



SAN ELIJO _____ **JOINT POWERS AUTHORITY**

Adopted Annual Budget FY 2017-2018



Mission of the San Elijo Joint Powers Authority

To serve our communities by providing safe and reliable recycled water and wastewater services in order to protect the environment and public health.

Vision

We pursue innovative practices to produce clean water in an environmentally, socially, and fiscally responsible manner.

As an organization, the San Elijo Joint Powers Authority values:

Public Trust – Honor and promote public confidence through transparency, personal character, and the highest level of professional behavior.

Honesty and Integrity – Be truthful and factual in upholding the values and ethics of the agency.

Responsibility – Be accountable for one's conduct and actions.

Loyalty – Faithfully and reliably promote the best interests of the agency and fellow employees.

Courtesy – Be respectful, considerate, aware, and caring.

Human Value – Provide equal opportunity for all employees to succeed and grow professionally and personally.

Safety – Ensure individual safety and the safety of co-workers and the public, without compromise.

Community – Demonstrate leadership and stewardship in serving the community and protecting the environment.

Value – Provide superior service to the community in a safe, reliable, and cost-effective manner.

SAN ELIJO JOINT POWERS AUTHORITY***ADOPTED ANNUAL BUDGET******FISCAL YEAR 2017-18*****BOARD OF DIRECTORS**

GINGER MARSHALL, CHAIRPERSON
TASHA BOERNER HORVATH, VICE CHAIRPERSON
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PAUL F. KINKEL, DIRECTOR OF FINANCE/ADMINISTRATION

MEMBER AGENCIES

CITY OF ENCINITAS
CITY OF SOLANA BEACH

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Transmittal Letter

Honorable Chairperson and Members of the Board of Directors:

I am pleased to present the Fiscal Year (FY) 2017-18 Adopted Budget for the San Elijo Joint Powers Authority (SEJPA). The agency has been in existence for over 51 years with its origination to provide safe and reliable wastewater treatment and disposal for the coastal communities of Cardiff by the Sea and Solana Beach. The agency has evolved to become more than a leader in wastewater treatment, but an innovator in recycling water, and actively collaborating with local water agencies on water reuse technology. The San Elijo Water Reclamation Facility is an award winning facility, recognized for its dedicated personnel, commitment to safety, and recycled water program. This budget document reflects the SEJPA's commitment to providing the best value to our stakeholders by balancing each decision made using a cost, performance, and schedule criteria. Overall, the driving metric is delivering a high level of service while maintaining the agency's assets in perpetuity, and meeting the rate expectations of our customers.

OPERATING BUDGET OVERVIEW

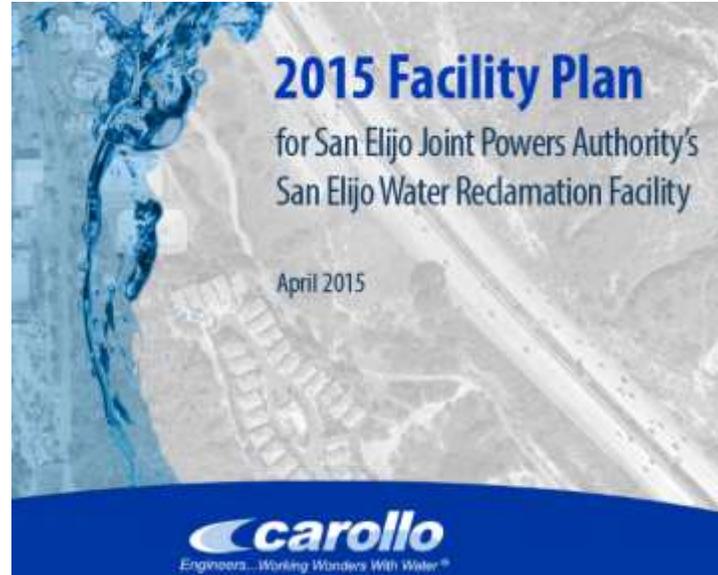
The SEJPA Adopted Budget for FY 2017-18 is made up of ten operational programs that are managed and operated by the SEJPA. There are no new programs for FY 2017-18; however, the SEJPA planned for the City of Del Mar to send its wastewater to the treatment facility in FY 2016-17 which may not incur until later in the fiscal year. The operation and maintenance of Del Mar's 21st Pump Station was planned in the FY 2016-17 budget, but is now anticipated to begin when the City of Del Mar's wastewater is re-directed to the San Elijo Water Reclamation Facility (SEWRF).

The total increase in Operating Costs year over year is \$112,766 or 1.9%. The Wastewater Treatment program accounts for \$76,199 or 68% of the increase. Details for these increases are discussed in each program section.

Program	Adopted Budget 2016-17	Adopted Budget 2017-18	Budget Change	% Change
Wastewater Treatment	\$ 2,711,166	\$ 2,787,364	76,199	2.8%
Laboratory	468,658	471,669	3,011	0.6%
Ocean Outfall	542,096	562,121	20,025	3.7%
Cardiff Sanitary Division Pump Stations	238,545	242,831	4,286	1.8%
Encinitas Sanitary Division Pump Stations	146,544	153,136	6,591	4.5%
City of Encinitas Urban and Storm Water Services	30,236	31,013	777	2.6%
City of Solana Beach Pump Stations	307,098	318,388	11,290	3.7%
City of Solana Beach Generator Maintenance Services	9,245	9,755	510	5.5%
City of Del Mar Pump Station	77,277	75,897	(1,381)	-1.8%
Recycled Water	1,498,447	1,489,905	(8,542)	-0.6%
Total Operating Costs	\$ 6,029,313	\$ 6,142,079	\$ 112,766	1.9%

CAPITAL BUDGET OVERVIEW

FY 2017-18 begins the construction phase of the capital programs identified in the 2015 Facility Plan for the Wastewater projects. The 2015 Facility Plan included a list of 17 prioritized projects, and 11 of these projects were identified to be constructed by 2020 for an estimated cost of \$22.4 million. To stay within sewer rate expectation and avoid rate stress, the SEJPA reduced the pay-as-you-go capital cash requirements, and increased the debt service to fund the projects until the 2011 Refunding Bonds are substantially paid in full. This strategy will provide sufficient funding to construct the identified projects that include the Land Outfall Replacement, Water Campus Building Project, Preliminary Treatment Upgrades, Electrical Upgrades and Improvements, and Solids Treatment and Handling Project. The pay-as-you-go is budgeted at \$280,000 for Wastewater capital projects, \$300,000 for Ocean Outfall, and \$344,650 for the Cardiff Sanitation District.



The Recycled Water capital projects have been budgeted to meet the needs of our water district partners. These projects include recycled water pipeline extensions in both the cities of Encinitas and Solana Beach. The estimated expense for these projects is \$1,600,000 for FY 2017-18. Grant reimbursement will be received once the projects are completed from Proposition 84 grant funding.

DEBT SERVICE OVERVIEW

The SEJPA's debt service will be increasing for FY 2017-18 with \$2,073,828 related to Wastewater Treatment and \$997,828 related to Recycled Water for a combined debt service of \$3,071,656. This level of debt service is increasing from FY 2016-17 due to the 2017 Revenue Bond interest payment; however, the pay-as-you-go capital cash has been reduced by approximately the same amount; hence keeping the total expense structure within expectation.

CHALLENGES AND ACCOMPLISHMENTS FOR FY 2016-17 AND GOALS FOR FY 2017-18

This year, the SEJPA was challenged for water quality compliance, and did not meet all of its requirements for the NPDES ocean discharge permit. Challenges included high levels of total dissolved solids, possible flow contamination from an unknown source, and historical high flow rates as a result of unprecedented rainfall disrupted the biological treatment process in the plant. SEJPA's staff worked nonstop to determine a solution and correct the violation in addition to engaging reputable professionals for guidance for bringing the plant back into compliance, and to provide preventative measures in the future. The SEJPA embraces its responsibility to protect

the ocean water quality and maintaining ocean discharge permit compliance is paramount to every employee at the SEJPA.

The California Water Environment Association's (CWEA) Awarded the SEJPA Medium Size Plant of the Year for the San Diego Section. CWEA also recognized one of SEJPA's administrative staff as Administrator of the Year for their expertise in supporting the agency's administration, and contributing to the operations by supporting ocean water sampling. The SEJPA staff is proud to be recognized by CWEA and its peers.

This budget also reflects continued outsourcing to Encina Wastewater Authority (EWA) and the City of Encinitas. The City of Encinitas has successfully been supporting SEJPA's IT structure since FY 2013-14, and EWA began supporting human resources in FY 2016-17. Based on this successful relationship, EWA began supporting SEJPA's safety administration in FY 2016-17. This governmental cooperation of sharing of resources not only provides material matter expertise, but also reduces the costs for all entities.

To continue our goal of providing the best value to our stakeholders, the SEJPA will continue to collaborate with our member agencies, other government agencies, and water district partners to reduce costs, gain efficiencies, expand service, and strive to become better than we are today.

Your San Elijo Joint Powers Authority team is pleased to present this adopted budget.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager



San Elijo Joint Powers Authority Staff

Board Resolution No. 2017-05 Approving FY 2017-18 Budget**RESOLUTION NO. 2017-05****RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR FISCAL YEAR 2017-18**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors proposed SEJPA Operating and Capital Projects Budgets for Fiscal Year 2017-18;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SAN ELIJO JOINT POWERS AUTHORITY HEREBY RESOLVES AS FOLLOWS:

1. The Board of Directors has reviewed the proposed Operating Budgets and Capital Projects Budget, and the funds included herein for the period of July 1, 2017 through June 30, 2018 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2017-18. Such budgets are hereby adopted.

San Elijo JPA Operations and Maintenance Fund	\$ 6,726,002
San Elijo JPA Water Reclamation Operating Fund	2,487,733
San Elijo JPA Capital Projects Fund	<u>2,524,650</u>
Total	\$ <u>11,738,385</u>

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds for the Fiscal Year 2016-17.

PASSED AND ADOPTED this 12th day of June, 2017, by the following vote:

AYES: Boardmembers: Marshall, Boerner-Horvath, Zito, Mosca

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:



Ginger Marshall, Chairperson
SEJPA Board of Directors

ATTEST:



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

Background

History

Prior to the early 1950's, the communities of Solana Beach and Cardiff by the Sea relied on privately-owned septic systems for wastewater treatment and disposal. As the communities grew, two independent districts were formed, the Cardiff Sanitation District and the Solana Beach Sanitation District, to provide wastewater collection, treatment, and disposal. These districts constructed two independent treatment plants located in the San Elijo Lagoon that provided basic treatment and discharged directly into the lagoon. Within a decade, it was determined that these treatment plants provided insufficient treatment and that the lagoon water quality was deteriorating.

In 1963, the Cardiff Sanitation District and the Solana Beach Sanitation District created the SEJPA under California Government Code Section 6502. The SEJPA was formed to protect public health and the environment, and be cost effective by using economies of scale. Joint Powers Authorities (JPA's) are unique in that the JPA's authority can be distinct from the member agencies, and has its own Board of Directors. Under this newly formed entity, a water pollution control facility was built and a 4,000 foot ocean outfall was built in 1965.

Since that time the SEJPA has grown from preparing water for waste discharge into the ocean to an award winning recycled water utility that can produce more than 520 million gallons per year.



San Elijo Lagoon Nature Center, View of Lagoon

Below are important dates that have defined, impacted and given direction to the SEJPA:

- 1965 basic treatment plant & ocean outfall constructed
- 1969 Porter-Cologne Water Quality Control Act (California)
- 1972 Federal Clean Water Act (federal – NPDES Permits)
- 1982 Proposition M (local - funding for Recycled Water Facility)
- 1986 – 1992 Drought & mandatory water cutbacks
 - ✓ State shuts off water to farmers, and cuts deliveries to cities by half.
 - ✓ U.S. officials cut water to farms by 75%; urban areas by up to 50%.
 - ✓ Metropolitan Water District reduced deliveries by 31%.
- 1991 SEJPA Wastewater treatment upgraded (Clean Water Act Compliance)

As a result of the 1986-1992 drought and water reductions by the Metropolitan Water District, the agency developed a strategy to take pressure off the potable water supply by investing in a new recycled water utility. The yearly milestones are shown below:

- 1991-1998 Planning, design, permitting, & financing recycled water
- 1998-2000 Construction of recycled water utility
- 2000 Recycled water utility – Health Department certification completed & system became operational
- 2004 SEJPA delivered 1 billion gallons of recycled water since inception
- 2010 North San Diego Water Reuse Coalition
- 2013 Advanced water purification – completed & operational
- 2014 Small scale storm water capture, treatment, and recycling – commenced
- 2014 SEJPA delivered 5 billion gallons of recycled water since inception

Our focus is on how the SEJPA can provide:

- A highly efficient and reliable water treatment facility and
- A viable and sustainable water supply to the local community now, and in the future.



San Diego Botanic Gardens

Fund Summary

	Wastewater Services	Recycled Water	State Revolving Fund Debt Reserve	Capital Projects	Total
Revenues					
Operating	\$ 4,611,758	\$ 2,712,190	\$ -	\$ -	\$ 7,323,948
Capital	-	-	-	924,650	924,650
Debt	2,073,828	-	-	-	2,073,828
Other	40,416	6,200	-	-	46,616
2017 Revenue Bonds		1,550,000		22,250,000	23,800,000
Total Revenues	6,726,002	4,268,390	-	23,174,650	34,169,042
Expenses					
Operating	4,652,174	1,489,905	-	-	6,142,079
Capital	-	1,600,000	-	11,500,000	13,100,000
Debt Service	2,073,828	997,828	-	-	3,071,656
Total Expenses	6,726,002	4,087,733	-	11,500,000	22,313,735
Increase/(Decrease)	-	180,657	-	11,674,650	11,855,307
Fund Balance Beginning of the Year	730,996	693,697	630,000	4,286,918	6,341,611
Fund Balance End of the Year	\$ 730,996	\$ 874,354	\$ 630,000	\$ 15,961,568	\$18,196,917

Wastewater Services includes Wastewater Treatment, Laboratory Services, Ocean Outfall, Pump Station Operations, and other Services.

State Revolving Fund ("SRF") Debt Reserve is restricted cash in accordance with the SRF Loan Agreement.

2017 Revenue Bonds are planned to be issued in FY 2016-17 to support the priority capital projects documented in the 2015 Facility Plan, and the Recycled Water Integrated Regional Water Management Plan grant.

Capital Revenues are pay-as-you go; \$280,000 Miscellaneous Wastewater projects, \$329,400 for the Cardiff Sewer District force mains, and \$300,000 for Ocean Outfall reserve.

Wastewater capital projects' expense includes Land Outfall Replacement, Water Campus Building, Preliminary Treatment Upgrades, Electrical Upgrades and Improvements, and Solids Treatment and Handling Projects. Recycled Water capital projects' expense is to extend recycled water pipelines.

Revenue Summary

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
City of Encinitas	\$ 2,786,287	\$ 2,978,691	\$ 3,107,471	\$ 2,917,416	\$ 3,337,771
City of Solana Beach	2,759,543	2,699,991	2,730,907	2,754,978	2,633,045
City of Del Mar			4,617	611,294	611,607
Rancho Santa Fe CSD	361,955	359,230	346,744	278,904	278,905
City of Escondido	574,686	628,797	695,579	705,224	721,606
Laboratory Services	27,226	27,226	27,226	27,300	27,300
Recycled Water	2,634,527	2,402,704	2,822,156	2,821,001	2,712,190
T-Mobile Cell Site Lease	25,089	25,842	26,617	26,617	27,416
Other Revenue	4,421	3,158	4,879	1,000	1,000
Interest on Wastewater Operations	12,259	21,730	9,057	12,000	12,000
Interest on Water Reclamation	10,477	8,117	1,716	6,200	6,200
2017 Revenue Bonds					23,800,000
Total Revenue Sources	\$ 9,196,470	\$ 9,155,485	\$ 9,776,968	\$ 10,161,934	\$ 34,169,041

Revenue by Source

Basis for Revenue by Source

- Wastewater treatment costs are based on the 2016 calendar year average influent flows for City of Encinitas (Encinitas), City of Solana Beach (Solana Beach), and the Rancho Santa Fe Community Services District (RSFCSD). The City of Del Mar influent flows have been estimated based on projected flows because Del Mar is planned to begin flow to the SEJPA for FY 2017-18.
- The RSFCSD Rental Credit is based on a capacity use agreement between Encinitas, Solana Beach, and RSFCSD; this represents RSFCSD’s contribution to debt service related to capital improvements.
- Laboratory Services are calculated based on the 2016 calendar year average influent flows after outside laboratory services are subtracted.
- Outfall costs are based on the 2016 calendar year average effluent flows with the exception of the City of Del Mar which is based on projected flows.
- Cardiff Sanitary Division and Encinitas Sanitary Division are solely supported by the City of Encinitas.
- Capital projects are based on owned/leased capacity for both the Wastewater Treatment and the Ocean Outfall.

Below is a table of the calendar year 2016 average daily influent and effluent, and owned/leased capacity for each member and government agency:

Entity	Millions of Gallons Per Day (MGD)			
	Influent	Effluent	Capacity	Outfall Capacity
City of Encinitas	1.294	0.712	2.200	2.250
City of Solana Beach	1.000	0.546	2.200	2.250
Rancho Santa Fe CSD's	0.115	0.064	0.250	0.250
City of Del Mar	0.360	0.173	0.600	0.600
City of Escondido	-	9.332	-	20.150
Total	2.769	10.826	5.250	25.500

Influent and effluent percentages are used to estimate the operating and maintenance costs charged to each member and government agency for wastewater services; capacity percentages are used to estimate capital costs charged to each member and government agency.

City of Encinitas – Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Treatment	\$ 1,174,014	\$ 1,288,752	\$ 1,376,157	\$ 1,193,665	\$ 1,302,800
Interest Income Credit	(6,146)	(10,881)	(6,010)	(6,000)	(6,000)
RSF CSD Credit 1991 Refunding Bonds	(64,496)	(64,496)	(48,372)	(48,372)	(48,372)
RSF CSD Credit 2017 Revenue Bonds					(14,075)
Del Mar Credit 2017 Revenue Bonds					(33,781)
T-Mobile License Income	(12,546)	(12,922)	(13,309)	(13,309)	(13,708)
Other Income Credit	(2,323)	(1,579)	(2,440)	(501)	(501)
Total Wastewater Revenue	<u>1,088,503</u>	<u>1,198,874</u>	<u>1,306,026</u>	<u>1,125,483</u>	<u>1,186,363</u>
Laboratory Services	176,636	215,435	233,064	194,320	207,696
Ocean Outfall	25,990	29,154	34,960	32,534	36,945
Cardiff Sanitary Division Pump Stations	187,538	194,152	213,339	238,545	242,831
Encinitas Sanitary Division Pump Station	134,895	115,388	142,876	146,544	153,136
Encinitas Urban and Storm Water Services	26,380	29,702	27,452	30,236	31,013
2011 Refunding Bonds	694,442	691,225	692,081	692,081	695,754
2017 Revenue Bonds					295,580
Capital Projects	451,903	504,761	457,673	457,673	488,454
Total Revenue	<u>\$ 2,786,287</u>	<u>\$ 2,978,691</u>	<u>\$ 3,107,471</u>	<u>\$ 2,917,416</u>	<u>\$ 3,337,771</u>

City of Solana Beach – Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Treatment	\$ 1,145,262	\$ 1,053,685	\$ 1,057,316	\$ 1,064,114	\$ 1,006,290
Interest Income Credit	(6,146)	(10,881)	(6,010)	(6,000)	(6,000)
RSF CSD Credit 1991 Refunding Bonds	(64,496)	(64,496)	(48,372)	(48,372)	(48,372)
RSF CSD Credit 2017 Revenue Bonds					(14,075)
Del Mar Credit 2017 Revenue Bonds					(33,781)
T-Mobile License Income	(12,546)	(12,922)	(13,309)	(13,309)	(13,708)
Other Income Credit	(2,323)	(1,579)	(2,440)	(501)	(501)
Total Wastewater Revenue	<u>1,059,751</u>	<u>963,807</u>	<u>987,185</u>	<u>995,932</u>	<u>889,853</u>
Laboratory Services	172,395	176,808	180,020	173,230	160,425
Ocean Outfall	25,163	23,609	26,804	29,013	28,325
Solana Beach Pump Stations	256,693	231,603	281,473	299,342	311,702
Solana Beach Urban and Storm Water Services	7,073	8,782	7,253	7,756	6,686
Solana Beach Generator Maintenance Services	1,140	9,028	7,712	9,245	9,755
2011 Refunding Bonds	785,425	781,593	782,787	782,787	786,914
2017 Revenue Bonds					295,580
Capital Projects	451,903	504,761	457,673	457,673	143,804
Total Revenue	<u>\$ 2,759,543</u>	<u>\$ 2,699,991</u>	<u>\$ 2,730,907</u>	<u>\$ 2,754,978</u>	<u>\$ 2,633,045</u>

City of Del Mar – Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Treatment			\$ -	\$ 343,982	\$ 362,355
Laboratory Services			-	55,998	57,768
Ocean Outfall			-	9,379	8,968
Del Mar Pump Station			4,617	77,277	75,897
2017 Capital Upgrade					67,561
Capital Projects			-	124,658	39,059
Total Revenue			<u>\$ 4,617</u>	<u>\$ 611,294</u>	<u>\$ 611,607</u>

Rancho Santa Fe Community Services District – Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Treatment	\$ 167,300	\$ 158,547	\$ 174,165	\$ 109,405	\$ 115,920
Laboratory Services	17,808	18,721	20,738	17,810	18,480
Ocean Outfall	2,661	2,552	3,157	3,005	3,336
1991 Capital Upgrade	128,992	128,992	96,744	96,744	96,744
2017 Capital Upgrade					28,150
Capital Projects	45,194	50,418	51,940	51,940	16,274
Total Revenue	<u>\$ 361,955</u>	<u>\$ 359,230</u>	<u>\$ 346,744</u>	<u>\$ 278,904</u>	<u>\$ 278,905</u>

City of Escondido – Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Ocean Outfall	\$ 416,686	\$ 391,738	\$ 458,520	\$ 468,165	\$ 484,547
Capital Projects	158,000	237,059	237,059	237,059	237,059
Total Revenue	<u>\$ 574,686</u>	<u>\$ 628,797</u>	<u>\$ 695,579</u>	<u>\$ 705,224</u>	<u>\$ 721,606</u>

Laboratory Services-Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Fairbanks Ranch	\$ 6,901	\$ 6,901	\$ 6,901	\$ 7,000	\$ 7,000
Rancho Santa Fe CSD 1	8,523	8,523	8,523	8,500	8,500
Santa Fe Valley	3,382	3,382	3,382	3,400	3,400
Whispering Palms	8,420	8,420	8,420	8,400	8,400
Total Revenue	<u>\$ 27,226</u>	<u>\$ 27,226</u>	<u>\$ 27,226</u>	<u>\$ 27,300</u>	<u>\$ 27,300</u>

Laboratory services are contractual agreements with each agency for laboratory testing services.

Recycled Water – Revenue Detail

Revenue Source	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Santa Fe Irrigation District	\$ 724,137	\$ 666,806	\$ 711,886	\$ 707,344	\$ 769,650
San Dieguito Water District	527,789	542,403	529,568	589,453	586,400
City of Del Mar	171,062	162,720	181,057	179,643	190,580
Encinitas Ranch Golf Course	225,736	237,024	248,875	248,875	258,830
Olivenhain Municipal Water District	184,389	117,226	176,675	217,536	227,230
Total Customers	<u>1,833,113</u>	<u>1,726,179</u>	<u>1,848,060</u>	<u>1,942,851</u>	<u>2,032,690</u>
MWD/CWA Subsidies	702,675	615,600	646,710	678,150	679,500
IRWM Grant	98,739	60,925	327,385	200,000	-
Total Revenue	<u>\$ 2,634,527</u>	<u>\$ 2,402,704</u>	<u>\$ 2,822,156</u>	<u>\$ 2,821,001</u>	<u>\$ 2,712,190</u>

MWD is the Metropolitan Water District of Southern California.

CWA is the San Diego County Water Authority.

IRWM is Integrated Regional Water Management. IRWM is a collaborative effort to manage all aspects of water resources in a region.

Cost Summary

	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Operating Cost					
Personnel	\$ 2,741,235	\$ 3,002,618	\$ 2,859,520	\$ 2,955,207	\$ 2,978,669
Supplies and Services	2,327,728	2,278,048	2,763,755	2,883,406	2,969,611
Capital Outlay	64,770	46,590	50,497	51,500	48,300
Contingency	-	-	22,798	139,200	145,500
Total Operating Cost	5,133,732	5,327,257	5,696,570	6,029,313	6,142,079
Capital Costs	1,257,000	1,597,000	1,659,000	1,659,000	2,524,650
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
2011 Refunding Bonds	1,479,867	1,472,818	1,474,868	1,474,868	1,482,668
Advanced Water Purification	148,153	148,153	148,153	148,153	148,153
SFID Pipeline Loan	13,359	15,000	15,000	15,000	15,000
2017 Revenue Bonds				-	591,160
Total Debt Service	2,476,054	2,470,646	2,472,696	2,472,696	3,071,656
Total Costs	<u>\$ 8,866,786</u>	<u>\$ 9,394,903</u>	<u>\$ 9,828,266</u>	<u>\$ 10,161,009</u>	<u>\$ 11,738,385</u>

Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18	% Change
Personnel						
Direct Salaries and Wages	\$ 1,902,259	\$ 2,098,261	\$ 2,057,155	\$ 2,084,932	\$ 2,105,223	1.0%
FICA Tax	1,617	-	-	-	-	-
Medicare Tax	28,336	29,617	30,857	28,775	29,053	1.0%
State Unemployment Tax	7,109	5,439	7,666	9,114	9,238	1.4%
Standby Pay	13,182	14,212	14,750	14,318	14,109	-1.5%
Overtime Pay	36,846	37,101	49,385	43,620	42,472	-2.6%
Dental/Vision	18,250	17,988	18,468	15,967	26,931	68.7%
Employee Assistance Program	3,812	2,080	678	4,101	4,098	-0.1%
Life Insurance/Disability	11,609	12,926	14,261	16,384	16,780	2.4%
Workers Comp. Insurance	31,701	34,820	37,122	39,108	41,074	5.0%
Medical Insurance - Pers	212,832	228,238	239,123	266,254	252,768	-5.1%
Retirement Plan - PERS	394,023	440,330	303,874	335,065	338,365	1.0%
Deferred Comp-employer	67,403	69,565	71,258	83,397	84,208	1.0%
Uniforms - Boots	1,443	1,550	3,674	3,674	3,849	4.8%
Payroll Processing Fees	8,401	8,238	8,749	7,998	8,000	0.0%
Other Personnel Costs	2,412	2,252	2,500	2,500	2,501	0.0%
	<u>2,741,235</u>	<u>3,002,618</u>	<u>2,859,520</u>	<u>2,955,207</u>	<u>2,978,669</u>	<u>0.8%</u>
Supplies and Services						
Advertising	1,360	586	1,010	1,010	1,200	18.8%
Bank Service Charges	291	5,062	2,336	3,000	6,000	100.0%
Board Expense	393	112	302	300	300	0.0%
Dedication Ceremony	-	994	-	-	-	-
Dues & Memberships	24,160	25,004	25,081	19,490	26,641	36.7%
Equipment Rental/Lease	10,173	4,385	5,806	9,400	9,200	-2.1%
Fees - Disposal	3,392	487	3,247	4,000	4,000	0.0%
Fees - Permits	58,382	50,797	58,396	58,600	59,850	2.1%
Fees - Purveyor Admin	-	-	-	-	-	-
Fuel	11,346	8,372	18,829	23,721	24,433	3.0%
Insurance - Liability	31,770	31,031	32,752	39,563	40,947	3.5%
Insurance - Property	24,506	24,035	26,448	26,338	27,259	3.5%
Licenses	19,563	17,807	25,302	25,125	27,100	7.9%
Services - Construction	-	23,500	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Minor Equip - Shop & Field	8,068	8,533	4,721	7,467	7,617	2.0%
Postage/Shipping	1,835	1,915	4,287	2,315	2,000	-13.6%
Preemployment Screening	290	103	410	625	625	0.0%
Printing	1,709	1,021	2,028	2,040	2,040	0.0%
Rent	66,235	39,926	58,547	71,338	71,338	0.0%
Repair Parts Expense	163,390	157,360	176,572	177,937	181,494	2.0%
Retrofit Expenses	-	4,700	-	10,000	10,000	0.0%
Seminars/Education	8,123	10,159	19,968	21,420	21,700	1.3%
Services - Accounting	17,150	20,400	25,000	22,440	27,000	20.3%
Services - Alarm	6,617	6,546	6,284	9,000	9,000	0.0%
Services - Biosolids Hauling	171,675	153,447	169,426	175,000	175,000	0.0%

Cost detail continued on next page

Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18	% Change
Services - Engineering	150,887	42,612	224,035	246,768	182,400	-26.1%
Services - Grease & Scum	21,403	23,241	23,753	30,420	29,900	-1.7%
Services - Grit & Screenings	15,757	17,327	19,349	20,500	20,000	-2.4%
Services - Janitorial	10,592	12,508	12,225	12,500	13,000	4.0%
Services - Laboratory	22,310	29,711	32,209	31,200	38,700	24.0%
Services - Landscape	24,485	54,906	37,127	39,000	47,000	20.5%
Services - Legal	45,679	63,474	60,545	64,260	73,256	14.0%
Services - Lobbying	14,555	-	18,433	16,000	16,000	0.0%
Services - Maintenance	44,960	55,074	64,419	71,057	70,990	-0.1%
Services - Medical	4,485	1,580	1,578	2,013	2,013	0.0%
Services - Other	35	28	10,531	14,150	1,295	-90.8%
Services - Professional	86,287	82,279	91,586	58,743	110,893	88.8%
Services - Temp	27,499	39,488	31,299	28,500	40,000	40.4%
Services - IT/GIS Support	35,551	88,072	34,572	31,700	50,900	60.6%
Service - EWA Support	-	3,067	34,044	39,999	37,401	-6.5%
Services - Contractors	90,548	53,136	131,380	142,000	110,000	-22.5%
Services - Testing	550	-	4,500	6,190	1,000	-83.8%
Services - Uniforms	8,199	8,780	8,667	7,977	9,600	20.3%
Subsistence - Meals	1,628	1,950	2,411	2,725	2,725	0.0%
Subsistence - Travel/Rm & Bd	3,731	5,062	7,776	8,525	8,525	0.0%
Supplies - Chem - Ferrous Chlo	45,721	42,065	57,816	57,816	58,000	0.3%
Supplies - Chem - Odor	17,196	18,130	21,926	21,125	20,000	-5.3%
Supplies - Chem - Polymer	68,558	55,478	59,422	59,508	69,500	16.8%
Supplies - Chem - Sodium Hypo	44,561	46,989	57,254	58,185	48,000	-17.5%
Supplies - Chemicals	24,702	44,093	69,668	38,550	46,300	20.1%
Supplies - Janitorial	2,618	2,630	2,604	2,900	3,000	3.4%
Supplies - Lab	18,045	20,138	17,601	20,800	21,000	1.0%
Supplies - Office	13,420	15,708	11,483	10,600	10,700	0.9%
Supplies - Safety	9,680	6,925	3,699	3,699	3,699	0.0%
Supplies - Shop & Field	9,669	20,919	15,985	19,060	21,701	13.9%
Training	6,663	3,010	3,161	6,120	6,242	2.0%
Training - Safety	10,210	2,985	7,409	10,848	11,065	2.0%
Utilities - Gas & Electric	656,392	653,987	748,431	828,984	892,107	7.6%
Utilities - Internet	4,592	4,730	4,520	6,261	4,620	-26.2%
Utilities - Telephone	23,466	29,628	26,939	20,586	25,400	23.4%
Utilities - Trash	2,776	2,832	2,839	3,350	2,950	-11.9%
Utilities - Water	112,728	108,025	122,580	107,071	103,885	-3.0%
Utilities - Water (Suppl.)	11,667	12,285	6,583	11,000	11,100	0.9%
Vehicle Maintenance	5,499	8,914	6,643	12,588	10,000	-20.6%
	<u>2,327,728</u>	<u>2,278,048</u>	<u>2,763,755</u>	<u>2,883,406</u>	<u>2,969,611</u>	<u>3.0%</u>
Capital Outlay	64,770	46,590	50,497	51,500	48,300	-6.2%
Contingency	-	-	22,798	139,200	145,500	4.5%
Total Operating Cost	<u>\$ 5,133,732</u>	<u>\$ 5,327,257</u>	<u>\$ 5,696,570</u>	<u>\$ 6,029,313</u>	<u>\$ 6,142,079</u>	<u>1.9%</u>

Cost Detail by Program



SEJPA's Board Receiving Proposition 84 Grant Funds from San Diego County Water Authority



Headworks Repair



Coast Pump Station Construction



Aerial View of San Elijo Water Campus

Staff Allocation

Staff time is budgeted based on estimates of actual time required by each program. Actual program staff time is recorded daily. Administrative time is allocated to all programs.

Below is a table showing the percentages of direct labor for each program by fiscal year:

Program	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Treatment	44.6%	45.9%	44.8%	42.7%	42.3%
Laboratory	14.3%	13.7%	13.7%	13.7%	13.7%
Ocean Outfall	10.0%	9.8%	10.0%	9.8%	9.9%
Cardiff Sanitation District Pump Stations	4.3%	3.8%	4.9%	5.0%	5.0%
Encinitas Sanitation District Pump Station	1.9%	1.6%	2.2%	2.2%	2.2%
Encinitas Urban and Storm Water Services	0.7%	0.8%	0.7%	0.7%	0.7%
Solana Beach Pump Stations	5.8%	4.8%	5.6%	5.7%	5.8%
Solana Beach Urban and Storm Water Services	0.0%	0.2%	0.2%	0.2%	0.2%
Del Mar Pump Station	0.0%	0.0%	0.1%	2.1%	2.1%
Recycled Water	18.4%	19.4%	17.8%	17.9%	18.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Wastewater Treatment

PROGRAM DESCRIPTION

Wastewater Treatment is the cost center for all operation and maintenance activities at the San Elijo Water Reclamation Facility. Activities currently include full secondary wastewater treatment for the cities of Encinitas, Solana Beach, and Del Mar as well as the Rancho Santa Fe Community Services Districts, with the effluent being recycled or disposed to the ocean. Wastewater biosolids are treated and dewatered, then hauled by a contractor to a privately operated land application site in Arizona for beneficial reuse.

2016-17 ESTIMATED ACTUAL EXPENDITURES

Wastewater treatment operations are projected to end the year approximately 3.8%, or roughly \$103,527 under budget. Major components of the wastewater treatment budget include personnel, insurances, chemicals, repair and maintenance parts, professional services, utilities, waste hauling and disposal, and capital outlay. The following tables show the budgets and estimated expenditures by classification.

Personnel costs for this program are forecast to be approximately at budget this year. Direct Salaries and Wages is expected to be over budget as a result of the delay in bringing the City of Del Mar's wastewater flow to the SEJPA and the 21st Street Pump Station; however, this was offset by employee benefits resulting in a \$390 overage.

Non-personnel costs, including supplies and services, are expected to be \$37,317 below budget. This is due to a combination of multiple variances consisting of the following:

Operating Cost	Difference to Budget	Explanation
Services-Biosolids Hauling	-5,574	Lower than planned fuel costs
Services-Grease & Scum	-6,085	Lower than planned disposal expense
Services-Professional	33,810	Needs assessment evaluations
Services-Contractors	-5,262	Lower than planned maintenance expense
Utilities-Gas & Electric	-55,927	Lower than planned usage & lower rate increase
Utilities-Water	12,937	Higher than planned usage and increase in rates
All others	-11,216	
Net Supplies & Services	-37,317	Lower than budget

Capital Outlay is expected to be spent on treatment replacement repairs; Contingency is not expected to be used.

2017-18 ADOPTED BUDGET

Overall, the Wastewater Treatment operating budget is proposed to increase by \$103,499, or 3.8%, from the prior year's budget. The Dental/Vision is expected to increase due to a new insurance provider; however, this increase is offset by a decrease in the planned Medical Insurance resulting in an overall Personnel Cost increase of 0.3%. Supplies and Services have been adjusted from prior year's budget based on providing the required level of service:

Operating Cost	Change	Explanation
Services-Landscape	8,000	Vegetation clearing & tree trimming
Services-Legal	5,600	Increase in rates
Services-Other	-10,450	Historical expense estimate
Services-Professional	33,350	GASB reporting requirements, bond disclosure & trustee
Services-Temp	11,000	Utilization of temps for operations & administration
Services-IT/GIS Support	6,000	Increase in service and rates
Services-Contractors	-25,000	Lower maintenance expense estimate
Supplies-Chem-Polymer	12,812	Increase in treatment for compliance
Utilities-Gas & Electric	21,158	Increase in rates
Utilities-Water	3,000	Historical expense estimate
All others	7,122	
Net Supplies & Services	72,592	

Contingency funding has been set at \$70,200 which is approximately 5% of the budgeted supplies and services costs. This provides funding for unforeseen events impacting the wastewater program.

Wastewater Treatment Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 1,259,781	\$ 1,384,630	\$ 1,284,438	\$ 1,284,048	\$ 1,287,305
Supplies and Services	1,183,752	1,112,568	1,294,950	1,332,267	1,404,859
Capital Outlay	14,067	3,783	28,250	28,250	25,000
Contingency	-	-	-	66,600	70,200
Total Operating Cost	2,457,601	2,500,980	2,607,638	2,711,166	2,787,364
Capital Costs	907,000	997,000	1,029,000	1,029,000	280,000
Debt Service					
2011 Refunding Bonds	1,479,867	1,472,818	1,474,868	1,474,868	1,482,668
2017 Revenue Bonds					591,160
Total Debt Service	1,479,867	1,472,818	1,474,868	1,474,868	2,073,828
Total Costs	<u>\$ 4,844,468</u>	<u>\$ 4,970,798</u>	<u>\$ 5,111,506</u>	<u>\$ 5,215,034</u>	<u>\$ 5,141,192</u>

Wastewater Treatment Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
<u>Personnel</u>					
Direct Salaries and Wages	\$ 847,655	\$ 962,152	\$ 921,668	\$ 889,761	\$ 889,894
FICA Tax	687	-	-	-	-
Medicare Tax	12,679	13,298	14,607	13,128	13,308
State Unemployment Tax	3,428	2,618	4,158	4,158	4,232
Standby Pay	7,304	7,709	7,986	8,113	7,768
Overtime Pay	17,237	12,903	15,080	15,524	15,453
Dental/Vision	8,573	8,399	8,606	7,286	12,336
Employee Assistance Program	1,819	971	316	1,871	1,878
Life Insurance/Disability	5,543	6,035	6,646	7,475	7,686
Workers Comp. Insurance	16,326	15,721	16,497	17,845	18,815
Medical Insurance - Pers	101,551	104,402	110,262	121,485	115,788
Retirement Plan - PERS	201,619	213,644	139,458	152,882	154,999
Deferred Comp-employer	29,605	31,143	32,397	38,052	38,574
Uniforms - Boots	615	724	1,677	1,677	1,764
Payroll Processing Fees	3,990	3,847	3,937	3,650	3,665
Other Personnel Costs	1,150	1,065	1,141	1,141	1,145
	<u>1,259,781</u>	<u>1,384,630</u>	<u>1,284,438</u>	<u>1,284,048</u>	<u>1,287,305</u>
<u>Supplies and Services</u>					
Advertising	1,011	586	600	600	700
Bank Service Charges	291	5,058	2,336	2,000	5,000
Board Expense	393	112	202	200	200
Dues & Memberships	16,571	16,413	16,446	15,725	19,698
Equipment Rental/Lease	9,424	2,108	5,733	5,800	5,800
Fees - Disposal	1,770	199	1,647	2,000	2,000
Fees - Permits	33,453	21,541	31,635	32,000	30,000
Fuel	4,787	3,707	14,091	14,700	15,141
Insurance - Liability	15,885	15,417	16,263	19,350	20,027
Insurance - Property	12,253	12,018	13,224	13,169	13,630
Licenses	7,449	5,738	7,750	7,750	7,853
Minor Equip - Shop & Field	4,454	6,535	2,552	3,366	3,433
Miscellaneous	-	-	-	-	-
Postage/Shipping	1,425	1,635	1,135	1,700	1,500
Preemployment Screening	137	48	191	300	300
Printing	1,016	835	1,265	1,250	1,250
Rent	1,246	1,024	1,032	1,500	1,500
Repair Parts Expense	113,735	74,716	89,982	91,800	93,636
Seminars/Education	3,300	5,834	12,518	13,770	14,000
Services - Accounting	12,863	15,300	16,000	16,320	13,500
Services - Alarm	1,375	1,409	1,002	1,600	1,600

Cost detail continued on next page

Wastewater Treatment Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Services - Biosolids Hauling	171,675	153,447	169,426	175,000	175,000
Services - Engineering	56,160	11,572	53,555	56,768	60,000
Services - Grease & Scum	17,499	19,565	20,735	26,820	26,000
Services - Grit & Screenings	5,939	5,196	7,969	8,000	8,000
Services - Janitorial	10,592	12,508	12,225	12,500	13,000
Services - Laboratory	576	-	1,500	1,500	600
Services - Landscape	18,634	48,553	31,500	31,500	39,500
Services - Legal	39,720	31,123	39,250	40,000	45,600
Services - Maintenance	20,092	24,909	27,169	29,530	30,000
Services - Medical	2,087	738	650	950	950
Services - Other	17	13	10,514	10,650	200
Services - Professional	28,820	19,066	46,960	13,150	46,500
Services - Temp	13,750	19,744	13,900	9,000	20,000
Services - IT/GIS Support	13,051	39,404	14,868	14,000	20,000
Service - EWA Support	-	1,432	15,869	18,251	17,283
Services - Contractors	20,312	23,257	69,738	75,000	50,000
Services - Testing	550	-	3,000	3,000	1,000
Services - Uniforms	3,894	4,100	4,262	3,900	4,500
Subsistence - Meals	1,371	1,733	1,363	1,500	1,500
Subsistence - Travel/Rm & Bd	2,273	2,750	5,621	6,000	6,000
Supplies - Chem - Ferrous Chlo	45,721	42,065	57,816	57,816	58,000
Supplies - Chem - Odor	14,792	14,504	16,536	16,790	15,000
Supplies - Chem - Polymer	68,558	55,478	55,151	55,188	68,000
Supplies - Chem - Sodium Hypo	-	-	2,900	2,925	-
Supplies - Chemicals	2,090	3,269	5,000	5,000	6,600
Supplies - Janitorial	2,618	2,630	2,504	2,700	2,750
Supplies - Lab	2,212	782	2,239	2,300	2,000
Supplies - Office	13,301	14,033	10,316	9,750	9,700
Supplies - Safety	6,293	6,125	1,900	1,900	1,900
Supplies - Shop & Field	8,003	16,775	14,960	15,000	17,500
Training	3,206	1,405	1,476	2,626	2,678
Training - Safety	4,836	1,434	4,343	4,654	4,747
Utilities - Gas & Electric	216,659	215,921	222,473	278,400	299,558
Utilities - Internet	2,187	2,272	2,312	1,800	1,638
Utilities - Telephone	10,905	15,458	12,898	9,500	12,869
Utilities - Trash	2,776	2,832	2,839	3,250	2,950
Utilities - Water	107,366	102,830	87,937	75,000	78,000
Vehicle Maintenance	2,383	5,415	5,670	5,750	4,568
	<u>1,183,752</u>	<u>1,112,568</u>	<u>1,294,950</u>	<u>1,332,267</u>	<u>1,404,859</u>
Capital Outlay	14,067	3,783	28,250	28,250	25,000
Contingency	-	-	-	66,600	70,200
Total Operating Cost	<u>\$ 2,457,601</u>	<u>\$ 2,500,980</u>	<u>\$ 2,607,638</u>	<u>\$ 2,711,166</u>	<u>\$ 2,787,364</u>

Laboratory Services

PROGRAM DESCRIPTION

The laboratory located at the San Elijo Water Reclamation Facility provides analytical laboratory services for the SEJPA's wastewater and recycled water programs as well as to other entities through contract agreements. For the Fiscal Year 2016-17, contract agreements include the Fairbanks Ranch Community Services District, the Rancho Santa Fe Community Services District, the Santa Fe Valley Community Services District, and the Whispering Palms Community Services District.

2016-17 ESTIMATED ACTUAL EXPENDITURES

Laboratory services are expected to be approximately \$7,610 under budget. Personnel expenses are expected to be approximately at budget; overtime exceeded budget by \$11,059 as a result of additional compliance testing; however, other personnel costs reduced this overage. Supplies and Services are estimated to be below budget by \$3,207. Contingency is not expected to be used.

2017-18 ADOPTED BUDGET

The laboratory services budget for Fiscal Year 2017-18 will be \$3,011 or 0.6% higher than last year's budgeted level. Personnel expense will increase \$3,550 or 0.9% and Supplies & Services will decrease \$439 or 0.7%.

Contingency funding has been set at \$4,100, which is approximately 7% of the budgeted supplies and services expense.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required. Actual charges for staff time are recorded daily based on time spent providing laboratory services. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Laboratory Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 372,425	\$ 395,486	\$ 399,158	\$ 399,361	\$ 402,911
Supplies and Services	42,142	46,576	56,090	59,297	58,858
Capital Outlay	11,880	-	5,800	5,800	5,800
Contingency	-	-	-	4,200	4,100
Total Operating Cost	<u>\$ 426,447</u>	<u>\$ 442,062</u>	<u>\$ 461,048</u>	<u>\$ 468,658</u>	<u>\$ 471,669</u>

Laboratory Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 271,596	\$ 286,571	\$ 282,445	\$ 286,049	\$ 289,240
FICA Tax	210	-	-	-	-
Medicare Tax	3,969	4,030	4,602	3,923	3,861
State Unemployment Tax	934	739	1,243	1,243	1,228
Standby Pay	(45)	-	-	-	-
Overtime Pay	1,624	2,357	13,605	2,545	5,121
Dental/Vision	2,566	2,504	2,571	2,177	3,579
Employee Assistance Program	528	290	94	559	545
Life Insurance/Disability	1,608	1,799	1,985	2,234	2,230
Workers Comp. Insurance	4,121	5,048	5,375	5,333	5,458
Medical Insurance - Pers	29,502	32,666	32,938	36,305	33,589
Retirement Plan - PERS	44,278	48,211	41,664	45,688	44,963
Deferred Comp-employer	9,705	9,600	10,618	11,372	11,190
Uniforms - Boots	327	216	501	501	512
Payroll Processing Fees	1,169	1,147	1,176	1,091	1,063
Other Personnel Costs	334	310	341	341	332
	<u>372,425</u>	<u>395,486</u>	<u>399,158</u>	<u>399,361</u>	<u>402,911</u>

Cost detail continued on next page

Laboratory Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Supplies and Services					
Advertising	-	-	-	-	-
Dues & Memberships	574	515	537	600	913
Equipment Rental/Lease	-	-	-	-	-
Fuel	182	207	145	375	386
Insurance - Liability	-	80	84	80	83
Licenses	3,075	2,859	3,819	3,251	4,868
Minor Equip - Shop & Field	-	136	1,490	1,020	1,040
Postage/Shipping	340	241	233	400	300
Preemployment Screening	40	14	57	85	85
Printing	266	-	268	275	275
Rent	-	-	-	25	25
Repair Parts Expense	329	3,244	2,103	2,550	2,601
Seminars/Education	2,618	122	3,000	3,060	3,100
Services - Engineering	-	-	-	-	-
Services - Laboratory	14,635	17,181	19,724	16,000	16,500
Services - Legal	-	71	-	-	-
Services - Maintenance	804	1,249	1,155	2,575	2,000
Services - Medical	614	220	163	279	279
Services - Other	5	4	4	2,000	10
Services - Professional	436	627	543	1,000	1,000
Service - EWA Support	-	427	4,707	5,454	4,969
Services - Testing	-	-	-	100	-
Services - Uniforms	1,141	1,222	1,273	876	1,300
Services - IT/GIS Support	3,841	4,266	4,404	4,017	3,000
Subsistence - Meals	53	17	200	250	250
Subsistence - Travel/Rm & Bd	79	15	350	500	500
Supplies - Lab	8,083	9,524	7,257	7,500	9,000
Supplies - Office	81	595	788	350	200
Supplies - Safety	50	205	466	466	466
Supplies - Shop & Field	85	723	146	500	500
Supplies - Janitorial	-	-	100	200	250
Training	916	419	440	793	809
Training - Safety	1,423	405	868	1,406	1,434
Utilities - Internet	465	485	495	650	489
Utilities - Telephone	1,475	1,460	1,237	1,160	1,034
Vehicle Maintenance	532	43	34	1,500	1,192
	<u>42,142</u>	<u>46,576</u>	<u>56,090</u>	<u>59,297</u>	<u>58,858</u>
Capital Outlay	11,880	-	5,800	5,800	5,800
Contingency	-	-	-	4,200	4,100
Total Operating Cost	<u><u>\$ 426,447</u></u>	<u><u>\$ 442,062</u></u>	<u><u>\$ 461,048</u></u>	<u><u>\$ 468,658</u></u>	<u><u>\$ 471,669</u></u>

Ocean Outfall

PROGRAM DESCRIPTION

This program is the cost center for all operation and maintenance services related to the ocean outfall system. These activities include effluent pump station operations and maintenance; ocean monitoring; sampling and testing; and annual outfall inspection. Outfall capacity is shared through an agreement between the SEJPA and the City of Escondido; all operation and maintenance costs are shared on the basis of actual usage (measured by discharged flows). Capital improvement project costs are shared based on leased/owned capacity (79% City of Escondido and 21% SEJPA).

2016-17 ESTIMATED ACTUAL EXPENDITURES

The Ocean Outfall Program is expected to be approximately \$18,655 or 2.2% under budget this year. Personnel costs and Supplies & Services are projected to be approximately at budget. Capital Outlay is forecasted to be at about budget. Contingency funding of \$16,100 is not planned to be used.

2017-18 ADOPTED BUDGET

The Ocean Outfall Program budget for Fiscal Year 2017-18 will increase \$20,025 this year. Personnel Costs are expected to increase \$2,377 or 0.8%. Supplies and Services is expected to increase \$16,448 or 7.1% primarily due to \$5,400 in Services-Accounting for new GASB reporting requirements, an increase of \$8,900 for Services-Laboratory related to ocean outfall monitoring, a decrease of \$7,000 in Services-Professional (related to Services-Laboratory), and an expected increase of \$5,472 in Utilities-Gas & Electric.

Contingency funding is set at \$17,400, which is approximately 7% of the budgeted supplies and services costs. This provides funding for unforeseen events or repairs for facilities within the Ocean Outfall Program.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to operate and maintain the Ocean Outfall System. Actual charges for staff time are recorded daily based on time spent providing services to this facility. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Ocean Outfall Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 260,994	\$ 291,507	\$ 281,781	\$ 281,967	\$ 284,344
Supplies and Services	200,241	155,378	230,282	231,430	247,878
Capital Outlay	9,266	168	11,379	12,500	12,500
Contingency	-	-	-	16,200	17,400
Total Operating Cost	470,501	447,053	523,441	542,096	562,121
Capital Costs	200,000	300,000	300,000	300,000	300,000
Total Costs	<u>\$ 670,501</u>	<u>\$ 747,053</u>	<u>\$ 823,441</u>	<u>\$ 842,096</u>	<u>\$ 862,121</u>

Ocean Outfall Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 191,166	\$ 206,274	\$ 204,853	\$ 205,171	\$ 208,220
FICA Tax	229	-	-	-	-
Medicare Tax	2,826	2,967	2,964	2,620	2,604
State Unemployment Tax	715	470	830	830	828
Standby Pay	1,336	1,531	1,592	1,365	1,454
Overtime Pay	869	1,470	1,866	1,462	1,442
Dental/Vision	1,594	1,667	1,715	1,454	2,414
Employee Assistance Program	329	193	63	373	368
Life Insurance/Disability	1,000	1,198	1,325	1,492	1,504
Workers Comp. Insurance	2,267	3,362	3,587	3,561	3,682
Medical Insurance - Pers	18,358	21,753	23,978	24,244	22,660
Retirement Plan - PERS	32,335	42,418	29,807	30,510	30,333
Deferred Comp-employer	6,916	7,092	7,552	7,594	7,549
Uniforms - Boots	114	144	335	335	345
Payroll Processing Fees	732	764	1,085	728	717
Other Personnel Costs	210	206	228	228	224
	<u>260,994</u>	<u>291,507</u>	<u>281,781</u>	<u>281,967</u>	<u>284,344</u>

Cost detail continued on next page

Ocean Outfall Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Supplies and Services					
Advertising	-	-	150	150	200
Dues & Memberships	1,373	1,187	2,695	-	-
Fees - Permits	3,025	4,857	2,950	3,000	5,000
Fuel	853	749	616	1,875	1,931
Insurance - Liability	6,354	6,145	6,484	7,740	8,011
Insurance - Property	4,901	4,807	5,290	5,268	5,452
Licenses	450	942	1,526	1,585	1,606
Postage/Shipping	13	22	16	15	15
Preemployment Screening	25	10	38	60	60
Printing	35	-	46	40	40
Rent	-	-	-	15	15
Repair Parts Expense	13	1,658	5,050	5,100	5,202
Seminars/Education	181	35	-	-	-
Minor Equip - Shop & Field	-	91	558	77	78
Services - Accounting	-	-	3,300	-	5,400
Services - Engineering	43,355	-	39,000	40,000	40,400
Services - Laboratory	4,350	8,700	8,350	8,700	17,600
Services - Legal	-	8,326	3,550	4,100	4,674
Services - Maintenance	1,457	305	315	2,700	2,000
Services - Medical	386	146	150	175	175
Services - Other	3	3	3	-	20
Services - Professional	14,224	893	9,707	10,000	3,000
Services - IT/GIS Support	2,413	8,479	2,954	2,921	4,000
Services - Contractors	39,772	26,882	41,642	42,000	40,000
Services - Temp	5,500	7,897	7,060	7,500	8,000
Services - Testing	-	-	-	-	-
Services - Uniforms	715	814	850	637	900
Service - EWA Support	-	284	3,187	3,642	3,577
Subsistence - Meals	33	61	20	20	20
Subsistence - Travel/Rm & Bd	50	-	37	25	25
Supplies - Lab	7,013	8,860	6,326	8,500	9,000
Supplies - Office	-	189	108	-	100
Supplies - Safety	30	136	62	62	62
Supplies - Shop & Field	54	382	98	200	500
Training	575	279	293	577	588
Training - Safety	894	270	495	1,022	1,042
Utilities - Gas & Electric	60,610	60,170	76,095	72,000	77,472
Utilities - Internet	289	323	330	300	327
Utilities - Telephone	927	972	812	550	690
Vehicle Maintenance	366	504	120	875	695
	<u>200,241</u>	<u>155,378</u>	<u>230,282</u>	<u>231,430</u>	<u>247,878</u>
Capital Outlay	9,266	168	11,379	12,500	12,500
Contingency	-	-	-	16,200	17,400
Total Operating Cost	<u>\$ 470,501</u>	<u>\$ 447,053</u>	<u>\$ 523,441</u>	<u>\$ 542,096</u>	<u>\$ 562,121</u>

Cardiff Sanitary Division Pump Stations

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the City of Encinitas' Cardiff Sanitary Division (CSD). These facilities include the Cardiff, Coast Highway, and Olivenhain pump stations. The actual costs incurred are borne solely by the CSD.

2016-17 ESTIMATED ACTUAL EXPENDITURES

The CSD pump stations are expected to be under budget by \$25,206 or 10.6%. It is estimated that \$7,921 of this will be in personnel costs. Contingency funding of \$14,900 is not anticipated to be used.

2017-18 ADOPTED BUDGET

Overall, the CSD's pump station budget will increase by \$4,286 or 1.8% from last year's budget. Personnel expense will be about the same as prior year's budget. Supplies and Services are expected to increase by \$3,060 or 4.1%. This increase is primarily due to an anticipated increases associated with Utilities-Gas & Electric.

Contingency funding has been set at \$15,500, which is approximately 20% of budgeted supplies and services costs consistent that is with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at any of the CSD pump stations.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump stations. Actual charges for staff time are recorded daily based on time spent at each pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Cardiff Sanitary Division Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 124,842	\$ 128,280	\$ 141,208	\$ 149,129	\$ 149,754
Supplies and Services	62,696	65,872	72,131	74,516	77,576
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	14,900	15,500
Total Operating Cost	<u>187,538</u>	<u>194,152</u>	<u>213,339</u>	<u>238,545</u>	<u>242,831</u>
Capital Costs					344,650
Total Costs	<u>\$ 187,538</u>	<u>\$ 194,152</u>	<u>\$ 213,339</u>	<u>\$ 238,545</u>	<u>\$ 587,481</u>
Cardiff Pump Station	87,607	91,142	101,600	116,344	117,285
Coast Blvd Pump Station	40,102	40,889	42,252	47,953	50,587
Olivenhain Pump Station	59,828	62,122	69,488	74,248	74,959
Total Operating Cost	<u>\$ 187,538</u>	<u>\$ 194,152</u>	<u>\$ 213,339</u>	<u>\$ 238,545</u>	<u>\$ 242,831</u>

Cardiff Sanitary Division Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 80,991	\$ 80,681	\$ 100,982	\$ 104,616	\$ 105,275
FICA Tax	94	-	-	-	-
Medicare Tax	1,218	1,188	1,086	1,431	1,458
State Unemployment Tax	350	247	454	454	463
Standby Pay	815	848	869	870	850
Overtime Pay	2,111	2,838	1,884	3,258	2,641
Dental/Vision	984	926	939	794	1,352
Employee Assistance Program	202	107	35	204	206
Life Insurance/Disability	616	666	725	815	842
Workers Comp. Insurance	1,712	1,868	1,962	1,944	2,061
Medical Insurance - Pers	11,298	12,082	12,534	13,236	12,684
Retirement Plan - PERS	21,019	23,565	16,205	16,656	16,978
Deferred Comp-employer	2,791	2,645	2,796	4,146	4,226
Uniforms - Boots	69	80	183	183	192
Payroll Processing Fees	446	424	430	397	401
Other Personnel Costs	127	115	125	125	126
	<u>124,842</u>	<u>128,280</u>	<u>141,208</u>	<u>149,129</u>	<u>149,754</u>

Cost detail continued on next page

Cardiff Sanitary Division Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Supplies and Services					
Equipment Rental/Lease	-	-	73	-	-
Fees - Disposal	-	107	-	-	-
Fees - Permits	1,390	1,098	1,306	1,400	1,500
Fuel	773	469	404	990	1,020
Insurance - Liability	-	30	31	32	33
Licenses	272	794	1,096	1,183	1,199
Minor Equip - Shop & Field	48	50	20	714	728
Postage/Shipping	8	-	165	-	-
Preemployment Screening	15	5	21	30	30
Printing	21	-	25	25	25
Rent	-	-	-	12	12
Repair Parts Expense	7,276	11,721	13,617	12,240	12,485
Seminars/Education	41	19	-	-	-
Services - Alarm	1,604	1,546	1,469	1,950	1,950
Services - Engineering	-	-	-	-	-
Services - Grease & Scum	3,904	3,676	2,568	2,700	3,000
Services - Grit & Screenings	-	-	-	-	-
Services - Landscape	5,301	5,404	4,627	5,500	5,500
Services - Legal	-	26	-	-	-
Services - Maintenance	896	2,038	5,671	6,000	4,530
Services - Medical	233	81	260	390	390
Services - Other	2	1	2	-	-
Services - Professional	166	233	199	195	195
Services - IT/GIS Support	1,460	3,987	1,657	1,646	1,700
Services - Testing	-	-	1,500	1,550	-
Services - Uniforms	435	452	465	359	500
Service - EWA Support	-	158	1,718	1,989	1,814
Subcontractors	6,716	639	-	-	-
Subsistence - Meals	20	6	-	-	-
Subsistence - Meals	30	-	-	-	-
Supplies - Chemicals	1,214	1,910	1,521	1,200	2,000
Supplies - Chem - Odor	-	-	2,131	-	1,000
Supplies - Safety	639	92	171	171	171
Supplies - Shop & Field	197	938	53	425	886
Training	348	155	163	325	331
Training - Safety	541	150	225	576	587
Utilities - Gas & Electric	22,932	23,619	24,865	26,784	29,462
Utilities - Internet	178	179	181	350	179
Utilities - Telephone	1,730	2,063	1,784	1,800	1,201
Utilities - Water	3,757	3,943	4,078	3,405	4,692
Vehicle Maintenance	547	279	66	575	457
	<u>62,696</u>	<u>65,872</u>	<u>72,131</u>	<u>74,516</u>	<u>77,576</u>
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	14,900	15,500
Total Operating Cost	<u>\$ 187,538</u>	<u>\$ 194,152</u>	<u>\$ 213,339</u>	<u>\$ 238,545</u>	<u>\$ 242,831</u>

Encinitas Sanitary Division Pump Station

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the Encinitas Sanitary Division (ESD), for the Moonlight Beach pump station, located in the City of Encinitas. The actual costs incurred are borne solely by the ESD.

2016-17 ESTIMATED ACTUAL EXPENDITURES

It is anticipated that the ESD pump station will be \$3,668 or 2.5% below budget this year. Personnel costs are expected to be below budget by \$2,675 or 4.2% and Supplies & Services approximately at budget.

2017-18 ADOPTED BUDGET

For Fiscal Year 2017-18, the ESD pump station budget will increase by approximately \$6,592 or 4.5% as a result of expected Utility costs. Contingency funding has been set to \$14,500, which is approximately 20% of budgeted supplies and services costs that is consistent with contingency funding for prior years. This provides sufficient funding for unforeseen events and repairs at the pump station.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump station. Actual charges for staff time are recorded daily based on time spent at the pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Encinitas Sanitary Division Pump Station Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 56,128	\$ 52,735	\$ 61,781	\$ 64,456	\$ 66,227
Supplies and Services	56,032	62,654	67,394	68,389	72,409
Capital Outlay	22,735	-	-	-	-
Contingency	-	-	13,700	13,700	14,500
Total Operating Cost	<u>\$ 134,895</u>	<u>\$ 115,388</u>	<u>\$ 142,876</u>	<u>\$ 146,544</u>	<u>\$ 153,136</u>

Encinitas Sanitary Division includes the Moonlight Beach Pump Station.

Encinitas Sanitary Division Pump Station Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 36,346	\$ 33,023	\$ 44,984	\$ 45,407	\$ 46,429
FICA Tax	32	-	-	-	-
Medicare Tax	558	482	441	623	660
State Unemployment Tax	148	94	197	197	210
Standby Pay	345	367	379	378	367
Overtime Pay	1,833	590	964	1,086	880
Dental/Vision	418	397	408	346	612
Employee Assistance Program	86	46	15	89	93
Life Insurance/Disability	261	286	315	355	381
Workers Comp. Insurance	754	802	853	847	933
Medical Insurance - Pers	4,792	5,185	5,229	5,763	5,740
Retirement Plan - PERS	9,016	10,113	6,615	7,253	7,684
Deferred Comp-employer	1,267	1,085	1,059	1,805	1,912
Uniforms - Boots	29	34	80	80	87
Payroll Processing Fees	189	182	187	173	182
Other Personnel Costs	54	49	54	54	57
	<u>56,128</u>	<u>52,735</u>	<u>61,781</u>	<u>64,456</u>	<u>66,227</u>

Cost detail continued on next page

Encinitas Sanitary Division Pump Station Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Supplies and Services					
Advertising	-	-	-	-	-
Dues & Memberships	-	33	-	-	-
Fees - Disposal	-	46	-	-	-
Fees - Permits	1,610	1,902	2,000	2,100	2,100
Fuel	599	169	665	450	464
Insurance - Liability	-	13	13	13	13
Licenses	115	689	1,042	1,081	1,095
Minor Equip - Shop & Field	20	161	9	26	26
Postage/Shipping	3	-	274	-	-
Preemployment Screening	6	2	9	15	15
Printing	9	-	11	10	10
Rent	-	-	-	-	-
Repair Parts Expense	4,374	2,061	7,829	5,100	5,202
Seminars/Education	17	8	-	-	-
Services - Alarm	535	635	390	750	750
Services - Engineering	-	-	-	-	-
Services - Legal	-	11	-	-	-
Services - Maintenance	912	1,935	3,173	2,000	3,000
Services - Medical	99	35	26	10	10
Services - Other	1	1	1	-	-
Services - Professional	70	100	86	40	40
Services - IT/GIS Support	617	1,711	705	691	700
Service - EWA Support	-	68	747	866	789
Services - Testing	-	-	-	120	-
Services - Uniforms	184	194	202	151	200
Subcontractors	-	2,359	-	-	-
Subsistence - Meals	9	3	-	-	-
Subsistence - Travel	13	-	-	-	-
Supplies - Office	-	-	-	-	-
Supplies - Safety	345	32	78	78	78
Supplies - Shop & Field	83	358	23	-	357
Training	147	67	70	136	139
Training - Safety	229	64	11	242	247
Utilities - Gas & Electric	45,490	49,568	49,731	52,800	56,813
Utilities - Internet	76	77	79	960	78
Utilities - Telephone	237	232	194	300	164
Utilities - Water	-	-	-	300	-
Vehicle Maintenance	231	121	29	150	119
	<u>56,032</u>	<u>62,654</u>	<u>67,394</u>	<u>68,389</u>	<u>72,409</u>
Capital Outlay	22,735	-	-	-	-
Contingency	-	-	13,700	13,700	14,500
Total Operating Cost	<u>\$ 134,895</u>	<u>\$ 115,388</u>	<u>\$ 142,876</u>	<u>\$ 146,544</u>	<u>\$ 153,136</u>

City of Encinitas Urban and Storm Water Services

PROGRAM DESCRIPTION

Under this program, the SEJPA provides operation and maintenance services to the City of Encinitas. These services include the Urban Runoff Treatment Facility, the Phoebe Storm Water Pump Station, Cardiff Storm Water Diversion Structure, and the Storm Drain Sediment Drying and Disposal program.

The Phoebe Storm Drain and Urban Runoff Station provide services to the City of Encinitas clean water program for the protection of local creek, beach and lagoon water quality.

Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Reclamation Facility, where the sediment is dewatered, dried, tested, and disposed at a local landfill. This program is designed to comply with current storm water best management practices, and is intended to reduce the overall disposal cost associated with wet sediment.

The actual costs incurred are borne solely by the City of Encinitas.

2016-17 ESTIMATED ACTUAL EXPENDITURES

The City of Encinitas facilities, which include the Phoebe Storm Drain, the Urban Runoff Station, and the Storm Drain Sediment Drying and Disposal program, are anticipated to end the year \$2,784 below budget.

2017-18 ADOPTED BUDGET

These programs will be slightly above last year's budgeted level; there is no contingency funding designated for these programs.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the facilities. Actual charges for staff time are recorded daily based on time spent at each facility. Administrative time is allocated to all programs based on the estimates of personnel for each program.

City of Encinitas Urban and Storm Water Services Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 19,927	\$ 22,466	\$ 19,933	\$ 21,880	\$ 22,342
Supplies and Services	6,453	7,236	7,518	8,356	8,671
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	<u>26,380</u>	<u>29,702</u>	<u>27,452</u>	<u>30,236</u>	<u>31,013</u>
Capital Costs					
Total Costs	<u>\$ 26,380</u>	<u>\$ 29,702</u>	<u>\$ 27,452</u>	<u>\$ 30,236</u>	<u>\$ 31,013</u>
Phoebe Storm Drain	\$ 3,391	\$ 2,799	\$ 3,472	\$ 4,049	\$ 3,902
Urban Runoff Station	16,148	18,300	16,365	18,043	18,504
Storm Drain Sediment Drying	6,841	8,602	7,615	8,145	8,607
Total Operating Cost	<u>\$ 26,380</u>	<u>\$ 29,702</u>	<u>\$ 27,452</u>	<u>\$ 30,236</u>	<u>\$ 31,013</u>

City of Encinitas Urban and Storm Water Services Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 13,802	\$ 16,482	\$ 14,393	\$ 15,355	\$ 15,717
FICA Tax	11	-	-	-	-
Medicare Tax	205	242	167	212	221
State Unemployment Tax	51	45	67	67	71
Standby Pay	111	124	128	123	121
Overtime Pay	225	349	102	422	279
Dental/Vision	136	135	139	117	205
Employee Assistance Program	28	16	5	31	31
Life Insurance/Disability	85	97	107	121	128
Workers Comp. Insurance	238	272	290	288	313
Medical Insurance - Pers	1,557	1,761	1,775	1,960	1,926
Retirement Plan - PERS	2,903	2,290	2,245	2,467	2,578
Deferred Comp-employer	488	564	409	614	642
Uniforms - Boots	9	12	26	26	29
Payroll Processing Fees	61	62	63	59	61
Other Personnel Costs	18	17	18	18	19
	<u>19,927</u>	<u>22,466</u>	<u>19,933</u>	<u>21,880</u>	<u>22,342</u>

Cost detail continued on next page

City of Encinitas Urban and Storm Water Services Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Supplies and Services					
Advertising	-	-	-	-	-
Dues & Memberships	-	-	-	-	-
Fuel	70	57	50	150	155
Insurance - Liability	-	4	5	5	5
Licenses	37	27	14	21	21
Minor Equip - Shop & Field	-	7	3	11	11
Postage/Shipping	1	-	30	-	-
Preemployment Screening	2	1	3	-	-
Printing	3	-	4	5	5
Rent	-	-	-	1	1
Repair Parts Expense	836	102	1,709	1,887	1,925
Seminars/Education	6	3	-	-	-
Services - Engineering	-	-	-	-	-
Services - Grit & Screenings	4,909	6,066	4,915	5,000	5,500
Services - Legal	-	4	-	-	-
Services - Maintenance	4	17	18	-	25
Services - Medical	32	12	9	14	14
Services - Other	0	0	0	-	-
Services - Professional	23	34	29	21	21
Services - Uniforms	60	66	69	52	100
Service - EWA Support	-	23	254	294	268
Subsistence - Meals	3	1	-	-	-
Subsistence - Travel/Rm & Bd	4	-	-	-	-
Supplies - Office	-	-	-	-	-
Supplies - Safety	2	11	23	23	23
Supplies - Shop & Field	4	31	8	20	19
Training	48	23	24	47	48
Training - Safety	75	22	4	83	85
Services - IT/GIS Support	201	581	248	237	300
Utilities - Internet	24	26	27	35	26
Utilities - Telephone	77	79	66	70	56
Utilities - Trash	-	-	-	-	-
Utilities - Water	-	-	-	300	-
Vehicle Maintenance	30	41	10	80	64
	<u>6,453</u>	<u>7,236</u>	<u>7,518</u>	<u>8,356</u>	<u>8,671</u>
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	\$ 26,380	\$ 29,702	\$ 27,452	\$ 30,236	\$ 31,013

Solana Beach Pump Stations

PROGRAM DESCRIPTION

Under this program, the SEJPA provides pump station operation and maintenance services to the City of Solana Beach (SB). These facilities include the Eden Gardens, Solana Beach, San Elijo Hills, and Fletcher Cove pump stations, Low Flow Diverters located at Fletcher Cove and Seascape Sur, as well as the Storm Drain Sediment Drying & Disposal Program.

Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Reclamation Facility, where the sediment is dewatered, dried, tested, and disposed at a local landfill. This program is designed to comply with current storm water best management practices, and is intended to reduce the overall disposal cost associated with wet sediment.

The actual costs incurred are paid for by the City of Solana Beach.

2016-17 ESTIMATED ACTUAL EXPENDITURES

The SB pump stations are forecasted to be below budget this year by \$18,372 or 6.0%. This positive variance is primarily due to \$6,428 of Personnel Costs, and \$10,602 of Contingency that will not be used. Contingency of \$9,098 was used for a pump motor rebuild at the Eden Gardens Pump Station.

All of the programs are expected to be under budget with the exception of the San Elijo Hills Pump Station which is attributed to additional staff time on maintenance.

2017-18 ADOPTED BUDGET

Overall, the SB pump stations budget will increase \$11,290 or 3.7% from the prior year's budget. Personnel costs are expected to increase \$5,326 or 3.2%, and \$5,177 of the increase is due the anticipated increase in utility costs as a result of expected rate increases.

Contingency funding has been set to \$20,600, which is approximately 17% of budgeted supplies and services costs for the pump stations. This provides sufficient funding for unforeseen events and repairs.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump stations. Actual charges for staff time are recorded daily based on time spent at each pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Solana Beach Pump Stations Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 159,393	\$ 154,370	\$ 161,388	\$ 167,816	\$ 173,142
Supplies and Services	97,551	86,015	118,239	119,582	124,646
Capital Outlay	6,821	-	-	-	-
Contingency	-	-	9,098	19,700	20,600
Total Operating Cost	<u>263,766</u>	<u>240,385</u>	<u>288,726</u>	<u>307,098</u>	<u>318,388</u>
Capital Costs	-	-	-	-	-
Total Costs	<u>\$ 263,766</u>	<u>\$ 240,385</u>	<u>\$ 288,726</u>	<u>\$ 307,098</u>	<u>\$ 318,388</u>
Eden Gardens Pump Station	73,408	70,987	93,174	95,076	96,852
Solana Beach Pump Station	98,090	88,532	105,291	119,284	125,786
San Elijo Hills Pump Station	65,963	46,511	61,840	60,385	63,830
Fletcher Cove Pump Station	18,964	17,141	16,718	18,575	18,881
Storm Drain Sediment Drying	7,073	8,782	7,253	7,756	6,686
Seascape Sur Low Flow Diverter	269	6,679	2,389	3,171	3,182
Fletcher Cove Low Flow Diverter	-	1,753	2,061	2,850	3,171
Total Operating Cost	<u>\$ 263,766</u>	<u>\$ 240,385</u>	<u>\$ 288,726</u>	<u>\$ 307,098</u>	<u>\$ 318,388</u>

Solana Beach Pump Stations Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 111,032	\$ 100,975	\$ 115,955	\$ 117,883	\$ 121,098
FICA Tax	95	-	-	-	-
Medicare Tax	1,676	1,510	1,274	1,583	1,694
State Unemployment Tax	399	278	501	501	538
Standby Pay	852	926	960	911	911
Overtime Pay	3,554	4,338	3,287	4,364	3,534
Dental/Vision	1,027	1,008	1,034	878	1,569
Employee Assistance Program	211	116	38	225	237
Life Insurance/Disability	644	724	799	900	978
Workers Comp. Insurance	1,737	2,031	2,162	2,149	2,394
Medical Insurance - Pers	11,800	13,144	13,251	14,639	14,729
Retirement Plan - PERS	21,773	25,274	18,313	18,421	19,717
Deferred Comp-employer	3,922	3,374	3,002	4,585	4,906
Uniforms - Boots	72	86	201	201	224
Payroll Processing Fees	466	461	473	439	466
Other Personnel Costs	133	125	137	137	147
	<u>159,393</u>	<u>154,370</u>	<u>161,388</u>	<u>167,816</u>	<u>173,142</u>

Cost detail continued on next page

Solana Beach Pump Stations Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Supplies and Services					
Advertising	-	-	-	-	-
Dues & Memberships	-	-	-	-	-
Equipment Rental/Lease	-	-	-	-	-
Fees - Permits	1,605	1,944	2,076	2,100	2,250
Fuel	1,039	673	860	1,113	1,146
Insurance - Liability	-	32	34	32	33
Licenses	285	1,420	2,106	2,224	2,254
Minor Equip - Shop & Field	191	163	22	10	10
Postage/Shipping	19	-	2,298	-	-
Preemployment Screening	16	6	23	35	35
Printing	22	-	28	35	35
Rent	-	-	-	35	35
Repair Parts Expense	10,448	3,605	15,118	13,770	14,045
Seminars/Education	43	21	-	-	-
Services - Alarm	2,139	1,881	2,359	2,700	2,700
Services - Engineering	-	-	-	-	-
Services - Grit & Screenings	4,909	6,065	5,715	6,000	5,000
Services - Legal	-	29	-	-	-
Services - Maintenance	4,848	5,174	5,208	4,800	5,635
Services - Medical	244	88	66	140	140
Services - Other	2	2	2	-	-
Services - Professional	923	252	218	127	127
Services - Testing	-	-	-	445	-
Services - Uniforms	455	491	512	401	500
Services - IT/GIS Support	1,529	4,336	1,777	1,847	1,975
Service - EWA Support	-	172	1,894	2,199	1,999
Subcontractor	4,067	-	-	-	-
Subsistence - Meals	21	7	-	55	55
Subsistence - Travel/Rm & Bd	31	-	-	-	-
Supplies - Office	-	-	-	-	-
Supplies - Safety	753	82	195	195	195
Supplies - Shop & Field	491	880	334	370	1,017
Training	365	169	177	365	372
Training - Safety	567	163	332	646	659
Utilities - Gas & Electric	58,600	54,281	72,479	75,000	80,177
Utilities - Internet	186	195	199	254	197
Utilities - Telephone	1,578	2,217	2,614	1,260	2,076
Utilities - Trash	-	-	-	-	-
Utilities - Water	1,605	1,252	1,253	3,066	1,694
Vehicle Maintenance	570	305	342	358	284
	<u>97,551</u>	<u>85,903</u>	<u>118,239</u>	<u>119,582</u>	<u>124,646</u>
Capital Outlay	6,821	-	-	-	-
Contingency	-	-	9,098	19,700	20,600
Total Operating Cost	<u><u>\$ 263,766</u></u>	<u><u>\$ 240,273</u></u>	<u><u>\$ 288,726</u></u>	<u><u>\$ 307,098</u></u>	<u><u>\$ 318,388</u></u>

Solana Beach Generator Maintenance Services

PROGRAM DESCRIPTION

Under this program, the SEJPA provides generator maintenance services to the City of Solana Beach. The generators are located at the Solana Beach City Hall, and the Lomas Santa Fe Fire Station. The actual costs incurred are borne solely by the City of Solana Beach.

2016-17 ESTIMATED ACTUAL EXPENDITURES

The Solana Beach Generator Maintenance Services are forecasted to be \$1,533 or 16.6% below budget.

2017-18 ADOPTED BUDGET

The current year budget is planned to be \$510 or 5.5% greater than FY 2016-17.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the generators. Actual charges for staff time are recorded daily based on time spent at each generator. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Solana Beach Generator Maintenance Services Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 118	\$ 5,769	\$ 4,620	\$ 5,356	\$ 5,899
Supplies and Services	1,022	3,259	3,091	3,889	3,857
Capital Outlay	-	-	-	-	-
Contingency	-	-	-	-	-
Total Operating Cost	1,140	9,028	7,712	9,245	9,755
Capital Costs	-	-	-	-	-
Total Costs	<u>\$ 1,140</u>	<u>\$ 9,028</u>	<u>\$ 7,712</u>	<u>\$ 9,245</u>	<u>\$ 9,755</u>
SB City Hall Generator	866	4,283	3,751	4,625	4,872
SB Lomas SF Fire Generator	274	4,744	3,961	4,620	4,884
Total Operating Cost	<u>\$ 1,140</u>	<u>\$ 9,028</u>	<u>\$ 7,712</u>	<u>\$ 9,245</u>	<u>\$ 9,755</u>

Solana Beach Generator Maintenance Services Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 111	\$ 4,367	\$ 3,305	\$ 3,880	\$ 4,238
Medicare Tax	2	63	36	52	58
State Unemployment Tax	-	12	16	16	18
Standby Pay	-	28	29	8	16
Overtime Pay	-	23	25	7	14
Dental/Vision	-	32	33	28	54
Employee Assistance Program	-	4	1	8	8
Life Insurance/Disability	-	23	26	30	34
Workers Comp. Insurance	-	65	70	70	82
Medical Insurance - Pers	-	423	426	480	504
Retirement Plan - PERS	-	550	539	604	676
Deferred Comp-employer	5	155	89	150	168
Uniforms - Boots	-	3	6	6	8
Payroll Processing Fees	-	15	15	14	16
Employee Rewards Program	-	4	4	4	4
	<u>118</u>	<u>5,769</u>	<u>4,620</u>	<u>5,356</u>	<u>5,899</u>
Supplies and Services					
Fuel	-	13	11	18	19
Insurance - Liability	-	1	1	2	2
Licenses	-	6	3	30	30
Repair Parts Expense	222	141	101	100	100
Training	-	5	6	11	11
Training - Safety	-	5	1	19	20
Minor Equip - Shop & Field	-	2	1	-	-
Services - Maintenance	800	2,851	2,577	3,200	3,200
Services - Uniforms	-	16	16	12	-
Services - Medical	-	3	2	5	5
Services - Professional	-	7	7	10	10
Services - Professional IT Support	-	139	53	54	150
Service - EWA Support	-	6	61	72	64
Supplies - Shop & Field	-	27	22	100	22
Supplies - Safety	-	3	204	204	204
Utilities - Internet	-	6	6	12	6
Utilities - Telephone	-	19	16	40	13
Vehicle Maintenance	-	9	2	-	-
	<u>1,022</u>	<u>3,259</u>	<u>3,091</u>	<u>3,889</u>	<u>3,857</u>
Contingency	-	-	-	-	-
Total Operating Cost	<u><u>\$ 1,140</u></u>	<u><u>\$ 9,028</u></u>	<u><u>\$ 7,712</u></u>	<u><u>\$ 9,245</u></u>	<u><u>\$ 9,755</u></u>

Del Mar 21st Street Pump Station

PROGRAM DESCRIPTION

Under this program, the SEJPA will provide pump station operation and maintenance services to the City of Del Mar. The actual costs incurred will be paid for by the City of Del Mar.

2016-17 ESTIMATED ACTUAL EXPENDITURES

The Del Mar Pump Station program incurred incremental costs for start-up costs. The flow from Del Mar was delayed due to higher than expected total dissolved solids (TDS) in the water caused by infiltration from ground water; however, this is being investigated and is planned to be resolved by June 30, 2017.

2017-18 ADOPTED BUDGET

This budget is based on similar staff time for other pump stations that the SEJPA operates. Supplies and Services have been budgeted using the same premise. Contingency funding has been set to \$3,200, which is approximately 30% of budgeted supplies and services costs.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to maintain the pump stations. Actual charges for staff time are recorded daily based on time spent at each pump station. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Del Mar Pump Station Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel			\$ 2,276	\$ 60,365	\$ 62,050
Supplies and Services			2,342	13,013	10,646
Capital Outlay			-	-	-
Contingency			-	3,900	3,200
Total Operating Cost			<u>\$ 4,617</u>	<u>\$ 77,277</u>	<u>\$ 75,897</u>

Del Mar Pump Station Operating Cost Detail

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages			\$ 1,865	\$ 42,742	\$ 43,998
Medicare Tax			27	586	611
State Unemployment Tax			186	186	194
Overtime Pay			-	1,086	880
Dental/Vision			-	325	566
Employee Assistance Program			-	83	86
Life Insurance/Disability			-	333	353
Workers Comp. Insurance			-	796	863
Medical Insurance - Pers			-	5,420	5,314
Retirement Plan - PERS			-	6,821	7,113
Deferred Comp-employer			72	1,698	1,770
Uniforms - Boots			75	75	81
Payroll Processing Fees			-	163	168
Other Personnel Costs			51	51	53
			<u>2,276</u>	<u>60,365</u>	<u>62,050</u>
Supplies and Services					
Fuel			-	450	464
Insurance - Liability			-	699	723
Repair Parts Expense			1,026	2,550	2,601
Services - Alarm			-	750	750
Services - Grit & Screenings			750	1,500	1,500
Services - Legal			-	160	182
Services - Maintenance			-	1,595	1,600
Services - Testing			-	475	-
Services - Uniforms			-	139	-
Services - Other			-	300	10
Services - IT/GIS Support			-	637	75
Service - EWA Support			-	814	400
Services - Grease & Scum			450	900	900
Supplies - Safety			50	50	50
Supplies - Shop & Field			-	445	400
Training			-	126	128
Training - Safety			50	223	227
Utilities - Internet			8	-	-
Utilities - Telephone			8	300	-
Utilities - Trash			-	100	-
Vehicle Maintenance			-	800	636
			<u>2,342</u>	<u>13,013</u>	<u>10,646</u>
Contingency			-	3,900	3,200
Total Operating Cost			<u>\$ 4,617</u>	<u>\$ 77,277</u>	<u>\$ 75,897</u>

Recycled Water

PROGRAM DESCRIPTION

The SEJPA owns and operates a recycled water utility which wholesales recycled water to the Santa Fe Irrigation District (SFID), the San Dieguito Water District (SDWD), the City of Del Mar, and Olivenhain Municipal Water District (OMWD), as well as a direct sales agreement with Encinitas Ranch Golf Authority (ERGA). SEJPA financed, permitted, and constructed the recycled water utility which became operational in September 2000. Since addition of the Advanced Water Purification (AWP) in 2013, SEJPA's recycled water program delivers between 1,300 and 1,600 acre-feet (AF) per year of recycled water to its retail partners. Local customers that use the recycled water for landscape irrigation include the Encinitas Ranch Golf Course, Lomas Santa Fe Executive and Country Club Golf Courses, Ecker YMCA, Del Mar Fairgrounds, Village Park, local schools, parks, businesses, and street/freeway landscape. Industrial use customers include Scripps Hospital, the Del Mar Fairgrounds and the San Elijo Recycled Water Facility. The facility can currently produce up to 3.02 million gallons per day of recycled water.

2016-17 ESTIMATED ACTUAL EXPENDITURES

FY 2016-17 is the 16th full year of the Water Recycling Program. This program receives revenue from different customers with different levels of service. The SEJPA has moved away from indexed pricing of the Recycled Water by obtaining Cost of Service studies. Beginning in FY 2014-15 SEJPA decoupled the rates from the water purveyors' potable water rates. In July 2016 the Board accepted an updated Cost of Service Study, and approved the water rates for FY 2016-17 and FY 2017-18, which the water purveyors supported. Furthermore, by using the Cost of Service Study to support the rates, all water purveyors are the same rate rather than 85% of each of the water purveyors' potable rates. The recycled water program also receives performance incentives in the amount of \$250 per AF from the Metropolitan Water District of Southern California (MWD) and \$200 per AF from the San Diego County Water Authority (SDCWA).

Budgeted revenue for FY 2016-17 was \$2,821,001, while actual revenues are anticipated to be \$2,822,156. This is \$1,155 greater than planned. Due to higher than average rainfall, the number of acre-feet (AF) estimated to be sold is 70 AF less than planned resulting in \$126,230 lower sales and incentives; however, Integrated Regional Water Management (IRWM) grant money received was \$127,385 higher than expected.

Budgeted operating expenditures for FY 2016-17 total \$1,498,447 and estimated expenditures are projected to be \$1,419,721 or 5.3% lower than planned as a result of lower water sales. Contingency funding for this program is provided by the Recycled Water Program Unrestricted Reserves. Infrastructure debt service for the Water Recycling Program consists of the State Revolving Fund (\$834,675), Advanced Water Treatment (\$148,153) and the Santa Fe Irrigation District Pipeline (\$15,000) for a total of \$997,828.

2017-18 ADOPTED BUDGET

Budgeted water sales revenue for this program is planned to be \$2,712,190, which is down \$108,811 or 3.9% from prior year's budget. This is due to no IRWM grant funds planned for FY 2017-18. Acre-Feet budgeted for FY 2016-17 was 1507, and the budget for FY 2017-18 is 1,510. The revenue budgeted to be received from customers including incentives is up \$91,189 or 3.5%.

The Recycled Water operating cost budget is planned to be \$1,489,905, a decrease of \$8,542 from prior year's budget. Personnel costs for the FY 2017-18 budget are based on projections of estimated staff effort required to operate the program and are planned to increase \$3,867 or 0.7%. Supplies and services are planned to decrease by \$12,459 or 1.3%. This decrease is due to lower engineering (\$68,000), chemical costs-Sodium Hypochlorite (\$7,260-lower \$/unit-EWA's collaborative agreement) and Utilities-Water (\$5,500); increases are Services-Professional (\$25,800), Services-IT/GIS Support (\$13,350), and Utilities-Gas & Electric (\$24,624). Capital Outlay is budgeted at \$5,000 for this year.

Capital Costs are planned to be \$1,600,000 for pipeline engineering related to recycled water conveyance, storage and potable reuse studies.

Debt service is planned to be \$997,828; detailed information on this program can be found in the Debt Service section of this budget.

Contingency funding is not budgeted for the Recycled Water Program because the agency retains reserves for this program.

STAFF ALLOCATION

Staff time is budgeted based on estimates of actual time required to operate, maintain, and manage the recycled water utility. Actual charges for staff time are recorded daily based on time spent providing services to these facilities. Administrative time is allocated to all programs based on the estimates of personnel for each program.

Recycled Water Cost Summary

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel	\$ 487,628	\$ 567,374	\$ 502,937	\$ 520,828	\$ 524,695
Supplies and Services	677,838	738,491	911,716	972,669	960,210
Capital Outlay	-	42,640	5,068	4,950	5,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>1,165,466</u>	<u>1,348,506</u>	<u>1,419,721</u>	<u>1,498,447</u>	<u>1,489,905</u>
Capital Costs	150,000	300,000	330,000	330,000	1,600,000
Debt Service					
State Revolving Fund	834,675	834,675	834,675	834,675	834,675
Advanced Water Purification	148,153	148,153	148,153	148,153	148,153
SFID Pipeline Loan	13,359	15,000	15,000	15,000	15,000
Total Debt Service	<u>996,187</u>	<u>997,828</u>	<u>997,828</u>	<u>997,828</u>	<u>997,828</u>
Total Costs	<u>\$ 2,311,653</u>	<u>\$ 2,646,334</u>	<u>\$ 2,747,549</u>	<u>\$ 2,826,275</u>	<u>\$ 4,087,733</u>

Recycled Water Operating Cost Detail

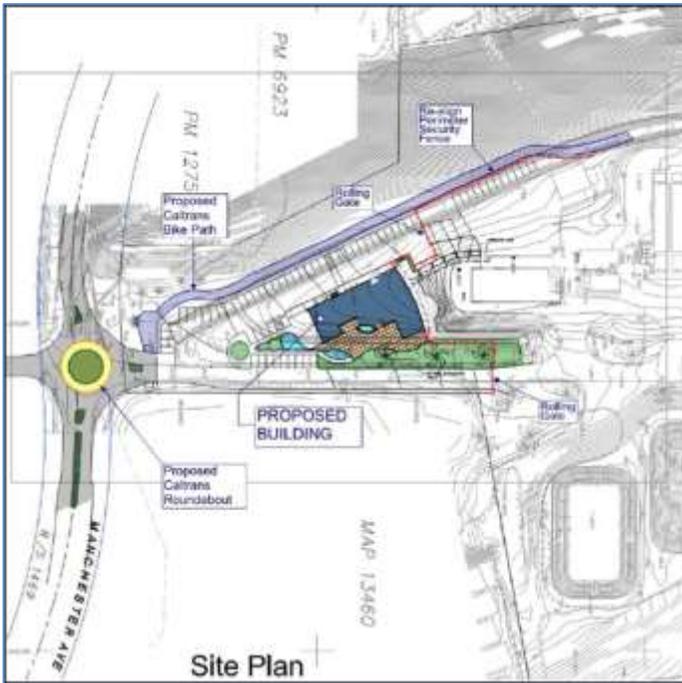
Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Personnel					
Direct Salaries and Wages	\$ 349,561	\$ 407,736	\$ 366,705	\$ 374,068	\$ 381,114
FICA Tax	260	-	-	-	-
Medicare Tax	5,204	5,838	5,651	4,617	4,578
State Unemployment Tax	1,086	937	14	1,462	1,456
Standby Pay	2,464	2,679	2,807	2,549	2,621
Overtime Pay	9,392	12,233	12,572	13,867	12,227
Dental/Vision	2,953	2,919	3,023	2,562	4,244
Employee Assistance Program	609	338	110	658	646
Life Insurance/Disability	1,851	2,098	2,334	2,629	2,644
Workers Comp. Insurance	4,546	5,651	6,325	6,275	6,473
Medical Insurance - Pers	33,973	36,823	38,729	42,722	39,834
Retirement Plan - PERS	61,079	74,265	49,027	53,763	53,324
Deferred Comp-employer	12,706	13,907	13,265	13,381	13,271
Uniforms - Boots	209	252	590	590	607
Payroll Processing Fees	1,349	1,337	1,382	1,284	1,261
Other Personnel Costs	386	362	401	401	394
	487,628	567,374	502,937	520,828	524,695
Supplies and Services					
Advertising	349	-	260	260	300
Bank Charges	-	3	-	1,000	1,000
Board Expense	-	-	100	100	100
Dedication Ceremony	-	994	-	-	-
Dues & Memberships	5,642	6,856	5,402	3,165	6,030
Equipment Rental/Lease	749	2,277	-	3,600	3,400
Fees - Disposal	1,622	24	1,600	2,000	2,000
Fees - Permits	17,299	19,455	18,429	18,000	19,000
Fees - Purveyor Admin	-	-	-	-	-
Fuel	3,042	2,329	1,987	3,600	3,708
Insurance - Liability	9,531	9,309	9,838	11,610	12,016
Insurance - Property	7,352	7,211	7,934	7,901	8,178
Licenses	7,879	5,332	7,947	8,000	8,174
Minor Equip - Shop & Field	3,354	1,388	66	2,244	2,289
Postage/Shipping	25	16	116	200	185
Preemployment Screening	47	17	67	100	100
Printing	337	186	381	400	400
Rent	64,989	38,903	57,515	69,750	69,750
Repair Parts Expense	26,157	60,113	40,040	42,840	43,697
Retrofit Expenses	-	4,700	-	10,000	10,000
Seminars/Education	1,916	4,116	4,450	4,590	4,600
Services - Accounting	4,288	5,100	5,700	6,120	8,100
Services - Construction	-	23,500	-	-	-
Services - Landscape	550	950	1,000	2,000	2,000
Services - Alarm	965	1,074	1,065	1,250	1,250

Cost detail continued on next page

Recycled Water Operating Cost Detail Continued

Operating Cost	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Services - Engineering	51,372	31,040	131,480	150,000	82,000
Services - Laboratory	2,749	3,830	2,635	5,000	4,000
Services - Legal	5,959	23,882	17,745	20,000	22,800
Services - Lobbying	14,555	-	18,433	16,000	16,000
Services - Maintenance	15,147	16,596	19,135	18,657	19,000
Services - Medical	790	256	252	50	50
Services - Other	6	5	5	1,200	1,055
Services - Professional	41,625	61,070	33,835	34,200	60,000
Services - IT/GIS Support	12,438	25,169	7,905	5,650	19,000
Service - EWA Support	-	498	5,607	6,418	6,238
Services - Contractors	19,682	-	20,000	25,000	20,000
Services - Temp	8,250	11,846	10,340	12,000	12,000
Services - Testing	-	-	-	500	-
Services - Uniforms	1,317	1,425	1,018	1,450	1,600
Subsistence - Meals	118	122	828	900	900
Subsistence - Travel/Rm & Bd	1,251	2,297	1,768	2,000	2,000
Supplies - Chem - Odor	2,404	3,626	3,259	4,335	4,000
Supplies - Chem - Polymer	-	-	4,271	4,320	1,500
Supplies - Chem - Sodium Hypo	44,561	46,989	54,354	55,260	48,000
Supplies - Chemicals	21,398	38,914	63,148	32,350	37,700
Supplies - Lab	736	972	1,778	2,500	1,000
Supplies - Office	38	891	271	500	700
Supplies - Safety	1,568	239	550	550	550
Supplies - Shop & Field	750	807	362	2,000	500
Training	1,058	489	513	1,116	1,138
Training - Safety	1,645	472	1,080	1,977	2,017
Utilities - Gas & Electric	252,102	250,427	302,789	324,000	348,624
Utilities - Internet	1,186	1,166	883	1,900	1,680
Utilities - Telephone	6,536	7,129	7,312	5,606	7,295
Utilities - Water	-	-	29,312	25,000	19,500
Utilities - Water (Suppl.)	11,667	12,285	6,583	11,000	11,100
Vehicle Maintenance	839	2,198	370	2,500	1,986
Miscellaneous	-	-	-	-	-
	<u>677,838</u>	<u>738,491</u>	<u>911,716</u>	<u>972,669</u>	<u>960,210</u>
Capital Outlay	-	42,640	5,068	4,950	5,000
Contingency	-	-	-	-	-
Total Operating Cost	<u>\$ 1,165,466</u>	<u>\$ 1,348,506</u>	<u>\$ 1,419,721</u>	<u>\$ 1,498,447</u>	<u>\$ 1,489,905</u>

Capital Programs



Site Plan Layout



Conceptual Water Campus Building



San Elijo Lagoon-Land Outfall Replacement Location



Encinitas Ranch Recycled Water Pipeline Extension

Capital Programs Project Summary

Program	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Treatment	\$ 907,000	\$ 997,000	\$ 1,029,000	\$ 1,029,000	\$ 280,000
Ocean Outfall	200,000	300,000	300,000	300,000	300,000
Cardiff Pump Station					344,650
Water Reclamation	150,000	300,000	330,000	330,000	1,600,000
Total Capital Cost	<u>\$ 1,257,000</u>	<u>\$ 1,597,000</u>	<u>\$ 1,659,000</u>	<u>\$ 1,659,000</u>	<u>\$ 2,524,650</u>

Capital Programs Wastewater Treatment Project Detail

Capital Project	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Preliminary Treatment Upgrades	-	420,000	420,000	420,000	
Building Improvements	35,000	220,000	220,000	220,000	
Biosolids Building Reserve	75,000	75,000	75,000	75,000	
Energy Efficiency Improvements	80,000		-		
Hydraulic Management	75,000		-		
Digester Rehabilitation/Upgrade	102,000	212,000	212,000	212,000	
Emergency Generator Replacement	480,000		-		
Miscellaneous Projects	60,000	70,000	102,000	102,000	280,000
Total Capital Cost	<u>\$ 907,000</u>	<u>\$ 997,000</u>	<u>\$ 1,029,000</u>	<u>\$ 1,029,000</u>	<u>\$ 280,000</u>

PRELIMINARY TREATMENT UPGRADES (formerly Headworks/Grit Project)

The 2007 Facility Plan and the 2015 Facility Plan Update identified modernization needs to the headworks and grit chamber that included (1) modification of the existing headworks to accommodate peak influent wastewater flows of greater than 10 million gallons per day, (2) provision of a redundant washer/compactor equipment, (3) provision of additional free-board, (4) replace the aging bar screens, and (5) a grit chamber rehabilitation that included replacement of covers, re-lining of the concrete chamber, replacement of channel slide gates, and improvements to the mechanical grit conveyance system. The current estimated cost for these improvements is \$4.0 million. Preliminary design was completed in FY 2016-17, and final design is in progress.

BUILDING IMPROVEMENT PROGRAM

The need and drivers for the Building Improvement Program are to address safety, security, operational, and code deficiencies associated with the Administrative and Operations Buildings. The 2015 Facility Plan expressed that creating a safe and secure work place that provides both open and, as necessary, restricted public access is paramount to managing risk and liability. There are risk and liability associated with continuing to operate with the known deficiencies associated with the American Disabilities Act and California Building Code compliance. The current Administrative Building was installed as a “temporary” facility 16 years ago, is not properly anchored to a foundation, is located under high voltage power lines in an easement held by SDG&E, does not provide adequate site security to restrict access to valuable and essential equipment, does not have a proper ADA access ramp or proper ADA turning radius, lacks necessary plumbing fixtures and adequate work space, and does not comply with energy efficiency standards. It is anticipated that this project will cost between \$5 million and \$8 million dollars.

BIOSOLIDS RESERVE

The Biosolids Reserve Project is a series of short term projects identified in the 2007 Facility Plan and re-evaluated in the 2015 Facility Plan Update as Dewatering Upgrades. The biosolids reserve project includes (1) Installation of new sludge dewatering equipment, (2) New digested sludge feed pumps, (3) Sludge Hopper and Platform Rehabilitation, (4) recoating piping, pumps and other equipment to prolong life, and (5) modifications to odor control piping. The project cost was estimated by Carollo Engineers at \$1.79 million in 2015. Preliminary design was completed in FY 2016-17, and final design is in progress.

ENERGY EFFICIENCY IMPROVEMENTS

The 2007 Facility Plan identified the need and benefit of improved energy independence within the SEJPA facility. This project is still an important part of the overall strategy at SEJPA, however; the project priority has dropped slightly relative to other equipment and facility needs. The estimated cost of this project was \$300,000 to \$1.8 million depending on the scope and type of projects pursued, according to the Facility Plan. This project will be further defined by a preliminary design report and may include cogeneration using excess biogas produced by the sludge digesters and solar electric panels.

DIGESTER IMPROVEMENTS PROJECT

The Digester Rehabilitation / Upgrade Project is a series of short term projects and a long term project identified in the 2007 Facility Plan. In the 2015 Facility Plan Update Carollo revised this project as the Digester Improvements Project to include (1) Digester crack repair, (2) Digester No. 2 lining and floating cover rehabilitation, (3) Heat exchanger replacement, (4) Sludge recirculation pumps replacement. The project is required to ensure proper treatment of the solids removed from the wastewater. Failure to implement the adopted upgrades could lead to inadequate treatment resulting in extended digestions times, reduced solids treatment capacity, and potential EPA permit violations.

MISCELLANEOUS PROJECTS FY 2017-18

Each year staff identifies smaller capital projects that should be completed, but were not identified in the 2015 Facility Plan. This year staff has identified rehabilitation of the facility asphalt including grinding, crack repair, and a rubberized asphalt slurry seal under the Capital Program.

Capital Program Ocean Outfall Project Detail

Capital Project	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Outfall Reserve	\$ 200,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Total Capital Cost	<u>\$ 200,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

OUTFALL RESERVE

The Land Outfall portion of the ocean outfall which was installed across the lagoon in 1965 was identified in the 2015 Facility Plan as a critical asset that requires continuous operation, yet has zero redundancy. The land outfall, which is constructed with 30-inch diameter asbestos cement pipe, has been identified for replacement due to age and the corrosive nature of the lagoon soils. Further adding urgency to this project is the planned San Elijo Lagoon Restoration Project, and the North County Transit District Double-Track Project that will significantly disturb the area around this pipeline, and increase the potential for the failure of the pipeline. The SEJPA has completed 100% of the design to replace the land outfall, and has obtained the project permits. Currently, the SEJPA is evaluating contractor bids prior to awarding the contract.

Additionally, the ballast rocks that hold the ocean outfall pipe in place move due to sand movement and ocean currents and the SEJPA must occasionally add additional ballast. The last reballast project was conducted in 2005 and historically these projects have been performed every 7-10 years at a cost of approximately \$2.0 Million. This reserve has been created to collect funds in anticipation of upcoming ocean outfall projects, which will likely be required in this decade.

Capital Program Cardiff Pump Station Project Detail

Capital Project	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Cardiff Pump Station Force Mains					\$ 344,650
Total Capital Cost					<u>\$ 344,650</u>

CARDIFF PUMP STATION FORCE MAINS

The Cardiff Pump Station Force Mains project upgrades an aging single force main that conveys raw wastewater from the Cardiff Pump Station to the SEWRF with the installation of two new force mains. This project was integrated into the Land Outfall Replacement Project due to the location of the force mains. Costs are expected to be lower through the proration of mobilization and environmental compliance costs. The project will be funded by the Cardiff Sanitation District and is included in the revenues from the City of Encinitas.

Capital Programs Recycled Water Project Detail

Capital Project	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Master Plan Update			\$ 55,000	\$ 55,000	\$ -
Conveyance and Storage	150,000	255,000	200,000	200,000	125,000
Potable Reuse Study		45,000	75,000	75,000	75,000
Recycled Water Pipeline (Encinitas Ranch/Requeza)					1,400,000
Total Capital Cost	<u>\$ 150,000</u>	<u>\$ 300,000</u>	<u>\$ 330,000</u>	<u>\$ 330,000</u>	<u>\$ 1,600,000</u>

MASTER PLAN UPDATE

In 2005 the SEJPA completed a Recycled Water System study to identify new users and projected growth in the recycled water distribution system. The study serves as a planning document to help anticipate required capital expenditures for the recycled water treatment and distribution system.

CONVEYANCE AND STORAGE

The SEJPA planned and connected the current distribution system to the Wiegand tank owned by Olivenhain Municipal Water District to have access to 1.0 million gallons of additional storage in the Northern service area, and to provide recycled water to the Village Park area of the City of Encinitas. The SEJPA is also designing and planning to construct distribution system expansion to serve the Encinitas Ranch area, as well as other minor pipeline projects. These planning and design projects were funded by this capital program.

POTABLE REUSE STUDY

During FY 2014-15 the SEJPA partnered with SDWD and SFID to fund a joint Potable Reuse Concept Study to identify needed improvements in order to provide recycled water to the Badger Filtration Plant as a new source of water. Short-term planning will include an inventory of existing facilities and potential supply requirements. Long-term planning will include identifying future facilities, site locations, and budgetary costs.

Debt Service

Wastewater Treatment Debt Service

2011 REFUNDING BONDS

In December 2011, SEJPA refinanced the 2003 Revenue Bonds and the California Energy Commission Loan at an average rate of 3.05%, producing savings of approximately \$1.2 million over the remaining life of these obligations. Interest payments are made on September 1 and March 1, principal payments on March 1. The payments are submitted directly by the Member Agencies. The annual payments vary slightly as the Member Agencies borrowed different amounts. The FY 2016-17 annual payments will be \$695,754 for the City of Encinitas and \$786,914 for the City of Solana Beach. As of June 30, 2017, the outstanding balance will be \$3,015,000. The City of Encinitas' portion will be \$1,421,697, and the City of Solana Beach's portion will be \$1,593,303.

2017 REVENUE BONDS

The SEJPA plans on issuing revenue bonds in July 2017 to fund the wastewater projects derived from the 2015 Facility Plan. Currently, the SEJPA is proposing a bond amount of approximately \$22.645 million at an average interest rate of 3.9% over 30 years. Because the 2011 Refunding Bonds will not be substantially paid in full until FY 2018-19, the 2017 Revenue Bond payments will be interest only for the first 2 years to maintain sewer rate expectations. The FY 2017-18 interest payment is estimated to be \$591,160 for both the City of Encinitas and the City of Solana Beach.

Recycled Water Debt Service

STATE REVOLVING FUND (SRF)

In March 1998, the SEJPA entered into an agreement with the State Water Resources Control Board for funding the original Recycled Water Project. The \$12.6 million loan provided funding for recycling water at a fixed interest rate of 2.5% for a term of 20 years. Annual payments of \$834,675 began in August 2001 and will continue through August 2020. As of June 30, 2017, the outstanding balance will be \$3,140,028.

The terms of the SRF loan required the SEJPA to create a reserve and fund \$63,000 per year for 10 years. The reserve is to be maintained until the loan is paid in full, however, the funds can be used for expansion, major repair, replacement, or other similar and related expenditures related to the production of recycled water. In the event of such use, the SEJPA is required to deposit, on an annual basis, a minimum of ten percent of the expended amount. As of March 31, 2017, the reserve balance is \$630,000.

ADVANCED WATER PURIFICATION FACILITY LOAN

In November 2011, the SEJPA received a private placement loan for the construction of the Advanced Water Purification Facility in the amount of \$2,000,000 at a fixed interest rate of 4.15%. Annual payments of \$148,153 began in 2011 and will continue for 20 years until 2031. As of July 1, 2017, the outstanding balance will be \$1,602,067.

SFID PIPELINE LOAN

In 2013, the SEJPA entered into an agreement with the Santa Fe Irrigation District to purchase a recycled water distribution pipeline for \$526,149 with an initial down payment of \$50,000 and annual interest between 1.0 and 2.5% based on the Local Agency Investment Fund rate. The repayment schedule is \$450 per acre foot of water delivered through the pipeline. It is estimated at June 30, 2017, the outstanding balance is estimated to be \$443,000 based on 30 acre-feet delivered through the pipeline in FY 2017-18.

Debt Service Summary

	Actual 2014-15	Actual 2015-16	Estimated Actual 2016-17	Adopted Budget 2016-17	Adopted Budget 2017-18
Wastewater Debt Service					
2011 Refunding Bonds					
Principal	1,235,000	1,265,000	1,305,000	1,305,000	1,365,000
Interest	244,867	207,818	169,868	169,868	117,668
Total Debt Service	<u>1,479,867</u>	<u>1,472,818</u>	<u>1,474,868</u>	<u>1,474,868</u>	<u>1,482,668</u>
2017 Revenue Bonds					
Principal					
Interest					591,160
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>591,160</u>
Total Wastewater Debt Service					
Principal	1,235,000	1,265,000	1,305,000	1,305,000	1,365,000
Interest	244,867	207,818	169,868	169,868	708,828
Total Debt Service	<u>1,479,867</u>	<u>1,472,818</u>	<u>1,474,868</u>	<u>1,474,868</u>	<u>2,073,828</u>
Recycled Water Debt Service					
State Revolving Fund					
Principal	702,183	719,738	719,738	737,731	756,175
Interest	132,492	114,937	114,937	96,944	78,500
Total Debt Service	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>	<u>834,675</u>
Advanced Water Purification					
Principal	72,948	76,007	76,007	79,194	82,515
Interest	75,205	72,146	72,146	68,959	65,638
Total Debt Service	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>	<u>148,153</u>
SFID Pipeline Loan					
Principal	8,718	10,000	10,000	10,000	10,000
Interest	4,641	5,000	5,000	5,000	5,000
Total Debt Service	<u>13,359</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
Total Water Reclamation Debt Service					
Principal	783,849	805,745	805,745	826,925	848,690
Interest	212,338	192,083	192,083	170,903	149,138
Total Debt Service	<u>996,187</u>	<u>997,828</u>	<u>997,828</u>	<u>997,828</u>	<u>997,828</u>
Total Debt Service					
Total All Debt Service					
Principal	2,018,849	2,070,745	2,110,745	2,131,925	2,213,690
Interest	457,205	399,901	361,951	340,771	857,966
Total Debt Service	<u>\$ 2,476,054</u>	<u>\$ 2,470,646</u>	<u>\$ 2,472,696</u>	<u>\$ 2,472,696</u>	<u>\$ 3,071,656</u>

Classification and Salary Schedule

**SAN ELIJO JOINT POWERS AUTHORITY
CLASSIFICATION AND SALARY SCHEDULE
July 1, 2017**

Position	Full-Time Equivalent (FTE)	Salary			
		Monthly		Annual	
		Minimum	Maximum	Minimum	Maximum
Accounting Technician	1	\$ 4,249	\$ 6,063	\$ 50,991	\$ 72,757
Administrative Assistant I	1	2,316	3,619	27,794	43,434
Administrative Assistant II	1	3,582	5,265	42,981	63,182
Director of Operations	1	9,418	13,847	113,011	166,166
Associate Engineer	1	6,438	9,231	77,257	110,773
Director of Finance/Administration	1	9,418	13,847	113,011	166,166
General Manager (Under Contract)	1	16,500	16,500	198,000	198,000
Laboratory Series	2				
<i>Laboratory Analyst I</i>		4,287	5,853	51,443	70,238
<i>Laboratory Analyst II</i>		4,878	7,004	58,535	84,043
<i>Senior Laboratory Analyst</i>		5,941	9,038	71,289	108,450
Mechanic Series	3				
<i>Mechanic I</i>		4,331	5,912	51,969	70,947
<i>Mechanic II</i>		4,967	6,782	59,599	81,390
<i>Mechanical Systems Supervisor</i>		5,782	10,015	69,382	120,177
Systems Integration Series	2				
<i>Systems Integration Technician I</i>		4,331	5,911	51,969	70,935
<i>Systems Integration Technician II</i>		4,967	6,782	59,599	81,390
<i>SCADA Manager</i>		7,640	10,898	91,686	130,778
Wastewater Treatment Operator Series	5				
<i>Operator-In-Training</i>		3,979	5,433	47,750	65,200
<i>Operator I</i>		4,331	5,912	51,969	70,947
<i>Operator II</i>		4,967	7,122	59,599	85,461
Lead Operator	2	5,673	8,334	68,073	100,013
Chief Plant Operator	1	7,778	10,118	93,336	121,412
Water Reclamation Series	1				
Water Reclamation Specialist		5,066	7,266	60,798	87,198

Salary amounts approved by the SEJPA Board of Directors on January 11, 2016, and updated per SEJPA Board Resolution No. 2016-10, Section III(B).

Organizational Chart

