

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY FEBRUARY 9, 2009 AT 9:00 A.M.**  
**SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM**  
**2695 MANCHESTER AVENUE**  
**CARDIFF BY THE SEA, CALIFORNIA**  
**AND TELECONFERENCED WITH**  
**559 UNION STREET, ENCINITAS, CALIFORNIA**

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1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
5. PRESENTATION OF AWARDS

Joe Hernandez — CWEA-SDS Award: *2008 Mechanical Technician Person of the Year*  
Ravy Chea — CWEA-SDS Award: *2008 Laboratory Person of the Year*  
Tish Berge — Special District Leadership Foundation: *Special District Administrator Certification*

CWEA-SDS Award: *2008 Plant of the Year*  
CWEA-SDS Award: *2008 Small Plant Safety*

6. \* **CONSENT CALENDAR**
7. \* **APPROVAL OF MINUTES FOR THE JANUARY 9, 2009 STRATEGIC PLANNING MEETING AND JANUARY 12, 2009 MEETING**
8. \* **APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS**
9. \* **SAN ELIJO WATER RECLAMATION FACILITY TREATED EFFLUENT FLOWS – MONTHLY REPORT**
10. \* **SAN ELIJO JOINT POWERS AUTHORITY RECYCLED WATER PROGRAM – MONTHLY REPORT**
11. \* **ITEMS REMOVED FROM CONSENT CALENDAR**

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

## **REGULAR AGENDA**

### **12. APPROVAL OF CONTINGENCY FUNDING USE FOR FLETCHER COVE PUMP STATION**

It is recommended that the Board of Directors:

1. Authorize the General Manager to use up to \$10,000 of contingency funding for engineering services to prepare plans and specifications to repair the concrete vault at the Fletcher Cove Wastewater Pump Station; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager, Michael T. Thornton, P.E.

### **13. ZIJLSTRA ARCHITECTURE EASEMENT REQUEST**

It is recommended that the Board of Directors:

1. Disapprove the Zijlstra Architecture Easement Request; and
2. Discuss and take action as appropriate.

Staff Reference: Assistant General Manager, Patricia P. Berge, P.E.

### **14. SAN ELIJO JOINT POWERS AUTHORITY MID-YEAR REVIEW OF THE FISCAL YEAR 2008-09 OPERATING BUDGET**

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

Staff Reference: Finance Manager / Treasurer, Gregory Lewis

### **15. CALPERS RESOLUTION TO APPROVE AN AGREEMENT TO PREFUND OTHER POST EMPLOYMENT BENEFITS THROUGH CALPERS**

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2009-5 to Approve an Agreement to Prefund Other Post Employment Benefits (OPEB) Through CalPERS Between the Board of Administration, California Public Employees' Retirement System and the Board of Directors, San Elijo Joint Powers Authority;
2. Authorize the General Manager to use contingency funding to pay the unfunded liability of \$98,075 at the end of Fiscal Year 2008-09, if available; and
3. Discuss and take action as appropriate.

Staff Reference: Finance Manager / Treasurer, Gregory Lewis

16. **FEDERAL STIMULUS PACKAGE FOR INFRASTRUCTURE PROJECTS**

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Staff Reference: General Manager, Michael T. Thornton, P.E.

17. **GENERAL MANAGER'S REPORT**

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

18. **GENERAL COUNSEL'S REPORT**

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

19. **BOARD MEMBER COMMENTS**

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

20. **CLOSED SESSION**

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

21. **ADJOURNMENT**

The next regular scheduled San Elijo Joint Powers Authority Board Meeting will be March 9, 2009.

**NOTICE:**

The San Elijo Joint Powers Authority's open and public meetings meet the protections and prohibitions contained in Section 202 of the Americans With Disabilities Act of 1990 (42 U.S.C Section 12132), and the federal rules and regulations adopted in implementation thereof. Any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting of the SEJPA Board of Directors may request such modification or accommodation from Michael T. Thornton, General Manager, (760) 753-6203 ext. 72.

The agenda package and materials related to an agenda item submitted after the packet's distribution to the Board is available for public review in the lobby of the SEJPA Administrative Office during normal business hours. Agendas and minutes are available at [www.sejpa.org](http://www.sejpa.org). The SEJPA Board meetings are held on the second Monday of the month, except August.

**AFFIDAVIT OF POSTING**

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

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

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

Date: February 4, 2009



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

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE STRATEGIC PLANNING MEETING  
HELD ON JANUARY 9, 2009  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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Teresa Barth, Chair

Dave Roberts, Vice Chair

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A Strategic Planning Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Friday, January 9, 2009, at 8:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Barth called the meeting to order at 8:00 a.m.

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Maggie Houlihan  
Dave Roberts  
Thomas Campbell

*Others Present:*

General Manager  
Assistant General Manager  
Finance Manager  
Goates Consulting Group  
Surfrider Foundation

Michael Thornton  
Patricia "Tish" Berge  
Greg Lewis  
Jeff Freedman  
Jared Criscuolo

3. SAN ELIJO JOINT POWERS AUTHORITY STRATEGIC PLANNING WORKSHOP WITH GOATES CONSULTING GROUP

Jeff Freedman, Goates Consulting Group, led the San Elijo Joint Powers Authority Board of Directors and management team through a strategic planning workshop. The goal of the workshop was to discuss strategic planning, draft a SEJPA vision statement, and create a foundation for future strategic planning efforts. Based upon the workshop discussions, management will draft a SEJPA vision and mission for consideration by SEJPA Board of Directors at a future regularly scheduled board meeting.

4. ADJOURNMENT

The Board of Directors adjourned at 1:45 p.m. The next regular scheduled Board of Directors meeting will be held on Monday, January 12, 2009.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON JANUARY 12, 2009  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

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Teresa Barth, Chair

Dave Roberts, Vice Chair

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A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, January 12, 2009, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California and teleconferenced with 4300 Wilson Boulevard, Suite 250, Arlington, Virginia.

1. CALL TO ORDER

Chair Barth called the meeting to order at 9:00 a.m.

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Maggie Houlihan  
Dave Roberts, via phone  
Thomas Campbell

*Others Present:*

General Manager  
Assistant General Manager  
Finance Manager  
Administrative Assistant  
Accounting Tech  
Sr. Maintenance Mechanic

Michael Thornton  
Patricia "Tish" Berge  
Greg Lewis  
Monica Blake  
Carrie Cook  
Joe Hernandez

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Gregory Moser

City of Encinitas, City Manager  
City of Encinitas, Director of Public Works  
City of Encinitas,  
Public Works Management Analyst  
City of Solana Beach, City Manager  
City of Solana Beach,  
Director of Engineering/Public Works

Phil Cotton  
Larry Watt

Bill Wilson  
David Ott

Mohammad "Mo" Sammak

DUDEK  
DUDEK

Mike Metts  
Steve Deering

3. PLEDGE OF ALLEGIANCE

Phil Cotton led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Mike Thornton presented Jose Hernandez, Sr. Maintenance Mechanic, with a certificate recognizing his 25 years of service with San Elijo Joint Powers Authority. Mr. Hernandez has also been awarded the 2008 CWEA Mechanical Technician Person of the Year for the San Diego Section. Also, Michael Dietrich, Lead Operator, was awarded a certificate recognizing his 20 years of service with San Elijo Joint Powers Authority.

Mike Metts and Steve Deering from DUDEK presented San Elijo Joint Powers Authority with a 2007 CWEA Engineering Achievement Award for "Collaborating Partner for the Solana Beach Pump Station Force Main Replacement".

6. CONSENT CALENDAR

Board Member Campbell requested Item Number 11 be removed from the Consent Calendar with approval from the Board.

Moved by Board Member Houlihan and seconded by Board Member Campbell to approve the Consent Calendar with unanimous vote of approval.

Consent calendar:

Agenda Item No. 7	Approval of Minutes for the December 8, 2008 Meeting
Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report
Agenda Item No. 9	San Elijo Water Reclamation Facility Treated Effluent Flows – Monthly Report
Agenda Item No. 10	San Elijo Joint Powers Authority Recycled Water Program – Monthly Report

12. ITEMS REMOVED FROM CONSENT CALENDAR

Agenda Item No. 11 Proposed Implementation Plan for Employee Incentive Program in Accordance with Amended Resolution 2008-06

Board Member Campbell requested clarification on the prorated description and asked

if this resolution should be amended to specify these details. General Counsel Moser stated that the resolution is silent on this matter and the proposed implementation plan is a legitimate interpretation of the policy. It is presented to the Board of Directors to approve this interpretation.

Moved by Board Member Houlihan and seconded by Board Member Campbell to approve the Proposed Implementation Plan for Employee Incentive Program in Accordance with Amended Resolution 2008-06 with unanimous vote of approval.

13. ELECTION OF OFFICERS AND SCHEDULE OF BOARD MEETINGS

The General Manager reported that the cities have re-appointed the SEJPA Board Members and that it is time for the Board of Directors to confirm the Chair and Vice Chair Positions.

Moved by Board Member Houlihan and seconded by Chair Barth that Dave Roberts serve as Chair for 2009 beginning with the next scheduled Board Meeting. Moved by Chair Barth and seconded by Vice Chair Roberts that Maggie Houlihan serve as Vice Chair for 2009. Motion carried with unanimous vote of approval.

Moved by Board Member Campbell and seconded by Board Member Houlihan to approve the Board Meeting Dates for 2009 to continue on the second Monday of each month, beginning at 9:00 a.m. until April at which time it may change to 8:30 a.m., depending upon Board Member's availability. Motion carried with unanimous vote of approval.

14. ADMINISTRATIVE STAFFING CLASSIFICATION

The Assistant General Manager reported that as the result of a planned retirement, the Administrative Resources Supervisor position became vacant in December 2008. With an analysis from Fox Lawson & Associates, staff requested the elimination of the Administrative Resources Supervisor position and the creation of a Human Resource Administrator position as a non-supervisory position that would be responsible for human resources, safety, and training functions.

Moved by Board Member Houlihan and seconded by Vice Chair Roberts to approve the elimination of the Administrative Resources Supervisor position and create the Human Resource Administrator position. Motion carried with unanimous vote of approval.

15. CONSTRUCTION CONTRACT CHANGE ORDER NO. 2 AND ENGINEERING SERVICES CONTRACT AMENDMENT NO. 2 FOR THE PERFORMANCE OPTIMIZATION OF THE ACTIVATED SLUDGE SYSTEM PROJECT

The General Manager reported that the construction contract of the Performance Optimization of the Activated Sludge System Project was awarded to Orion Construction Corporation on February 14, 2008. Kennedy/Jenks Consultants is the engineer of record for the project and provides construction management services. Construction has been completed and the project has now moved into the startup phase.



Additional construction work outside of the original contract scope was encountered and is listed as Contract Change Order No. 2 to Orion Construction Corporation. Contract Amendment No. 2 to Kennedy/Jenks Consultants is for engineering and construction management services that were outside of the original project contract.

Moved by Board Member Campbell, and seconded by Board Member Houlihan to approve and authorize the General Manager to issue Contract Change Order No. 2 for \$24,680.01 to Orion Construction Corporation for construction services and approve and authorize the General Manager to issue Contract Amendment No. 2 for \$32,795.00 to Kennedy/Jenks Consultants for engineering services. Motion carried with unanimous vote of approval.

16. DESIGNATION OF BOARD MEMBERS - GENERAL MANAGER PERFORMANCE SUBCOMMITTEE

The Member Agencies have assigned their representatives to the SEJPA Board of Directors. The SEJPA Board of Directors must now designate two members to serve on the General Manager Performance Subcommittee (Subcommittee) in 2009.

Moved by Vice Chair Roberts and seconded by Board Member Houlihan to establish the General Manager Performance Subcommittee. Moved by Board Member Campbell and seconded by Board Member Houlihan that Dave Roberts and Teresa Barth serve as the designated Subcommittee for 2009. Motions carried with unanimous vote of approval:

A motion was presented by Board Member Campbell and seconded by Board Member Houlihan that a formal report be required at the next regular meeting following each Subcommittee meeting. Motion carried with unanimous vote of approval. The General Manager will schedule the meeting times with the Subcommittee.

17. GENERAL MANAGER'S REPORT

The General Manager stated that the Board of Directors has been invited to a grand reopening of the San Elijo Lagoon Nature Center scheduled for Saturday, January 31, at 11:00 a.m.

The General Manager reported that the treatment plant experienced a compliance near miss on December 24, 2008 due to something received from outside the plant, presumed to be illegally dumped. As a result, the reclaimed water treatment process was halted for two days until balance was restored to the system.

18. GENERAL COUNSEL'S REPORT

General Counsel Greg Moser presented the requested edits to the General Manager Job Description to improve its clarity.

Moved by Board Member Campbell and seconded by Board Member Houlihan to accept the edits to the General Manager Job Description as passed and adopted in Resolution No. 2009-04 on December 8, 2008. Motion carried with unanimous vote of approval.

19. BOARD MEMBER COMMENTS

Chair Barth thanked SEJPA staff for a successful Strategic Planning/Vision Meeting held on Friday, January 9, 2009. Board Member Houlihan thanked the Board for their contributions and stated she enjoyed the informational aspect of the Strategic Planning Meeting and the discussion with the guest who attended from the Surfrider Foundation.

20. CLOSED SESSION

None.

21. ADJOURNMENT

The Board of Directors adjourned at 9:48 a.m. The next Board of Directors meeting will be held on Monday, February 9, 2009.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

PAYMENT OF WARRANTS

09-02

26-Jan-09

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
<b>09-02 WARRANTS</b>		
AG Tech, LLC	Biosolids hauling - December	\$12,090.64
ASCE Membership	Membership dues	\$245.00
A T & T	Alarm service - January	\$380.84
A T & T / MCI	Phone service - December	\$357.62
AccuDiagnostics	Background checks	\$213.00
Airgas West	Equipment rental - lab	\$208.12
Aramark	Uniform service - December, jackets	\$404.05
Aramark	Uniform service - 1/9/09	\$56.18
Arrowhead	Kitchen and lab supplies - December	\$186.86
Atlas Pumping Service	Grease and scum pumping, hauling - November	\$2,878.90
Atlas Pumping Service	Grease and scum pumping - December	\$1,021.33
Atlas Pumping Service	Grease and scum pumping - January	\$473.96
Atlas Pumping Service	Grit and screening	\$742.35
Bay City Electric	Fuel - all pump station generators	\$1,687.37
Bay City Electric	Generator rental - Cardiff P.S.	\$1,424.25
Berge, Patricia	Expense report - post-surgery get well arrangement	\$93.69
Berge, Patricia	Expense report - lunch meeting	\$38.41
Blake, Monica	Expense report - mileage and office supplies	\$88.45
Blake, Monica	Expense report - office supplies	\$42.19
Boot World	Safety boots - J. Hernandez	\$96.95
Boyle, John	Expense report - tuition reimbursement	\$147.31
Brenntag	Sodium hydroxide - odor control - plant	\$1,086.56
CASA	2009 agency's membership dues	\$8,000.00
California Water Technologies	Ferric chloride - plant	\$5,035.51
Carr, Scott	Expense report - ctp computer repair - water rec.	\$79.00
City of Encinitas	Oakcrest Park recycled water loan	\$10,000.00
Coast Waste Management, Inc.	Grit and screening - Cardiff P.S.	\$372.00
Cole - Parmer	Utility carrier, drying rack, spoons sampling - lab	\$199.42
Complete Office	Office supplies - December	\$341.02
Complete Office	Office supplies - January	\$47.49
Conocophillips Fleet	Vehicle fuel - December	\$1,201.48
Cor-o-van Records Mgmt. Inc.	Record storage - December	\$54.97
Covad Communications	T-1 service - January	\$359.00
DLT & V System	FEB programming - plant	\$5,704.00
Edco Waste and Recycling Service	Trash and recycling service - December	\$184.01
ELAP	Permit - environmental lab accreditation program - lab	\$2,359.00
Filter Belts	Repair parts - plant	\$2,039.71
Fred Proyor Seminars	Training - excel - C. Cook	\$128.00
Golden State Overnight	Shipping - monthly reports	\$30.51
Grainger	Faucets for lab	\$183.77
Green Valley Landscape	Trimming trees - one day - plant	\$900.00
Green Valley Landscape	Restake four queen palms - plant	\$220.00
Green Valley Landscape	Clearing out channel - Encinitas stormdrain and plant	\$908.00
Hayward Gordon	Parts for new grit pump - plant	\$7,030.80
Henke, Michael	Expense report - certification renewal	\$190.00
Hoch, Adam	Expense report - workshop - asset management	\$225.00
Home Deport	Shop supplies	\$43.07
Jani-King	Janitorial service - January	\$882.64

PAYMENT OF WARRANTS

09-02

26-Jan-09

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Kennedy/Jenks Consultants	SEJPA - activated sludge	\$14,558.94
Kennedy/Jenks Consultants	Cardiff pump station electrical	\$1,268.80
Konica	Monthly copier maintenance	\$97.26
Lewis, Greg	Expense report - job advertising and printer card	\$244.48
Lomas Santa Fe Country Club	Deposit for luncheon 2009	\$300.00
MBC	Testing - outfall	\$6,169.59
Marvin J. Paull	Valuation of post-retirement medical benefits	\$250.00
Napa Auto Parts	Headlight and windshield wipers	\$23.37
North State Environmental	Transport and disposal of electronic scrap	\$949.85
O.M.W.D.	Manchester - 11/10 - 12/08	\$27.35
PERS - Health	Health - January	\$11,219.00
PERS - Retirement	Retirement premium - 01/02/09	\$11,836.96
PERS - Retirement	Retirement premium - 01/16/09	\$11,714.02
PERS - Retirement	Fiscal year 2008-09 survivor benefits	\$226.80
Palomar Specialists, Inc.	Backflow device replaced and installed -Eden Garden P.S.	\$450.00
Piper, Michael	Expense report - tuition reimbursement	\$60.00
Preferred Benefit	Dental insurance - January	\$1,659.39
Probuild	Repair, shop and field supplies	\$229.72
RSF Security Systems	Battery - Cardiff P. S.	\$76.50
RSF Security Systems	Patrol service - January	\$465.00
Rohan and Sons, Inc.	HVAC maintenance service - plant	\$320.00
Rotary Club of Encinitas	Dues - P. Berge	\$83.50
Safety-Kleen	Quarterly service - to clean parts - plant	\$292.89
Sage Software	Annual accounting software license	\$622.21
San Dieguito Water District	Manchester - 10/29 - 12/02	\$2,215.02
San Dieguito Water District	Manchester - 10/29 - 12/02	\$122.61
San Dieguito Water District	Manchester - 10/29 - 12/02	\$6,584.76
San Elijo Payroll Account	Payroll - 01/02/09	\$65,820.73
San Elijo Payroll Account	Payroll - 01/16/09	\$67,396.33
Santa Fe Irrigation District	Water service - Highland Dr. - 10/15 - 12/16	\$116.82
Santa Fe Irrigation District	Water service - Valley - 11/26 - 12/31	\$33.59
San Diego Gas and Electric	Gas and electric - 11/04/08 - 12/05/08	\$47,624.70
Siemens	Hydrogen peroxide - plant, Cardiff and Olivenhain P.S.	\$7,819.99
Sloan Electric Company	Install new air conditioning unit - Moonlight Beach P.S.	\$595.00
Sloan Electric Company	Remove and install soft start for pumps	\$3,896.34
Sloan Electric Company	Trouble shoot information meter	\$935.00
Smart & Final	Kitchen supplies	\$73.74
Special District Leadership	Testing for certificate - P. Berge	\$150.00
Sprint	Cellular phone service	\$685.31
State Water Resources Control	Certificate - A. Simonson	\$170.00
Technichem	Greasebugs - plant	\$447.00
Test America	Lab testing - December	\$748.00
Thornton, Michael	Expense report - seminar, office supply	\$37.88
Thornton, Michael	Expense report - meeting	\$52.72
Trussell Technologies, Inc	Analysis treatment process	\$435.00
Underground Service Alert	Dig alert - December	\$66.00
VWR International, Inc	Lab supplies - gloves, water reagent, tubes, buffer	\$787.98
Verizon Business	Phone service - December and January	\$26.66
WateReuse	Annual membership	\$75.00

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

26-Jan-09

PAYMENT OF WARRANTS		\$340,744.24
Reference Number	09-02	

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

  
\_\_\_\_\_  
Gregory Lewis  
Finance Manager/Treasurer

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

26-Jan-09

FUNDS ON DEPOSIT WITH	AMOUNT
<b>LOCAL AGENCY INVESTMENT FUND</b> <i>(DECEMBER 2008 YIELD 2.54%)</i>	
SELF INSURANCE RESERVE	\$ 300,000.00
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 5,544,689.67
 <b>CALIFORNIA BANK AND TRUST</b> <i>(DECEMBER 2008 YIELD 0.10%)</i>	
REGULAR CHECKING	\$ 10,888.47
PAYROLL CHECKING	\$ 5,000.00
 TOTAL RESOURCES	 \$ 6,490,578.14

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

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

**RECOMMENDATION**

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

**DISCUSSION**

**Monthly Treatment Plant Performance and Evaluation**

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all NPDES effluent limitation requirements for the month of December 2008. The primary indicators of treatment performance include the removal of Carbonaceous Biochemical Oxygen Demand (CBOD) and Total Suspended Solids (TSS). Treatment levels for CBOD and TSS exceeded monthly percent removal requirements (as shown in Figure 1 and Figure 2).

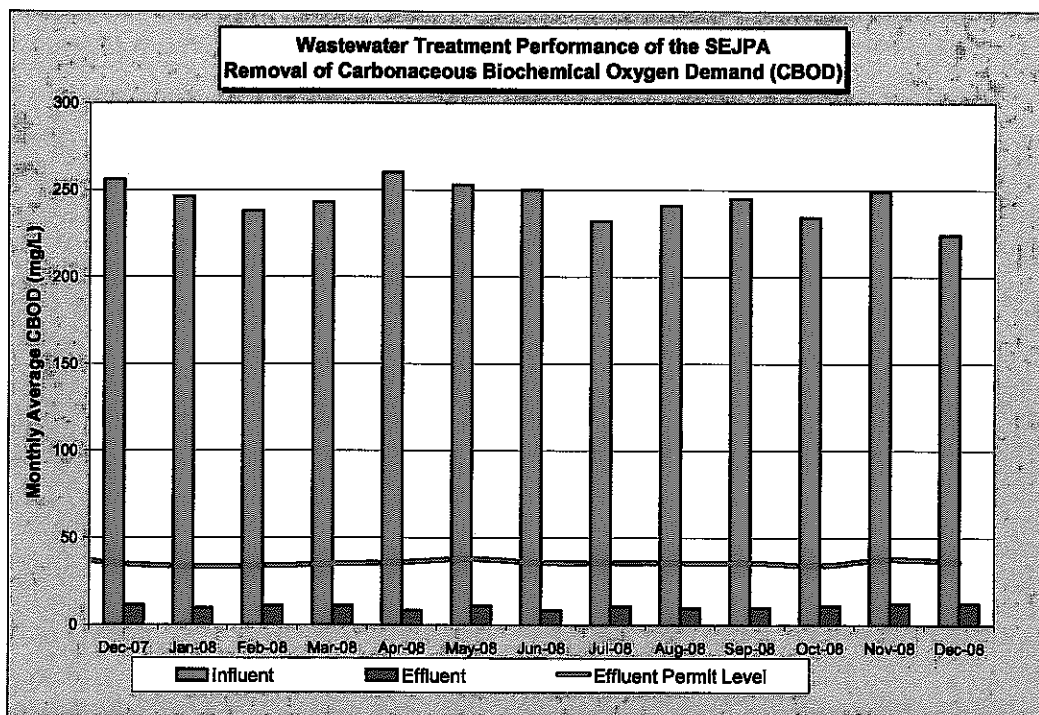


FIGURE 1

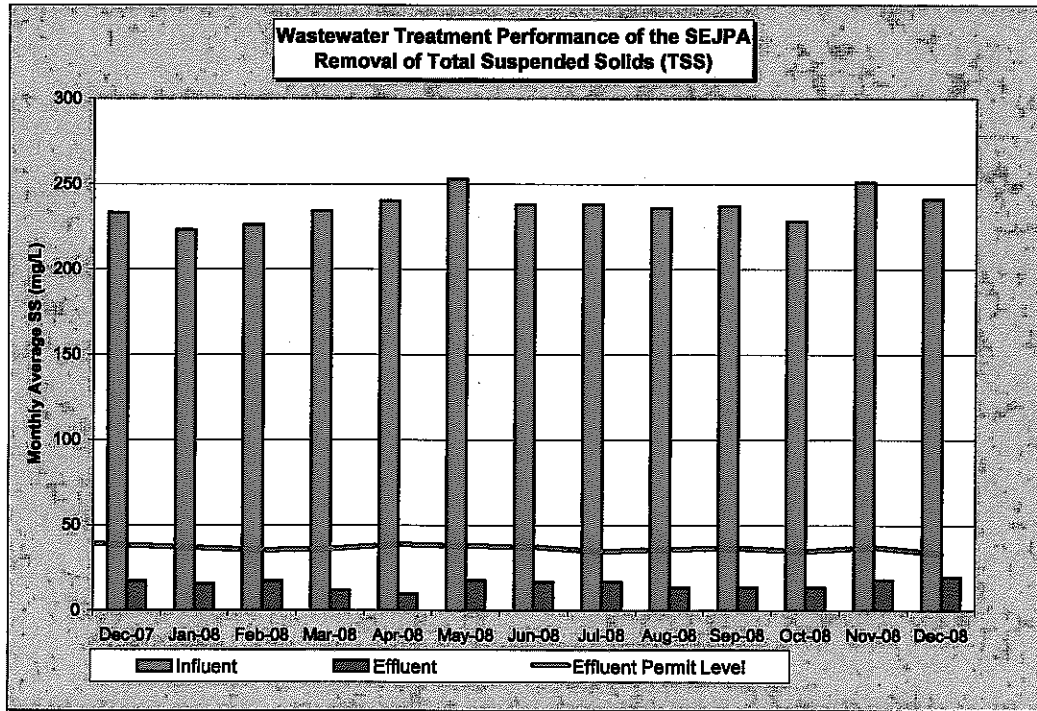


FIGURE 2

### Member Agency Flows

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

	December	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.580	1.446
City of Solana Beach	1.362	1.246
Rancho Santa Fe SID	<u>0.156</u>	<u>0.143</u>
<b>Total San Elijo WRF Flow</b>	<b>3.098</b>	<b>2.835</b>

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

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

The attached table presents the historical average, maximum, and unit influent and effluent flow rates per month for each of the Member Agencies. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each of the Member Agencies during this same time period.

The attached figure presents the historical average daily flows per month for each Member Agency. This is to provide a historical overview of the average treated flow by each agency. As shown in the figure, the average treated flow typically ranges between 2.9 and 3.1 million gallons per day (mgd). Also shown on the figure, is the total wastewater treatment capacity of the plant, 5.25 mgd, of which each Member Agency has the right to 2.5 mgd, and Rancho Santa Fe Community Service District has the right to 0.25 mgd.



City of Escondido Flows

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

	<b>December (mgd)</b>
Escondido (Average flow rate)	11.9
Escondido (Peak flow rate)	18.8

Connected Equivalent Dwelling Units

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

	<b>December (EDU)</b>
Cardiff Sanitary Division	8,172
Rancho Santa Fe SID	462
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
<b>Total EDUs to System</b>	<b>16,362</b>

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager

Attachments: Table: SEWRF Monthly Report – Flows and EDUs  
Figure: Average Daily Flow

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

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)				AVERAGE DAILY EFFLUENT FLOW RATE (MGD)				CONNECTED EDUS				AVERAGE UNIT INFLUENT FLOW RATE (GALLON/DAY)			
	GSD	RSE	CSD	TOTAL PLANT	GSD	RSE	CSD	TOTAL PLANT	RSE	CSD	RSE	CSD	RSE	CSD	RSE	CSD
Apr-04	1.480	0.127	1.327	2.900	1.261	0.106	1.154	2.521	7,910	375	7,659	15,944	183	339	173	182
May-04	1.421	0.127	1.259	2.810	0.753	0.069	0.687	1.488	7,915	377	7,659	15,951	180	337	164	176
Jun-04	1.458	0.120	1.353	2.930	0.684	0.056	0.634	1.374	7,917	381	7,659	15,957	184	315	177	184
Jul-04	1.478	0.114	1.418	3.010	0.644	0.051	0.616	1.311	7,929	383	7,659	15,971	186	298	185	188
Aug-04	1.447	0.116	1.408	2.970	0.725	0.057	0.706	1.488	7,945	386	7,659	15,990	182	301	184	186
Sep-04	1.420	0.124	1.327	2.870	1.038	0.089	0.970	2.097	7,950	392	7,659	16,001	179	316	179	189
Oct-04	1.538	0.144	1.346	3.030	1.471	0.140	1.287	2.898	7,961	395	7,659	16,015	183	365	176	189
Nov-04	1.426	0.146	1.301	2.870	1.367	0.138	1.247	2.752	7,965	395	7,659	16,019	179	370	170	179
Dec-04	1.433	0.143	1.308	2.880	1.459	0.141	1.331	2.931	7,973	395	7,659	16,027	180	362	171	180
Jan-05	1.803	0.242	1.409	3.450	1.880	0.248	1.469	3.597	7,976	396	7,659	16,031	226	611	184	215
Feb-05	1.768	0.229	1.420	3.420	1.674	0.203	1.418	3.416	7,982	398	7,659	16,039	221	575	185	213
Mar-05	1.509	0.187	1.383	3.080	1.625	0.234	1.489	3.317	7,988	399	7,659	16,046	189	469	181	192
Apr-05	1.379	0.150	1.320	2.850	1.427	0.157	1.366	2.950	7,989	403	7,659	16,051	173	372	172	177
May-05	1.381	0.107	1.332	2.820	1.525	0.117	1.471	3.113	7,993	406	7,659	16,058	173	264	174	176
Jun-05	1.374	0.107	1.349	2.880	1.478	0.115	1.451	3.044	7,996	409	7,659	16,064	172	262	176	176
Jul-05	1.365	0.115	1.399	2.880	1.471	0.125	1.508	3.104	8,016	409	7,659	16,084	170	281	183	179
Aug-05	1.494	0.149	1.385	3.030	1.515	0.154	1.404	3.073	8,020	410	7,659	16,089	186	363	181	188
Sep-05	1.478	0.131	1.302	2.910	1.484	0.129	1.306	2.919	8,023	416	7,659	16,098	184	315	170	181
Oct-05	1.493	0.134	1.290	2.920	1.593	0.146	1.376	3.115	8,033	418	7,659	16,110	186	321	168	181
Nov-05	1.480	0.142	1.280	2.900	1.485	0.140	1.284	2.909	8,034	420	7,659	16,113	184	338	167	180
Dec-05	1.463	0.143	1.288	2.890	1.456	0.138	1.282	2.876	8,040	421	7,659	16,120	182	340	168	180
Jan-06	1.515	0.139	1.310	2.964	1.410	0.129	1.219	2.758	8,044	423	7,659	16,126	188	329	171	184
Feb-06	1.499	0.139	1.313	2.951	1.268	0.118	1.111	2.497	8,044	423	7,659	16,126	188	329	171	183
Mar-06	1.542	0.144	1.309	2.995	1.475	0.137	1.252	2.864	8,044	424	7,659	16,127	192	340	171	186
Apr-06	1.523	0.139	1.288	2.950	1.400	0.128	1.184	2.712	8,044	424	7,728	16,196	189	328	167	182
May-06	1.480	0.134	1.299	2.913	0.979	0.089	0.859	1.927	8,066	429	7,728	16,223	183	312	168	180
Jun-06	1.471	0.130	1.350	2.951	0.762	0.068	0.699	1.529	8,080	430	7,728	16,238	182	302	175	182
Jul-06	1.490	0.135	1.436	3.061	0.719	0.065	0.693	1.477	8,087	431	7,728	16,246	184	313	186	186
Aug-06	1.456	0.144	1.392	2.992	0.748	0.074	0.715	1.537	8,088	432	7,728	16,248	180	333	180	184
Sep-06	1.403	0.138	1.327	2.868	0.744	0.072	0.704	1.520	8,092	432	7,728	16,252	173	319	172	176
Oct-06	1.414	0.132	1.286	2.832	0.943	0.088	0.857	1.888	8,092	432	7,728	16,252	175	306	166	174
Nov-06	1.408	0.135	1.284	2.827	1.000	0.105	1.003	2.208	8,094	434	7,728	16,256	174	311	166	174
Dec-06	1.429	0.138	1.275	2.842	1.296	0.126	1.158	2.578	8,099	436	7,728	16,263	176	317	165	175
Jan-07	1.419	0.128	1.282	2.829	1.205	0.109	1.089	2.403	8,100	441	7,728	16,269	176	290	166	174
Feb-07	1.425	0.129	1.277	2.831	1.284	0.116	1.150	2.550	8,106	443	7,728	16,277	178	291	165	174
Mar-07	1.421	0.118	1.285	2.824	1.014	0.085	0.917	2.016	8,112	444	7,728	16,284	175	266	166	173
Apr-07	1.386	0.122	1.267	2.775	0.868	0.076	0.794	1.738	8,115	447	7,728	16,290	174	273	164	170
May-07	1.411	0.106	1.281	2.798	0.763	0.058	0.693	1.514	8,116	448	7,728	16,292	174	237	166	172
Jun-07	1.438	0.104	1.304	2.846	0.697	0.051	0.652	1.380	8,117	449	7,728	16,294	177	232	169	175
Jul-07	1.461	0.109	1.364	2.934	0.657	0.049	0.613	1.319	8,119	450	7,728	16,298	180	242	177	180
Aug-07	1.410	0.107	1.365	2.917	0.571	0.044	0.541	1.156	8,120	450	7,728	16,298	178	244	177	179
Sep-07	1.442	0.110	1.365	2.917	0.596	0.046	0.537	1.179	8,124	452	7,728	16,303	164	237	164	171
Oct-07	1.335	0.096	1.222	2.653	0.777	0.056	0.712	1.545	8,124	452	7,728	16,303	164	213	158	163
Nov-07	1.430	0.113	1.235	2.778	1.122	0.088	0.969	2.179	8,138	453	7,728	16,318	176	250	160	170
Dec-07	1.443	0.143	1.225	2.811	1.380	0.137	1.171	2.688	8,144	453	7,728	16,324	177	250	160	170
Jan-08	1.491	0.144	1.268	2.903	1.488	0.144	1.266	2.898	8,146	454	7,728	16,327	183	318	164	178
Feb-08	1.620	0.162	1.355	3.137	1.499	0.150	1.254	2.903	8,150	456	7,728	16,334	198	356	175	192
Mar-08	1.569	0.149	1.365	3.083	1.261	0.119	1.097	2.477	8,151	456	7,728	16,335	192	326	177	189
Apr-08	1.493	0.125	1.318	2.936	1.154	0.097	1.019	2.270	8,151	456	7,728	16,335	183	274	171	180
May-08	1.487	0.136	1.339	2.962	0.755	0.069	0.680	1.504	8,153	456	7,728	16,337	182	299	173	181
Jun-08	1.649	0.131	1.270	3.050	0.647	0.052	0.498	1.197	8,161	456	7,728	16,345	202	288	164	187
Jul-08	1.713	0.131	1.324	3.168	0.722	0.055	0.558	1.335	8,163	456	7,728	16,347	210	288	171	194
Aug-08	1.562	0.125	1.483	3.170	0.608	0.048	0.577	1.233	8,165	457	7,728	16,350	191	274	192	194
Sep-08	1.547	0.121	1.378	3.046	0.813	0.064	0.724	1.601	8,167	459	7,728	16,354	189	264	178	186
Oct-08	1.478	0.111	1.319	2.908	0.671	0.051	0.599	1.321	8,170	460	7,728	16,358	181	242	171	178
Nov-08	1.511	0.118	1.329	2.958	1.080	0.084	0.950	2.114	8,171	462	7,728	16,361	185	256	172	181
Dec-08	1.580	0.156	1.362	3.098	1.446	0.143	1.246	2.835	8,172	462	7,728	16,362	193	338	176	189

GSD: Gavitt Sanitary Division

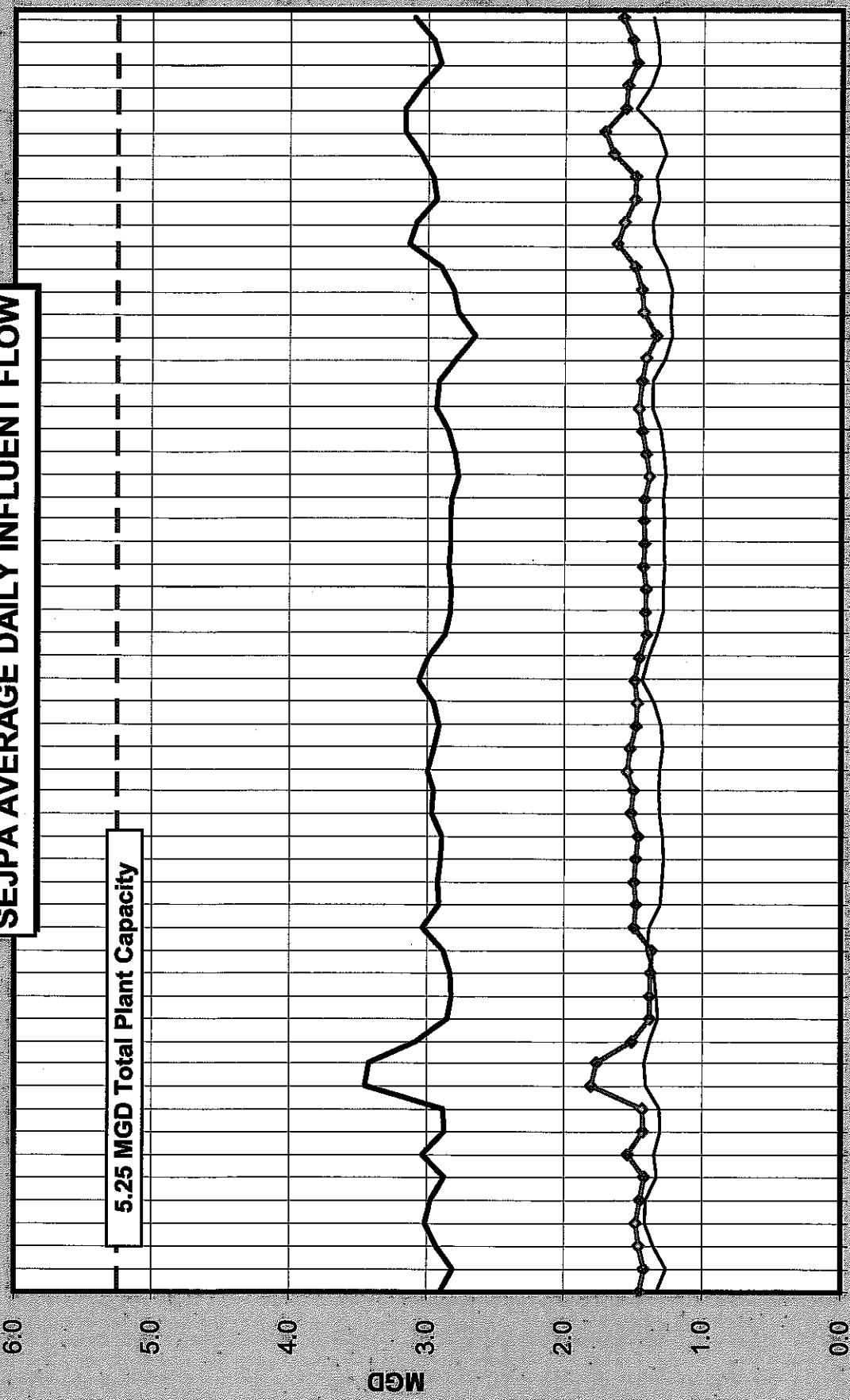
RSE CSD: Ranch Santa Fe Community Services District

SB: Solana Beach

EDU: Equivalent Dwelling Unit

ASSUMPTIONS: SB average flow includes San Elijo Hills flow of .131 mgd  
SB Connected EDUs includes 399 EDUs for the City of San Diego

# SEJPA AVERAGE DAILY INFLUENT FLOW



Apr-04  
May-04  
Jun-04  
Jul-04  
Aug-04  
Sep-04  
Oct-04  
Nov-04  
Dec-04  
Jan-05  
Feb-05  
Mar-05  
Apr-05  
May-05  
Jun-05  
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Jun-08  
Jul-08  
Aug-08  
Sep-08  
Oct-08  
Nov-08  
Dec-08

— TOTAL PLANT      - - - PLANT DESIGN CAPACITY      —◆— SB

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO WATER RECLAMATION PROGRAM – MONTHLY REPORT

RECOMMENDATION

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

DISCUSSION


*Recycled Water Production*

For the month of December 2008, recycled water demand was 26.22 acre-feet (AF), which was met using 26.22 AF of recycled water and 0.00 AF of supplementation with potable water.

The attached Figure 1 provides monthly supply demands for recycled water since the inception of the program. The program has experienced a steady growth in the customer base that, in general, has translated into steady growth in recycled water demand from year to year. The attached Figure 2 provides a graphical view of annual recycled water demand spanning the last seven fiscal years. Recycled water demand can fluctuate from year to year, which is typically a function of weather. For example, Fiscal Year 2003-04, an unusually dry year, resulted in increased recycled water demand; and Fiscal Year 2004-05, an unusually wet year, resulted in lower recycled water demand.

For the first six months of FY 2008-09, recycled water demand totaled 735 AF, which is slightly more than the demand for the same period one year ago.

Respectfully submitted,

  
Michael T. Thornton, P.E.  
General Manager

**MONTHLY RECYCLED WATER DEMAND**

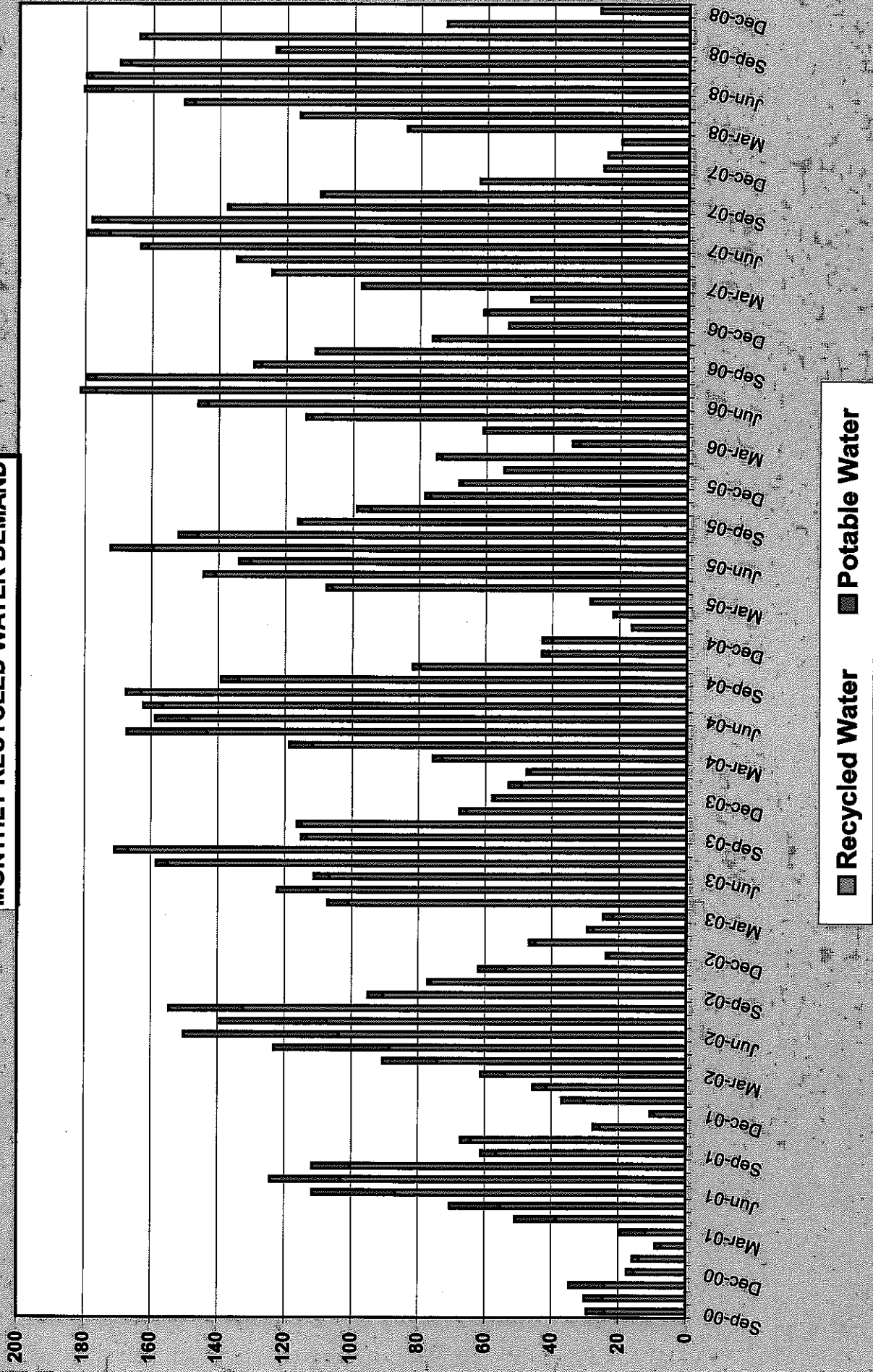


Figure 1

# ANNUAL RECYCLED WATER DEMAND

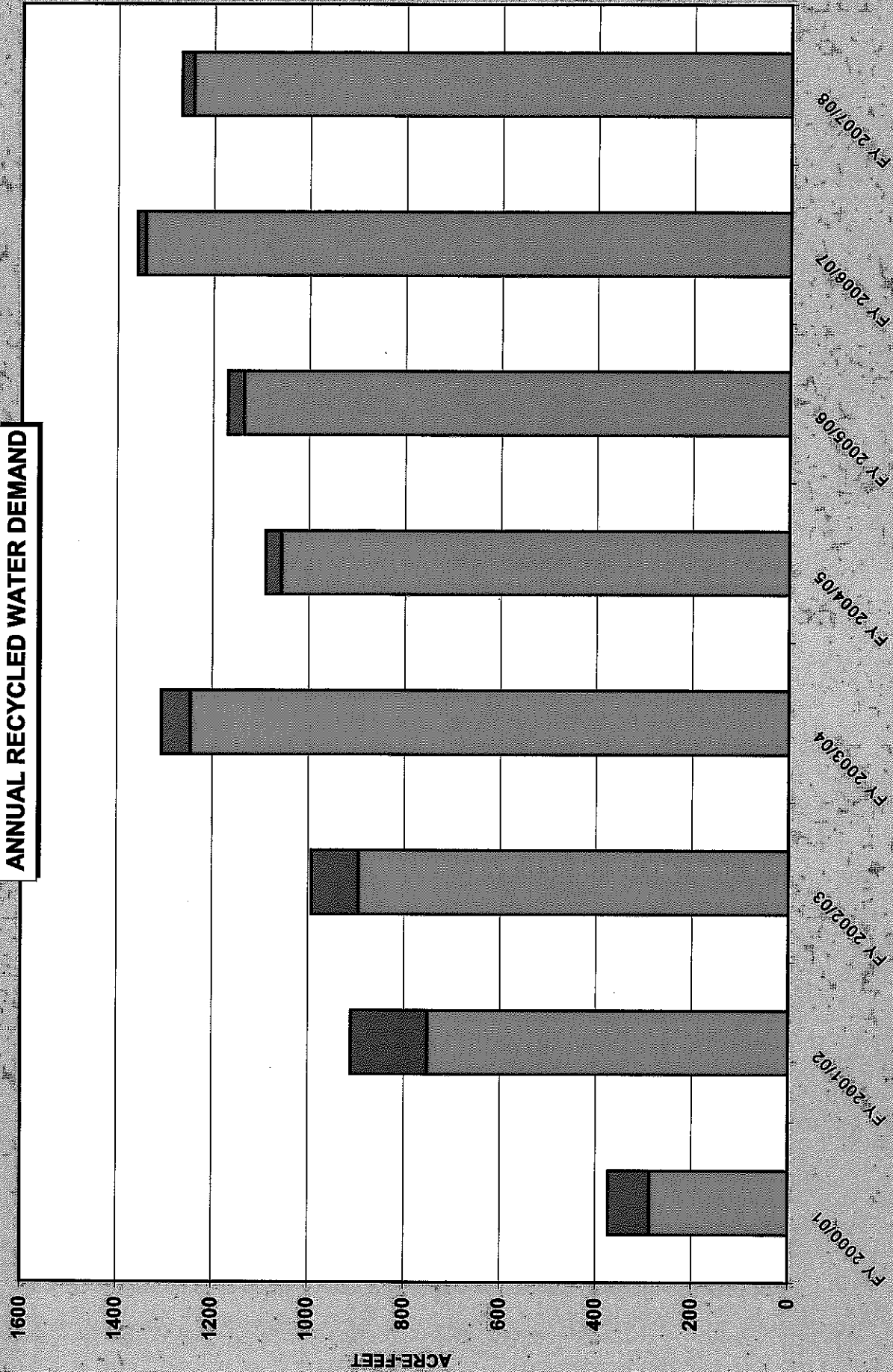


Figure 2

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: APPROVAL OF CONTINGENCY FUNDING USE FOR FLETCHER COVE PUMP  
STATION

**RECOMMENDATION**

It is recommended that the Board of Directors:

1. Authorize the General Manager to use up to \$10,000 of contingency funding for engineering services to prepare plans and specifications to repair the concrete vault at the Fletcher Cove Wastewater Pump Station; and
2. Discuss and take action as appropriate.

**BACKGROUND**

The San Elijo Joint Powers Authority (SEJPA) operates and maintains the Fletcher Cove Wastewater Pump Station (PS) on behalf of the City of Solana Beach. During a recent site inspection, SEJPA staff reported that the existing pump station vault is experiencing substantial cracking in the concrete walls and roof.

The SEJPA teamed with the City of Solana Beach Engineering Department to investigate the condition of the structure and concluded that repairs of the concrete were necessary. The team worked together to receive proposals from several engineering firms to develop a repair strategy for the concrete structure. Based on a review of the firm's experience and project approach, the SEJPA and City of Solana Beach reached a joint selection of Nolte Associates, Inc. as the recommended engineering firm for this project.

**DISCUSSION**

The Fletcher Cove Wastewater Pump Station is a below-grade concrete structure that is experiencing cracking in the roof and walls. These cracks expose the reinforcing steel bars within the concrete to the corrosive coastal environment that in turn causes further cracking and spalling. It is the recommendation of the SEJPA and the City of Solana Beach Engineering Department to repair the damaged concrete to maximize the useful life of the structure.

**FISCAL IMPACT**

Contingency funds in the amount of \$26,480 were adopted for the Solana Beach Pumping Stations fiscal year 2008-09 budget, which includes the Fletcher Cove Pump Station. These funds are available and sufficient to allocate to this expense.

It is recommended that the Board of Directors:

1. Authorize the General Manager to use up to \$10,000 of contingency funding for engineering services to prepare plans and specifications to repair the concrete vault at the Fletcher Cove Wastewater Pump Station; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Assistant General Manager

SUBJECT: ZIJLSTRA ARCHITECTURE EASEMENT REQUEST

RECOMMENDATION

It is recommended that the Board of Directors:

1. Disapprove the Zijlstra Architecture Easement Request; and
2. Discuss and take action as appropriate.

BACKGROUND

On September 5, 2008, Zijlstra Architecture requested that the San Elijo Joint Powers Authority grant an easement for the sole purpose of a "Fuel Modification Zone." Based upon discussions with Zijlstra Architecture:

- The fuel modification zone is a requirement of the City of Encinitas Fire Marshall for hillside properties that border fire prone vegetation; and
- If a fuel modification zone is not provided, Zijlstra Architecture will be required to include one-hour fire rated doors and windows.

At its September 2008 meeting, the SEJPA Board of Directors accepted staff recommendation to return Zijlstra Architecture's easement request to the Board of Directors after the agency adopts an easement approval policy. At its November 2008 meeting, the SEJPA Board of Directors approved Resolution 2009-02, entitled "Resolution of the Board of Directors of San Elijo Joint Powers Authority Establishing Policy for Review and Grant of Easements and Other Encumbrances of Real Property" (Easement Policy).

SEJPA staff implemented the Easement Policy and contacted the City Manager and Planning Director of each member agency soliciting comments and suggestions on whether granting the easement is consistent with their General Plan and should be subject to any conditions of approval. The City of Solana Beach representatives deferred to the City of Encinitas, as the easement is not within their city boundary. The City of Encinitas Planning Department expressed concern for the sensitive habitat on the hillside and indicated that a report on sensitive species

within the easement would be required. SEJPA staff also contacted the Encinitas Fire Department, who confirmed the fuel modification zone and window rating requirements.

## DISCUSSION

At present, the hillside to the west of the facility serves as a naturalscape buffer between the facility and its neighbors. The SEJPA maintains the hillside in accordance with recommendations from the City of Encinitas Fire Department. Maintenance activities include occasional clearing or thinning of brush. Contractors performing this work may be covered under SEJPA's insurances.

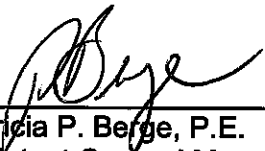
Granting an easement to Zijlstra Architecture, as it is currently requested, would allow for contractors hired by Zijlstra Architecture or the homeowner to perform work on SEJPA property. Such work would require oversight on behalf of the SEJPA and perhaps inclusion into the SEJPA's insurances, should an accident occur on SEJPA property. Such oversight would require an investment of time from SEJPA staff and may require the assistance of Legal Counsel. As a result, staff has concerns that granting this easement to Zijlstra does not protect the interests of the SEJPA and recommends disapproving the Zijlstra Architecture easement request.

Should Zijlstra Architecture consider a land purchase for the purpose of preserving the land in perpetuity as a fire buffer maintained at the homeowner's cost, staff will bring such a request to the SEJPA Board of Directors for consideration.

It is therefore recommended that the Board of Directors:

1. Disapprove the Zijlstra Architecture Easement Request; and
2. Discuss and take action as appropriate.

Respectfully submitted,

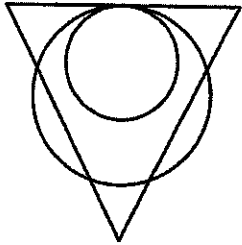


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Patricia P. Berge, P.E.  
Assistant General Manager

Attachment: Zijlstra Architecture Easement Request

**ATTACHMENT**



# Zijlstra Architecture

731 S. Highway 101, Ste. 1 L

Solana Beach, CA 92075

Phone (858) 755-3360, FAX (858) 755-1097

E-Mail: z3beach@aol.com

May 27, 2008

Mr. Michael T. Thornton  
General Manager  
San Elijo Joint powers Authority  
2695 Manchester Ave, P.O.BOX 1077  
Cardiff, CA 92007

Re: fire hazard mitigation

Dear Mr. Thornton,

The City of Encinitas Fire Marshall requires a "Fuel Modification Zone" for hillside properties that border fire prone vegetation. I am proposing to build two single family residences bordering the Westerly property line of the San Elijo sewer treatment plant.

Please consider granting me the rights to remove weeds and other plant material considered "fuel" by the Fire Department, plant material that is not on the list of acceptable plant material close to structures, there are only a few bushes in addition to the weeds that need to be removed.

The attached map identifies the area involved, please let me know if there is anything else I need to provide in order for you to review my request,

Sincerely,

Sjirk W. Zijlstra AIA  
Encl.

RECEIVED  
GENERAL  
MANAGER  
SAN ELIJO  
JOINT POWERS AUTHORITY  
2008 JUN -2 AM 8:51



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Finance Manager

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY MID-YEAR REVIEW OF THE  
FISCAL YEAR 2008-09 OPERATING BUDGET

**RECOMMENDATION**

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

**DISCUSSION**

The following information is an analysis of estimated operating expenditures through the end of Fiscal Year (FY) 2008-09. Although this is only an estimate, it is expected that overall the San Elijo Joint Powers Authority (SEJPA) will be 5 percent under budget. Personnel and non-personnel costs will be below budgeted levels and capital outlay will be at budgeted levels. Earlier this year the SEJPA Board of Directors approved the use of \$24,000 in contingency funding to replace a failing chemical tank for the Water Reclamation program. Currently, the use of contingency funding is forecast at \$98,000 to fund the Other Post Employment Benefits (OPEB) unfunded liability and \$10,000 for the Solana Beach Pump Stations for repairs to the Fletcher Cove pump station. Unused contingency funding is approximately 23 percent of the expected savings. Projected expenditure savings are identified by classification in Table 1.

**TABLE 1**  
**Statement of Estimated Expenditures through 6/30/09**  
**By Classification**

<i>Classification</i>	<i>Current Budget</i>	<i>Estimated Expenditures</i>	<i>Expected Savings</i>	<i>Percent Spent</i>
Personnel	\$2,351,105	\$2,287,322	\$ 63,783	97%
Non-Personnel	2,321,375	2,196,810	124,565	95%
Capital Outlay	38,000	37,800	200	100%
Sub-Total	\$4,710,480	\$4,521,932	\$188,548	96%
Contingency	199,480	142,000	57,480	71%
<b>Total</b>	<b>\$4,909,960</b>	<b>\$4,663,932</b>	<b>\$246,028</b>	<b>95%</b>

Table 2 identifies anticipated savings by program.

**TABLE 2**  
**Statement of Estimated Expenditures through 6/30/09**  
**By Program**

<i>Program</i>	<i>Current Budget*</i>	<i>Estimated Expenditures</i>	<i>Expected Savings</i>	<i>Percent Spent</i>
WW Treatment	\$2,406,880	\$2,342,056	\$64,824	97%
Laboratory Services	406,880	399,863	7,017	98%
Ocean Outfall	484,920	450,783	34,137	93%
CSD Pump Stations	257,590	219,294	38,296	85%
ESD Pump Stations	139,970	106,228	30,742	78%
Pheobe Storm Drain	3,340	3,340	0	100%
Urban Runoff Station	17,440	12,806	4,634	73%
Enc. Storm Drain Sed.	11,480	6,716	4,764	59%
SB Pump Stations	289,300	245,159	44,141	85%
SB Storm Drain Sed.	5,880	1,169	4,711	20%
<b>Sanitary subtotal</b>	<b>4,023,680</b>	<b>3,790,414</b>	<b>\$233,266</b>	<b>94%</b>
Water Reclamation	886,280	873,518	12,762	99%
<b>Total</b>	<b>\$4,909,960</b>	<b>\$4,663,932</b>	<b>\$246,028</b>	<b>95%</b>

*\* including contingency funding of \$199,480 which is 4.1% of the total budget*

### Wastewater Treatment Operations

Wastewater treatment operations are projected to end the year 3%, or \$64,824, under budget. Major components of the plant budget include personnel, insurances, chemicals, repair parts, professional services, utilities, waste hauling and disposal, and capital outlay.

Personnel costs for this program are forecasted to be at or slightly below budget. Supplies and services are expected to be \$52,500 below budget.

Areas forecast for savings in the supplies and services categories include savings insurances at \$7,000, permitting fees at \$11,000, chemicals at \$7,000, hauling and disposal services such as biosolids and grease and scum at \$8,000, and professional services, such as engineering, subconsultants, accounting and legal services at \$19,000.

### Laboratory Services

Laboratory services are expected to be approximately \$7,017 under budget. The savings are comprised of both personnel costs and supplies and services costs.

### Ocean Outfall

The Ocean Outfall Program is expected to be approximately \$34,137, or 7%, under budget this year. Personnel costs are projected to be 9% under budget, or \$18,745 of anticipated total savings for this program. Savings in personnel costs are a result in lab staff savings as well as reduced operational staff requirements. Supplies and services are forecasted to be 3% under

budget, or approximately \$8,215 of the savings. The remaining savings were found in contingency.

Other Facilities

The SEJPA manages, operates, and maintains other industrial facilities for the SEJPA member agencies. The other facilities are divided into four divisions: Cardiff Sanitary Division (CSD), Encinitas Sanitary Division (ESD), the City of Encinitas, and the City of Solana Beach (SB). Each division has an established budget based on forecasted costs of operating and maintaining the stations within that division. The table below lists the facilities of each division.

**TABLE 3  
Summary of Other Facilities  
Operated and Maintained by the SEJPA**

<i>Cardiff Sanitary Division (CSD)</i>	<i>Encinitas Sanitary Division (ESD)</i>	<i>City of Encinitas</i>	<i>City of Solana Beach (SB)</i>
Cardiff Coast Blvd. Olivenhain	Moonlight Beach	Phoebe Storm Water Urban Runoff Treatment Facility Storm Drain Sediment Drying	Eden Gardens Solana Beach San Elijo Hills Fletcher Cove Storm Drain Sediment Drying

The CSD pump stations are forecast to obtain savings of \$38,296. Personnel cost savings are anticipated to be 1%, or \$1,510 of the pump station savings. Savings in supplies and services are expected to be 10%, or \$12,010 of the savings. The majority of these savings are a result of a reduced use of chemicals at the pump stations. The remainder of the savings is unused contingency.

It is anticipated that the ESD pump station will be \$30,742 under budget this year. The personnel budget will be 12% under budget this year or \$6,660 of the savings. Supplies and services are expected to be 14% below budgeted levels or \$9,660 of the projected savings. This is due primarily to a reduction in the amount of chemicals used at the pump station. The remainder of the savings is unused contingency.

The Pheobe Storm Drain program is anticipated to end the year at budget.

The Urban Runoff Station program is anticipated to end the year \$4,633 below budgeted levels. This reflects savings in personnel as well as repair parts expense.

The Storm Drain Sediment Drying and Disposal program for the City of Encinitas is a new addition this year. It is anticipated that this program will be 41% or \$4,764 under budget this year. This program was implemented during this fiscal year and savings are reflective of a partial year of operation.

The SB pump stations are projected to realize savings of 15% or \$44,141 of the anticipated savings. The personnel budget will be 13% under budget this year or \$19,709 of the savings and are a reflection of differences in estimating actual time charged to the pump stations. Supplies



and services are expected to be 23% or \$24,023 under budgeted levels. Savings are reflected in repair parts, odor chemicals, and utilities. The remainder of the savings is unused contingency.

The Storm Drain Sediment Drying and Disposal program for the City of Solana Beach is a new addition this year. It is anticipated that this program will be 81% or \$4,760 under budget this year. This program was implemented during this fiscal year and savings are reflective of a partial year of operation.

### Water Reclamation Program

FY 2008-09 is the eighth full year of the Water Reclamation Program. This program receives revenue from three water purveyors: San Dieguito Water District, Santa Fe Irrigation District, and the City of Del Mar. Water rates from these purveyors have continued to increase and, as of this time, have resulted in base recycled water rates from \$949 to \$1,067 per acre-foot (AF) as compared to \$548 per AF when the program began. The program also receives performance incentives in the amount of \$250 per AF from the Metropolitan Water District and \$200 per AF from the San Diego County Water Authority.

Budgeted revenue for this program is \$1,767,025 and actual revenues are anticipated to be \$1,858,020. Based on mid-year projections, the SEJPA could realize \$90,995 more in revenues than budgeted. This is a result of a combination of increased rates and increased volume. Budgeted and anticipated reclaimed water revenues by source are attached.

Budgeted expenditures total \$886,280 for operations and estimated expenditures are projected to be \$873,518. The debt service payment on infrastructure is at the budgeted amount of \$834,675. Estimated expenditures represent a savings of 1% or \$12,762 for the program.

The SEJPA had budgeted sufficient revenues to cover the cost of operations and maintenance as well as debt service for the reclamation program for the current fiscal year. With operating expenditures projected to be \$12,762 under budget (including unused contingency) and operating revenues projected to be \$90,995 over budget, it is estimated that the SEJPA will increase the Water Reclamation Reserve by \$103,757. During the course of the year reserves were used to fund a loan of \$10,000 to the City of Encinitas Oak Crest Park to retrofit the park to use recycled water. Therefore, taking this loan into consideration, the adjusted net increase in the Water Reclamation Reserve is expected to be \$93,757.

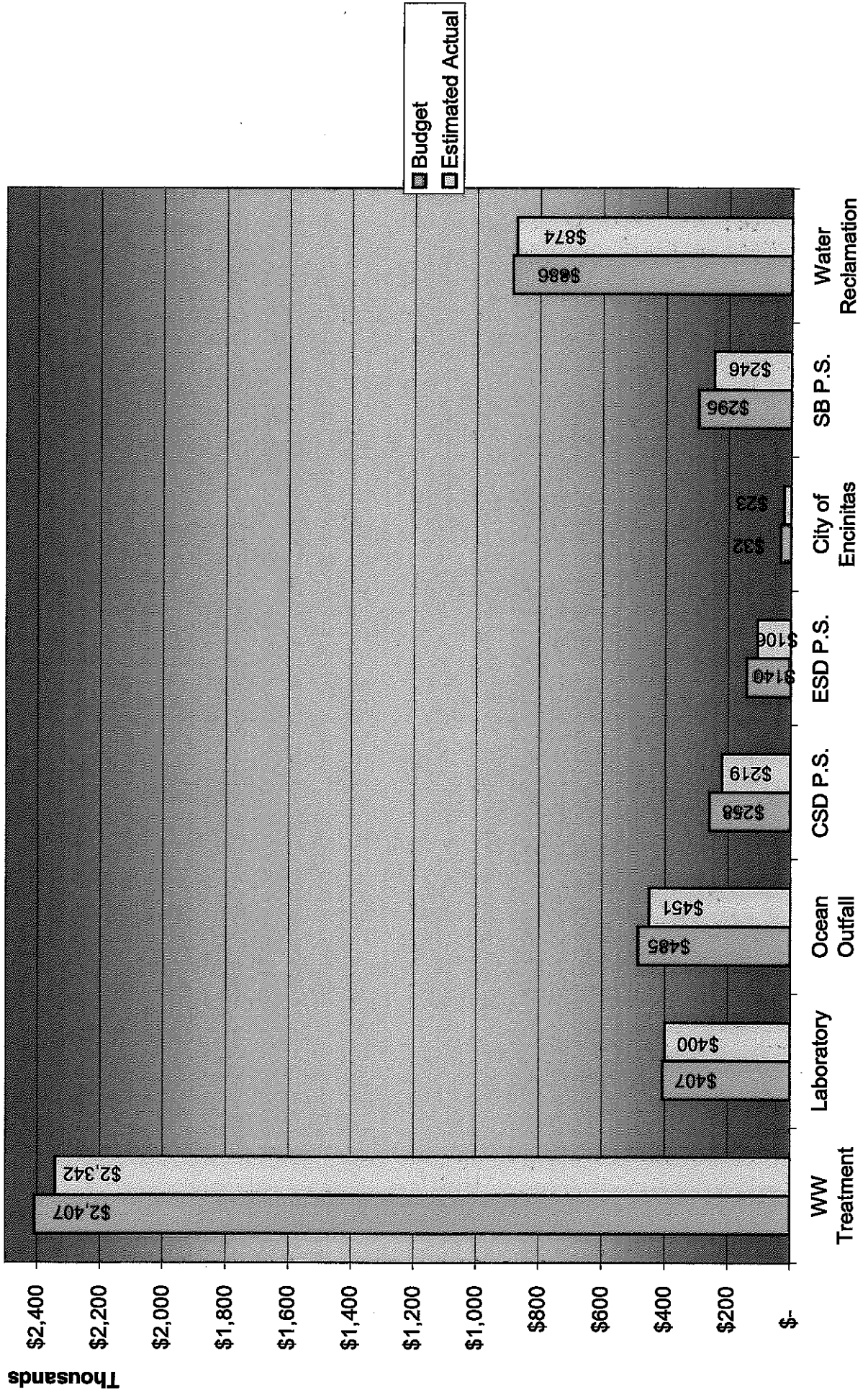
Respectfully submitted,

  
\_\_\_\_\_  
Gregor Lewis  
Finance Manager

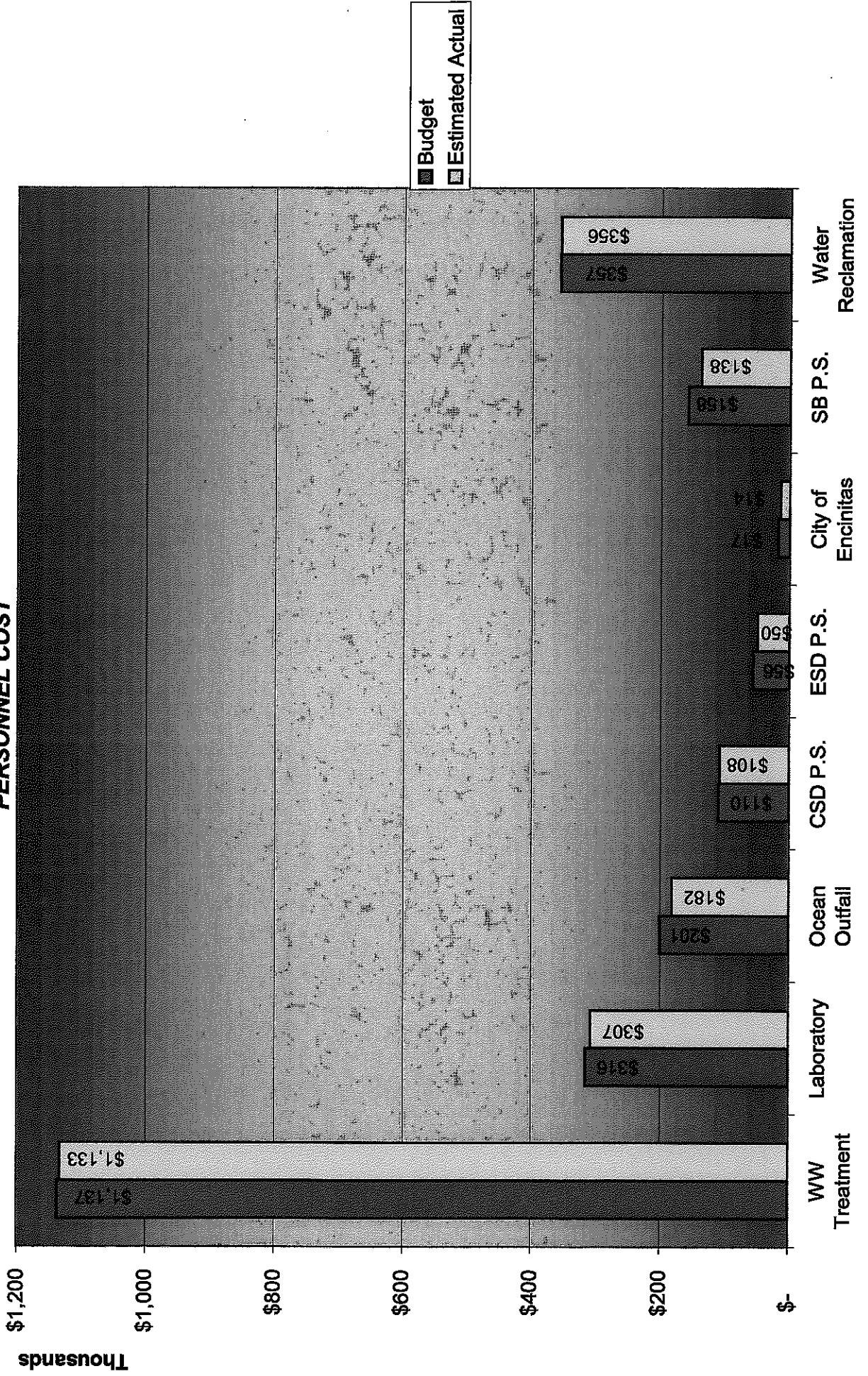
Attachments: Fiscal Year 2008-09 Budget vs. Estimated Actual Total Cost, Personnel Cost, Supplies and Services Cost, and Water Reclamation Revenues

**ATTACHMENT**

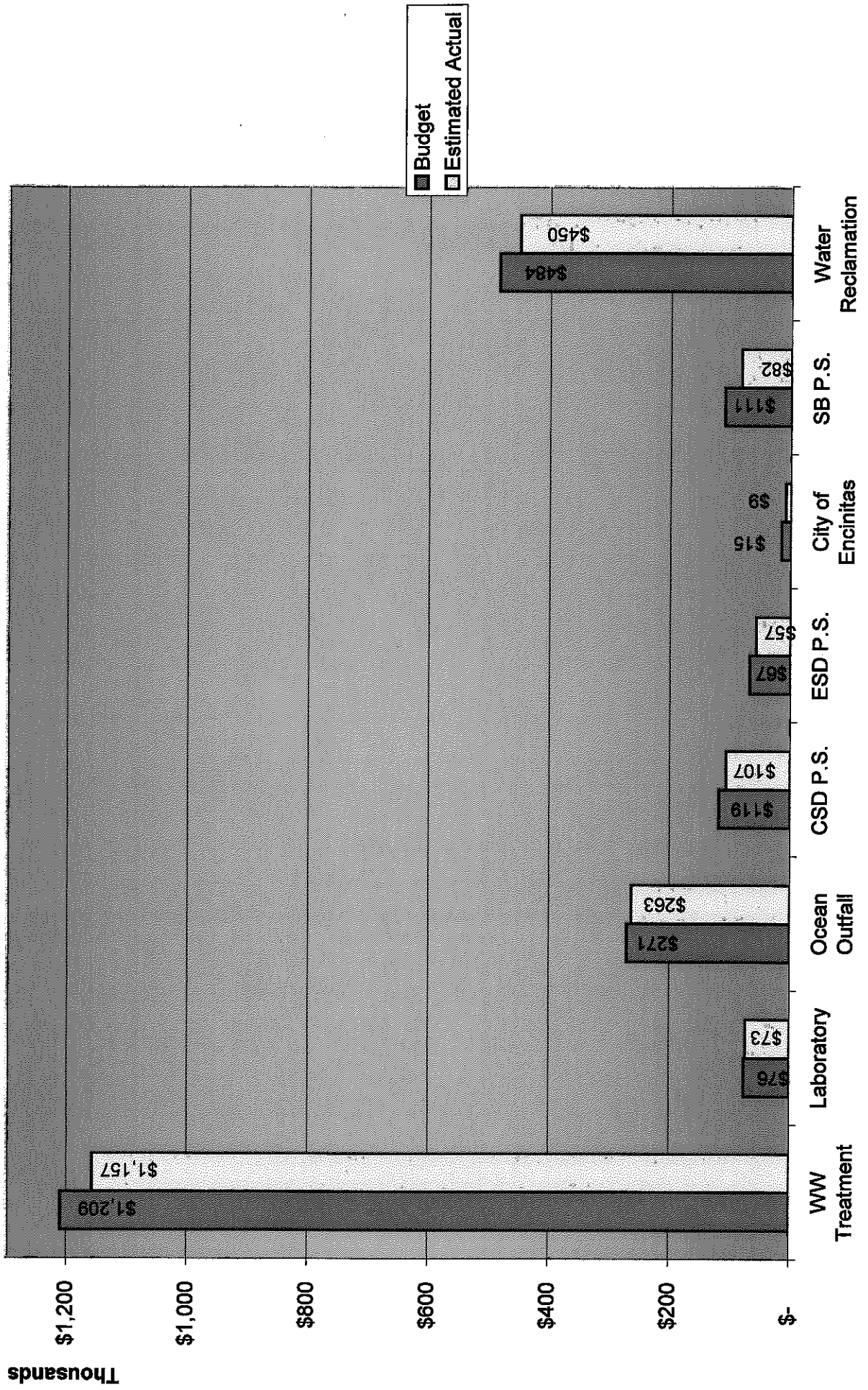
**San Elijo Water Reclamation Facility  
Fiscal Year 2008-09  
Budget vs. Estimated Actual  
TOTAL COST**



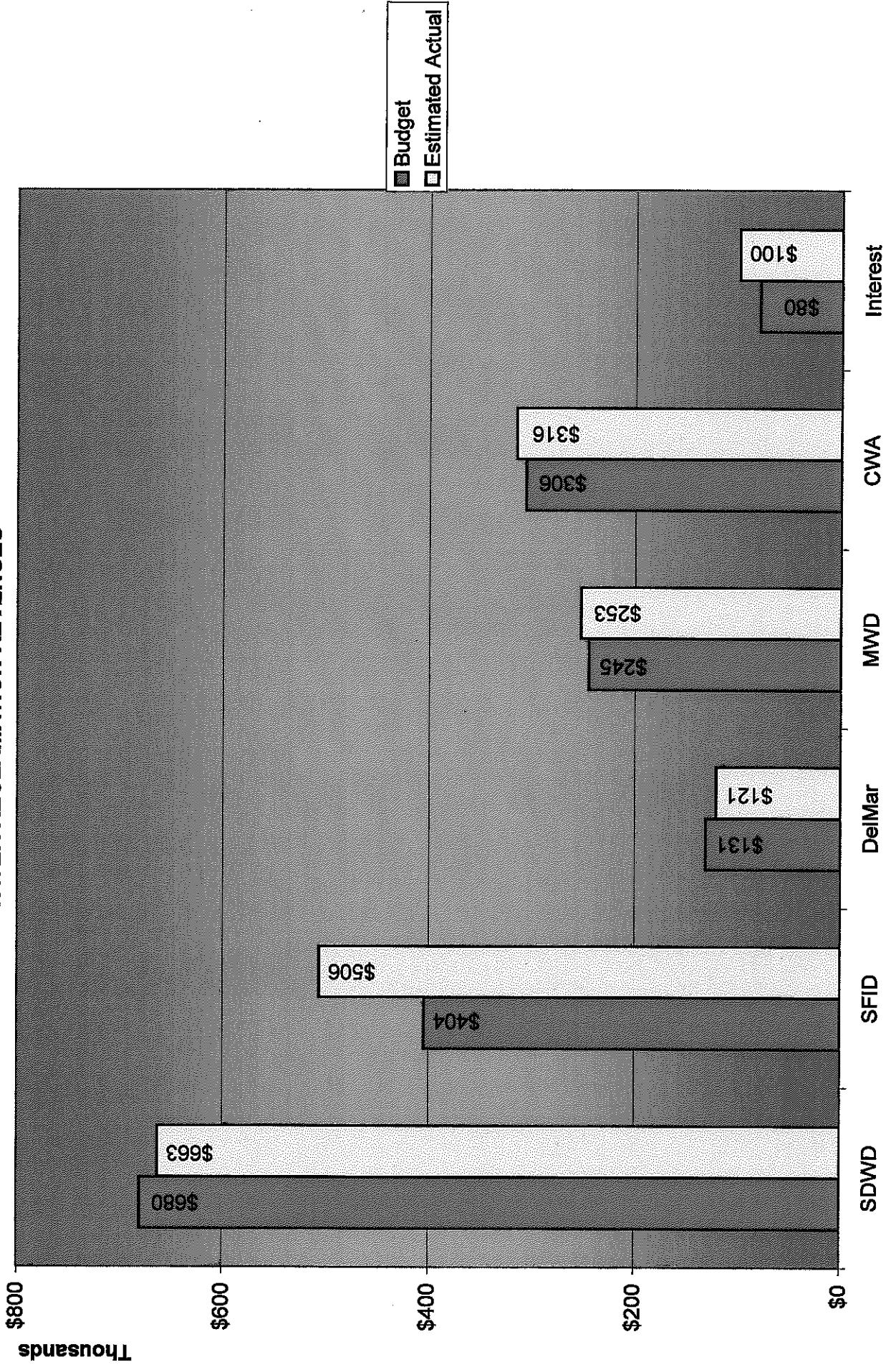
**San Eljio Water Reclamation Facility  
Fiscal Year 2008-09  
Budget vs. Estimated Actual  
PERSONNEL COST**



**San Elijo Water Reclamation Facility**  
**Fiscal Year 2008-09**  
**Budget vs. Estimated Actual**  
**SUPPLIES AND SERVICES COST**



**San Elijo Water Reclamation Facility  
Fiscal Year 2008-09  
Budget vs. Estimated Actual  
WATER RECLAMATION REVENUES**



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: Finance Manager

SUBJECT: CALPERS RESOLUTION TO APPROVE AN AGREEMENT TO PREFUND  
OTHER POST EMPLOYMENT BENEFITS THROUGH CALPERS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2009-05 to Approve an Agreement to Prefund Other Post Employment Benefits (OPEB) Through CalPERS Between the Board of Administration, California Public Employees' Retirement System and the Board of Directors, San Elijo Joint Powers Authority;
2. Authorize the General Manager to use contingency funding to pay the unfunded liability of \$98,075 at the end of Fiscal Year 2008-09, if available; and
3. Discuss and take action as appropriate.

BACKGROUND

*GASB 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, was instigated by the Governmental Accounting Standards Board (GASB) in response to the growing concern over the potential employer obligations for other post-employment benefits (OPEB). GASB 45 will:

1. Recognize the cost of OPEB benefits in the period when services are received.
2. Provide information about the actuarial liabilities for the promised benefits.
3. Provide information useful in assessing potential demands on future cash flows.

GASB 45 applies to the financial statements issued by government employers that offer OPEB and that are subject to GASB accounting standards. GASB 45 does not apply to private employers or trusts that are established in order to pre-fund OPEB benefits or for trusts that are used as conduits to pay OPEB benefits.

GASB has implemented the reporting of OPEB in three phases and is based on annual revenue reported in the first fiscal year ending after June 15, 1999. The implementation schedule for GASB 45 is:

1. Phase 1 implementation—for employers with annual revenues greater than \$100 million—is for fiscal years beginning after December 15, 2006.
2. Phase 2 implementation—for employers with annual revenues between \$10 million and \$100 million—is for fiscal years beginning after December 15, 2007.
3. Phase 3 implementation—for employers with annual revenues less than \$10 million—is for fiscal years beginning after December 15, 2008.

The implementation of GASB 45 requires agencies to report the accrued unfunded liability and the annual required contribution (ARC) in their financial statements. Agencies must also disclose descriptive information about each OPEB plan in which they participate, including the funding policy followed.

Until the implementation of GASB 45, these costs were not previously recognized in the financial statements of government institutions.

## DISCUSSION

In accordance with GASB 45, the San Elijo Joint Powers Authority (SEJPA) had an actuarial study performed. The results reported an unfunded actuarial accrued liability of \$98,075 and ARC of \$18,330 as of June 30, 2008. The ARC is the contribution the SEJPA will have to pay each year to fund the OPEB liability. CalPERS also requires an actuarial be performed every two years to update the ARC liability.

At this time, for the SEJPA, OPEB refers to the mandatory minimum medical premium contribution by the SEJPA to retired employees of the SEJPA. Currently, that amount is \$97 per month per retired employee if they choose to keep their insurance with CalPERS.

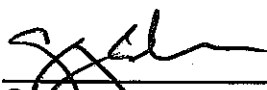
It is management's recommendation to fully fund the ARC in single payments at the end of each fiscal year in accordance with the proposed prefunding agreement. It is also management's recommendation to fully fund the unfunded liability of \$98,075 at the end of this fiscal year if contingency funding is available.

It is therefore recommended that the Board of Directors:

1. Adopt Resolution 2009-05 to Approve an Agreement to Prefund Other Post Employment Benefits (OPEB) Through CalPERS Between the Board of Administration, California Public Employees' Retirement System and the Board of Directors, San Elijo Joint Powers Authority;
2. Approve the use of contingency funding to pay the unfunded liability of \$98,075 at the end of this fiscal year; and
3. Discuss and take action as appropriate.



Respectfully submitted,



---

Gregory Lewis  
Finance Manager

**Attachment: Resolution No. 2009-05 to Approve an Agreement to Prefund Other Post Employment Benefits (OPEB) Through CalPERS Between the Board of Administration, California Public Employees' Retirement System and the Board of Directors, San Elijo Joint Powers Authority.**

**ATTACHMENT**

**SAN ELIJO JOINT POWERS AUTHORITY  
RESOLUTION NO. 2009-05**

**RESOLUTION TO APPROVE AN  
AGREEMENT TO PREFUND OTHER POST EMPLOYMENT BENEFITS  
THROUGH CALPERS  
BETWEEN THE  
BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
AND THE  
BOARD OF DIRECTORS  
SAN ELIJO JOINT POWERS AUTHORITY**

**Resolution provided by CalPERS**

**CALIFORNIA EMPLOYER'S RETIREE BENEFIT TRUST PROGRAM ("CERBT")**

**AGREEMENT AND ELECTION  
OF**

---

(NAME OF EMPLOYER)

**TO PREFUND OTHER POST EMPLOYMENT  
BENEFITS THROUGH CalPERS**

WHEREAS (1) Government Code Section 22940 establishes in the State Treasury the Annuitants' Health Care Coverage Fund for the prefunding of health care coverage for annuitants (Prefunding Plan); and

WHEREAS (2) The California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control and power over the administration and investment of the Prefunding Plan (sometimes also referred to as CERBT), the purposes of which include, but are not limited to (i) receiving contributions from participating employers and establishing separate Employer Prefunding Accounts in the Prefunding Plan for the performance of an essential governmental function (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the Prefunding Plan and to pay for health care costs or other post employment benefits in accordance with the terms of participating employers' plans; and

WHEREAS (3) \_\_\_\_\_  
(NAME OF EMPLOYER)

(Employer) desires to participate in the Prefunding Plan upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the Prefunding Plan upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Other Post Employment Benefits (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The Prefunding Plan is a trust fund that is intended to perform an essential governmental function within the meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 43 consisting of an aggregation of single-employer plans, with pooled administrative and investment functions;

**NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:**

**A. Representation and Warranty**

**Employer represents and warrants that it is a political subdivision of the State of California or an entity whose income is excluded from gross income under Section 115 (1) of the Internal Revenue Code.**

**B. Adoption and Approval of the Agreement; Effective Date; Amendment**

**(1) Employer's governing body shall elect to participate in the Prefunding Plan by adopting this Agreement and filing with the CalPERS Board a true and correct original or certified copy of this Agreement as follows:**

**Filing by mail, send to:        CalPERS  
   Constituent Relations Office  
   CERBT (OPEB)  
   P.O. Box 942709  
   Sacramento, CA 94229-2709**

**Filing in person, deliver to:**  
**CalPERS Mailroom  
   Attn: Employer Services Division  
   400 Q Street  
   Sacramento, CA 95814**

**(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement.**

**(3) The terms of this Agreement may be amended only in writing upon the agreement of both CalPERS and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.**

**(4) The Board shall institute such procedures and processes as it deems necessary to administer the Prefunding Plan, to carry out the purposes of this Agreement, and to maintain the tax exempt status of the Prefunding Plan. Employer agrees to follow such procedures and processes.**

### **C. Actuarial Valuation and Employer Contributions**

**(1) Employer shall provide to the Board an actuarial valuation report on the basis of the actuarial assumptions and methods prescribed by the Board. Such report shall be for the Board's use in financial reporting, shall be prepared at least as often as the minimum frequency required by GASB Statement No. 43, and shall be:**

- (a) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;**
- (b) prepared in accordance with generally accepted actuarial practice and GASB Statement Nos. 43 and 45; and,**
- (c) provided to the Board prior to the Board's acceptance of contributions for the valuation period or as otherwise required by the Board.**

**(2) The Board may reject any actuarial valuation report submitted to it, but shall not unreasonably do so. In the event that the Board determines, in its sole discretion, that the actuarial valuation report is not suitable for use in the Board's financial statements or if Employer fails to provide a required actuarial valuation, the Board may obtain, at Employer's expense, an actuarial valuation that meets the Board's financial reporting needs. The Board may recover from Employer the cost of obtaining such actuarial valuation by billing and collecting from Employer or by deducting the amount from Employer's account in the Prefunding Plan.**

**(3) Employer shall notify the Board of the amount and time of contributions which contributions shall be made in the manner established by the Board.**

**(4) Employer contributions to the Prefunding Plan may be limited to the amount necessary to fully fund Employer's actuarial present value of total projected benefits, as supported by the actuarial valuation acceptable to the Board. As used throughout this document, the meaning of the term "actuarial present value of total projected benefits" is as defined in GASB Statement No. 45. If Employer's contribution causes its assets in the Prefunding Plan to exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board may refuse to accept the contribution.**

**(5) The minimum Employer contribution will be at least \$5000 or be equal to Employer's Annual Required Contribution, whichever is less, as that term is defined in GASB Statement No. 45. Contributions can be made at any time following the seventh day after the effective date of the Agreement provided that Employer has first complied with the requirements of Paragraph C.**

#### **D. Administration of Accounts, Investments, Allocation of Income**

- (1) The Board has established the Prefunding Plan as an agent plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions, under the terms of which separate accounts will be maintained for each employer so that Employer's assets will provide benefits only under employer's plan.**
- (2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the Prefunding Plan (Employer's Prefunding Account).**
- (3) Employer's Prefunding Account assets may be aggregated with prefunding account assets of other employers and may be co-invested by the Board in any asset classes appropriate for a Section 115 Trust.**
- (4) The Board may deduct the costs of administration of the Prefunding Plan from the investment income or Employer's Prefunding Account in a manner determined by the Board.**
- (5) Investment income shall be allocated among employers and posted to Employer's Prefunding Account as determined by the Board but no less frequently than annually.**
- (6) If Employer's assets in the Prefunding Plan exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board, in compliance with applicable accounting and legal requirements, may return such excess to Employer.**

#### **E. Reports and Statements**

- (1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.**
- (2) The Board shall prepare and provide a statement of Employer's Prefunding Account at least annually reflecting the balance in Employer's Prefunding Account, contributions made during the period and income allocated during the period, and such other information as the Board determines.**

#### **F. Disbursements**

- (1) Employer may receive disbursements not to exceed the annual premium and other costs of post employment healthcare benefits and other post employment benefits as defined in GASB 43.**
- (2) Employer shall notify CalPERS in writing in the manner specified by CalPERS of the persons authorized to request disbursements from the Prefunding Plan on behalf of Employer.**

(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board. The Board may require that Employer certify or otherwise establish that the monies will be used for the purposes of the Prefunding Plan.

(4) Requests for disbursements that satisfy the requirements of paragraphs (2) and (3) that are received on or after the first of a month will be processed by the 15<sup>th</sup> of the following month. (For example, a disbursement request received on or between March 1st and March 31st will be processed by April 15th; and a disbursement request received on or between April 1st and April 30th will be processed by May 15th.)

(5) CalPERS shall not be liable for amounts disbursed in error if it has acted upon the written instruction of an individual authorized by Employer to request disbursements. In the event of any other erroneous disbursement, the extent of CalPERS' liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

(6) No disbursement shall be made from the Prefunding Plan which exceeds the balance in Employer's Prefunding Account.

#### **G. Costs of Administration**

Employer shall pay its share of the costs of administration of the Prefunding Plan, as determined by the Board.

#### **H. Termination of Employer Participation in Prefunding Plan**

(1) The Board may terminate Employer's participation in the Prefunding Plan if:

- (a) Employer gives written notice to the Board of its election to terminate;
- (b) The Board finds that Employer fails to satisfy the terms and conditions of this Agreement or of the Board's rules or regulations.

(2) If Employer's participation in the Prefunding Plan terminates for any of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the Prefunding Plan, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D.

(3) After Employer's participation in the Prefunding Plan terminates, Employer may not make contributions to the Prefunding Plan.



(4) After Employer's participation in the Prefunding Plan terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After thirty-six (36) months have elapsed from the effective date of this Agreement:

- (a) Employer may request a trustee to trustee transfer of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that the transfer will satisfy applicable requirements of the Internal Revenue Code and the Board's fiduciary duties, then the Board shall effect the transfer within one hundred twenty (120) days. The amount to be transferred shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the transfer by more than 120 days.
- (b) Employer may request a disbursement of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that all of Employer's obligations for payment of post employment health care benefits and other post employment benefits and reasonable administrative costs of the Board have been satisfied, then the Board shall effect the disbursement within one hundred twenty (120) days. The amount to be disbursed shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement by more than 120 days.

(6) After Employer's participation in the Prefunding Plan terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate.

(7) If, for any reason, the Board terminates the Prefunding Plan, the assets in Employer's Prefunding Account shall be paid to Employer after retention of (i) amounts sufficient to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants described by the employer's current substantive plan (as defined in GASB 43), and (ii) amounts sufficient to pay reasonable administrative costs of the Board.

(8) If Employer ceases to exist but Employer's Prefunding Plan continues to exist and if no provision has been made by Employer for ongoing payments to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants, the Board is authorized to and shall appoint a third party administrator to carry out Employer's Prefunding Plan. Any and all costs associated

with such appointment shall be paid from the assets attributable to contributions by Employer.

(9) If Employer should breach the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the Prefunding Plan.

## **I. General Provisions**

### **(1) Books and Records.**

Employer shall keep accurate books and records connected with the performance of this Agreement. Employer shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location at the Employer's office(s) and shall be available for inspection and copying by CalPERS and its representatives.

### **(2) Audit.**

- (a) During and for three years after the term of this Agreement, Employer shall permit the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalPERS, books and records of Employer relating to its performance of this Agreement.
- (b) Employer shall be subject to examination and audit by the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, during the term of this Agreement and for three years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Employer shall cooperate fully with the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

### **(3) Notice.**

- (a) Any notice, approval, or other communication required or permitted under this Agreement will be given in the English language and will be deemed received as follows:

1. **Personal delivery.** When personally delivered to the recipient. Notice is effective on delivery.
2. **First Class Mail.** When mailed first class to the last address of the recipient known to the party giving notice. Notice is effective three delivery days after deposit in a United States Postal Service office or mailbox.
3. **Certified mail.** When mailed certified mail, return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
4. **Overnight Delivery.** When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, Notice is effective on delivery, if delivery is confirmed by the delivery service.
5. **Telex or Facsimile Transmission.** When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice. Notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day.
6. **E-mail transmission.** When sent by e-mail using software that provides unmodifiable proof (i) that the message was sent, (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient along with a verifiable electronic record of the exact content of the message sent.

Addresses for the purpose of giving notice are as shown in Paragraph B.(1) of this Agreement.

- (b) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- (c) Any party may change its address, telex, fax number, or e-mail address by giving the other party notice of the change in any manner permitted by this Agreement.

- (d) All notices, requests, demands, amendments, modifications or other communications under this Agreement shall be in writing. Notice shall be sufficient for all such purposes if personally delivered, sent by first class, registered or certified mail, return receipt requested, delivery by courier with receipt of delivery, facsimile transmission with written confirmation of receipt by recipient, or e-mail delivery with verifiable and unmodifiable proof of content and time and date of sending by sender and delivery to recipient. Notice is effective on confirmed receipt by recipient or 3 business days after sending, whichever is sooner.

**(4) Modification**

This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by the party to be charged.

**(5) Survival**

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of their Agreement shall survive the termination of this Agreement until such time as all amounts in Employer's Prefunding Account have been disbursed.

**(6) Waiver**

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

**(7) Necessary Acts, Further Assurances**

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

A majority vote of Employer's Governing Body at a public meeting held on the \_\_\_\_\_ day of the month of \_\_\_\_\_ in the year \_\_\_\_\_, authorized entering into this Agreement.

Signature of the Presiding Officer: \_\_\_\_\_

Printed Name of the Presiding Officer: \_\_\_\_\_

Name of Governing Body: \_\_\_\_\_

Name of Employer: \_\_\_\_\_

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

**BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

BY \_\_\_\_\_  
**KENNETH W. MARZION**  
**ACTUARIAL AND EMPLOYER SERVICES BRANCH**  
**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

<p>To be completed by CalPERS</p> <p>The effective date of this Agreement is: _____</p>
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SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

February 9, 2009

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: FEDERAL STIMULUS PACKAGE FOR INFRASTRUCTURE PROJECTS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

DISCUSSION

In response to the federal economic stimulus package currently being prepared by Congress, staff has prepared a list of potential capital improvement projects that would warrant consideration for fast-tracking. These projects are identified as recommended improvement in the 2007 San Elijo Water Reclamation Facility Master Plan and/or in other previously prepared reports. Staff has reviewed this comprehensive list and has ranked the projects based on need for permit compliance, system reliability, asset protection, and maximizing the use of renewable and alternative resources.

Projects that did not meet the criteria of requiring construction within the next 12 months were slated on the proposed SEJPA's 6-Year Capital Improvement Program (CIP) Schedule, which staff is preparing concurrent with this effort. The 6-Year CIP Schedule will help the SEJPA and its Member Agencies with forecasting work loads and funding requirements for maintaining and improving SEJPA infrastructure.

SEJPA staff worked in concert with Member Agency staff, San Dieguito Water District staff, and Santa Fe Irrigation District staff in preparing both the 6-Year CIP Schedule and the recommended stimulus infrastructure projects. Currently, both lists are at draft-Final status and are expected to be presented to the SEJPA Board of Directors within the next 60 days for consideration and comments.

To provide the SEJPA Board of Directors a preview of the recommended stimulus projects, staff has prepared a brief overview of the highest ranking projects for consideration.

***ELECTRICAL SYSTEMS***

The first project is an upgrade of the electrical switch gear system that serves the treatment plant, laboratory, and operations control building. This equipment is approximately 30 years old, is experiencing increased maintenance needs, and repair parts are no longer manufactured. In the 2007 Master Plan, this equipment is listed as having reached its economic useful life and was recommended for replacement. The preliminary cost estimate for this project is \$1.4 million. This project was ranked as a Tier 1 Project due to this electrical system being a critical system (always

being required to function) and for it having limited system redundancy. A low-interest State Revolving Fund (SRF) loan is being considered as the primary funding mechanism.

***RECYCLED WATER IMPROVEMENTS AND EXPANSION***

The second project is focused on improving and expanding the recycled water system. This project has three distinct components: (1) advanced treatment for total dissolved solids (TDS) removal, (2) onsite storage, and (3) conveyance system improvements to serve new customers. The goals of this project will be to improve program reliability and permit compliance, increase operational flexibility, and expand usage. As a result of these improvements, it is estimated that an additional 200 to 300 acre-feet per year of recycled water could be served by the program.

The recycled water project timing is also consistent with the pressing need of expanding local water supplies in response to the ongoing California drought. The water districts that serve the City of Encinitas and Solana Beach have enacted the first level of their drought response plan. This action is consistent with the state of California, in which the Governor declared a state-wide drought in June 2008.

The project was ranked as a Tier 1 Project due to compliance requirements for TDS limits in the recycled water and for improving system reliability, as well as maximizing an alternative resource. The preliminary cost estimate for this project has a range of \$5 million to \$8 million. The project may qualify for partial grant funding and would qualify for performance incentives provided under existing agreements between the SEJPA and the Metropolitan Water District and the San Diego County Water Authority. The SEJPA may consider funding this project through a low-interest SRF loan, as well.

It is therefore recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager