

AGENDA
REGULAR BOARD MEETING OF THE
SAN ELIJO JOINT POWERS AUTHORITY
FEBRUARY 17, 2026 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

Awards:

California Water Environment Association (CWEA)

San Diego Section Award for Community, Engagement, and Outreach Program of the Year (2025) - Water Career Day

6. * **CONSENT CALENDAR**
7. * [APPROVAL OF MINUTES FOR JANUARY 20, 2026 MEETING](#)
8. * [APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS – JANUARY 2026](#)
9. * [WASTEWATER TREATMENT REPORT – DECEMBER 2025](#)
10. * [RECYCLED WATER REPORT – DECEMBER 2025](#)
11. * [REPORTABLE MEETINGS](#)
12. * [PURPOSELY LEFT BLANK](#)
13. * [PURPOSELY LEFT BLANK](#)
14. * [PURPOSELY LEFT BLANK](#)

15. * 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

16. [SAN ELIJO JOINT POWERS AUTHORITY MIDYEAR FINANCIAL REVIEW](#)

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

Staff Reference: Director of Finance and Administration

17. [CONSTRUCTION PHASE CONTRACT AMENDMENTS FOR THE WANKET TANK REFURBISHMENT PROJECT](#)

1. Authorize the General Manager to execute Contract Change Order No. 6 to increase Owner-Controlled Miscellaneous Tank Repair Allowance by \$150,000;
2. Authorize the General Manager to negotiate and execute Amendment 7 with CDM Smith in an amount up to \$75,000; and
3. Discuss and take action as appropriate.

Staff Reference: Deputy General Manager

18. [PURPOSELY LEFT BLANK](#)

19. [PURPOSELY LEFT BLANK](#)

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

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

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

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

22. [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.

23. CLOSED SESSION

None.

24. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Tuesday, March 17, 2026 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 2026 SEJPA Board meetings schedule, adopted following the January 2026 SEJPA Board Meeting, is available at [SEJPA Board Meeting Dates](#).

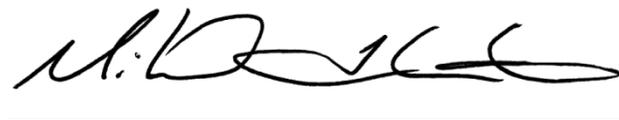
AFFIDAVIT OF POSTING

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 original agenda was published on Thursday, February 12, 2026, at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

Date: February 17, 2026



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON JANUARY 20, 2026
AT THE SAN ELIJO WATER CAMPUS

Kristi Becker, Chair

Luke Shaffer, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Tuesday, January 20, 2026, 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

Board Member

David Zito

Board Member

Jim O'Hara (arrived 8:34 a.m.)

Others Present:

General Manager

Michael Thornton

Director of Operations

Christopher Trees

Director of Infrastructure and Sustainability

Thomas Falk

Director of Finance and Administration

Kevin Lang

Accounting Supervisor

Yani Reyes-Heyer

Administrative Coordinator

Vanessa Hackney

SEJPA Counsel:

Snell and Wilmer

Tracie Stender

City of Encinitas/San Dieguito Water District

General Manager

Isam Hireish

Principal Engineer

Elmer Alex

City of Solana Beach:

Public Works Director

Orelia DeBraal

3. PLEDGE OF ALLEGIANCE

Board Chair Becker led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

Recognition

Yani Reyes-Heyer, Accounting Supervisor,

Bachelor's Degree in Business Administration – San Diego State University

Joshua McTaggart, Operator-in-Training

Associate's Degree in Water Technology – Palomar College

Associate's Degree in Wastewater Technology – Palomar College

6. CONSENT CALENDAR

Agenda Item No. 7 Approval of Minutes for the December 09, 2025 Board Meeting

Agenda Item No. 8 Approval for Payment of Warrants and Monthly Investment Report – December 2025

Agenda Item No. 9 Wastewater Treatment Report – November 2025

Agenda Item No. 10 Recycled Water Report – November 2025

Agenda Item No. 11 Reportable Meetings

Agenda Item No. 12 Award of Professional Services Agreement for Arc Flash Studies

Agenda Item No. 13 Organizational Classification Change – Elimination of Financial Analyst Series and Addition of Senior Accountant

Agenda Item No. 14 Wanket Tank Construction Phase Amendments

Moved by Board Member Zito and seconded by Vice Chair Shaffer to approve the Consent Calendar.

Motion carried with the following vote of approval:

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

16. 2026 ELECTION OF OFFICERS AND BOARD MEETING SCHEDULE

General Manager Michael Thornton reviewed the standard practice for electing officers for the SEJPA Board. The Board voted to appoint Board Member Shaffer as Chairperson of the Board and Board Member Zito as Vice-Chairperson

The Board also voted to approve the 2026 Regular Meeting Schedule for the Board of Directors. Meetings will be held at 8:30 a.m. on the third Tuesday of each month, with no meeting scheduled in August.

Moved by Chair Becker and seconded by Board Member O'Hara to:

1. Appoint Chairperson and Vice-Chairperson for the 2026 SEJPA Board of Directors, effective at the conclusion of the January 20, 2026 Board Meeting; and
2. Select regular meeting schedule for 2026.

Motion carried with the following vote of approval:

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

17. WANKET TANK RESERVOIR ASSIGNMENT AND ASSUMPTION AGREEMENT

General Manager Michael Thornton reported that in 2022, SEJPA acquired San Dieguito Water District's one-third ownership interest in the Wanket Reservoir. At that time, SEJPA also secured access rights through an Assignment and Assumption Agreement and a License Agreement to allow the reservoir to be repurposed for recycled water service.

Following this acquisition, Olivenhain Municipal Water District expressed interest in transferring its remaining ownership interest in the Wanket Reservoir to SEJPA. Legal counsel and staff from all three agencies collaborated to develop an Assignment and Assumption Agreement that would transfer full ownership and operational responsibility of the Wanket Reservoir to SEJPA.

The proposed transfer would consolidate ownership under a single agency, thereby streamlining operation, maintenance, and administrative responsibilities associated with the reservoir.

Under the terms of the agreement, Olivenhain would transfer its ownership interest to SEJPA. Although Olivenhain has a residual book value of \$132,616 associated with the asset, no cash consideration would be exchanged. Instead, this value would be offset through Olivenhain's purchase of recycled water from SEJPA, consistent with the Infrastructure Rent provisions of the January 22, 2019 Agreement for the Sale of Recycled Water.

Upon completion of the transfer, SEJPA would assume full responsibility for all future maintenance, rehabilitation, and capital improvements of the Wanket Reservoir. These costs would be funded through the Recycled Water Utility and recovered through recycled water rates. Shared property maintenance, estimated at approximately \$7,000 annually, would continue to be managed by Olivenhain, with SEJPA reimbursing its proportional share in accordance with the existing agreement.

Moved by Board Member Zito and seconded by Vice Chair Shaffer to:

1. Authorize the General Manager to finalize terms and enter into an agreement with the Olivenhain Municipal Water District (Olivenhain) and the San Dieguito Water District (San Dieguito) for assignment of ownership rights related to the Wanket Tank Reservoir.

Motion carried with the following vote of approval:

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

18. UPDATED FY 2024-25 FINANCIAL AUDIT REPORT ACCEPTANCE

Director of Finance and Administration Kevin Lang provided an update on San Elijo's financial statements, which now include the completed Federal Single Audit and Yellow Book Audit. These audits supplement the financial audit approved in December 2025, which addressed overall financial activities, while the additional audits focus on internal controls and compliance related to federal grant programs.

Director Lang reported that the Single and Yellow Book audits are required when federal awards exceed \$750,000 in a fiscal year. For FY 2024–25, San Elijo received \$890,284 in federal grant funding.

The Independent Auditor's Reports for both audits found no deficiencies or material weaknesses in internal controls and confirmed compliance with federal grant requirements. Unmodified opinions were issued on both the financial statements and federal program compliance, representing a clean audit outcome.

Moved by Vice Chair Shaffer and seconded by Board Member Zito to:

1. Accept and file the updated San Elijo Joint Powers Authority, Financial Statements and Independent Auditors' Report for the Year Ended June 30, 2025; and
2. Accept and file the updated FY 2024-25 SEJPA Audit Conclusion Letter (SAS 114).

Motion carried with the following vote of approval:

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

19. GENERAL MANAGER'S REPORT

None.

20. GENERAL COUNSEL'S REPORT

None.

21. BOARD MEMBER COMMENTS

None.

22. CLOSED SESSION

The Board entered Closed Session at 8:48 am to discuss the agenda topic of PUBLIC EMPLOYEE APPOINTMENT in accordance with Government Code Section 54957 (b)(1), Title: General Manager – Succession Planning. The Board exited closed session at 9:09 am.

The following reportable action resulted from the closed session: the creation of a new position titled: Deputy General Manager, with a salary of \$255,000. Thomas Falk, Director of Infrastructure and Sustainability, was promoted to this role.

23. ADJOURNMENT

The meeting adjourned at 9:11 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, February 17, 2026 at 8:30 a.m.

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of JANUARY 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
46087	Affordable Drain Services	Services - Maintenance	Jet/Vac truck services	\$ 425.00
46088	At&T	Utilities - Internet	Internet	2,183.33
46089	Boot World, Inc.	Uniforms - Boots	Safety boots - A. Ramirez	225.00
46090	Brax Process and Pump Equip.	Repair Parts Expense	Repair parts	2,097.92
46091	Brenntag Pacific, Inc	Supplies - Chemicals, Chem - Odor	Sodium tripolyphosphate and sodium hydroxide	4,844.59
46092	CA Sanitation Risk Mgmt Auth.	Prepaid - Other	Pooled liability insurance 12/31/25 - 12/31/26	61,094.00
46093	CA Sanitation Risk Mgmt Auth.	Insurance - Liability	Pooled liability insurance 12/31/25 - 12/31/26	17,300.00
46094	EDCO Waste & Recycling Service	Utilities - Trash	Dec 2025 trash	1,041.36
46095	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	457.50
46096	Firehawk Fire & Safety	Services - Maintenance	Annual fire sprinkler inspection	875.00
46097	Flo-Systems, Inc.	Repair Parts Expense	Repair parts	11,084.06
46098	Global Power Group Inc.	Repair Parts Expense	Solana Beach City Hall retrofit kit	4,487.31
46099	governmentjobs.com, Inc	Dues & Memberships	Membership - Job postings	947.39
46100	Grainger, Inc.	Repair Parts Expense, Shop Tools and Equip.	Various supplies and pallet jack	1,124.18
46101	Hardy Diagnostics	Supplies - Lab	Various lab supplies	1,201.28
46102	Idexx Distribution, Inc.	Supplies - Lab	Enterolert	2,953.42
46103	Integrated Aqua Systems, Inc	Repair Parts Expense	Repair parts purchasing - reserve parts	7,296.30
46104	Kevin R. Lang	Seminars/Education	Employee reimbursement - Annual CPE courses training	487.35
46105	McMaster-Carr Supply Co.	Repair Parts Expense, Supplies - Shop & Field	Various supplies	3,466.61
46106	Cosby Oil Company, Inc	Fuel	Dec fuel	623.02
46107	Olivenhain Municipal Water Dis	Services - Professional	Woodward and Curran NSDWRC support - Prop 1 Rd 2	83.22
46108	Robert Half International, Inc	Services - Temp	Temp service period ending - 12/19/25	3,628.10
46109	Unifirst Corporation	Services - Uniforms	Uniform service	335.19
46110	US Bank PARS	Due to Other Funds	FY 2024-2025 Contribution to PARS trust	100,000.00
46111	USA Bluebook	Supplies - Lab	Various supplies	2,148.81
46112	Vaughn Irrigation Services, In	Services - Maintenance	Service maintenance	562.50
46113	Benefits Coordinators Corp.	Dental/Vision	Vision - January	473.60
46114	VWR International, Inc.	Supplies - Lab	Various lab supplies	1,146.33
46115	Adam Kaye	Services - Professional	Public communications	400.00
46116	Affordable Drain Services	Services - Maintenance	Jet/Vac truck services	425.00
46117	Aflac	EE Deduction Benefits Payable	Aflac - Jan	759.98
46118	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling and reuse - Dec	18,322.86
46119	Allied Storage Containers	Equipment Rental/Lease	20' and 40' storage containers - 01/17/26 - 02/13/26	359.89
46120	Ardurra Group, Inc	Services - Engineering	Wanket tank refurbish support - Nov	2,700.00
46121	Black & Veatch	Services - Engineering	Dewatering facilities upgrades through 12/05/25	36,570.25
46122	CA. Office Cleaning, Inc.	Services - Janitorial	Office and window cleaning	4,027.00
46123	CDM Smith	Services - Engineering	Services - Dec	957.25
46124	Corodata	Rent	Records storage - Dec	184.49
46125	Dixieline Lumber Company	Supplies - Safety	Various supplies	154.63
46126	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	1,222.00
46127	Excel Landscape, Inc.	Services - Landscape	Grounds Maintenance service - Dec	4,382.00
46128	Grainger, Inc.	Supplies - Safety	Various supplies	944.11
46129	Hardy Diagnostics	Supplies - Lab	Various supplies	4,102.21
46130	Jackson & Blanc	Services - Maintenance	Ductwork maintenance - Moonlight Beach P.S.	18,037.00
46131	Lawson Products Inc.	Supplies - Shop & Field	Various supplies	1,044.95
46132	Liquid Environmental Solution	Services - Grease & Scum, Grit & Screenings	Roll off box and pumping service	5,925.35

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of JANUARY 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
46133	McMaster-Carr Supply Co.	Repair Parts Expense, Supplies - Shop & Field	Various supplies	368.45
46134	MetLife - Group Benefits	Dental/Vision	Dental - Feb	3,443.04
46135	MSE Landscape Professionals	Services - Landscape	Tree maintenance services - Tree pruning	4,300.00
46136	Nautilus Environmental, Inc	Services - Laboratory	Laboratory toxicity testing services for Nov 25	1,290.00
46137	Pencoco Inc.	Supplies - Chem - Odor	Liquid calcium nitrate	8,101.35
46138	RingCentral, Inc	Utilities - Telephone	Phone service	531.04
46139	Rising Tide Partners, LLC	Services - Professional	Communication services - Dec	736.25
46140	Robert Half International, Inc	Services - Temp	Temp service - Admin	6,875.42
46141	Rusty Wallis, Inc.	Supplies - Shop & Field	Water softener, tank service, & salt bags	535.58
46142	Santa Fe Irrigation District	Utilities - Water, SFID Distribution Pipeline	Water and Pipeline purchase payment	2,083.09
46143	Scheidel Professional Corp.	Services - Engineering	Effluent pump station prelim engr. report through Dec 25	3,262.50
46144	San Dieguito Water District	Utilities - Water	Water	3,337.70
46145	Southland Manufacturing, Inc.	Supplies - Shop & Field	Various supplies	2,126.18
46146	Southwest Valve & Equip.	Repair Parts Expense	Flex check valve	3,327.02
46147	Terminix Processing Center	Services - Maintenance	Pest control	115.11
46148	Trussell Technologies, Inc	Services - Professional	T3 - Coliform support from Oct - Dec	3,533.50
46149	Unifirst Corporation	Services - Uniforms	Uniform service	443.35
46150	Underground Service Alert/SC	Services - Alarm	Dig alert and underground safety board	118.78
46151	USA Bluebook	Repair Parts Expense, Supplies - Lab	Various supplies	10,762.12
46152	Vaughn Irrigation Services, In	Services - Maintenance	Backflow service maintenance	150.00
46153	Verizon Wireless	Utilities - Telephone	Telephone service 12/11/25 - 01/10/26	618.77
46154	Verizon Wireless	Utilities - Telephone	Cell phone service - 12/08/25 - 01/07/26	716.34
On-line 1188	BankCard Center	Vehicle Maintenance	Various supplies	11,160.61
On-line 1189	Mission Square	ICMA Retirement	ICMA - 401a	17,089.04
On-line 1190	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	22,263.62
On-line 1191	P.E.R.S.	Medical Insurance - Pers	Health - Jan 2026	57,032.40
On-line 1192	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Dec Pay Period	24,613.73
On-line 1193	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Dec Pay Period	24,623.51
On-line 1194	CA. Dept. of Tax & Fee Admin.	Accrued Sales Tax Payable	Use Tax - 4th Qtr.	723.00
On-line 1195	Mission Square	ICMA Retirement	ICMA - 401a	8,256.81
On-line 1196	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	9,884.19
On-line 1197	P.E.R.S.	Medical Insurance - Pers	Health - Feb 2026	55,319.41
On-line 1198	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Jan Pay Period	27,197.26
On-line 1199	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Jan Pay Period	25,691.85
On-line 1200	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 12/09/25 - 01/08/26	91,972.85
On-line 1201	Sun Life Financial	Life Insurance/Disability	Life and disability - Feb	3,422.60
On-line 1203	WM Corporate Services, Inc.	Services - Sediment Disposal	Roll off bins - 12/16/25 - 12/31/25	3,373.27
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 01/09/2026	217,998.05
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 01/23/2026	148,506.99
				\$ 1,139,016.12

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

**For the Month of JANUARY 2026
As of JANUARY 31, 2026**

PAYMENT OF WARRANTS

\$ 1,139,016.12

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 JANUARY 31, 2026

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(JANUARY 2026 YIELD 3.931%)</i>	\$ 6,237,918.42
CALIFORNIA BANK AND TRUST <i>(JANUARY 2026 YIELD 0.01%)</i>	392,907.61
U.S. Bank <i>(JANUARY 2026 YIELD 4.40%)</i>	13,153,132.84
PARS <i>(DECEMBER 2025 YIELD 0.21%)</i>	1,165,518.20
TOTAL RESOURCES	<u>\$ 20,949,477.07</u>

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 17, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: WASTEWATER TREATMENT REPORT – DECEMBER 2025

RECOMMENDATION

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

DISCUSSION

Monthly Treatment Facility Performance and Evaluation

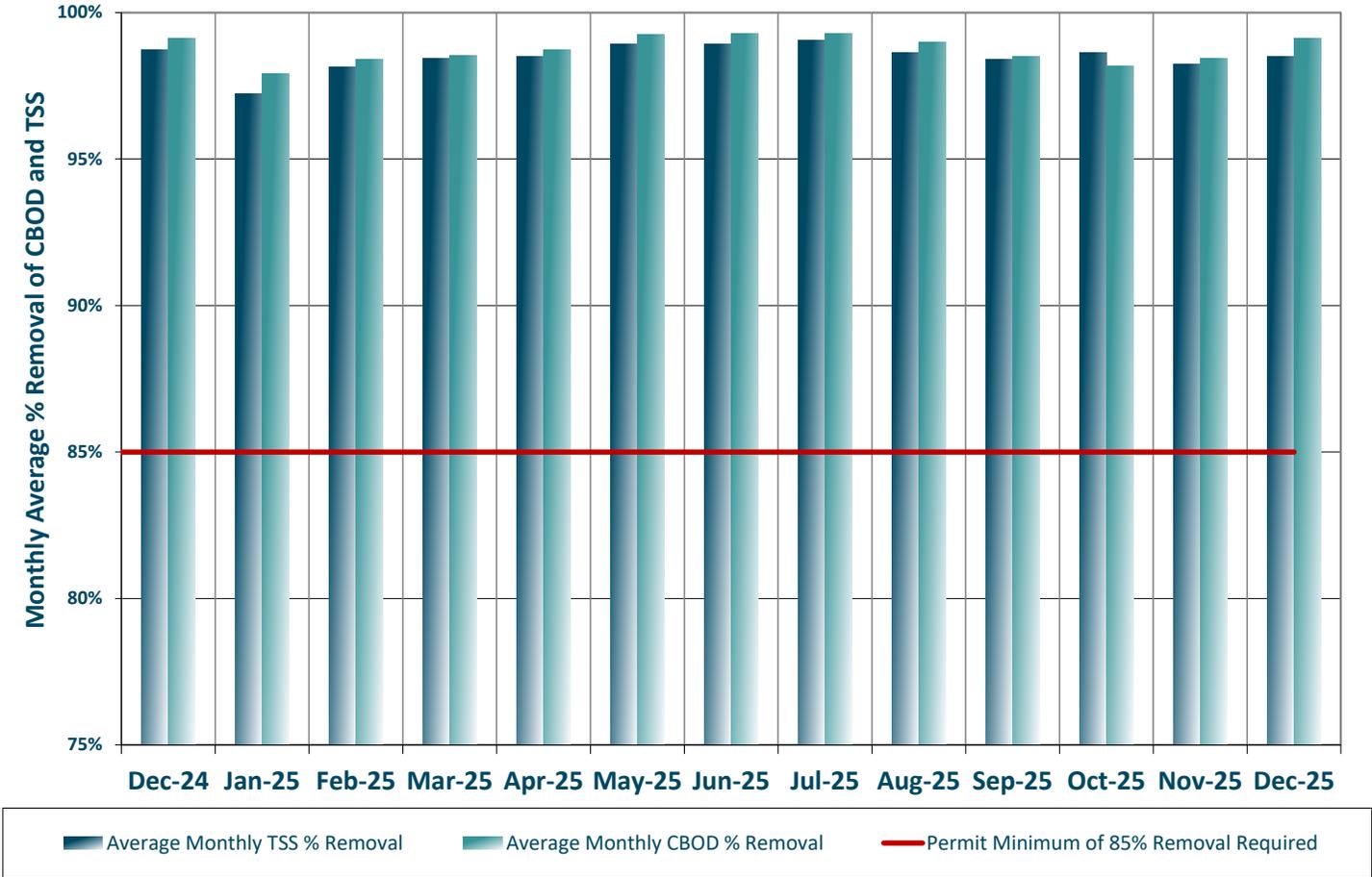
Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all National Pollutant Discharge Elimination System (NPDES) ocean effluent limitation requirements for the month of December 2025. The primary indicators of treatment performance include the removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD). 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 **98.5** and **99.1** percent removal, respectively, during the month of December.

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

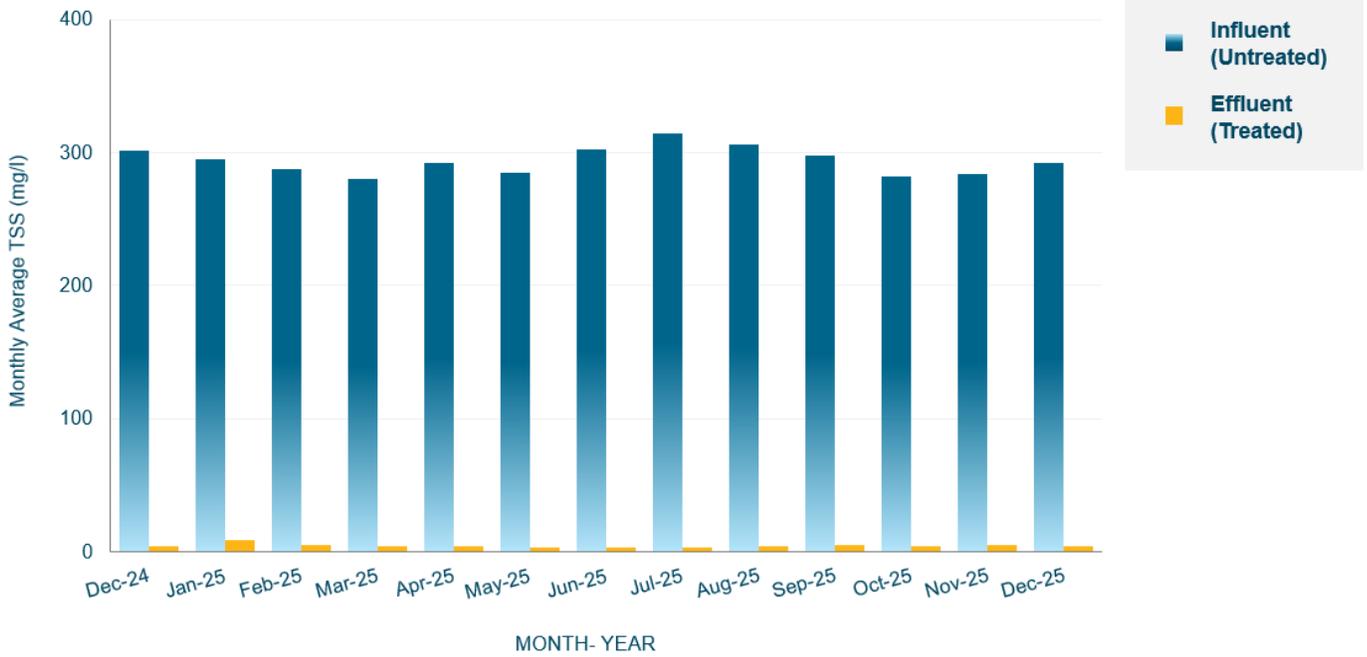
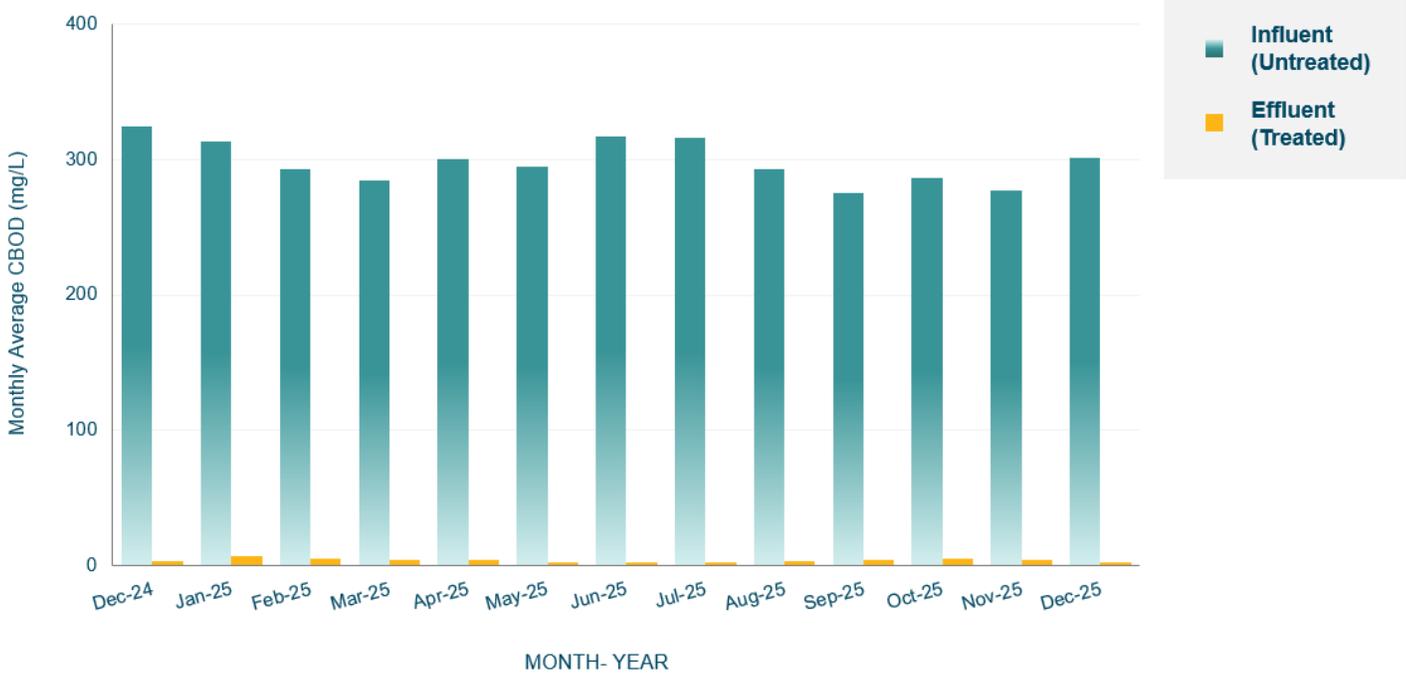


FIGURE 3: TREATED EFFLUENT FLOWS REMOVAL OF CBOD



Member Agency Flows

Table 1 provides a summary of influent and effluent flows for December. Average daily influent volumes were measured for each contributing agency. During this reporting period, roughly 25% of the influent was treated and beneficially reused as recycled water, while the balance was conveyed to the ocean outfall.

TABLE 1 – INFLUENT AND EFFLUENT FLOWS IN DECEMBER

	Influent (mgd)	Recycled Water (mgd)	Effluent (mgd)*
Cardiff Sanitary Division	1.362	0.344	1.018
City of Solana Beach	1.011	0.255	0.756
Rancho Santa Fe SID	0.171	0.043	0.128
City of Del Mar	0.379	0.096	0.283
Total San Elijo Water Campus Flow	2.923	0.738	2.185

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

Table 2 (below) presents the historical average and unit influent flow 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
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
Mar-25	1.374	0.214	1.133	0.390	3.111	8,621	593	8,178	2,657	20,048	159	361	139	129	155
Apr-25	1.221	0.210	1.084	0.367	2.882	8,621	593	8,178	2,657	20,048	142	354	133	122	144
May-25	1.220	0.202	1.071	0.371	2.864	8,621	593	8,178	2,657	20,048	142	341	131	123	143
Jun-25	1.204	0.190	1.071	0.524	2.989	8,621	593	8,178	2,657	20,048	140	321	131	175	149
Jul-25	1.206	0.204	1.109	0.502	3.021	8,621	593	8,126	2,657	19,996	140	344	136	168	151
Aug-25	1.227	0.213	1.090	0.556	3.086	8,621	594	8,126	2,680	20,020	142	359	134	187	154
Sep-25	1.230	0.187	1.050	0.426	2.893	8,623	596	8,126	2,680	20,025	143	314	129	142	144
Oct-25	1.234	0.176	1.039	0.378	2.827	8,627	596	8,126	2,680	20,029	143	296	128	126	141
Nov-25	1.407	0.188	1.050	0.424	3.069	8,629	596	8,126	2,680	20,031	163	316	129	144	153
Dec-25	1.362	0.171	1.011	0.379	2.923	8,629	595	8,126	2,680	20,030	158	288	124	128	146

CSD: Cardiff Sanitary Division

RSF: Ranch Santa Fe Community Service District

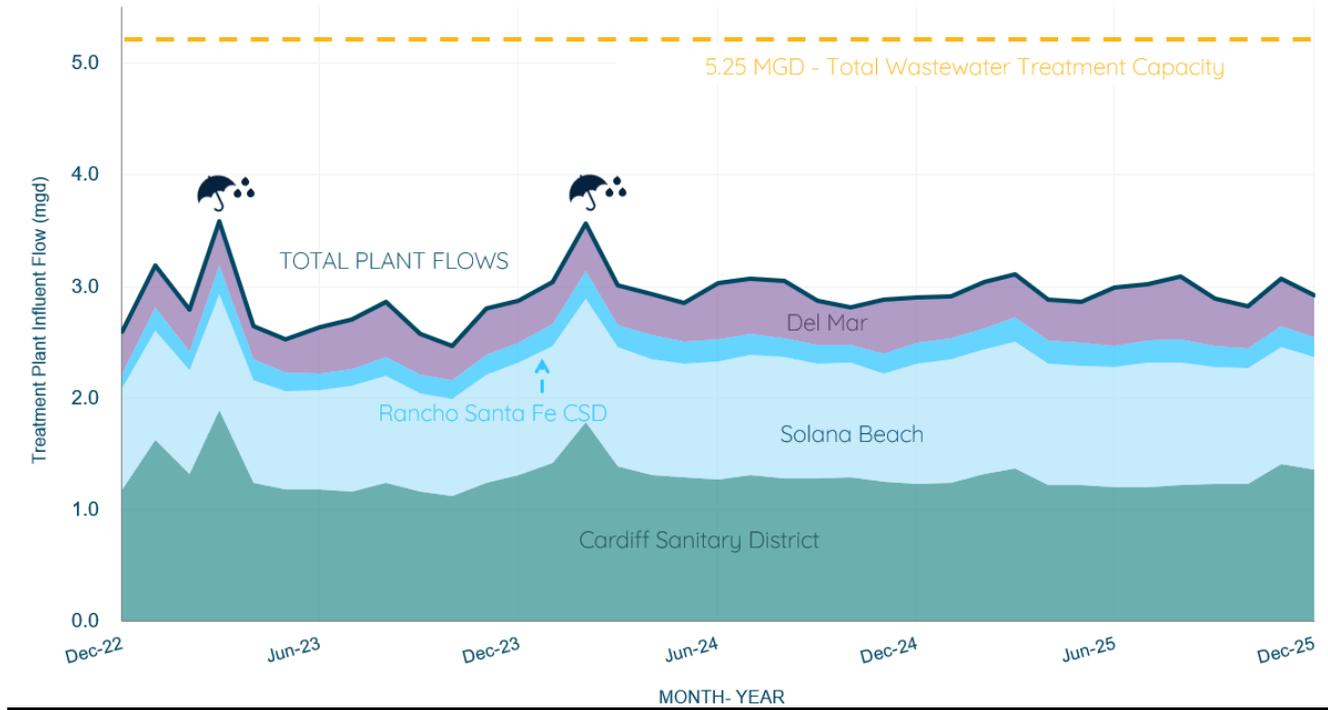
SB: Solana Beach

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 each have 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 daily flow rate for the month of December 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 DAILY FLOWS

	Flow (mgd)
Escondido (Average flow rate)	10.9
Escondido (Peak flow rate)	18.5

Connected Equivalent Dwelling Units

The City of Solana Beach and the City of Del Mar updated the number of connected EDUs reported to the SEJPA in September 2025, memorializing updates effective July 1, 2025. The connected EDUs for Solana Beach were reduced due to the reconstruction of Solana Highlands apartments. The 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	8,629
Rancho Santa Fe SID	595
City of Solana Beach	7,789
San Diego (to Solana Beach)	337
City of Del Mar	2,680
Total EDUs to System	20,030

Respectfully submitted,



Christopher Trees
Director of Operations

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 17, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: RECYCLED WATER REPORT – DECEMBER 2025

RECOMMENDATION

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

DISCUSSION

Recycled Water Production

In December 2025, recycled water production totaled 56.9 acre-feet (AF), supplied by all recycled water and no supplemental potable water. Production was 18.9% below the budgeted projection of 70 AF likely due to 1.69 inches of rain recorded in the month and a slightly shorter meter cycle of 26-day due to holidays. Production for the fiscal year is ahead of budget by approximately 2.4%. All treatment parameters were achieved during the month.

Figure 1 (attached) provides a ten-year history of annual recycled water production and rainfall, illustrating the correlation between precipitation and production. Figure 2 compares December production over the past ten years, and Figure 3 shows budgeted versus actual recycled water production for FY 2025-26.

Respectfully submitted,



Christopher Trees
Director of Operations

FIGURE 1: RECYCLED WATER DEMAND AND RAINFALL COMPARISON

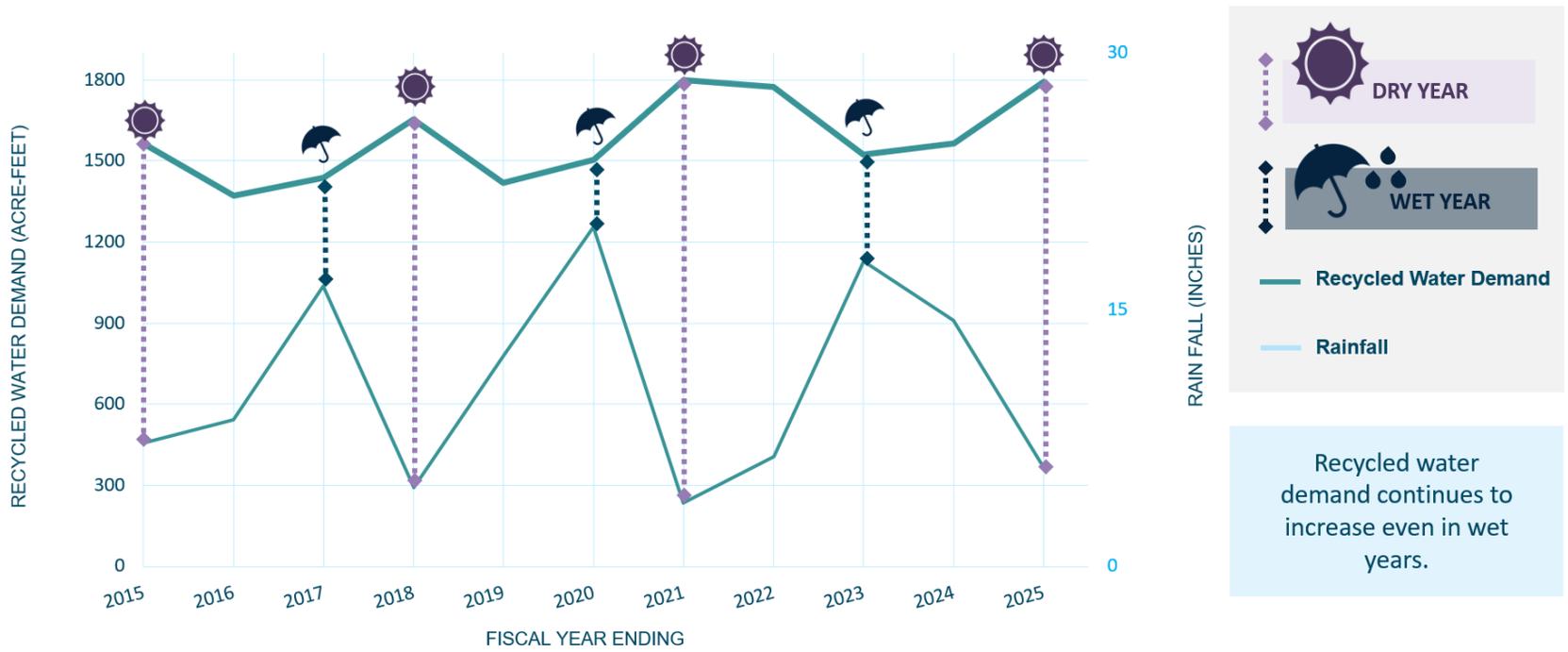


FIGURE 2: DECEMBER RECYCLED WATER DEMAND

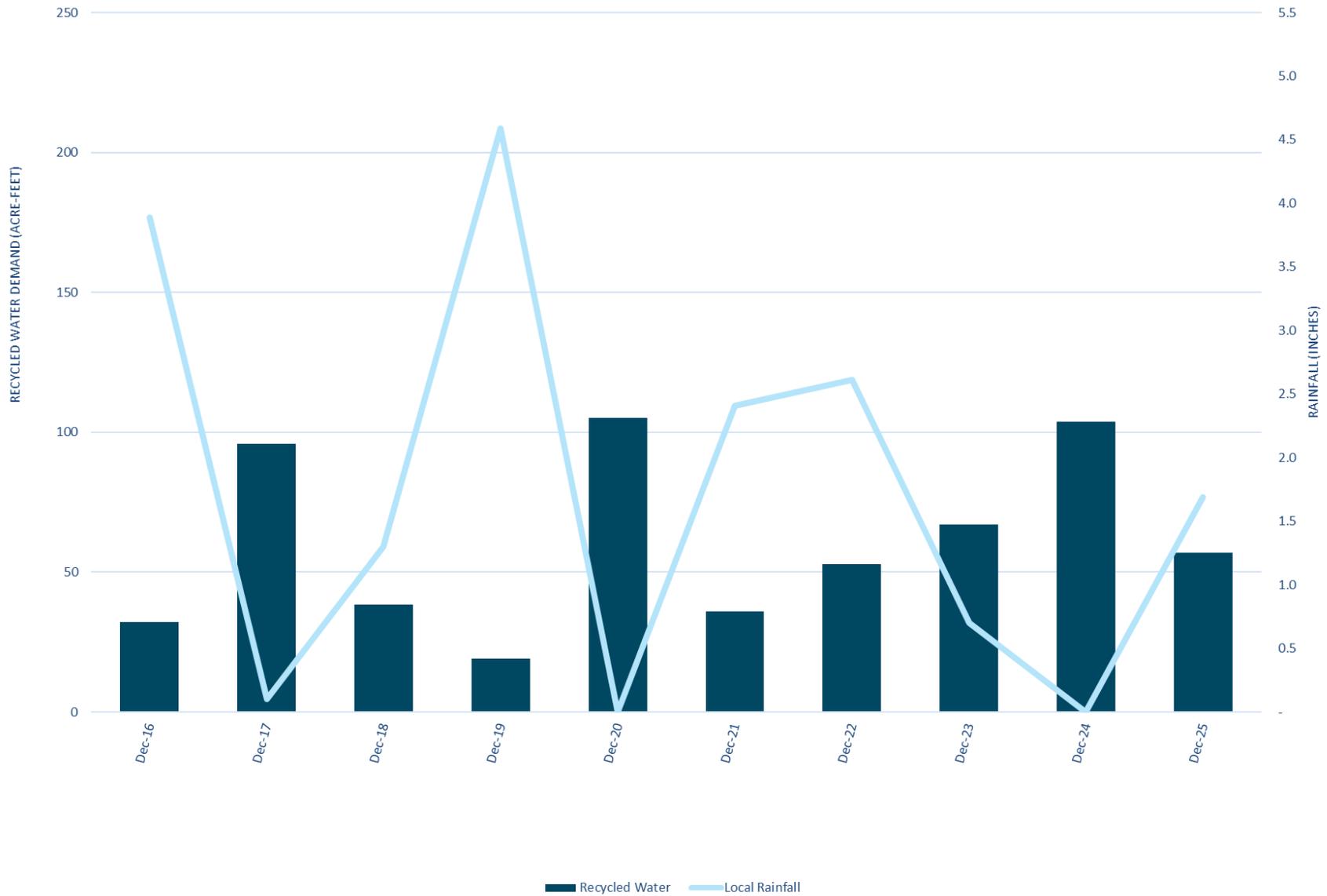
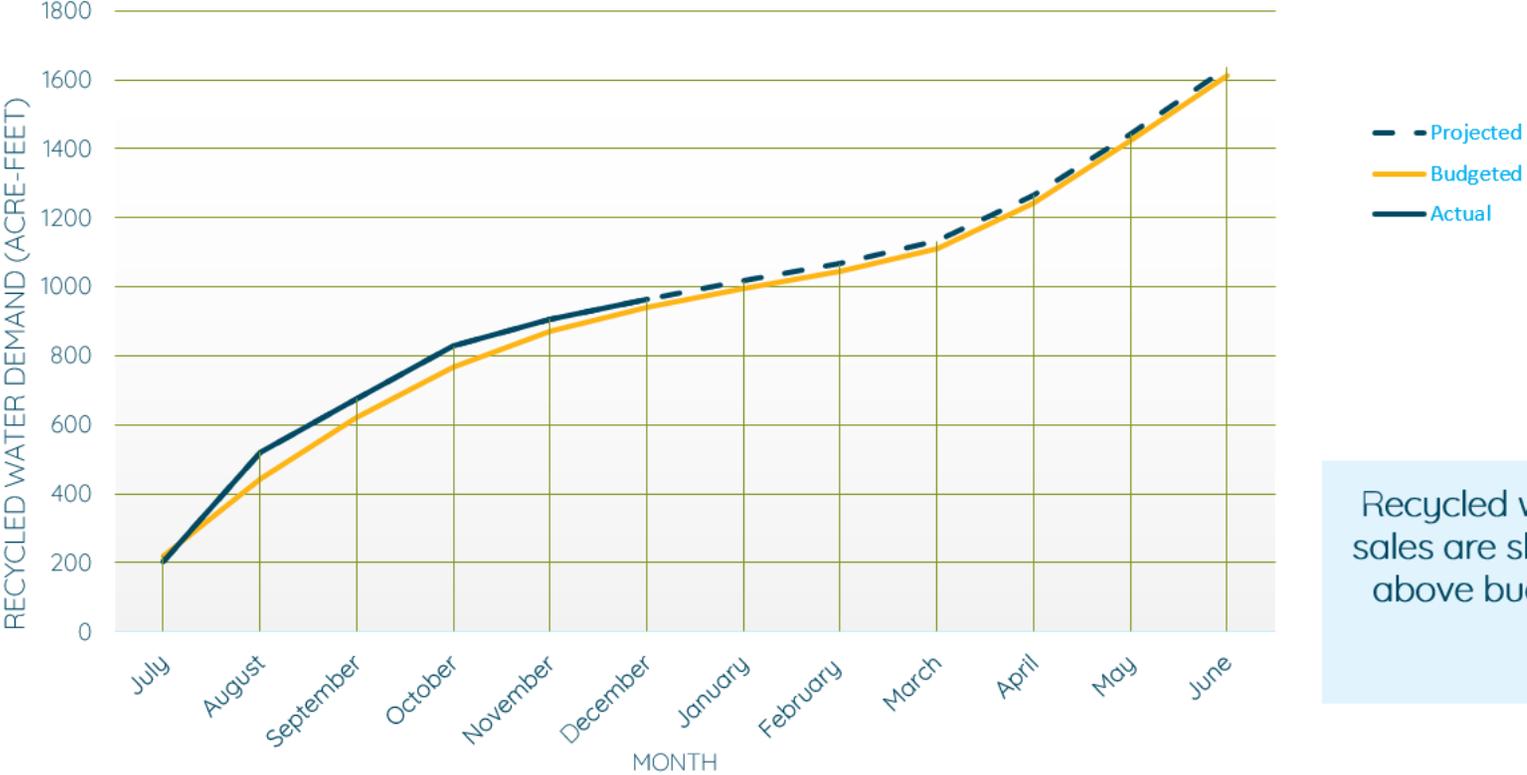


FIGURE 3: FY2025/26 CUMULATIVE DEMAND VS BUDGET



Recycled water sales are slightly above budget

*

AGENDA ITEM NO. 11

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 17, 2026

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:

- Meeting to review Board Meeting Agenda with Chairperson Becker on January 16, 2026

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

February 17, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY MIDYEAR FINANCIAL REVIEW

RECOMMENDATION

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

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) owns and operates the San Elijo Water Campus and Recycled Water Utility and is a co-owner of the San Elijo Ocean Outfall. SEJPA also administers related service programs supporting the cities of Encinitas, Solana Beach, Del Mar, and other local agencies.

SEJPA organizes its operations into programs which are funded by the customer base served and allocated based on actual wastewater flows treated or the level of effort required. Programs are grouped into three categories: Core Programs, Pump Stations, and Other Services. This portfolio of 12 programs provides diversified and resilient revenue.

The Core Programs comprise the operating functions of the San Elijo Water Campus, including the following cost centers:

- Wastewater Treatment
- Laboratory Services
- Ocean Outfall
- Recycled Water

The Pump Station Programs consist of operating and maintaining wastewater pump stations on behalf of SEJPA's member and partner agencies, with services provided through the following cost centers:

- Cardiff Sanitary Division Pump Stations
- Encinitas Sanitary Division Pump Station
- City of Solana Beach Pump Stations
- City of Del Mar Pump Station

In addition to the Core and Pump Station Programs, SEJPA provides complementary, specialized operations and maintenance services to neighboring cities and local government partners, rendered through the following cost centers:

- City of Encinitas Urban & Stormwater Services
- City of Solana Beach Generator Maintenance Services
- 22nd District Agricultural Association (Del Mar Fairgrounds)
- Leucadia Wastewater District Technical Support Services

For Fiscal Year (FY) 2025-26, the total budget is \$17,521,525, comprising \$11,204,651 in operating expenses, \$3,941,368 in capital expenses, and \$2,375,506 in debt service.

DISCUSSION

This report presents a mid-year forecast of operating expenses for SEJPA’s 12 programs for FY 2025–26, ending June 30, 2026. Projections are based on year-to-date expenditures, and forecasted expenses through year end. Year-end forecasts are informed by current cost trends and planned spending, but may vary due to unforeseen events. The report also includes year-to-date and projected capital project expenditures.

Operating Expenses Summary

Overall, operating expenses are estimated to end the fiscal year under budget by \$185,214, or 1.7% of the total budget, with all 12 programs currently tracking at or under budget.

Across the agency, personnel costs are projected to finish slightly under budget. Variances at the individual program level reflect differences in workload and actual level of effort.

Overall, Supplies and services expenditures are projected to end the year slightly over budget. This variance reflects higher operational demand across several core areas, including treatment-related chemicals, energy usage, repair parts, and asset management. These variances are being effectively managed to remain within available contingency amounts, allowing programs to absorb fluctuations as they occur and supporting overall budget stability.

The following two summary tables present operating expenses by program grouping and by expense category.

Table 1 – Operating Expenses by Program Grouping

PROGRAM GROUPING	Budget FY2025-26	Estimated Actuals FY2025-26	Budget to Actuals (Over)/Under	% of Budget
Core Programs	\$ 9,588,519	\$ 9,449,583	\$ 138,936	98.6%
Pump Stations	\$ 1,310,839	\$ 1,276,915	\$ 33,924	97.4%
Other Services	\$ 305,293	\$ 292,939	\$ 12,354	96.0%
Total All SEJPA Programs	\$ 11,204,651	\$ 11,019,437	\$ 185,214	98.3%

Table 2 – Operating Expenses by Expense Category

Expense Category	Budget FY2025-26	Estimated Actuals FY2025-26	Budget to Actuals	% of Budget
Personnel	\$ 5,740,026	\$ 5,713,178	\$ 26,848	99.5%
Supplies and Services	\$ 5,240,195	\$ 5,306,259	\$ (66,064)	101.3%
Contingency	\$ 224,430	\$ -	\$ 224,430	0.0%
Total All SEJPA Programs	\$ 11,204,651	\$ 11,019,437	\$ 185,214	98.3%

Supplies and Services Summary

Table 3 – Supplies and Services by Category

Supplies and Services	Budget	Estimated Actuals	Budget to Actuals	% of Budget
	FY2025-26	FY2025-26		
Utilities	\$ 1,416,041	\$ 1,406,547	\$ 9,494	99.3%
Contracted Services	1,357,064	1,309,415	\$ 47,649	96.5%
Supplies	850,779	861,361	\$ (10,582)	101.2%
Repair Parts Expense	336,345	426,115	\$ (89,770)	126.7%
Miscellaneous	348,210	399,382	\$ (51,172)	114.7%
Disposal Services	357,127	317,214	\$ 39,913	88.8%
Permit/purveyor Fees	238,199	251,102	\$ (12,903)	105.4%
Insurance	207,512	206,205	\$ 1,307	99.4%
Rent	128,918	128,918	\$ 0	100.0%
Total All SEJPA Programs	\$ 5,240,195	\$ 5,306,259	\$ (66,064)	101.3%

Operating Supplies and Services expenditures are trending over budget, primarily attributed to higher-than-anticipated chemical usage and maintenance needs. Management will continue to monitor these trends and prioritize operational needs to maintain overall fiscal stability without compromising level of service.

Chemical and consumable costs fluctuate with flows and water quality requirements. Increased use of essential chemicals such as Ferric Chloride (used for odor control, primary settling, and digester chemistry control) has been partially offset by reduced spending on Polymer (used for dewatering process) and Calcium Nitrate (used for collection odor control). Lower than expected recycled water demand, due to a relatively cool late summer and an unusually wet November/December, contributed to electrical power expenses trending below budget.

SEJPA continues to prioritize infrastructure integrity through asset management. Maintenance costs are projected to exceed budget based on year-to-date activity, reflecting the physical needs of the facility's aging assets. SEJPA is experiencing escalation across the Miscellaneous expenses, for example software licenses and industry memberships that represent SEJPA's commitment to workforce development. Permitting costs are trending higher as state and federal agencies are increasing fees in response to broader economic inflation. SEJPA is responding to unanticipated costs by pacing engineering and professional services within Contracted Services to keep total operating expenses under budget.

The most impactful success story, however, is found in Disposal Services. The centrifuges, installed in the recently completed Biosolids Dewatering project, are demonstrating meaningful operational benefits and cost savings that directly offset higher usage costs in other supply and maintenance categories:

- **Advanced Technology:** Fully automated equipment has improved operational efficiency.
- **Environmental Impact:** Reduction in the weight of biosolids and onsite recycled water use.
- **Fiscal Responsibility:** Lowering costs for biosolids hauling.

Operating Expenses by Program Grouping

Core Programs

Table 4 – Core Program Summary

CORE PROGRAMS	Budget	Estimated Actuals	Budget to Actuals	% of Budget
	FY2025-26	FY2025-26		
Wastewater Treatment	\$ 4,551,366	\$ 4,523,147	\$ 28,219	99.4%
Laboratory Services	1,156,952	1,139,363	\$ 17,589	98.5%
Ocean Outfall	1,156,141	1,131,462	\$ 24,679	97.9%
Recycled Water Utility	2,724,060	2,655,611	\$ 68,449	97.5%

Wastewater Treatment

This program includes wastewater treatment operations and maintenance at the San Elijo Water Campus. Activities include primary and secondary treatment for the cities of Encinitas, Solana Beach, and Del Mar, as well as the Rancho Santa Fe Community Services District. Biosolids are treated and dewatered on site and hauled by a contractor to Arizona for beneficial reuse through land application.

Wastewater Treatment is trending slightly over budget driven by personnel costs and supplies and services; however year end projections are anticipated to be managed within available contingency.

Table 5 – Wastewater Treatment by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 2,161,654	\$ 2,165,611	\$ (3,957)	100.2%
Supplies & Services	2,313,712	2,357,536	(43,824)	101.9%
Contingency	76,000	-	76,000	0.0%
Total JPA Wastewater Treatment	\$ 4,551,366	\$ 4,523,147	\$ 28,219	99.4%

Laboratory Services

The laboratory at the San Elijo Water Campus provides analytical services for SEJPA's Wastewater Treatment, Ocean Outfall, and Recycled Water programs, as well as for external agencies under contract. For FY 2025–26, contract clients include the Fairbanks Ranch Community Services District, Nature Collective, Rancho Santa Fe Community Services District, Santa Fe Valley Community Services District, San Ysidro Point of Entry treatment facility, Del Mar Fairgrounds, and Whispering Palms Community Services District.

Table 6 – Laboratory Services by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 873,087	\$ 839,199	\$ 33,888	96.1%
Supplies & Services	274,865	300,165	(25,300)	109.2%
Contingency	9,000	-	9,000	0.0%
Total JPA Laboratory	\$ 1,156,952	\$ 1,139,363	\$ 17,589	98.5%

Ocean Outfall

This program captures all operations and maintenance costs associated with the ocean outfall system, including secondary effluent pump station operations and maintenance, ocean monitoring, sampling and testing, and biannual outfall inspections. Under an agreement with the City of Escondido, outfall capacity is shared and operations and maintenance costs are allocated based on actual discharged flow.

Table 7 – Ocean Outfall by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 680,130	\$ 666,243	\$ 13,888	98.0%
Supplies & Services	451,011	465,220	(14,209)	103.2%
Contingency	25,000	-	25,000	0.0%
Total JPA Ocean Outfall	\$ 1,156,141	\$ 1,131,462	\$ 24,679	97.9%

Recycled Water Program

SEJPA operates a recycled water utility that wholesales to regional water districts and provides interruptible direct sales to local customers. The program delivers high-quality water for irrigation and industrial uses while supporting a locally produced, drought-resilient supply that strengthens the region’s diversified water portfolio.

Recycled Water Program Revenues:

Table 8 – Recycled Water Program Revenues by Customer/Incentive Sponsor

Recycled Water Customer	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% of Budget
Santa Fe Irrigation District	\$ 1,195,342	\$ 1,195,342	\$ -	100.0%
San Dieguito Water District	873,440	803,244	70,196	92.0%
Del Mar Fairgrounds	153,775	153,775	-	100.0%
Encinitas Ranch Golf Association	441,734	441,734	-	100.0%
Olivenhain Municipal Water District	528,985	549,626	(20,642)	103.9%
Total Customer Revenue	\$ 3,193,275	\$ 3,143,721	\$ 49,554	98.4%
MWD and CWA Incentives	205,975	234,000	(28,025)	113.6%
Total Recycled Water Revenue	\$ 3,399,250	\$ 3,377,721	\$ 21,529	99.4%

Recycled Water Revenues are projected to be slightly below budget, due to reduced demand early in the year from cooler weather and above-average rainfall offset by higher incentive revenue prior to the program’s sunset.

Recycled Water Program Expenses:

Table 9 – Recycled Water Program by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 1,108,868	\$ 1,121,938	\$ (13,070)	101.2%
Supplies & Services	1,565,192	1,533,673	31,519	98.0%
Contingency	50,000	-	50,000	0.0%
Total Operating Expense	\$ 2,724,060	\$ 2,655,611	\$ 68,449	97.5%
Debt Service	984,043	984,043	-	100.0%
Total Expense	\$ 3,708,103	\$ 3,639,654	\$ 68,449	98.2%

*Recycled Water Net Revenues:
Table 10 – Recycled Water Net Revenue*

Recycled Water	Budget	Estimated Actual
	FY 2025-26	FY 2025-26
Revenue	\$ 3,399,250	\$ 3,377,721
Operating Expense	(2,724,060)	(2,655,611)
Interest Income	522,790	435,510
Debt Service	(984,043)	(984,043)
Net Recycled Water Revenue	\$ 213,938	\$ 173,576

When comparing the estimated actual revenue of \$3,377,721 for FY 2025–26, combined with interest income of \$435,510, operating expenses of \$2,655,611, and debt service of \$984,043, it is expected that net recycled water revenue of \$173,576 will be generated. This net revenue will be added to the Recycled Water Capital Reserve.

Pump Station Programs

Table 11 – Pump Station Program Summary

PUMP STATIONS	Budget	Estimated Actuals	Budget to Actuals	% of Budget
	FY2025-26	FY2025-26		
Cardiff Sanitary Division	\$ 443,583	\$ 418,822	\$ 24,761	94.4%
Encinitas Sanitary Division	203,637	203,215	\$ 422	99.8%
Solana Beach	558,839	550,392	\$ 8,447	98.5%
Del Mar	104,780	104,486	\$ 294	99.7%

Cardiff Sanitary Division Pump Stations

This program covers pump station maintenance and operations provided by SEJPA to the City of Encinitas’ Cardiff Sanitary Division (CSD), including the Cardiff, Coast Highway, and Olivenhain pump stations. All costs are fully borne by CSD.

Table 12 – Cardiff Sanitary Division Pump Stations by Expense Category

Expense Category	Budget	Estimated Actual	(Over) / Under	% Budget
	FY 2025-26	FY 2025-26	Budget	Spent
Personnel	\$ 225,878	\$ 226,743	\$ (865)	100.4%
Supplies & Services	200,205	192,079	8,126	95.9%
Contingency	17,500	-	17,500	0.0%
Total Cardiff Sanitary Division	\$ 443,583	\$ 418,822	\$ 24,761	94.4%

Encinitas Sanitary Division Pump Station

This program covers pump station maintenance and operations provided to the City of Encinitas’ Encinitas Sanitary Division (ESD) for the Moonlight Beach pump station. All costs are fully borne by ESD.

Table 13 – Encinitas Sanitary Division Pump Stations by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 109,299	\$ 109,024	\$ 275	99.7%
Supplies & Services	84,338	94,191	(9,853)	111.7%
Contingency	10,000	-	10,000	0.0%
Total Encinitas Sanitary Division	\$ 203,637	\$ 203,215	\$ 422	99.8%

City of Solana Beach Pump Stations

This program provides pump station maintenance and operations for the City of Solana Beach, including the Eden Gardens, Solana Beach, San Elijo Hills, and Fletcher Cove pump stations, as well as the Storm Drain Sediment Drying & Disposal Program.

Table 14 – City of Solana Beach Pump Stations by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 295,680	\$ 296,356	\$ (676)	100.2%
Supplies & Services	243,158	254,036	(10,878)	104.5%
Contingency	20,000	-	20,000	0.0%
Total City of Solana Beach	\$ 558,839	\$ 550,392	\$ 8,447	98.5%

City of Del Mar Pump Station

Under this program, SEJPA provides pump station operation and maintenance services to the City of Del Mar.

Table 15 – City of Del Mar Pump Stations by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 55,808	\$ 56,441	\$ (633)	101.1%
Supplies & Services	46,872	48,045	(1,173)	102.5%
Contingency	2,100	-	2,100	0.0%
Total City of Del Mar	\$ 104,780	\$ 104,486	\$ 294	99.7%

Other Service Programs

Table 16 – Other Service Programs Summary

OTHER SERVICES	Budget FY2025-26	Estimated Actuals FY2025-26	Budget to Actuals	% of Budget
Encinitas Urban and Stormwater	\$ 66,466	\$ 64,395	\$ 2,071	96.9%
Solana Beach Generator Services	17,483	17,300	\$ 183	99.0%
22nd District Agricultural Association (Fairgrounds)	192,022	181,920	\$ 10,102	94.7%
Leucadia Technical Support	29,324	29,324	\$ -	100.0%

City of Encinitas Urban & Stormwater

This program provides maintenance and operations services to the City of Encinitas, including the Urban Runoff Treatment Facility, Phoebe Stormwater Pump Station, Cardiff Stormwater Diversion Structure, and Storm Drain Sediment Drying and Disposal program.

Table 17 – City of Encinitas Urban & Stormwater by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 41,907	\$ 42,026	\$ (119)	100.3%
Supplies & Services	22,549	22,369	180	99.2%
Contingency	2,010	-	2,010	0.0%
Total City of Encinitas	\$ 66,466	\$ 64,395	\$ 2,071	96.9%

City of Solana Beach Generator Services

This program provides generator services to Solana Beach City Hall and the Lomas Santa Fe Fire Station. All costs are reimbursed solely by the City of Solana Beach.

Table 18 – City of Solana Beach Generator Stations by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 8,631	\$ 8,801	\$ (170)	102.0%
Supplies & Services	8,032	8,499	(467)	105.8%
Contingency	820	-	820	0.0%
Total City of Solana Beach Services	\$ 17,483	\$ 17,300	\$ 183	99.0%

22nd District Agricultural Association (Del Mar Fairgrounds)

This program provides support to the Del Mar Fairgrounds for their stormwater treatment system. Any additional services requested by the Fairgrounds are fully funded by the Fairgrounds.

Table 19 – Del Mar Fairgrounds by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2025-26	(Over) / Under Budget	% Budget Spent
Personnel	\$ 153,356	\$ 153,040	\$ 316	99.8%
Supplies & Services	26,666	26,171	495	98.1%
Contingency	12,000	-	12,000	0.0%
Total 22nd District Agriculture Association	\$ 192,022	\$ 179,211	\$ 12,811	93.3%
Additional Services	\$ -	\$ 2,709	\$ (2,709)	
Grand Total	\$ 192,022	\$ 181,920	\$ 10,102	94.7%

Leucadia Wastewater District Technical Support Services

This program supports the Leucadia Wastewater District (LWD) with Technical Support Services for the Forest R. Gafner Water Reclamation Facility (Gafner Facility). The actual costs incurred are borne solely by the LWD.

Table 20 – Leucadia Wastewater District Technical Support Services by Expense Category

Expense Category	Budget FY 2025-26	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 25,728	\$ 25,768	\$ (40)	100.2%
Supplies & Services	3,596	3,556	40	98.9%
Total Leucadia WWD Technical Support	\$ 29,324	\$ 29,324	\$ (0)	100.0%

Capital Project Cost Update

The table below summarizes SEJPA’s active capital projects, detailing each project’s budget, costs incurred through January 31, 2026, and remaining unspent budget. The Anticipated Project Funding Source identifies the benefiting programs or customers, particularly for projects serving multiple stakeholders. Total inception-to-date project costs include \$17,002,172 spent prior to June 30, 2025, and \$2,709,246 spent in FY 2025–26 through January 31, 2026, resulting in a combined construction-in-process balance of \$19,711,418.

Table 21 – SEJPA Capital Project Cost Update

<i>Open Capital Projects</i>	Capital Project Budget	Active Project Costs Inception to Date Through 1/31/2026	Unspent Project Budget at 1/31/26	Anticipated Project Funding Source*	Project Status
Biosolids Dewatering Improvements	\$ 12,010,000	\$ 11,655,054	\$ 354,946	100% WW	Accepted
Wanket Tank Reservoir Refurbishment**	4,298,800	3,292,797	1,006,003	100% RW	Ongoing
Stormwater Capture and Reuse	1,705,738	1,705,738	-	50/50% WW/RW	Accepted
Wanket Pipeline	1,439,751	1,439,751	-	100% RW	Accepted
Biological Treatment Improvement/NDN***	1,012,106	1,012,106	-	50/50% WW/RW	Postponed
2025 Facility Plan	498,300	451,626	46,674	All Programs	Ongoing
Miscellaneous Projects	154,345	154,345	-	Project Specific	As-Needed
Total Recycled Water Utility Long-Term Debt	21,119,040	19,711,418	1,407,623		

* - Wastewater programs (WW), Recycled Water (RW), Encinitas Sanitary Division (ESD), Cardiff Sanitation District (CSD)

** - Wanket Tank Budget includes the effects of the proposed change order in January 2026 Board Action

*** - Project budget for Biological Treatment Improvement/NDN project has been set to the funds spent prior to project postponement

Recycled Water Loan Update

To support recycled water capital needs, SEJPA’s rates include a reserve fund component for capital assets. During FY 2022–23, additional funding was needed for key projects, including the Wanket Tank and Pipeline projects, the Biological Treatment Improvement/NDN project, replacement of recycled water microfiltration membranes, and other smaller capital needs.

A significant portion of the loan was originally intended to fund SEJPA’s recycled water utility contribution to the Biological Treatment Improvement/NDN Project. Due to inflationary construction costs and a funding gap for the wastewater portion, the Board paused this project in December 2024. The now-available funds are anticipated to support dedicated recycled water projects through FY 2027–28, as outlined in SEJPA’s most recent Cost of Service Study. Additional work on the Wanket Tank Reservoir project has required further allocation of available loan funding. Based on current information, project obligations of the loan funds are expected to align with the table below.

Due to continued inflation in construction costs, the amount of available cash for prepayment or future projects may vary.

Table 22 – Recycled Water Loan Sources and Projected Uses of Loan Proceeds

Recycled Water Loan Analysis	Actual Activity through 01/31/2026	Project Obligations
Actual Loan Funds Available		
Recycled Water Loan Proceeds	\$ 10,120,000	\$ 10,120,000
Interest Earned on Loan Proceeds	884,745	884,745
Total Available Loan Funds (A)	11,004,745	11,004,745
Loan Funding Uses (Active Projects)		
Wanket Tank Reservoir Refurbishment	3,292,797	4,298,800
Stormwater Capture and Reuse	1,705,738	1,705,738
Wanket Pipeline	1,439,751	1,439,751
Biological Treatment Improvement/NDN	506,053	506,053
Recycled Water Membrane Replacement	404,611	404,611
Other Capital Items*	30,009	200,000
FYE26 - FYE28 Miscellaneous Projects	-	2,006,000
Total Loan Funding Uses (B)	7,378,959	10,560,953
Less: Previous Loan Disbursements	(3,338,755)	(3,338,755)
Net Remaining Project Obligations	4,040,204	7,222,198
Available Loan Funds (A-B)	\$ 3,625,786	\$ 443,792

* - Other Capital Items includes smaller projects and equipment meeting SEJPA's capitalization thresholds.

CONCLUSION

Total operating expenses across all programs for FY 2025–26 are projected to be \$185,214 (1.7%) under budget, with all twelve operating programs expected to come in at or below budget.

Revenues from the Recycled Water Program are projected at \$3,377,721, just 0.6% (\$21,529) below budget, with the Recycled Water Utility expected to generate a positive net recycled water revenue of \$173,576 to be added to the Recycled Water Capital Reserve.

RECOMMENDATION

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

Respectfully submitted,



Kevin Lang, CPA
Director of Finance and Administration

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 17, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Deputy General Manager

SUBJECT: CONSTRUCTION PHASE CONTRACT AMENDMENTS FOR THE WANKET
TANK REFURBISHMENT PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to execute Contract Change Order No. 6 to increase Owner-Controlled Miscellaneous Tank Repair Allowance by \$150,000;
2. Authorize the General Manager to negotiate and execute Amendment 7 with CDM Smith in an amount up to \$75,000; and
3. Discuss and take action as appropriate.

BACKGROUND

SEJPA has implemented two related construction projects, the Wanket Recycled Water Pipeline (completed February 2025) and the Wanket Tank Refurbishment Project (currently underway). The refurbishment converts a 50-year-old potable water concrete tank into a recycled water storage facility. The 3-million-gallon tank will provide critical operational storage capacity, enabling SEJPA to better meet peak summer demands and relieve pressure on the ocean outfall by storing recycled water during storm events.

DISCUSSION

As previously authorized by the Board in October 2025, application of an interior liner was completed in January 2026 to address persistent leakage attributed to compromised joints in the tank floor slab and lower wall interfaces. Upon completion, the coating work was inspected by SEJPA's Construction, Management, and Inspection (CM&I) team and approved for tank filling. Shortly after filling began during the week of January 19, 2026, water was observed in the tank underdrain system. The leakage rate was monitored over a five-day period. Based on this monitoring, staff concluded that the interior liner reduced leakage by up to 90%; however, the remaining leakage rate continues to exceed allowable industry standards.

The CM&I team, in coordination with the contractor, reexamined the newly coated areas and confirmed that no defects or areas of concern were observed. A subsequent review of historical tank records and drawings identified pre-existing piping beneath the tank footing as the most likely location of the leak. The contractor has been directed to perform a video inspection and hydrostatic testing of the inlet, outlet, and drain piping. Once additional information is obtained and analyzed, and the source of the leakage is identified, staff will finalize the leak mitigation solution with the design engineer. Assuming the existing buried piping is confirmed to be leaking, the project team will proceed with repairs which could include spot repairs or an in-situ pipe liner. To provide the project team with the discretion necessary to address the residual leakage issue efficiently, staff recommends increasing the Miscellaneous Tank Repair Allowance by \$150,000.

FINANCIAL IMPACT

With these construction phase amendments, the Miscellaneous Tank Repairs Allowance will be increased by \$150,000, bringing the construction contract value to \$3,487,600. In addition, the CM&I budget will be increased by \$75,000, for a total of \$446,300. The amended budget for the Wanket Reservoir Refurbishment Project is presented in the following table:

Project Element	Encumbered Cost (rounded)
Original Wanket Tank Budget	\$ 3,054,600
<i>February 2025 Budget Revisions: Asbestos Abatement</i>	<i>150,000</i>
Revised February 2025 Wanket Tank Budget	\$3,204,600
<i>October 2025 Budget Revisions: Tank Liner for Leak Mitigation</i>	<i>869,200</i>
Revised October 2025 Wanket Tank Budget	4,073,800
<i>February 2026 Budget Revisions: Additional Leak Investigation and Repairs</i>	<i>225,000</i>
Revised Project Budget Total	\$ 4,298,800

These increases will continue to be funded through the 2023 recycled water loan fund, which was secured to support recycled water storage projects of this nature. Completion of the Wanket project remains one of SEJPA’s highest-priority recycled water projects. The work is expected to retain eligibility for approximately \$885,000 in Proposition 1 Grant funding and up to \$1 million in Title XVI WIIN reimbursement.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to execute Contract Change Order No. 6 to increase Owner-Controlled Miscellaneous Tank Repair Allowance by \$150,000;
2. Authorize the General Manager to negotiate and execute Amendment 7 with CDM Smith in an amount up to \$75,000; and
3. Discuss and take action as appropriate.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "T. Falk", is positioned below the text "Respectfully submitted,".

Thomas C. Falk, P.E., PMP
Deputy General Manager