change	% Change
Santa Fe Irrigation District	\$ 1,108,380	\$ 1,247,620	\$ 139,240	12.6%
San Dieguito Water District	810,264	911,640	101,376	12.5%
City of Del Mar	162,435	160,500	(1,935)	-1.2%
Encinitas Ranch Golf Authority	412,938	441,734	28,796	7.0%
Olivenhain Municipal Water District	477,750	547,840	70,090	14.7%
Total Customers	\$ 2,971,767	\$ 3,309,334	\$ 337,567	11.4%
MWD/CWA Incentives	720,000	205,975	(514,025)	-71.4%
Total Revenue	<u>\$ 3,691,767</u>	<u>\$ 3,515,309</u>	<u>\$ (176,458)</u>	<u>-4.8%</u>

RECYCLED WATER PROGRAM EXPENSES

Expense	Adopted Budget 2024-25	Recommended Budget 2025-26	Budget Change	% Change
Personnel	\$ 1,053,396	\$ 1,108,868	\$ 55,472	5.3%
Supplies and Services	1,490,290	1,565,192	74,902	5.0%
Capital Outlay	40,000	-	(40,000)	-100.0%
Contingency	50,000	50,000	-	0.0%
Total Operating Expense	\$ 2,633,685	\$ 2,724,060	\$ 90,374	3.4%
Debt Service				
2023 Recycled Water Loan	\$ 778,497	\$ 779,039	\$ 542	0.1%
Advanced Water Purification	148,154	148,154	-	0.0%
SFID Pipeline Loan	46,980	46,500	(480)	-1.0%
Solana Beach Pipeline Loan	8,010	10,350	2,340	29.2%
Total Debt Service	\$ 981,641	\$ 984,043	\$ 2,402	0.2%
Total Operating Expenses Including Debt Service	<u>\$ 3,615,326</u>	<u>\$ 3,708,103</u>	<u>\$ 92,776</u>	<u>2.6%</u>
Capital Appropriations	1,728,000	1,456,000	(272,000)	-15.7%
Total Operating and Capital Appropriations	<u>\$ 5,343,326</u>	<u>\$ 5,164,103</u>	<u>\$ (179,224)</u>	<u>-3.4%</u>

Capital Improvement Program

The SEJPA Capital Improvement Program includes both new and ongoing projects across the Wastewater Treatment, Laboratory Services, Ocean Outfall, and Recycled Water programs. It reflects capital contributions for upcoming projects as well as PAYGO savings for larger projects in the coming years. This program also covers pump station projects, which are fully funded by the owner of each pump station.

The recommended FY 2025-26 Capital Improvement Program appropriation is set at \$3,941,368. This includes \$1,456,000 for Recycled Water Phase 4 capital program projects (see the Recycled Water Program section below) and \$1,938,000 for capital improvements funded by agencies served by SEJPA through the PAYGO method or cash revenue for capital needs.

The PAYGO capital is allocated as follows:

- \$2,110,368 for Wastewater-related improvements
- \$125,000 for Laboratory improvements
- \$150,000 for Ocean Outfall capital reserves

Additionally, SEJPA has budgeted \$55,000 in capital funds for investigation/engineering work related to replacing the emergency generator at the Olivenhain Pump Station. Another \$45,000 is allocated for the replacement of corroded ventilation system components and refurbishment of generator enclosure panels that provide sound attenuation and equipment protection/security at Moonlight Beach Pump Station.

The table below outlines the PAYGO capital requests for each agency served by SEJPA.

FY 2025-26 RECOMMENDED CAPITAL IMPROVEMENT PROGRAM

Capital Project	Encinitas	Solana Beach	Del Mar	Rancho Santa Fe CSD	Escondido	Recycled Water	Total
Wastewater Capital Projects (2026)	\$ 884,383	\$ 884,383	\$ 241,120	\$ 100,483	\$ -	\$ -	\$ 2,110,368
Laboratory Remodel	52,381	52,381	14,286	5,952	-	-	125,000
Outfall Ballast Reserve	4,412	4,412	1,176	490	39,510	-	50,000
Escondido Vault Rehabilitation	8,824	8,824	2,353	980	79,020	-	100,000
Moonlight Beach Pump Station	45,000	-	-	-	-	-	45,000
Olivenhain Pump Station Upgrade	55,000	-	-	-	-	-	55,000
Recycled Water Projects	-	-	-	-	-	1,456,000	1,456,000
Total	\$ 1,050,000	\$ 950,000	\$ 258,935	\$ 107,905	\$ 118,530	\$1,456,000	\$ 3,941,368

Debt Service

Debt service for SEJPA is budgeted at \$2,375,506, which increased from the prior year by \$1,902 or 0.1%. The planned debt service for the FY 2025-26 Budget is as follows:

DEBT SERVICE

Expense	Adopted	Recommended	Budget Change (\$)	Budget Change (%)
	Budget FY 2024-25	Budget FY 2025-26		
Wastewater - 2017 Revenue Bonds	\$ 1,338,575	\$ 1,338,075	\$ (500)	0.0%
Wastewater - San Diego Gas & Electric	53,388	53,388	-	0.0%
Recycled Water - Advanced Water Purification	148,154	148,154	-	0.0%
Recycled Water - SFID Pipeline Loan	46,980	46,500	(480)	-1.0%
Recycled Water - Solana Beach Pipeline Loan	8,010	10,350	2,340	29.2%
Recycled Water - 2023 Recycled Water Loan	778,497	779,039	542	100.0%
Total	\$ 2,373,604	\$ 2,375,506	\$ 1,902	0.1%

Budget Allocation Basis and Revenues

The cost for wastewater treatment and disposal services for the Member Agencies and other participating agencies is proportionally allocated based on use, indicated by measured flows or level of effort, as appropriate. Flows are averaged over a 3-year period to determine the cost sharing estimate for the subsequent fiscal year. Below is a table showing influent and effluent flow and capacity owned or leased by entity. These values represent the inputs for the allocation of operating and capital costs to each entity.

BUDGET ALLOCATION BASIS

Millions of Gallons Per Day (MGD)

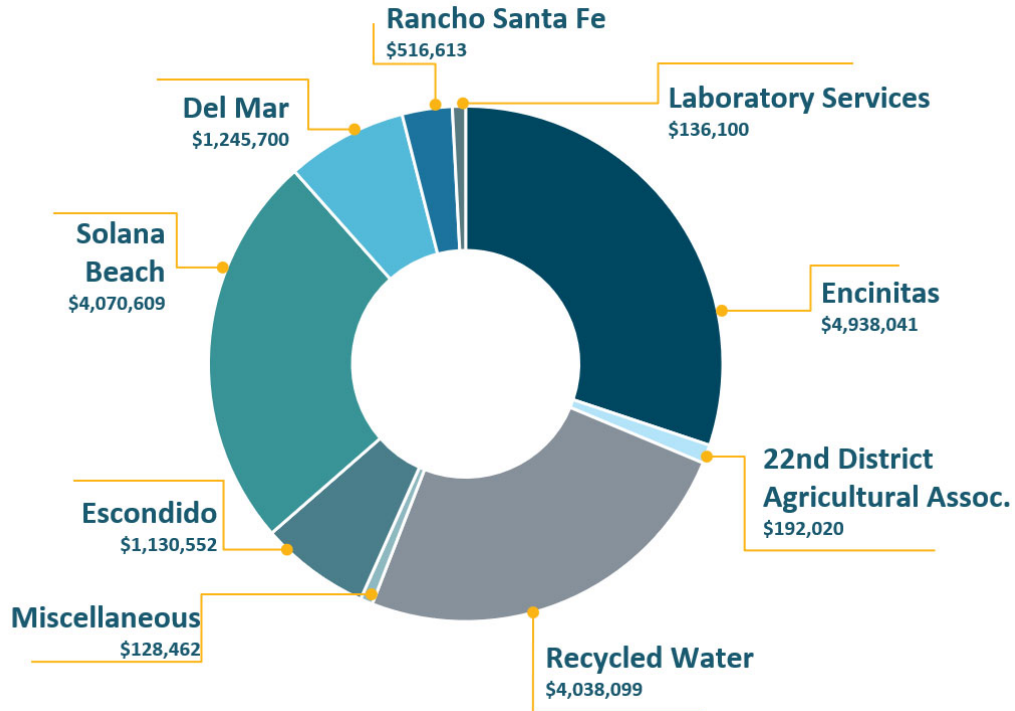
Entity	Influent		Effluent		Wastewater Treatment Capacity		Outfall Capacity	
	MGD	%	MGD	%	MGD	%	MGD	%
City of Encinitas	1.267	45.5%	0.628	5.8%	2.200	41.9%	2.250	8.8%
City of Solana Beach	0.966	34.7%	0.462	4.3%	2.200	41.9%	2.250	8.8%
Rancho Santa Fe CSD	0.168	6.0%	0.084	0.8%	0.250	4.8%	0.250	1.0%
City of Escondido	-	0.0%	9.494	87.5%	-	0.0%	20.150	79.0%
Total	2.786	100.0%	10.846	100.0%	5.250	100.0%	25.500	100.0%

REVENUE BY ENTITY BASED ON ALLOCATION

Revenue Source	Adopted Budget 2024-25	Recommended Budget 2025-26
City of Encinitas	\$ 4,624,919	\$ 4,938,041
City of Solana Beach	3,601,681	4,070,609
City of Del Mar	1,089,244	1,245,700
22nd District Agricultural Association	172,371	192,020
Rancho Santa Fe CSD	440,716	516,613
City of Escondido	1,061,075	1,130,552
Laboratory Services	112,400	136,100
Recycled Water	3,691,767	3,515,309
T-Mobile Cell Site Lease	33,718	34,730
Other Revenue	45,885	67,331
Interest on Wastewater Operations	63,100	26,402
Interest on Water Reclamation	425,750	522,790
Total Revenue Sources	\$15,362,626	\$ 16,396,197

SUMMARY

The recommended FY 2025-26 Budget consists of \$11,204,651 for operating expenses, \$3,941,368 for capital projects appropriations, and \$2,375,506 for debt service payments for a total recommended budget of \$17,521,525. SEJPA receives revenues from seven primary sources, with the three largest customers being the City of Encinitas, the City of Solana Beach, and the Recycled Water Utility, which are expected to provide \$4,938,041, \$4,070,609, and \$4,038,099, respectively. The graph below shows the revenue source allocations for FY 2025-26.



Further information about the FY 2025-26 Recommended Budget is discussed in detail in the budget document, along with information regarding the contribution requirements of the various agencies served by SEJPA. The May 20, 2025 Board Agenda will include a budget discussion item for the Board to publicly discuss any changes or comments on the recommended budget. The final recommended budget will be brought to the June 17, 2025 meeting for consideration of Board approval.

It is therefore recommended that the Board of Directors:

1. Review the Fiscal Year 2025-26 Recommended Budget; and
2. Discuss and take action as appropriate.

Respectfully submitted,

Kevin R. Lang, CPA
Director of Finance and Administration