

**AGENDA**  
**SAN ELIJO JOINT POWERS AUTHORITY**  
**MONDAY MARCH 14, 2011 AT 9:00 AM**  
**SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM**  
**2695 MANCHESTER AVENUE**  
**CARDIFF BY THE SEA, CALIFORNIA**

---

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
5. PRESENTATION OF AWARDS
  - Aaron Simonson – Recognition Certificate: Five Years of Service 1/30/2006
  - Carrie Cook – Recognition Certificate: Five Years of Service 3/13/2006
  - California Water Environment Association (CWEA), San Diego Section  
– Instrument Technician Person of the Year Award: Casey Larsen
6. \* **CONSENT CALENDAR**
7. \* APPROVAL OF MINUTES FOR THE FEBRUARY 14, 2011 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. **NORTH SAN DIEGO COUNTY COOPERATIVE DEMINERALIZATION PROJECT**

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

13. **REC-1 OCEAN DISCHARGE COMPLIANCE UPDATE**

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

14. **QUARTERLY UPDATE – RECYCLED WATER DISCUSSIONS BETWEEN THE SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) AND THE SANTA FE IRRIGATION DISTRICT (SFID)**

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

15. **JOINT LOBBYING AND COST SHARING BETWEEN THE MEMBERS OF THE NORTH SAN DIEGO COUNTY REGIONAL RECYCLED WATER PROJECT**

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Staff Reference: General Manager Michael Thornton

16. **GENERAL MANAGER'S REPORT**

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

17. **GENERAL COUNSEL'S REPORT**

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

18. BOARD MEMBER COMMENTS

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

19. CLOSED SESSION

No Scheduled 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".

20. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be April 11, 2011 at 9:00 a.m.

NOTICE:

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

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

AFFIDAVIT OF POSTING

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

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

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

Date: March 9, 2011



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

SAN ELIJO JOINT POWERS AUTHORITY  
MINUTES OF THE BOARD MEETING  
HELD ON FEBRUARY 14, 2011  
AT THE  
SAN ELIJO WATER RECLAMATION FACILITY

---

Thomas M. Campbell, Chair

Teresa Barth, Vice Chair

---

A Meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, February 14, 2011, at 9:00 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

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

2. ROLL CALL

*Directors Present:*

Teresa Barth  
Thomas M. Campbell  
Maggie Houlihan  
Dave W. Roberts

*Others Present:*

General Manager  
Director of Operations  
Administrative Assistant  
Accounting Technician  
Safety/HR Administrator

Michael Thornton  
Christopher Trees  
Monica Blake  
Carrie Cook  
Marisa Buckles

*SEJPA Counsel:*

Procopio, Cory, Hargreaves & Savitch

Greg Moser

City of Encinitas,  
Director of Public Works

Larry Watt

City of Encinitas,  
Public Works Management Analyst

Bill Wilson

City of Solana Beach,  
City Manager

David Ott

City of Solana Beach,  
Director of Engineering/Public Works

Mohammad "Mo" Sammak

3. PLEDGE OF ALLEGIANCE

General Manager Michael Thornton led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Michael Thornton presented the Board of Directors with the California Water Environment Association (CWEA), San Diego Section, Safety Award for 1-25 Employees. This award recognizes agencies with high safety standards and practices. The SEJPA's safety record includes 10 years without a lost work day due to accident. He also presented the Board with the California Sanitation Risk Management Authority (CSRMA) Safety Superstar Award for 2009-10, which recognizes the SEJPA for no lost days due to injury and zero workers compensation claims.

The General Manager stated that a press release on these awards will be prepared.

6. CONSENT CALENDAR

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

Consent Calendar:

Agenda Item No. 7	Approval of Minutes for the January 10, 2011 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

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. SAN ELIJO OCEAN OUTFALL 2010 ANNUAL INSPECTION REPORT

General Manager Michael Thornton reported that the annual inspection of the San Elijo Ocean Outfall has been completed. The inspection work was conducted by Merkel & Associates, Inc. between September and November, 2010. Diving staff conducted a general inspection of the outfall corridor from approximately the 100-foot depth level to the shoreline. The outfall showed no signs of spalling, rust staining, or cracking. Furthermore, the pipe joints appear to be in good condition with no signs of leakage.

Dive staff also inspected the zinc anodes that provide corrosion protection on steel access ports and on the near-shore pipe restrain system. The anodes were in good condition and have considerable remaining life expectancy where these were visible and could be inspected. Divers noted that Porthole 4 could not be located during this inspection despite considerable time and effort spent removing misplaced ballast to expose the porthole. The General Manager stated that locating this porthole will be a priority in the 2011 annual inspection so that the anode can be inspected and the porthole can be put into a regular inspection cycle with the remaining access structures. The conclusion of the inspection is that the Outfall is in excellent condition overall.

Moved by Board Member Roberts and seconded by Vice Chair Barth to:

1. Accept and File the San Elijo Ocean Outfall Year 2010 Annual Inspection Report prepared by Merkel & Associates, Inc.

Motion carried with unanimous vote of approval.

13. ACCEPT AND FILE – FINAL DESIGN PLANS AND SPECIFICATIONS FOR THE ELECTRICAL UPGRADES PROJECT AT THE SAN ELIJO WATER RECLAMATION FACILITY

General Manager Michael Thornton stated that in February 2010, the SEJPA staff prepared a request for proposals from engineering firms for the development of design drawings and construction specifications for replacing and upgrading major electrical components at the San Elijo Water Reclamation Facility. The SEJPA selected Camp Dresser & McKee (CDM) in March, 2010. The final design drawings and specifications were completed in January 2011, and the General Manager is presenting them to the Board of Director for acceptance.

As of the Fiscal Year 2010-11, the SEJPA has appropriated \$845,000 for this project, with plans to budget \$497,000 in FY 2011-12. The estimated total cost of the project is \$1.34 million. SEJPA staff has discussed this project with staff from the Member Agencies to gain agreement on the need for the project, project scope, and the funding requirement for FY 2011-12. This funding request is consistent with previous funding projections by the SEJPA to the Member Agencies for FY 2011-12 capital projects.

Moved by Board Member Houlihan and seconded by Board Member Roberts to:

1. Accept and File the Final Design Plans and Specifications for the Electrical Upgrades Project for the San Elijo Water Reclamation Facility prepared by CDM, Inc.; and
2. Authorize the General Manager to Publicly Advertise and Bid the Construction Contract.

Motion carried with unanimous vote of approval.

14. ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION FOR THE RECYCLED WATER DEMINERALIZATION PROJECT

General Manager Michael Thornton stated that in December 2009, as part of the Recycled Water Demineralization Project, the SEJPA Board of Directors adopted a Mitigated Negative Declaration (MND) by vote, to complete the CEQA process.

To comply with the State Revolving Fund (SRF) Loan Program requirements, which may be a funding source for the demineralization project, the CEQA documents must be approved by resolution. Therefore, Mr. Thornton presented Resolution 2011-06 for approval by the Board.

Moved by Board Member Roberts and seconded by Vice Chair Barth to:

1. Approve Resolution 2011-06, A Resolution of the Board of Directors of the San Elijo Joint Powers Authority Adopting the Final Initial Study/Mitigated Negative Declaration, the Mitigation Monitoring and Reporting Plan, and the CEQA Findings of Fact for the SEJPA Recycled Water Project.

Motion carried with unanimous vote of approval.

15. SAN ELIJO JOINT POWERS AUTHORITY MID-YEAR REVIEW OF THE FISCAL YEAR 2010-11 OPERATING BUDGET

General Manager Michael Thornton presented the mid-year analysis of the SEJPA's FY 2010-11 Budget. It is expected that overall, the SEJPA will conclude the fiscal year at or slightly below budget. Personnel and non-personnel costs will be below budgeted levels and capital outlay will be slightly above budgeted levels. Each program has designated contingency funding to address emergency issues, unforeseen repairs, or other unplanned events. At this time, it is not expected that the use of contingency funds will be required. Any funds not expended are returned to the funding agency.

The General Manager reported that overall, all of the SEJPA program expenditures are matching the budget estimates. While some individual programs have experienced unforeseen costs, the bottom line of each program is within budgeted expectations.

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

16. CONSIDER APPROVAL OF AN AGREEMENT FOR JOINT LOBBYING AND COST SHARING BETWEEN THE MEMBERS OF THE NORTH SAN DIEGO COUNTY REGIONAL RECYCLED WATER PROJECT (NSDCRRWP)

The General Manager Michael Thornton reported that in 2010, the SEJPA began working collaboratively with several local water districts to examine opportunities to expand recycled water use within north San Diego County. This effort evolved into a working group of eleven governmental organizations, including cities, water districts, and sanitation districts. The NSDCRRWP includes the SEJPA, Olivenhain Municipal Water District, Leucadia Wastewater District, Carlsbad Municipal Water District, Vallecitos

Water District, Santa Fe Irrigation District, Vista Irrigation District, City of Oceanside, City of Vista, Rincon Del Diablo Municipal Water District, and the City of Escondido.

The General Manager stated that it could be advantageous the SEJPA to join with other agencies to create a lobbying group for federal funds from the Bureau of Reclamation, Title XVI. A similar effort was successful in the 1990's for acquiring \$20 million for the region, of which the SEJPA received about \$4.3 million. The proposal for the Board is to consider joining this group in an annual lobbying agreement along with the Furman Group at a cost of approximately \$12,000 per year, depending on the number of agencies that join the group.

Board Member Roberts asked to defer this agenda item for one month to allow for additional information to be collected on the strategy and approach for seeking federal funding in the current political climate. Board Member Roberts and City Manager Ott volunteered to work with the General Manager on this effort. The request was approved by all Board Members.

17. GENERAL MANAGER'S REPORT

The General Manager Michael Thornton reported that at the next Board meeting, he will provide the Board of Directors with a presentation on the North San Diego County Cooperative Demineralization Project. The project partners include the Olivenhain Municipal Water District (OMWD), the San Elijo Lagoon Conservancy, and the SEJPA. In 2010, the SEJPA submitted the project to the San Diego Integrated Regional Water Management Group for Proposition 84 grant funding consideration. The grant proposal received the highest rating of all submitted, and it is now waiting for final approval by the California Department of Water Resources. The General Manager stated that he invited Kim Thorner, General Manager of OMWD, and Doug Gibson, Executive Director of the San Elijo Lagoon Conservancy to attend next month's Board meeting and to speak on their components of the project.

18. GENERAL COUNSEL'S REPORT

None

19. BOARD MEMBER COMMENTS

Vice Chair Barth asked if the SEJPA has received a response from the City of Escondido on the peak flow event. General Manager Michael Thornton reported that City of Escondido staff, not city council, responded, in writing, to the first event which occurred in October, 2010. For this high flow event, it was noted that a programming error of their metering system was the main cause.

Board Member Roberts stated that the Chair of SANDAG appointed Mr. Roberts to the California Biodiversity Council. The Council's purpose is to discuss, coordinate, and assist in developing strategies and complementary policies for conserving biodiversity. Members exchange information, resolve conflicts, and promote development of regional conservation practices. The first meeting is in March.



Board Member Houlihan stated that last month she and Mr. Thornton attended the Procopio, Cory, Hargreaves & Savitch the Climate Club Dinner, Water and Energy Series, Part II: Pricing Water. Board Member Houlihan thought the presentation was excellent and interesting.

20. CLOSED SESSION

None

21. ADJOURNMENT

The Board of Directors adjourned at 9:52 a.m. The next Board of Directors meeting will be held on March 14, 2011.

Respectfully submitted,

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

Michael T. Thornton, P.E.  
General Manager

PAYMENT OF WARRANTS

11-03

4-Mar-11

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
<b>11-03 Warrants</b>		
Abcana Industries	Hydrochloric acid - odor scrubbers - plant	\$353.19
Accurate Air Engineering, Inc.	Parts for grit blower - plant	\$1,809.60
Advanced Air & Vacuum	Service on air compressor - water reclamation	\$383.67
Affordable Pipeline Services	Force main cleaning - Coast Blvd. P. S.	\$425.00
AG Tech, LLC	Biosolids hauling - January	\$8,569.08
Aire Filter Products-Calif.	Filters for aeration blowers - plant	\$537.00
Airgas West	Welding safety equipment	\$210.74
Akzo Nobel Paints, LLC	Paint - plant	\$117.02
Aquatic Bioassay	Bioassays - kelp, urchin, and topsmelt - lab	\$2,820.00
Arrowhead	Kitchen and lab supplies	\$278.39
AT&T	Phone service - 01/13/11 - 02/12/11	\$358.49
AT&T	Alarm service - February	\$380.18
Atel Communications Inc.	Telephone templates update - plant	\$8.18
Atlas Pumping Service	Grease and scum pumping - January	\$473.96
Atlas Pumping Service	Grease and scum pumping - February	\$1,028.84
Atlas Pumping Service	Grit and screening - January	\$742.35
Atlas Pumping Service	Grit and screening - February	\$742.35
Barracuda Networks, Inc.	Network back-up	\$50.00
Best, Best & Kreger	Clean water state revolving fund loan	\$197.50
Black Burn MFG. Co.	Paint, flags, and markers - water reclamation	\$236.71
Blake, Monica	Expense report - mileage	\$29.05
Blue Skies Landscape	Landscape service - January	\$1,200.00
Broding's Battery Warehouse	Batteries for work trucks and portable wacker pump	\$265.46
CASA	2011 agency membership dues	\$8,000.00
California Water Technologies	Ferric chloride - plant	\$5,248.32
Coast Waste Management	Grit and screening- storm drains, palm fronds disposal	\$1,030.41
Complete Office	Office supplies - January	\$71.32
Complete Office	Office supplies - February	\$107.43
Corodata	Record storage - January	\$66.73
Cortech Engineering, Inc.	Stator pump - plant	\$104.45
County of San Diego - APCD	Permit fees - Cardiff P. S. and plant	\$2,818.00
Del Mar Blue Print	Digital scan plans to CD - water reclamation and plant	\$1,669.43
DMV	Safety records	\$12.00
Ditch Witch Central Cal	Wheel - plant	\$92.23
Drive Line Service	U-joint installation straighten,balance-Solana Bch P. S.	\$247.61
EDCO	Trash service - January	\$184.01
Emission Compliant Controls	Maintenance service on standby generators	\$2,875.00
Fleet Services	Fuel - January	\$795.54
GSO	Mailing compliance reports	\$31.28
Green Valley Landscape	Tree trimming - plant	\$900.00
Golden State Overnight - GSO	Mailing compliance reports	\$34.44
Hoch, Adam	Expense report - ASCE membership dues	\$210.00
Horizon Health EAP	EAP - February	\$351.12
Hurtado, Emmanuel	Expense report - pedometers	\$429.80
Jani-King	Janitorial service - February	\$882.64
Kennedy/Jenks Consultants	Recycled water demineralization - 50% design	\$51,475.05
Konica	Monthly copier maintenance	\$89.40
Larsen, Casey	Expense report - wireless router and cables	\$180.73
Marine Taxonomic Services	Ocean offshore monitoring - February - outfall	\$740.00
McMaster-Carr Supply Co.	Plumbing and shop supplies - plant	\$124.05
Met Life SBC	Dental insurance - March	\$1,897.45
Michael R. Welch, Ph.D., P.E.	San Elijo Ocean Outfall NPDES Permit	\$5,265.00
Mutual of Omaha	Life and disability insurance - March	\$1,672.40

PAYMENT OF WARRANTS

11-03

4-Mar-11

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
Napa Auto Parts	Oil for blower - plant	\$33.80
Nash Fabricators	Stainless steel bolt sets, gaskets -conveyer belt-plant	\$1,954.21
Nationwide Pest Control	Clean out and sanitize - plant and pump stations	\$1,535.00
NCPA of San Diego	Seminar - M. Buckles and C. Cook	\$71.00
North State Environmental	Transport and dispose of non-hazardous waste	\$544.82
OMWD	Manchester - 12/08/10 - 01/11/11	\$35.83
Olin Corp - Chlor Alkali	Sodium hypochlorite and bleach - plant and water rec.	\$3,194.39
One Source Distributors	Electrical supplies - Olivenhain P. S.	\$186.19
PERS - Health	Health - March	\$16,445.00
PERS - Retirement	Retirement premium - 02/11/11	\$13,928.42
PERS - Retirement	Retirement premium - 02/25/11	\$13,957.98
Preferred Benefit Insurance	Vision insurance - February	\$244.14
Probuild	Repairs, shop and field supplies - January	\$353.93
Procopio, Cory, Hargreaves	Legal service - general - January	\$4,357.78
Ray Higley Welding	Welding service on valve - Olivenhain P. S.	\$565.00
Rockwell Engineering	Vaughan pedestal chopper pump - Olivenhain P. S.	\$14,023.62
Rohan & Sons, Inc.	Heating and air condition unit - lunch room - plant	\$4,890.00
RSF Security Systems	Security Service - 03.01.11 - 05.31.11	\$1,482.00
San Diego Crane and Hoist	Inspect, service, and test - crane hoists - all facilities	\$3,698.30
San Diego Gas and Electric	Gas and electric - 01/06 - 02/07	\$33,697.94
San Diego Gas and Electric	Gas and electric - 01/07 - 02/08 - Cardiff P. S.	\$1,223.77
San Diego Gas and Electric	Gas and electric - 12/08 - 01/07 - Valley	\$2,018.49
San Diego Gas and Electric	Electric service and meter removal	\$8,884.00
San Diego Pooled Insurance	Chemical inventory management	\$1,281.76
San Dieguito Water District	2710 Manchester - 11/22/10 - 01/24/11	\$240.72
San Dieguito Water District	Manchester - 11/22/10 - 01/24/11	\$167.16
San Dieguito Water District	Manchester - 11/22/10 - 01/24/11	\$204.42
San Dieguito Water District	Manchester - 12/29/10 - 01/28/11	\$3,459.11
San Dieguito Water District	Manchester - 12/29/10 - 01/28/11	\$227.61
San Dieguito Water District	Manchester - 12/29/10 - 01/28/11	\$137.69
San Dieguito Water District	Manchester - 12/29/10 - 01/28/11	\$539.52
San Dieguito Water District	Manchester - 12/29/10 - 01/28/11	\$373.73
San Dieguito Water District	S. Coast Highway 101 - 11/22/10 - 01/24/11	\$48.39
San Elijo Payroll Account	Payroll - 02/11/11	\$67,503.15
San Elijo Payroll Account	Payroll - 02/25/11	\$60,093.98
Santa Fe Irrigation District	Lomas Santa Fe Dr. - 11/17/10 - 01/17/11	\$865.27
Santa Fe Irrigation District	Valley - 12/31/10 - 01/31/11	\$47.42
Smart & Final	Office and kitchen supplies	\$108.38
Sy Nielson Services, Inc.	Calibration of balances - lab	\$285.00
Target Safety	Annual online training program	\$2,100.00
Terminix	Pest control - 02/01/11 - 02/01/12	\$942.84
Terra Renewal/Fleet	Biosolids hauling - January	\$3,115.41
Test America	Lab testing - January	\$590.25
Test America	Lab testing - February	\$625.00
Thornton, Michael	Expense report-Rec.wtr. meetings-Sacramento/S.D.	\$442.63
Trussell Technologies, Inc.	Phase II recycled water improvement - water rec.	\$1,746.00
Underground Service Alert	Dig alert - January	\$103.50
Unifirst Corporation	Uniform service - February	\$313.69
VWR International, Inc.	Culture tubes and gloves - plant and lab	\$615.83
VWR International, Inc.	Culture tubes - lab	\$381.70
Video Surveillance	Surveillance equipment - plant	\$128.59
WEF	Membership - M. Henke	\$220.00
WateReuse Association	Annual conference - M. Thornton, C. Trees, A. Hoch	\$900.00
WateReuse Association	Sponsorship	\$500.00
Western Hose & Gasket	Plumbing parts	\$106.26

PAYMENT OF WARRANTS

11-03

4-Mar-11

VENDOR	DESCRIPTION OF EXPENSE	AMOUNT
	<b>Total 11-03 Warrants</b>	<u>\$384,563.22</u>


SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

4-Mar-11

PAYMENT OF WARRANTS		\$384,563.22
Reference Number	11-03	

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  
Director of Finance/Administration  
Treasurer

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

4-Mar-11

<u>FUNDS ON DEPOSIT WITH</u>	<u>AMOUNT</u>
<b>LOCAL AGENCY INVESTMENT FUND</b> <i>(DECEMBER 2010 YIELD 0.47%)</i>	
SELF INSURANCE RESERVE	\$ 300,000.00
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 6,097,165.44
<b>CALIFORNIA BANK AND TRUST</b> <i>(FEBRUARY 2011 YIELD 0.01%)</i>	
REGULAR CHECKING	\$ 212,589.35
PAYROLL CHECKING	\$ 5,000.00
<b>TOTAL RESOURCES</b>	<b>\$ 7,244,754.79</b>

\*

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

March 14, 2011

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 ocean effluent limitation requirements for the month of January 2011. The primary indicators of treatment performance include the removal of Carbonaceous Biochemical Oxygen Demand (CBOD) and Total Suspended Solids (TSS). The SEJPA is required to remove a minimum of 85 percent of the CBOD and TSS from the wastewater. Treatment levels for CBOD and TSS were 94.0 percent and 90.9 percent, respectively, for January (as shown in Figure 1 and Figure 2).

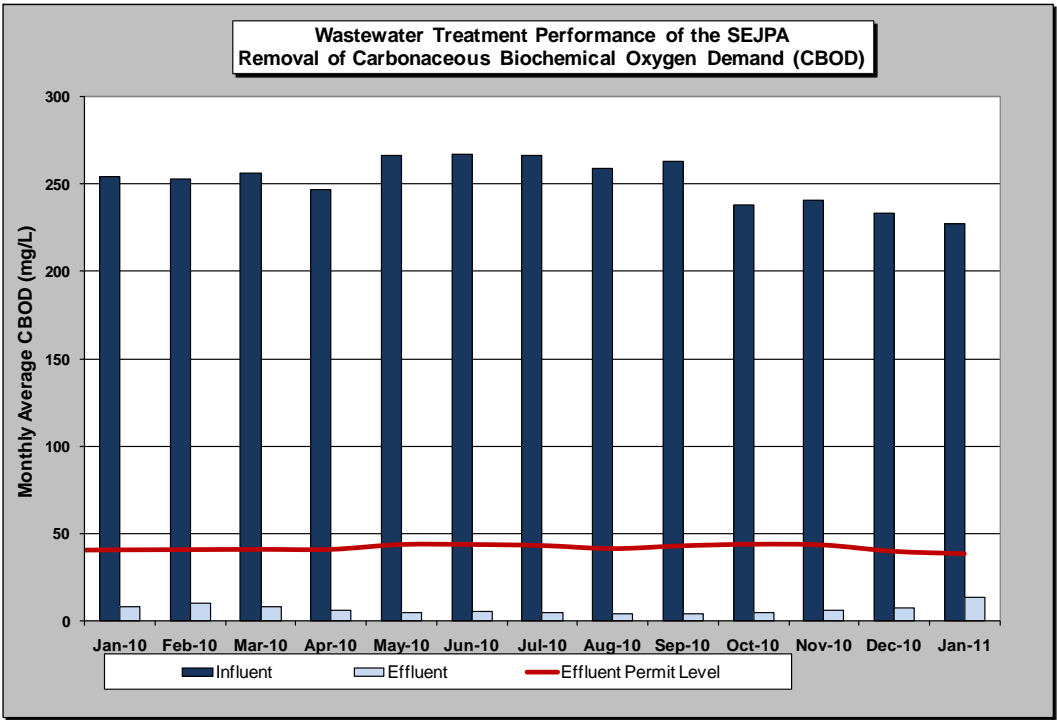


FIGURE 1

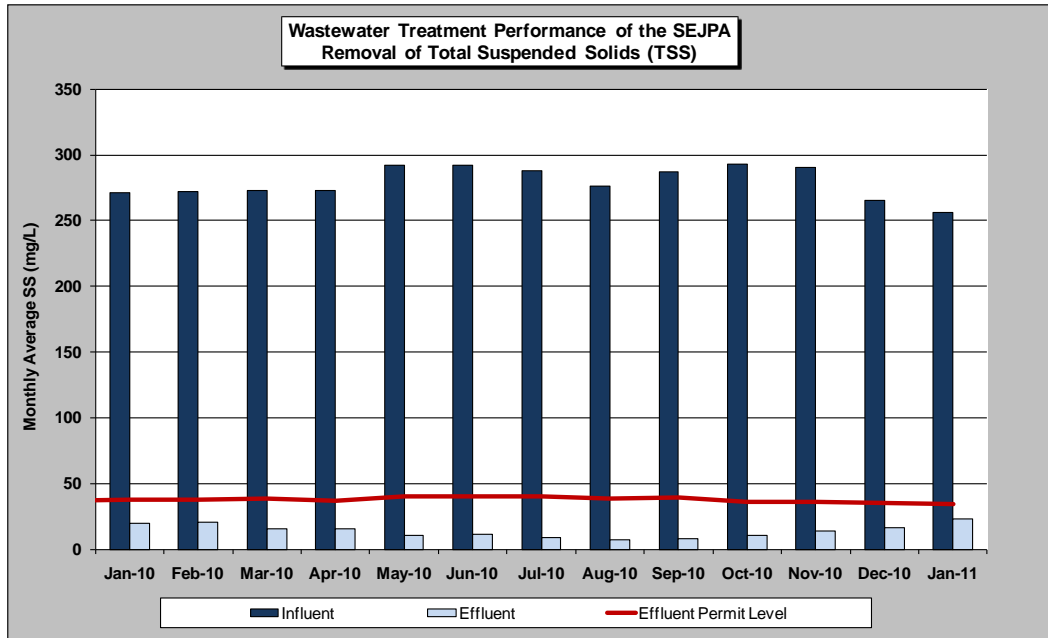


FIGURE 2

### Member Agency Flows

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

	January	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.452	1.272
City of Solana Beach	1.338	1.172
Rancho Santa Fe SID	<u>0.158</u>	<u>0.139</u>
<b>Total San Elijo WRF Flow</b>	<b>2.948</b>	<b>2.583</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.

Table 1 (attached) 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.

Figure 3 (attached) 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 in Figure 3 is the total wastewater treatment capacity of the plant, 5.25 mgd, of which each Member Agency has the right to 2.5 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 average flow rate is reported by the City of Escondido for the month of January.

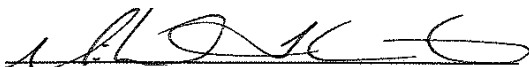
	<b>January (mgd)</b>
Escondido (Average flow rate)	12.9
Escondido (Peak flow rate)	18.6

Connected Equivalent Dwelling Units

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

	<b>January (EDU)</b>
Cardiff Sanitary Division	8,227
Rancho Santa Fe SID	478
City of Solana Beach	7,428
San Diego (to Solana Beach)	300
<b>Total EDUs to System</b>	<b>16,433</b>

Respectfully submitted,

  
Michael T. Thornton, P.E.  
General Manager

Attachments: Table 1: SEWRF Monthly Report – Flows and EDUs  
Figure 3: Average Daily Flow

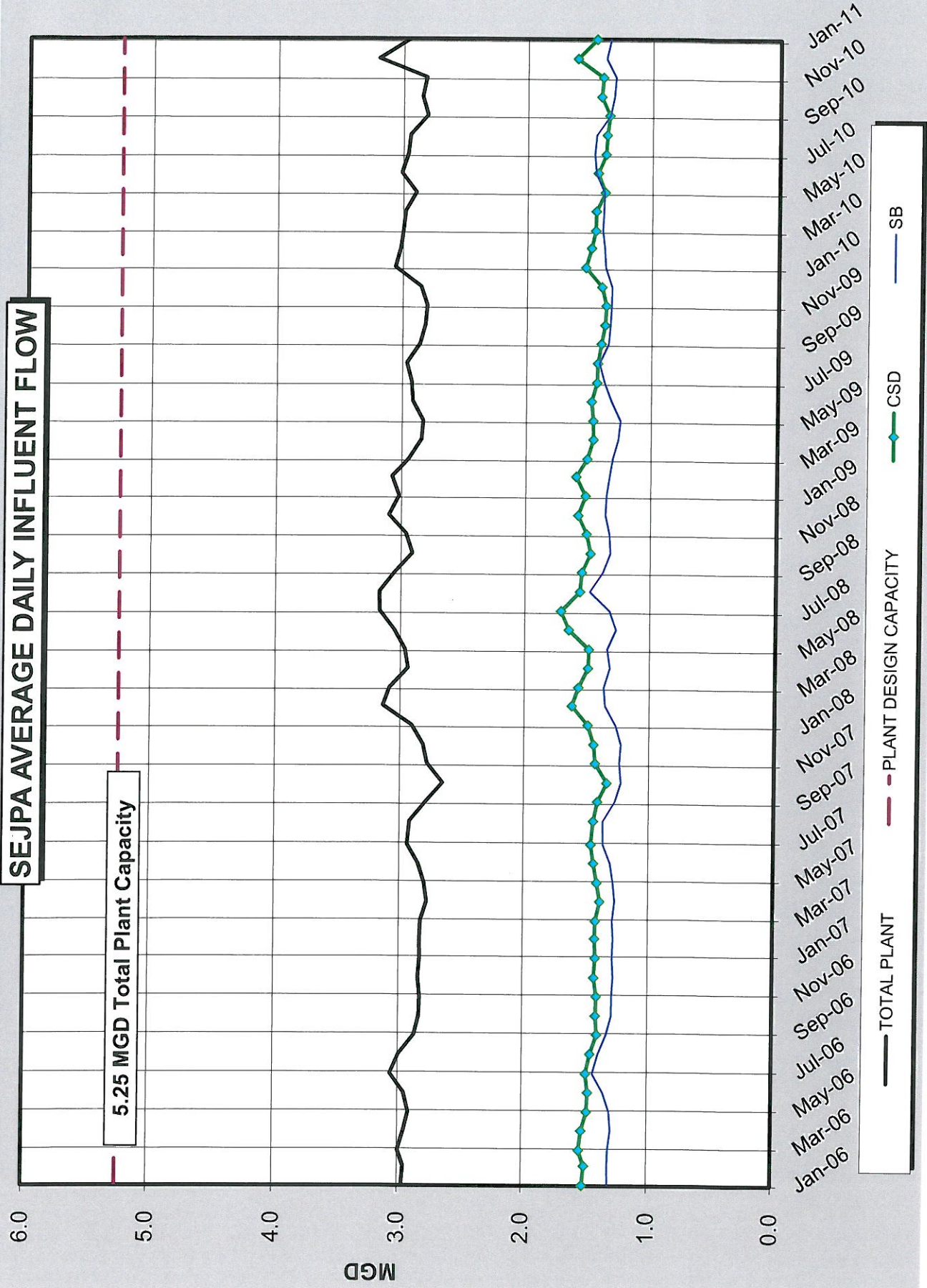


FIGURE 3

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

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)				AVERAGE DAILY EFFLUENT FLOW RATE (MGD)				CONNECTED EDUS				AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)					
	GSD	RSF	GSD	SB	TOTAL PLANT	GSD	RSF	GSD	SB	TOTAL PLANT	GSD	EDUS	RSF	GSD	EDUS	RSF	GSD	SB
Jan-06	1.515	0.139	1.410	1.219	2.758	1.410	0.129	8.044	423	7,659	16,126	188	329	171	184			
Feb-06	1.499	0.139	1.268	1.111	2.497	1.268	0.118	8.044	423	7,659	16,126	186	329	171	183			
Mar-06	1.542	0.144	1.475	1.252	2.864	1.475	0.137	8.044	424	7,659	16,127	192	340	171	186			
Apr-06	1.523	0.139	1.400	1.184	2.712	1.400	0.128	8.066	429	7,728	16,223	183	312	168	180			
May-06	1.480	0.134	0.979	0.859	1.927	0.979	0.068	8.080	430	7,728	16,238	182	302	175	182			
Jun-06	1.471	0.130	0.762	0.699	1.529	0.762	0.065	8.087	431	7,728	16,246	184	313	186	188			
Jul-06	1.490	0.135	0.719	0.693	1.477	0.719	0.074	8.088	432	7,728	16,248	180	333	180	184			
Aug-06	1.456	0.144	0.748	0.715	1.537	0.748	0.072	8.092	432	7,728	16,252	173	319	172	176			
Sep-06	1.403	0.138	0.744	0.704	1.520	0.744	0.088	8.092	432	7,728	16,252	175	306	166	174			
Oct-06	1.414	0.132	0.943	0.857	1.888	0.943	0.105	8.094	434	7,728	16,256	174	311	166	174			
Nov-06	1.408	0.135	1.100	1.003	2.208	1.100	0.126	8.099	436	7,728	16,263	176	317	165	175			
Dec-06	1.429	0.138	1.296	1.156	2.578	1.296	0.109	8.100	441	7,728	16,269	175	290	166	174			
Jan-07	1.419	0.128	1.284	1.089	2.403	1.284	0.116	8.106	443	7,728	16,277	176	291	165	174			
Feb-07	1.425	0.129	1.284	1.089	2.403	1.284	0.116	8.112	444	7,728	16,284	175	266	166	173			
Mar-07	1.421	0.118	1.014	0.917	2.016	1.014	0.085	8.115	447	7,728	16,290	171	273	164	170			
Apr-07	1.386	0.122	0.868	0.775	1.738	0.868	0.076	8.116	448	7,728	16,292	174	237	166	172			
May-07	1.411	0.106	0.763	0.693	1.514	0.763	0.058	8.117	449	7,728	16,294	177	232	169	175			
Jun-07	1.438	0.104	0.632	0.632	1.380	0.632	0.051	8.119	450	7,728	16,297	180	242	177	180			
Jul-07	1.461	0.109	0.657	0.613	1.319	0.657	0.049	8.120	450	7,728	16,298	178	244	177	179			
Aug-07	1.442	0.110	0.571	0.541	1.156	0.571	0.044	8.124	452	7,728	16,303	174	237	164	171			
Sep-07	1.410	0.107	0.596	0.537	1.179	0.596	0.046	8.124	452	7,728	16,303	174	237	164	171			
Oct-07	1.335	0.096	0.777	0.688	1.545	0.777	0.058	8.138	453	7,728	16,318	176	250	159	170			
Nov-07	1.430	0.113	1.122	0.969	2.179	1.122	0.088	8.144	453	7,728	16,324	177	316	160	172			
Dec-07	1.443	0.143	1.380	1.137	2.688	1.380	0.137	8.146	454	7,728	16,327	183	318	164	178			
Jan-08	1.491	0.144	1.488	1.266	2.898	1.488	0.144	8.150	456	7,728	16,334	199	356	175	192			
Feb-08	1.620	0.162	1.499	1.254	2.903	1.499	0.150	8.151	456	7,728	16,335	192	326	166	172			
Mar-08	1.569	0.149	1.261	1.097	2.477	1.261	0.119	8.153	456	7,728	16,335	192	326	177	189			
Apr-08	1.493	0.125	1.154	0.997	2.270	1.154	0.097	8.153	456	7,728	16,335	183	274	171	180			
May-08	1.487	0.136	0.755	0.680	1.504	0.755	0.069	8.153	456	7,728	16,337	202	299	173	181			
Jun-08	1.649	0.131	0.647	0.552	1.197	0.647	0.052	8.163	456	7,728	16,345	202	288	164	187			
Jul-08	1.713	0.131	0.722	0.655	1.335	0.722	0.055	8.163	456	7,728	16,347	210	288	171	194			
Aug-08	1.562	0.125	0.608	0.577	1.233	0.608	0.048	8.165	457	7,728	16,350	191	274	192	194			
Sep-08	1.547	0.121	0.813	0.724	1.601	0.813	0.064	8.170	460	7,728	16,358	181	242	171	178			
Oct-08	1.478	0.111	0.671	0.599	1.321	0.671	0.051	8.172	462	7,728	16,361	185	256	172	181			
Nov-08	1.511	0.118	1.080	0.950	2.114	1.080	0.084	8.172	462	7,728	16,362	193	338	176	189			
Dec-08	1.580	0.156	1.446	1.246	2.835	1.446	0.143	8.179	462	7,728	16,367	186	306	175	184			
Jan-09	1.522	0.141	1.256	1.117	2.489	1.256	0.116	8.185	462	7,728	16,369	196	314	172	188			
Feb-09	1.599	0.145	1.408	1.171	2.707	1.408	0.128	8.185	462	7,728	16,371	185	268	169	180			
Mar-09	1.510	0.124	1.030	0.892	2.007	1.030	0.085	8.185	463	7,728	16,374	179	251	163	174			
Apr-09	1.463	0.116	0.731	0.661	1.404	0.731	0.057	8.185	464	7,728	16,377	179	252	161	173			
May-09	1.465	0.117	0.712	0.606	1.375	0.712	0.056	8.186	464	7,728	16,381	176	234	178	178			
Jun-09	1.479	0.109	0.599	0.545	1.217	0.599	0.045	8.186	467	7,728	16,381	175	242	184	181			
Jul-09	1.437	0.107	0.603	0.588	1.248	0.603	0.047	8.186	467	7,728	16,381	175	242	184	181			
Aug-09	1.431	0.113	0.690	0.651	1.404	0.690	0.053	8.187	468	7,728	16,383	171	231	174	174			
Sep-09	1.404	0.108	0.858	0.721	1.523	0.858	0.058	8.187	468	7,728	16,383	168	231	172	172			
Oct-09	1.375	0.108	0.843	0.661	1.404	0.843	0.069	8.189	469	7,728	16,386	167	231	171	171			
Nov-09	1.366	0.111	1.149	1.084	2.337	1.149	0.104	8.193	469	7,728	16,390	171	271	171	174			
Dec-09	1.401	0.127	1.138	1.036	2.537	1.138	0.128	8.196	472	7,728	16,396	187	329	178	187			
Jan-10	1.532	0.155	1.271	1.138	2.781	1.271	0.136	8.197	474	7,728	16,399	181	313	179	184			
Feb-10	1.487	0.148	1.371	1.064	2.282	1.371	0.136	8.198	474	7,728	16,400	177	306	181	183			
Mar-10	1.455	0.145	1.058	0.975	1.410	1.058	0.100	8.201	474	7,728	16,400	177	289	180	182			
Apr-10	1.451	0.137	0.672	0.663	1.410	0.672	0.063	8.202	474	7,728	16,403	168	270	179	176			
May-10	1.379	0.128	0.850	0.755	1.362	0.850	0.061	8.204	475	7,728	16,404	175	258	188	184			
Jun-10	1.437	0.122	0.650	0.657	1.410	0.650	0.055	8.205	475	7,728	16,407	168	251	190	180			
Jul-10	1.375	0.119	0.894	0.821	1.495	0.894	0.061	8.207	475	7,728	16,408	166	263	188	179			
Aug-10	1.366	0.125	0.585	0.553	1.259	0.585	0.053	8.207	475	7,728	16,410	164	240	174	171			
Sep-10	1.346	0.114	0.627	0.626	1.306	0.627	0.053	8.207	477	7,728	16,412	172	258	170	173			
Oct-10	1.413	0.123	1.177	1.092	2.371	1.177	0.102	8.209	478	7,728	16,415	170	245	168	171			
Nov-10	1.399	0.117	1.090	0.991	2.192	1.090	0.091	8.212	478	7,728	16,418	195	450	178	195			
Dec-10	1.605	0.215	1.417	1.214	2.820	1.417	0.189	8.227	478	7,728	16,433	176	351	173	179			
Jan-11	1.452	0.158	1.272	1.172	2.583	1.272	0.139	8.227	478	7,728	16,433	176	351	173	179			

**TABLE 1**

RSF GSD: Renesh Sants Fe Community Service District  
 SB: Solana Beach  
 EDU: Equivalent Dwelling Unit  
 ASSUMPTIONS: SB average flow includes San Eljo Hills flow of .131 mgd  
 SB Connected EDUs includes 300 EDUs for the City of San Diego

\*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

March 14, 2011

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO WATER RECLAMATION PROGRAM—MONTHLY REPORT

RECOMMENDATION

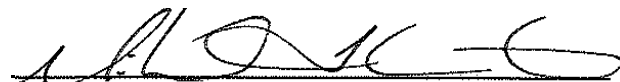
No action required. This memorandum is submitted for information only.

DISCUSSION

*Recycled Water Production*

For the month of January 2011, recycled water demand was 25.98 acre-feet (AF), which was met using 25.98 AF of recycled water and 0.00 AF of supplementation with potable water. This equates to a blend mix for January of 100.0 percent recycled water and 0.0 percent potable water supplementation. Figure 1 (attached) provides monthly supply demands for recycled water over the last five years. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning the last ten 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.

Respectfully submitted,



Michael T. Thornton, P.E.  
General Manager



# MONTHLY RECYCLED WATER DEMAND

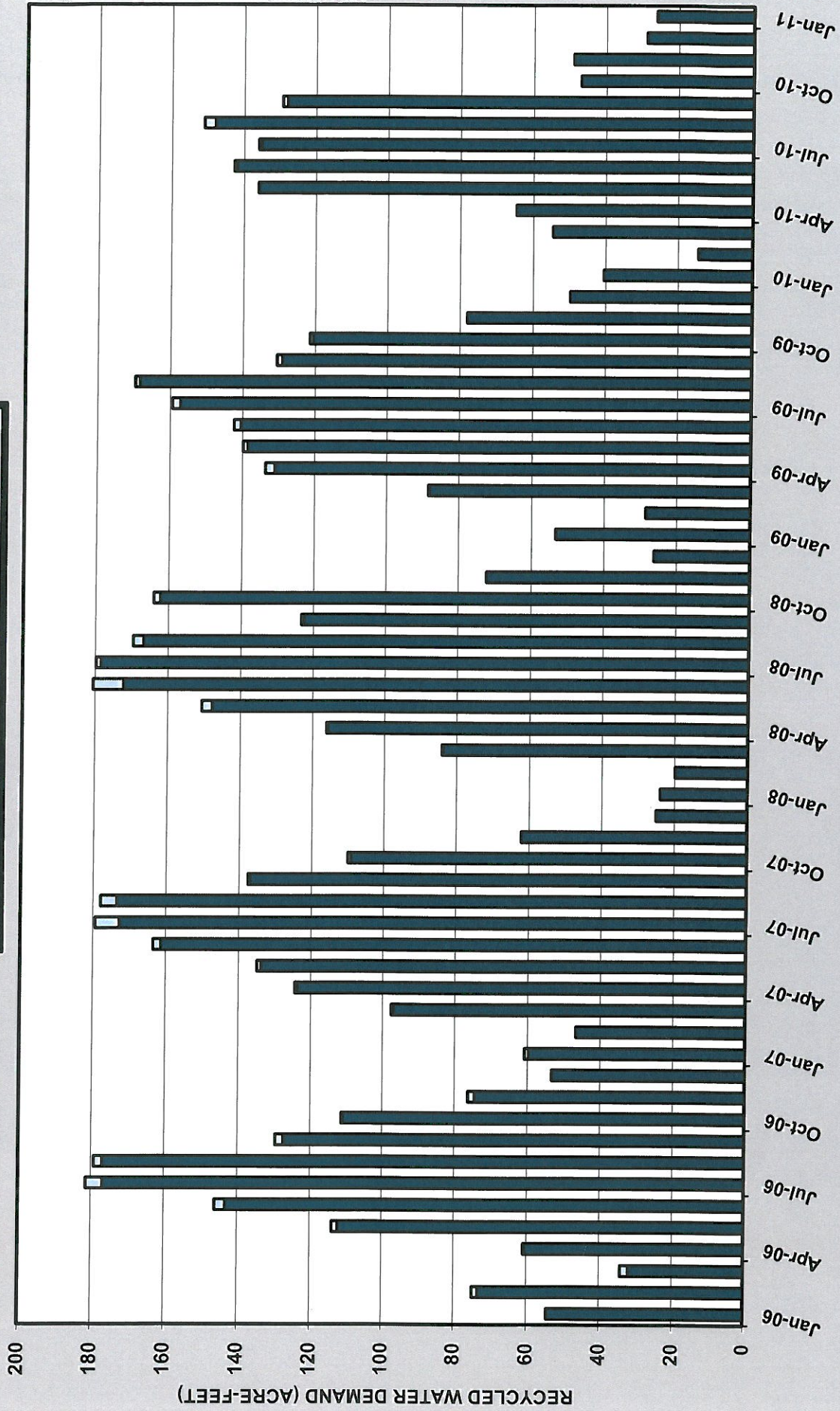


Figure 1



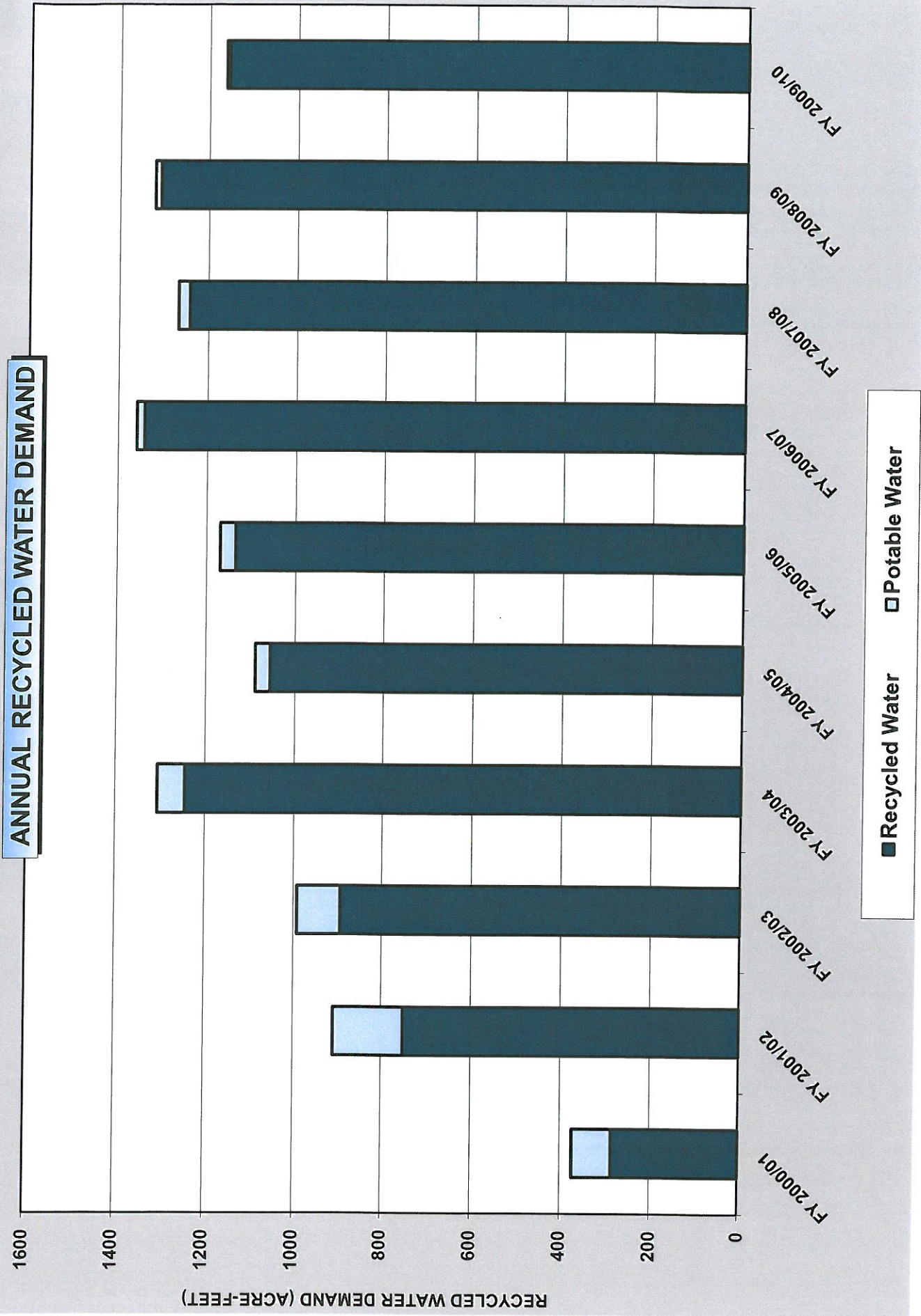


Figure 2

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

March 14, 2011

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: NORTH SAN DIEGO COUNTY COOPERATIVE DEMINERALIZATION PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

BACKGROUND

Integrated Regional Water Management (IRWM) planning was derived from Proposition 50 which was passed by California voters in November 2002, authorizing \$3.4 billion in general obligation bonds to fund a variety of specified water and wetlands projects. It set aside \$380 million for IRWM related grants. IRWM work was continued in November 2006, when voters passed Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act, which provides \$1 billion for IRWM Planning and Implementation.

The San Diego IRWM Plan was finalized in 2007 to coordinate water resource management efforts and to enable the San Diego Region to apply and compete for grants tied to IRWM Planning. The San Diego IRWM Plan can be viewed at the following link: <http://www.rmewater.com/clients/sdirwmp/plan.html>. The SEJPA has been an integral part of the planning process as an active member of the Regional Advisory Committee (RAC) since 2006 and appointed Board Member Houlihan as an alternate member of the RAC in 2009.

DISCUSSION

In an effort to maximize the regional benefit of the SEJPA's planned recycled water demineralization project, the SEJPA has partnered with the Olivenhain Municipal Water District (OMWD) and the San Elijo Lagoon Conservancy to create the North San Diego County Cooperative Demineralization Project. The North San Diego County Cooperative Demineralization Project includes (1) a planning and feasibility study of potential brackish groundwater demineralization by OMWD for increasing local potable water supplies; (2) water quality and quantity monitoring in the San Elijo Lagoon by the San Elijo Lagoon Conservancy; (3) the construction of a recycled water demineralization facility; and (4) design and construction

of urban runoff collection and treatment by the City of Solana Beach and the SEJPA. The project was submitted to the San Diego Integrated Regional Water Management (IRWM) program for grant funding through Proposition 84 funding. The project was rated as one of the highest ranked projects for the region, and the San Diego IRWM program has recommended that the California Department of Water Resources (DWR) award a grant of \$1.05 million for this project.

The purpose of this discussion is to expand the SEJPA Board's and the public's knowledge of the North San Diego County Cooperative Demineralization Project elements and partners.

### FINANCIAL IMPACT

In January 2011, the San Diego IRWM program submitted recommendations to the DWR for funding consideration. DWR is currently reviewing the San Diego IRWM program's (and the other California IRWM programs') recommendations. The DWR's review process is anticipated to last until July 2011. If the project is ultimately awarded grant monies by the DWR, the total grant value is expected to be \$1,050,000. Of this, the SEJPA can expect approximately \$770,000 in grant monies towards the Advanced Water Treatment System and urban runoff capture and treatment; the City of Solana Beach can expect to receive \$100,000 towards urban runoff capture and treatment; OMWD can expect to receive approximately \$145,000 for engineering feasibility and planning work for brackish water reclamation; and the San Elijo Lagoon Conservancy can expect to receive \$35,000 for scientific monitoring efforts associated with San Elijo Lagoon.

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



SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

March 14, 2011

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: REC-1 OCEAN DISCHARGE COMPLIANCE UPDATE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

BACKGROUND

California Regional Water Quality Control Board (Regional Board) Order No. R9-2010-0087 (NPDES PERMIT NO. CA0107999) recently established new requirements for the San Elijo Joint Powers Authority's (SEJPA) discharge of treated municipal wastewater from the San Elijo Water Reclamation Facility to the San Elijo Ocean Outfall (SEOO). This Order incorporated both state and federal water quality requirements and has a scheduled renewal frequency of every 5 years. The latest adoption date was September 8, 2010.

DISCUSSION

The 2005 California Ocean Plan provides water quality objectives that were developed by the State Water Resource Control Board and the California Department of Public Health to protect public health and beneficial uses of the ocean waters. The U.S. EPA maintains that based on the Regional Board's Basin Plan definitions for REC-1 beneficial use for Ocean Waters, REC-1 beneficial use must be protected throughout State of California territorial marine waters in the San Diego Region, which extend from surface to bottom, out to three nautical miles from the shoreline. Therefore, Order No. R9-2010-0087 requires that bacterial objectives (total coliform, fecal coliform, and enterococci) be maintained throughout State of California territorial marine waters outside the initial dilution zone of the ocean outfall.

The Order provides a mandated compliance schedule (presented in Table 1) which requires a work plan to be submitted within 6 months that outlines SEJPA's approach for compliance and that construction of any treatment facilities to be initiated within 36 months.

**Table 1**  
**Regional Board Mandated Compliance Schedule**  
**Ocean Plan Bacteria Objectives**

Task	Compliance Date
1. Prepare and submit a proposed work plan that outlines the tasks and the approach to be used in evaluating and selecting alternatives for ensuring compliance with Bacterial Characteristics receiving water limitations.	No later than 6 months after the adoption date of the Tentative Order (March 8, 2011).
2. Submit plan and alternatives analysis for ensuring compliance with Bacterial Characteristics receiving water limitations outside the Initial Dilution Zone of the San Elijo Ocean Outfall. The proposed plan shall include a schedule for completion that reflects a realistic assessment of the shortest practicable time required to perform each task.	No later than 18 months after the adoption date of the Tentative Order.
3. Complete financial arrangements for selected alternative.	No later than 30 months after the adoption date of the Tentative Order.
4. Initiate construction of any required facilities	No later than 36 months after the adoption date of this Tentative Order.
5. Complete construction of required facilities and initiate facilities start-up.	No later than 48 months after the adoption date of this Tentative Order.
6. Identify and implement operational refinements and confirm compliance with Bacterial Characteristics receiving water limitations.	No later than 60 months after the adoption date of this Tentative Order.
7. Achieve full compliance with Bacterial Characteristics receiving water limitations outside the Initial Dilution Zone of the San Elijo Ocean Outfall.	No later than 60 months after the adoption date of this Tentative Order.

In order to comply with Task 1 of the mandated compliance schedule, the SEJPA and the City of Escondido jointly engaged the services of Michael Welch, Ph.D., PE to prepare the required work plan. As part of the work plan, sample results from the past 6 years (2005-2010) of offshore ocean sampling were evaluated to determine existing compliance with the new requirements. Results of this analysis indicate that the discharge complies with the Ocean Plan bacterial standards for total coliform, fecal coliform, and enterococcus and that no additional pathogen reduction strategies are required for the SEOO. Not a single instance occurred during the prior six years where the SEOO can reasonably be concluded as causing exceedance of Ocean Plan REC-1 single sample maximum limits. Only two instances in the past six years of sampling where the 30-day geometric mean limit was exceeded may or may not be related to the SEOO discharge. The evidence indicates an overwhelming probability that compliance with the 30-day geometric mean limits would have occurred on both of these occasions if a second sample had been collected during the month.

The REC-1 Compliance Work Plan (Task 1) was completed on February 25, 2011 and submitted to the Regional Board on March 2, 2011. A copy of the final work plan is on file at the SEJPA office. The work plan summarized our previous six years of compliance and requested that Tasks 2-7 be eliminated from the permit since the SEJPA and the City of Escondido have demonstrated that the SEOO is already in compliance. To help demonstrate continued compliance, the work plan suggests that the SEJPA will collect a second sample in any month where the first sample result is over the 30-day geometric mean. The work plan states that a second sample would have less than 0.001% probability of non-compliance with the 30-day geometric mean. In addition, the SEJPA will continue its pursuits of recycling wastewater as a preferred alternative to ocean disposal. To this end, the SEJPA is at the 50% design level of an advanced water treatment system to augment its existing recycled water facilities resulting in improved water quality and increased treatment capacity.

### FINANCIAL IMPACT

The financial impact of collecting a second ocean sample would be approximately \$800 per occurrence based on the current offshore sample collection contract that is in place through June 2012.

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

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

March 14, 2011

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: QUARTERLY UPDATE – RECYCLED WATER DISCUSSIONS BETWEEN  
THE SAN ELIJO JOINT POWERS AUTHORITY (SEJPA) AND THE SANTA FE  
IRRIGATION DISTRICT (SFID)

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) operates a recycled water utility that sells recycled water to three water purveyors; Santa Fe Irrigation District (SFID), San Dieguito Water District (SDWD), and the City of Del Mar. These purveyors in turn sell the recycled water to customers within the cities of Encinitas, Del Mar, and the SFID service area. The SEJPA owns the entire recycled water infrastructure system including treatment, storage and distribution facilities, and pipelines. The water districts own the recycled water meter that measures the customer's usage and provide customer billing and other needed administrative services. The agencies work collaboratively to provide seamless utility and customer service to the community, as well as to meet regulatory quality control and oversight requirements.

The original recycled water sales agreements between the SEJPA and the purveyors were signed in 1996 and set the price of recycled water at 85% of the price of potable water. Due to the drought and recent conservation efforts, the price of potable water has increased very quickly in the last five years. These price increases have encouraged conservation of potable water with the unintended consequence of substantially raising the price of recycled water as well. In the latter half of calendar year 2010, the SEJPA and SFID began holding a series of meetings focused on the wholesale price structure of recycled water and to examine possible options for expanding future use. The goal was to develop an appropriate pricing structure that would provide full cost recovery for the SEJPA at the lowest cost to the end customer.

In November 2010, the SEJPA and SFID mutually agreed to amend the wholesale agreement to provide an interim pricing structure change for two years. The new pricing structure decouples the recycled water price from being indexed to 85% of the potable water price. This is of importance as the potable water costs have been experiencing annual inflationary pressures of 10% or more. Instead, the recycled water rate was fixed to increase at 5% annually, commencing January 1, 2011 and ending on December 31, 2012, which is more in line with actual cost increases being incurred by the program.

## DISCUSSION

As part of approving the wholesale pricing change, the SEJPA Board of Directors directed staff to continue working with SFID, as well as the SEJPA's other water purveyors, to develop new long-term wholesale agreements since the original agreements are set to expire in 2016 and 2017. This staff report is the first quarterly report to the SEJPA Board of Directors highlighting progress and effort.

SFID – The SFID and SEJPA staff met twice during the quarter. Discussions focused on whether to amend the existing agreement or replace the agreement with an entirely new agreement. Other key issues discussed were:

- 1) Term of agreement
- 2) Price structure for water
- 3) Quantity of water/purchase volume
- 4) Expanded distribution facilities
- 5) Upgrades to treatment capacity

The SFID has awarded a construction contract to expand the existing distribution system to serve the lower San Dieguito Park property and some high use estate properties in the area. The new use is expected to begin in late 2011 and may ultimately serve an additional 50 to 80 acre-feet per year of recycled water. SFID has also inquired about the possibility of the SEJPA providing recycled water for the Rancho Santa Fe area of their district (Attachment 1). The SEJPA is currently preparing a formal response to this request to address the technical and financial elements of this proposal.

SDWD – The SDWD and SEJPA staff met twice during the quarter. Discussions focused on ways to reduce the cost of recycled water in the service area without reducing the current sales revenue that the SEJPA depends on to operate the system. Use within the SDWD service area has decreased substantially in the past two years from conservation efforts.

Del Mar – The 22<sup>nd</sup> Agricultural District and SEJPA met once during the quarter to discuss expanding use at the Del Mar Fairgrounds. The recycled water sale agreement was discussed and the Agricultural District is working to serve additional irrigation demands with recycled water. The SEJPA has provided technical assistance to the District for assessing the feasibility for using recycled water in cooling towers at the fairgrounds. The next step in the process is obtaining County Department of Environmental Health approval for converting the cooling towers to recycled water and for the proposed expansion of the fairground's irrigation system.

FINANCIAL IMPACT

There is no financial impact associated with this staff report.

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

Attachment: Santa Fe Irrigation District letter

Santa Fe Irrigation District



February 8, 2011

San Elijo Joint Powers Authority  
2695 Manchester Avenue  
Cardiff by the Sea, California 92007

Attention: Mike Thornton, General Manager

Subject: Confirmation of San Elijo Joint Powers Authority's (SEJPA) estimated recycled water supply cost to potentially serve Santa Fe Irrigation District's (SFID) eastern service area customers.

Dear Mike,

As you are aware, prior planning studies identified recycled water demands in SFID's eastern service area, and multiple supply and distribution system options to serve those demands. Building upon those prior studies, SFID is in the process of defining the most viable recycled water supply and distribution system option for the eastern service area.

A major consideration in our evaluation is the wholesale cost of the recycled water supply. The purpose of this letter is to formally request the following recycled water supply information from the SEJPA:

- total volume of recycled water supply that could be committed to serve the SFID eastern service area (and other potential users);
- recycled water supply delivery schedule (24 hours/day, 12 or 15 hour delivery outside of peak period, etc.);
- recycled water quality (existing and potential future) to be provided;
- estimated wholesale recycled water cost per acre foot, and any assumptions associated with the proposed cost.

As we discussed in our January 10, 2011 meeting, SFID also desires to develop principles of understanding that establish clear expectations regarding critical terms and conditions that may be included in a subsequent recycled water purchase agreement (or an amendment to the existing recycled water purchase agreement). Attachment A includes a list of items that would be used to form the basis of the principles of understanding document. These items typically have an

impact on the estimated cost per acre foot. For each of the items in Attachment A, please provide the proposed language that would reflect the assumption used by SEJPA in the development of your cost per acre foot (such as quantity and quality commitments, take or pay volume, term of agreement, incentive/rebate assumptions, etc.). Note that per our prior discussions SFID has filled in certain items such as point of delivery, and facility ownership/operation/maintenance assumptions. Please feel free to edit these items to reflect your proposed principals of understanding and assumptions.

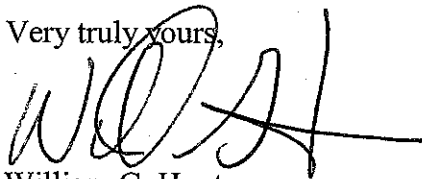
As we discussed, Table 1 summarizes the recycled water demands for SFID's eastern service area. The total annual average demand is 722 acre feet per year. Table 1 also show a "Phase 1" demand of 354 acre feet per year that reflects the Rancho Santa Fe Golf Course and other demands that could readily be served by the pipeline to the Golf Course. As you know, the key factor is the ability to reliably serve max day demands. It should be assumed that potable water is not available to supplement peak flow conditions.

<b>Table 1</b>			
<b>SFID Eastern Service Area Recycled Water Demands</b>			
	<b>Average Annual Demand (AFY)</b>	<b>Max Day Demand (MGD)</b>	<b>Max Month Demand (MGD)</b>
<b>Total Demand</b>	<b>722</b>	<b>1.49</b>	<b>1.3</b>
<b>"Phase 1" Portion of Total Demand</b>	<b>354</b>	<b>0.7</b>	<b>0.67</b>

We are looking forward to hearing what the maximum amount of recycled water supply is available from SEJPA to serve SFID's eastern service area. If the available supply is in excess of the amount needed by SFID, there are other potential demands outside of SFID's service area that may be served by jointly owned distribution facilities. We can address this possibility once the available supply is better understood.

Please call my cell at (858) 414-9120 if you have any questions or require any additional information.

Very truly yours,



William G. Hunter  
Engineering Manager

Cc: Mike Bardin, SFID  
Chris Trees, SEJPA



**ATTACHMENT A**  
**Draft Principals of Understanding Items**  
**For A Potential**  
**SFID Eastern Service Area Recycled Water Supply Agreement**

1. Point of Delivery: The point of delivery shall be a new SFID recycled water pumping station to be constructed by SFID on the San Elijo Water Reclamation Facility site.
2. Facility Ownership, Operation, and Maintenance: With the exception of recycled water metering equipment to be owned and maintained by SEJPA, SFID would be responsible for the ownership, operation, and Maintenance of the SFID recycled water pumping station and all pipelines and appurtenances downstream of the SFID recycled water pumping station. SEJPA would provide the necessary easements for the construction, operation, and maintenance of SFID recycled water pump station and pipelines located on SEJPA property.
3. Quality Commitment: SEJPA shall provide the following recycled water quality: (Please address the ability to provide the following. If quality is anticipated to be improved by a certain date, please provide current quality, future quality, and date when future quality is committed to be achieved.)
  - i. All RWQCB requirements applicable to eastern service area.
  - ii. TDS not to exceed 1000 ppm.
  - iii. Ability to provide a chlorine residual at customer sites.
4. Quantity Commitment: SEJPA shall be committed to provide the following recycled water quantities: (Please address the ability to provide the following. If the ability to provide additional volume at some time in the future is expected, please provide current quantity, future quantity, and date when future quantity is committed to be available.) It should be assumed that potable water IS NOT available to supplement peaks.
  - i. Total Annual Volume
  - ii. Max Day Volume
  - iii. Timing for delivery of supply (24 hours/day, 12 or 15 hour delivery outside of peak period, etc.);
  - iv. Take or pay (ramping schedule)
  - v. SFID must provide backup for interruptions
5. Take or Pay Provisions: SFID shall be committed to the following take or pay provisions: (Please provide take or pay assumptions)

6. Price of Recycled Water:

- i. **Base Price and Assumptions:** SEJPA to provide recycled water price and all related price assumptions.
- ii. **Price Escalation Factors:** SEJPA to provide price escalation assumptions.
- iii. **Incentives and Rebates:** SEJPA to provide assumptions regarding incentives and rebates as they relate to the proposed price estimate.

7. Contract Duration: The contract duration shall be at least 25 years. (SEJPA to provide any other duration recommendations that could impact cost per acre foot estimate.)

8. Supplemental Potable Water: It is understood that potable water shall not be used to supplement recycled water supply shortfalls during normal (including peak) operating conditions. SFID shall provide potable water ONLY as a backup for unplanned SEJPA service interruptions requiring short term system repair or maintenance.

9. Permits, Rules, and Regulations: SEJPA shall be responsible for all permits, rules, and regulations associated with the production recycled water suitable for delivery to customers within SFID's eastern service area. SFID shall be responsible for recycled water customer coordination and monitoring of customer compliance with established recycled water use requirements.

SAN ELIJO JOINT POWERS AUTHORITY  
MEMORANDUM

March 14, 2011

TO: Board of Directors  
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: JOINT LOBBYING AND COST SHARING BETWEEN THE MEMBERS OF THE  
NORTH SAN DIEGO COUNTY REGIONAL RECYCLED WATER PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

BACKGROUND

In 2010, the San Elijo Joint Powers Authority (SEJPA) began working collaboratively with several local water districts to examine opportunities to expand recycled water use within north San Diego County. This effort evolved into a working group of eleven governmental organizations, including cities, water districts, and sanitation districts. This collaborative effort is called the North San Diego County Regional Recycled Water Project (Project), and includes the SEJPA, Olivenhain Municipal Water District (OMWD), Leucadia Wastewater District (LWWD), Carlsbad Municipal Water District (CMWD), Vallecitos Water District (VWD), Santa Fe Irrigation District (SFID), Vista Irrigation District (VID), City of Oceanside (CITY), City of Vista (VISTA), Rincon Del Diablo Municipal Water District (RINCON), and the City of Escondido (ESCONDIDO).

The group jointly retained an engineering firm (RMC Engineering) to prepare a regional recycled water planning document. The intent of the report is to identify opportunities to more fully utilize recycled water to meet the region's future water needs, while minimizing the discharge of treated wastewater to the ocean.

The project was successful in achieving a \$1,500,000 grant from the San Diego Integrated Regional Water Management Plan, currently waiting for final approval from the California Department of Water Resources. This funding is intended to provide partial matching funds for design, engineering, and environmental work associated with this project.

The agencies of the Project are also interested in pursuing federal funding for the design and construction of recycled water infrastructure. The agencies have agreed that the Furman Group would be an agreeable lobbyist to all involved based on Furman's knowledge of the agencies who are in the partnership and their past success with the Bureau of Reclamation, Title 16 program.

## DISCUSSION

At February 2011 meeting of the SEJPA Board of Directors, staff presented the concept of seeking federal funding for the project through a joint lobbying effort. Staff presented the lobbying proposal from The Furman Group and the agreement for cost sharing between the agencies involved. The Board of Directors directed the General Manager to work with Director Roberts and City Manager David Ott to better understand the strategy for pursuing federal grant funding. Then, return the item to the full Board of Directors for further discussion.

On February 28, 2011, Director Roberts, City Manager Ott, and General Manager Thornton conducted a conference call with Hal Furman, Chairman and Managing Director of the Furman Group. Mr. Furman reviewed the current political climate in Washington D.C., explained the strategy the Furman Group plans to utilize for this project, and highlighted some of the challenges we might face. Overall, Mr. Furman noted that regional infrastructure projects, be it freeways or water projects, will likely have the greatest probability for funding, if not in this fiscal year, then in future years.

From the information learned by the conference call and subsequent discussion by Director Roberts, City Manager Ott, and General Manager Thornton, it was agreed that the SEJPA could benefit from the participation in this regional project and funding effort. Therefore, this item is now returned to the full SEJPA Board of Directors for discussion and action.

## FINANCIAL IMPACT

The annual total cost for the cost sharing agreement (Exhibit A) is \$120,010, which will be equally divided among the agencies. Staff estimates that the one-year cost of this agreement to the SEJPA is on the order of \$12,000 to \$14,000 and funds are available in the Recycled Water Program Budget. This agreement will not obligate the SEJPA to participating for more than the current year, but multiple years of lobbying will likely be required to obtain grant funding. Any travel costs or staff time for each agency will be born separately by the individual agencies. All partners commit in the agreement to allow the necessary staff time to the project, which shall not be reimbursable by other agencies. Of note is that the project partners agreed to cost share the RMC Engineering contract last year at a cost of \$147,000 shared between eleven agencies. The net result so far is a Proposition 84 grant in the amount of \$1,500,000 between the eleven agencies.

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

Exhibit A: Joint Lobbying and Cost Sharing Agreement

## EXHIBIT A

### JOINT LOBBYING AND COST SHARING AGREEMENT

**WHEREAS**, Olivenhain Municipal Water District (OMWD), Carlsbad Municipal Water District (CMWD), Vallecitos Water District (VWD), Santa Fe Irrigation District (SFID), Vista Irrigation District (VID), City of Oceanside (City), Leucadia Wastewater District (LWWD), San Elijo Joint Powers Association (SEJPA), City of Vista (Vista), Rincon del Diablo Municipal Water District (Rincon), and the City of Escondido (Escondido) have cooperated in order to develop a recycled water project for north San Diego County generally known as the North San Diego County Regional Recycled Water Project (NSDCRRWP);

**WHEREAS**, OMWD, CMWD, LWD, and SEJPA have cooperated in the past to successfully lobby for federal grant funding support for the first north county regional recycled water project known as the North County Recycled Water Project; and

**WHEREAS**, the parties have executed an agreement to retain RMC to prepare a feasibility report for the project; and

**WHEREAS**, the parties to the present agreement desire to jointly lobby and cost share in order to pursue federal grant funding for the NSDCRRWP, a new project that would interconnect and maximize recycled water use in north San Diego County among the parties to this agreement to the benefit of all of these agencies' respective customers; and

**WHEREAS**, the parties intend to seek a 20 million dollar authorization in Title XVI funding for the NCWP II, which represents a 25% federal cost share; and

**WHEREAS**, the parties have already submitted for Proposition 84 and have been awarded funding via the San Diego County Water Authority, which is a permissible local share match to the federal Title XVI funding; and

**WHEREAS**, the parties have also submitted for State Water Resources Quality Board (SWRQB) grant funding to offset the feasibility report costs; and

**WHEREAS**, it is the intent and purpose of this Agreement to retain The Furman Group (Furman) in support of this agreement and lobbying effort for the NSDCRRWP and to specify the time and manner in which payment will be made to Furman.

**NOW, THEREFORE**, the parties hereto agree as follows:

1. **Term.** The foregoing recitals are true and correct. The term of this agreement shall be for one year from February 9<sup>th</sup>, 2011. Amendments may be executed by the parties as necessary and agreed upon in writing.

2. **Cost Share and Scope.** The parties shall equally pay the costs of the Furman contract in order to seek an authorization for Title XVI funding in the amount of 20 million dollars, which represents a 25% cost share. The scope and fee for the Furman contract is attached as Exhibit A. Based on joint participation by 11 partners, the annual cost for services, not including out of pocket expenses, is anticipated to be \$10,910 per participating agency per year.

3. **Future Amendments Anticipated.** It is the intent of the parties to pursue the federal authorization funding jointly and to cost share the costs of achieving the authorization equally. Once an authorization is secured via both the House and the Senate, the parties will enter into an amendment to this agreement whereby the annual costs for securing appropriations are shared based on each parties pro rata amount received for their agency's recycled projects.

4. **Out of Pocket Expenses by Furman.** Out-of-pocket expenses will be invoiced by Furman to OMWD on a monthly basis and will be shared equally by all parties. It is anticipated that out of pocket expenses shall not exceed a total of \$8,000 in one year.

5. **Payment.** Each party shall make its semi-annual payments of \$5,818 to OMWD according to the following schedule, and OMWD shall add its semi-annual payment to the rest of the payments, making one (1) full payment twice per year to Furman as described below:

<b>PAYMENT</b>	<b>DUE TO OMWD</b>	<b>DUE TO THE FURMAN GROUP</b>
First Payment	March 1, 2011	March 15, 2011
Second Payment	September 1, 2011	September 15, 2011

6. **Other Parallel Agreements.** The parties further understand that the Bureau of Reclamation requires feasibility plan to be submitted and approved prior to the authorization of Title XVI funding. The parties acknowledge that they are undertaking a separate agreement via an RFP to retain an engineering consultant to prepare a complete report and package that can be utilized to apply for federal and state funding and that may also be utilized in order to secure Bureau of Reclamation feasibility approval for the authorization under Title XVI. A separate consultant may be retained by the parties in the future for the processing of feasibility approval(s).

7. **Administrator of Contract.** OMWD shall act as the administrator for the Furman contract at no charge to the parties, provided that OMWD shall have no obligation to advance funds to Furman on behalf of the other parties if funds are not deposited in a timely manner with OMWD. OMWD will administer the Furman contract as a convenience only and assumes no other responsibility under said contract on behalf of the other parties. OMWD shall receive monthly reports from Furman and share them with the other parties. All parties may agree to meet with Furman for consultation and reports as needed or requested.

8. **Records.** OMWD shall provide copies of all Furman invoices, payments to Furman, and fund requests upon request to the OMWD Finance Manager. All parties shall have the right to comment on these records and request corrections thereto if necessary.

9. **Miscellaneous Costs.** Any party's out of pocket costs for travel, meetings with the Bureau of Reclamation, House or Senate representatives that are incurred by the staff, individual agency's lobbyist or Board members of individual agencies shall be borne by each agency as their own costs in support of this Agreement and shall not be subject to reimbursement by other parties to this Agreement.

10. **Ability to Terminate Agency Participation.** In the event that any party to this Agreement notifies all other parties in writing of its intent to terminate participation in this joint Agreement, no refunds of any monies already paid will be reimbursed and the party will have no further interest or right in this Agreement or the federal or state funding being pursued. The remaining parties agree to adjust their future cost sharing on an equal basis among the remaining parties.

11. The effective date of this Agreement is \_\_\_\_\_.

DATED: \_\_\_\_\_

**OLIVENHAIN MUNICIPAL WATER DISTRICT  
(OMWD)**

By: \_\_\_\_\_  
Kimberly Thorner, General Manager

DATED: \_\_\_\_\_

**CARLSBAD MUNICIPAL WATER DISTRICT  
(CMWD)**

By: \_\_\_\_\_  
Glenn Pruum, Utilities Director

DATED: \_\_\_\_\_

**VALLECITOS WATER DISTRICT (VWD)**

By: \_\_\_\_\_  
Dennis Lamb, General Manager

DATED: \_\_\_\_\_

**SANTA FE IRRIGATION DISTRICT (SFID)**

By: \_\_\_\_\_  
Mike Bardin, General Manager

DATED: \_\_\_\_\_

**VISTA IRRIGATION DISTRICT (VID)**

By: \_\_\_\_\_  
Roy Coox, General Manager

DATED: \_\_\_\_\_

**CITY OF OCEANSIDE (CITY)**

By: \_\_\_\_\_  
Cari Dale, Water Utilities Director

DATED: \_\_\_\_\_

**CITY OF VISTA/BUENA SANITATION DISTRICT (VISTA)**

By: \_\_\_\_\_  
Rita Geldert, District Manager



DATED: \_\_\_\_\_

**LEUCADIA WASTEWATER DISTRICT  
(LWWD)**

By: \_\_\_\_\_  
Paul Bushee, General Manager

DATED: \_\_\_\_\_

**SAN ELIJO JOINT POWERS AUTHORITY  
(SEJPA)**

By: \_\_\_\_\_  
Mike Thornton, General Manager

DATED: \_\_\_\_\_

**RINCON DEL DIABLO MUNICIPAL WATER  
DISTRICT (RINCON)**

By: \_\_\_\_\_  
Mitchell Dion, General Manager

DATED: \_\_\_\_\_

**CITY OF ESCONDIDO, (ESCONDIDO)**

By: \_\_\_\_\_  
Lori Vereker, Public Works Director