AGENDA
SAN ELIJO JOINT POWERS AUTHORITY
MONDAY, APRIL 9, 2018 AT 8:30 AM
SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, 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

   None

6. * **CONSENT CALENDAR**

7. * APPROVAL OF MINUTES FOR MARCH 12, 2018 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. * ADOPT THE PROPOSED CEQA MITIGATED NEGATIVE DECLARATION ADDENDUM FOR RECYCLED WATER SYSTEM IMPROVEMENTS

12. * 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

13. PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2018-19 RECOMMENDED BUDGET

    1. Review the Fiscal Year 2018-19 Recommended Budget; and

    2. Discuss and take action as appropriate.

    Staff Reference: Director of Finance and Administration

14. RECYCLED WATER COST OF SERVICE AND PROPOSED WHOLESALE RATE INCREASE

    1. Review the Raftelis Financial Consultants Recycled Water Rate Review and Update;

    2. Discuss and take action as appropriate.

    Staff Reference: General Manager

15. SAN ELIJO OCEAN OUTFALL 2017 INSPECTION REPORT

    1. Accept and file the San Elijo Ocean Outfall Year 2017 Inspection Report prepared by Undersea Graphics, Inc.; and

    2. Discuss and take action as appropriate.

    Staff Reference: Director of Operations

16. CONSTRUCTION CONTRACT CHANGE ORDER – SAN ELIJO LAND OUTFALL REPLACEMENT PROJECT

    1. Authorize the General Manager to grant a construction contract change order for a total cost of $74,000; and

    2. Discuss and take action as appropriate.

    Staff Reference: General Manager

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

None

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 regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Monday, May 14, 2018 at 8:30 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. 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: April 4, 2018

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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
HELD ON MARCH 12, 2018
AT THE
SAN ELIJO WATER RECLAMATION FACILITY

Tasha Boerner Horvath, Chair — David Zito, Vice Chair

A regular meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Monday, March 12, 2018, at 8:30 a.m., at the San Elijo Water Reclamation Facility at 2695 Manchester Avenue, Cardiff by the Sea, California.

1. CALL TO ORDER

Chair Boerner Horvath called the meeting to order at 8:31 a.m.

2. ROLL CALL

Directors Present:	Ginger Marshall Tasha Boerner Horvath Joe Mosca
Directors Absent:	David Zito
Others Present:	
General Manager	Michael Thornton
Director of Operations	Chris Trees
Director of Finance & Administration	Paul Kinkel
Associate Engineer	Mike Konicke
Chief Plant Operator	Dale Kreinbring
Administrative Intern	Beatriz Arellano
Administrative Assistant/Board Clerk	Jennifer Basco
SEJPA Counsel:	
Procopio, Cory, Hargreaves & Savitch	Adriana Ochoa
City of Solana Beach:	
City Manager	Greg Wade
Director of Engineering/Public Works	Mohammad “Mo” Sammak
City of Encinitas:	
Public Works Management Analyst	Bill Wilson
Director of Public Works	Carl Quiram
City of Encinitas Resident	Bill Steiner

3. PLEDGE OF ALLEGIANCE

Chair Boerner Horvath led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

General Manager Thornton presented 5 Years of Service awards to Dale Kreinbring and Jennifer Basco.

6. CONSENT CALENDAR

Moved by Board Member Mosca and seconded by Board Member Marshall to approve the Consent Calendar.

Agenda Item No. 7	Approval of Minutes for the February 12, 2018 Meeting
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

Motion carried with the following vote of approval:

AYES:	Boerner Horvath, Mosca, Marshall
NOES	None
ABSENT:	Zito
ABSTAIN:	None

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

Motion carried with the following vote of approval:

AYES:	Boerner Horvath, Marshall
NOES:	None
ABSENT:	Zito
ABSTAIN:	Mosca

Note: Marshall cast 2 votes in Zito's absence.

11. ITEMS REMOVED FROM CONSENT CALENDAR

None

12. CAPITAL IMPROVEMENT PROGRAM UPDATE

General Manager Thornton updated the Board of Directors on Phase I and Phase II of the SEJPA Capital Improvement Program. Phase I is currently in construction and includes the Land Outfall Replacement, Preliminary Treatment Upgrades, and Odor Control Improvements. The revised Phase I budget is $14.2 million. Phase II is currently

in the design and permitting stage, and includes the Building and Site Improvements Program and IRWM recycled water pipelines.

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

13. GENERAL MANAGER'S REPORT

The General Manager informed the Board of Directors that recycled water sales for this year have been strong. Also, SEJPA is in discussions with several local water agencies about long-term plans and projects.

14. GENERAL COUNSEL'S REPORT

None

15. BOARD MEMBER COMMENTS

None

16. CLOSED SESSION

None

17. ADJOURNMENT

The meeting adjourned at 9:25 a.m. The next Board of Directors meeting will be held on April 9, 2018 at 8:30 a.m.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
18-04
For the Months of February and March 2018

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
35403	A-Check Global	Preemployment Screening	New employee verification	90.50
35404	Advanced Air & Vacuum	Services - Maintenance	Air compressor	160.00
35405	AT&T	Utilities - Telephone	Phone service - 01/13/18 - 02/12/18	383.18
35406	Atlas Pumping Service Inc.	Services - Grit & Screenings	Other hauling, grease and scum pumping, roll-off	5,435.72
35407	Automation Direct	Repair Parts Expense	General purpose drive DC control	248.00
35408	American Water Chemicals, Inc.	Supplies - Chemicals	Antiscalant	6,528.12
35409	Black & Veatch	Services - Management	Land outfall and headworks replacement project	130,157.50
35410	Boot World, Inc.	Uniforms - Boots	Safety boots	185.00
35411	Brenntag Pacific, Inc.	Supplies - Chemicals	Sodium hydroxide	1,382.22
35412	California Boiler	Services - Maintenance	Annual inspection and butterfly valve installation	7,089.00
35413	Carollo Engineers	Services - Engineering	SCADA upgrades	15,135.58
35414	Chemco Products Company	Supplies - Chemicals	Boiler water conditioner	300.41
35415	Chevron & Texaco Business Card	Fuel	February and March	1,284.33
35416	Coast Waste Management, Inc.	Services - Grit & Screenings	Service charge - 02/01/18 - 02/28/18	193.19
35417	Complete Office	Supplies - Office	Office supplies	75.61
35418	EDCO Waste & Recycling Service	Utilities - Trash	February	242.75
35419	Evantec Lab Supply	Supplies - Lab	Laboratory supplies	957.91
35420	J.R. Filanc Construction Co.	Services - Contractors	Land outfall replacement project	1,553,566.77
35421	Golden Bell Products	Supplies - Chemicals	Lift station degreaser	452.55
35422	Grainger, Inc.	Supplies - Safety	Full body harness	438.71
35423	Golden State Overnight	Postage/Shipping	Lab samples	69.94
35424	GTT Communications	Utilities - Internet	T-1 Service	323.03
35425	Harbor Freight Tools	Minor Equip - Shop & Field	Mobile storage cabinet, tools, and compact welder	1,292.96
35426	Helix Environmental Planning	Services - Professional	As needed support	3,711.25
35427	Michael Henke	Dues & Memberships	CWEA certificate renewals	185.00
35428	Jennifer Basco	Subsistence - Travel	Mileage	84.18
35429	Kemira Water Solutions, Inc.	Supplies - Chemicals	Ferric chloride	4,122.41
35430	Kennedy/Jenks Consultants	Services - Engineering	Land ocean outfall engineering support	6,804.50
35431	King Lee Chemical Co.	Repair Parts Expense	Filter cartridges	708.44
35432	Lee Michael Konicke	Subsistence - Travel/Rm & Bd	CASA conference and mileage	314.75
35433	Casey Larsen	Dues & Memberships	C10 license renewal	200.00
35434	The Lawton Group	Services - Intern Program	Weeks worked - 02/12/18 - 02/23/18	2,792.02
35435	McMaster-Carr Supply Co.	Repair Parts Expense	Fuses, hoses, gaskets, pipes, fittings	879.17
35436	MetLife - Group Benefits	Dental/Vision	Dental - March	1,605.64
35437	Midas Shop	Vehicle Maintenance	Radiator cap, sensors, and cooling system service	494.73
35438	Mile3 Web Develoment, Inc.	Services - Professional	Web redesign, hosting, and management	8,675.00
35439	Napa Auto Parts	Repair Parts Expense	Batteries	300.44
35440	NeWest Construction	Services - Contractors	Headworks/grit project	54,786.50
35441	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium hypochlorite	2,848.31
35442	Olivenhain Municipal Water District	Services - Maintenance	Wiegand reservoir/zona gale	8,180.16
35443	Olivenhain Municipal Water District	Rent	Pipeline rental payment - February	4,599.00
35444	OneSource Distributors, Inc.	Repair Parts Expense	Electrical parts	1,533.04
35445	Pacific Green Landscape	Services - Landscape	February	2,625.00
35446	Pacific Pipeline Supply	Repair Parts Expense	Pipe fittings	613.52
35447	P.E.R.S.	Medical Insurance - Pers	Health - March	23,237.79
35448	Public Employees - Retirement	Retirement Plan - PERS	Retirement - 02/10/18 - 02/23/18	12,172.20
35449	Preferred Benefit Insurance	Dental/Vision	Vision - March	283.70
35450	ProBuild Company, LLC	Repair Parts Expense	Repair parts	195.47
35451	ReadyRefresh	Supplies - Lab	Kitchen and lab supplies	313.73
35452	Roesling Nakamura Terada Architects	Services - Professional	Building improvement program	60,126.00
35453	RSF Security Systems	Prepaid - Other	Security monitoring - 03/01/18 - 05/31/18	1,353.00
35454	Rusty Wallis, Inc.	Services - Maintenance	Water softener, carbon exchange tank, and salt	156.72
35455	Safety Unlimited, Inc.	Training - Safety	HAZWOPER training	150.00
35456	Sage Designs, Inc.	Licenses	WIN-911 alarm notification software	595.00
35457	Santa Fe Irrigation District	Utilities - Water	Recycled water	364.63
35458	SDG&E	Fees - Permits	Customer requested outage	714.00
35459	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 01/05/18 - 02/05/18	54,265.58
35460	San Dieguito Water District	Utilities - Water	Recycled water	1,709.22
35461	Sun Life Financial	Life Insurance/Disability	Life and disability insurance - March	1,560.13
35462	Television 101	Services - Professional	Ocean outfall video	2,926.00
35463	Terminix Processing Center	Services - Maintenance	Pest control	217.00

SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
18-04
For the Months of February and March 2018

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
35464	Test America	Services - Laboratory	Testing water samples	1,048.50
35465	Technology Integration Group	Services - Maintenance	Copier	90.16
35466	Trussell Technologies, Inc.	Services - Engineering	Ammonia analyzer testing results	6,282.00
35467	Tyler Cook	Dues & Memberships	OIT certificate application fee	170.00
35468	Undersea Graphics, Inc.	Services - Contractors	Ocean outfall inspection	17,500.00
35469	Unifirst Corporation	Services - Uniforms	Uniform service	301.90
35470	Underground Service Alert/SC	Services - Alarm	Dig alert - February	137.05
35471	USA Bluebook	Repair Parts Expense	Sewage air release and vacuum valve	628.10
35472	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,012.09
35473	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,229.36
35474	Verizon Wireless	Utilities - Telephone	01/11/18 - 02/10/18 cell modem data	281.94
35475	Verizon Wireless	Utilities - Telephone	Cell phone service and equip - 01/08/18 - 02/07/18	1,046.67
35476	WageWorks	Payroll Processing Fees	Admin and compliance fee	118.25
35477	Aflac	EE Deduction Benefits	March	965.40
35478	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling - February	11,861.91
35479	AT&T	Utilities - Telephone	Alarm service - March	400.68
35480	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping	277.44
35481	BankCard Center	Vehicle Maintenance	IT security, repairs and supplies	1,243.62
35482	Boot World, Inc.	Uniforms - Boots	Safety boots	370.00
35483	Carollo Engineers	Services - Engineering	ARC flash and SCADA upgrades	21,771.13
35484	Chevron & Texaco Business Card	Fuel	March	423.62
35485	Corodata	Rent	Record storage - February	125.91
35486	Del Mar Blue Print	Advertising	PVC signs for outfall project	333.86
35487	Dickson	Minor Equip - Shop & Field	Pressure recording chart	170.91
35488	DMV	Services - Other	Safety records - 02/01/18 - 02/28/18	3.00
35489	Encina Wastewater Authority	Service - EWA Support	Resource sharing - HR and safety	2,607.57
35490	City of Encinitas	Service - IT Support	March	2,625.00
35491	Forte of San Diego	Services - Janitorial	April	1,000.00
35492	FRS Environmental	Services - Maintenance	Parts washer service	226.55
35493	Global Power Group Inc.	Services - Maintenance	Annual generator service contract	6,799.00
35494	George T. Hall Co., Inc.	Repair Parts Expense	Pressure switch	458.26
35495	Hardy Diagnostics	Supplies - Lab	Laboratory supplies	453.01
35496	Hoch Consulting, APC	Services - Professional	As needed services	10,250.00
35497	Kennedy/Jenks Consultants	Services - Engineering	Utility base mapping	3,225.00
35498	The Lawton Group	Services - Temp	Week worked - 02/26/18 - 03/01/18	439.56
35499	McMaster-Carr Supply Co.	Repair Parts Expense	Flowmeter, plumbing parts, insulation, fuses	644.43
35500	Michael R. Welch, Ph.D., P.E.	Services - Professional	Regulatory support	15,130.00
35501	Napa Auto Parts	Repair Parts Expense	Generator battery replacement (2)	320.92
35502	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium hypochlorite	2,855.29
35503	Olivenhain Municipal Water District	Services - Lobbying	North San Diego County Water Coalition	1,255.48
35504	Public Employees - Retirement	Retirement Plan - PERS	Retirement - 02/24/18 - 03/09/18	12,343.29
35505	Procopio Cory Hargreaves	Services - Legal	General; labor and employment	27,912.51
35506	Rising Tide Partners	Services - Professional	Public outreach	2,125.00
35507	Rusty Wallis, Inc.	Services - Maintenance	Water softener service	137.33
35508	Ryan Herco Products Corp.	Repair Parts Expense	Press gauges, outfall regulator	359.83
35509	SDG&E	Utilities - Gas & Electric	Electric bill - 08/07/17 - 02/05/18	104.02
35510	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - February	742.50
35511	Smart & Final	Supplies - Office	Kitchen supplies	63.82
35512	Test America	Services - Laboratory	Water sample testing	1,353.50
35513	Michael Thornton	Subsistence - Travel/Rm & Bd	CASA conference	1,524.02
35514	Technology Integration Group	Services - Maintenance	Copier	90.03
35515	Trussell Technologies, Inc.	Services - Engineering	Support for treatment process engineering	1,535.00
35516	Unifirst Corporation	Services - Uniforms	Uniform service	375.38
35517	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,065.12
35518	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,282.39
35519	VWR International, Inc.	Supplies - Lab	Laboratory supplies	726.23
35520	WageWorks	Payroll Processing Fees	Admin and compliance fee	118.25
35521	WorkPartners Occupational	Services - Medical	Fit for duty vaccines	765.00
	San Elijo Payroll Account	Payroll	Payroll - 03/02/2018	69,107.45
	San Elijo Payroll Account	Payroll	Payroll - 03/16/2018	65,475.08
				$2,311,685.53

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

For the Months of February and March 2018
As of March 22, 2018

PAYMENT OF WARRANTS		$ 2,311,685.53
Reference Number	18-04	

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.

Paul F. Kinkel
Director of Finance & Administration

STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS
AND INVESTMENT INFORMATION
As of March 22, 2018

FUNDS ON DEPOSIT WITH		AMOUNT
LOCAL AGENCY INVESTMENT FUND		
(FEBRUARY 2018 YIELD 1.412%)		
RESTRICTED SRF RESERVE	$	630,000.00
UNRESTRICTED DEPOSITS	$	9,413,053.36
CALIFORNIA BANK AND TRUST		
(FEBRUARY 2018 YIELD 0.01%)		
REGULAR CHECKING	$	332,532.96
PAYROLL CHECKING	$	5,000.00
UNION BANK - TRUSTEE (BOND FUNDS)		
BLACKROCK *(FEBRUARY 2018 YIELD 1.25%)*	$	118,321.01
LAIF *(FEBRUARY 2018 YIELD 1.412%)*	$	21,725,883.74
TOTAL RESOURCES	$	32,224,791.07

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AGENDA ITEM NO. 9

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

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

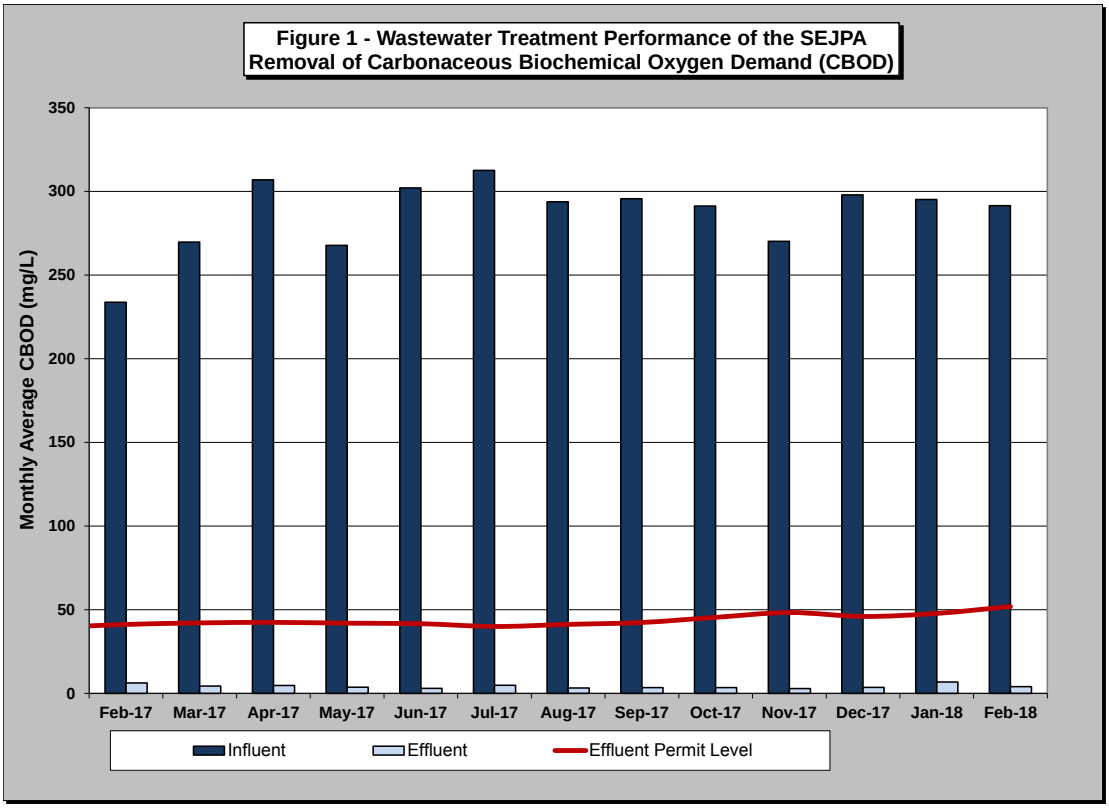
RECOMMENDATION

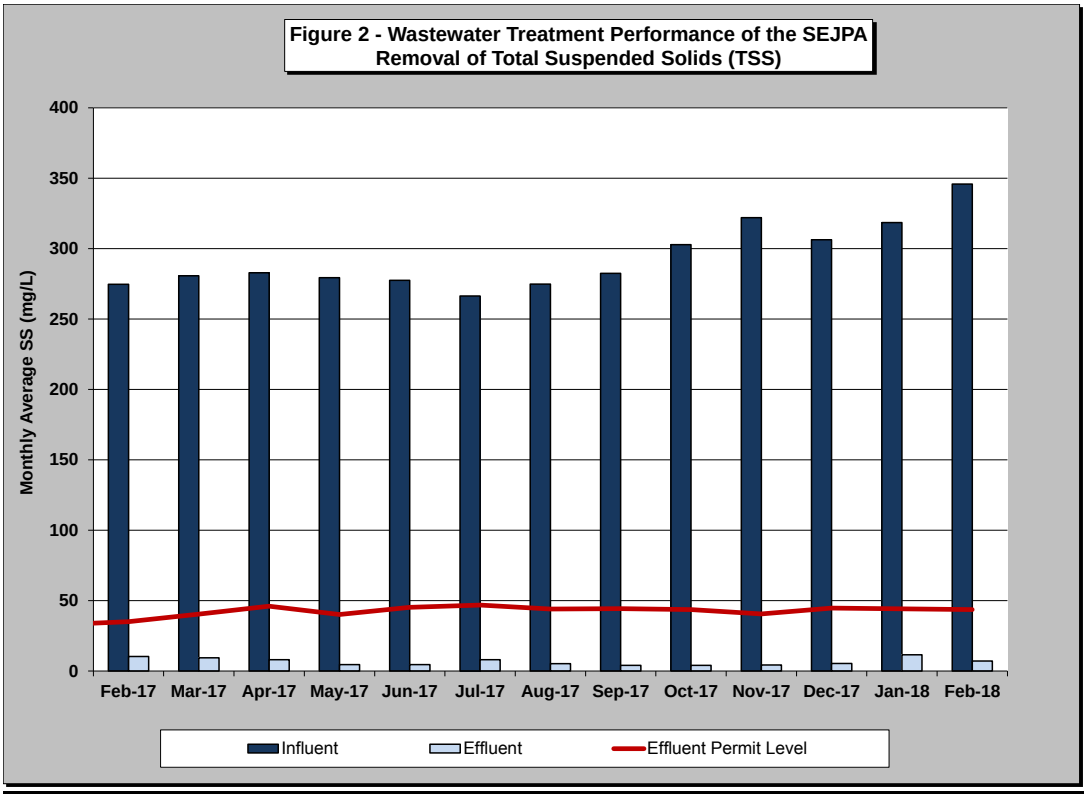
No action required. This memorandum is submitted for information only.

DISCUSSION

Monthly Treatment Plant Performance and Evaluation

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all National Pollutant Discharge Elimination System (NPDES) ocean effluent limitation requirements for the month of February 2018. 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 98.6 and 97.9 percent removal, respectively, (as shown in Figure 1 and Figure 2).





Member Agency Flows

Presented below are the influent and effluent flows for the month of February. Average daily influent flows were recorded for each Member Agency. Total effluent flow was calculated for the San Elijo Water Reclamation Facility. January 2017 was the first month that the City of Del Mar pumped flow to SEJPA. However, due to the treatment process upset and high influent flows associated with the January 2017 rain events, the flow was diverted back to San Diego JPA Metro. Currently, the City of Del Mar is in the process of eliminating high salinity infiltration that is occurring within the sanitary sewer collection system at the low lying beach areas. High salinity wastewater can negatively impact the biological treatment and water recycling process. Upon the completion of these repairs, which are in progress, the SEJPA will begin receiving wastewater flows from Del Mar.

	February	
	Influent (mgd)	**Effluent (mgd)***
Cardiff Sanitary Division	1.249	0.601
City of Solana Beach	0.968	0.466
Rancho Santa Fe SID	0.118	0.056
City of Del Mar	0.000	0.000
Total San Elijo WRF Flow	**2.335**	**1.123**

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

Table 1 (below) presents the historical average, maximum, and unit influent and effluent flow rates per month for each of the Member Agencies during the past 5 years. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each of the Member Agencies during this same time period.

TABLE 1 - SAN ELIJO WATER RECLAMATION FACILITY MONTHLY REPORT - FLOWS AND EDUS

	AVERAGE DAILY INFLUENT FLOW RATE (MGD)					AVERAGE DAILY EFFLUENT FLOW RATE (MGD)					CONNECTED EDUs					AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)				
MONTH	CSD	RSF CSD	SB	DM	TOTAL PLANT	CSD	RSF CSD	SB	DM	TOTAL PLANT	CSD EDUS	RSF CSD EDUS	SB EDUS	DM	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
Dec-12	1.383	0.141	1.197		2.721	1.261	0.129	1.091		2.481	8,300	490	7,728		16,518	167	288	155		165
Jan-13	1.357	0.145	1.215		2.717	1.155	0.124	1.034		2.313	8,300	490	7,728		16,518	163	296	157		164
Feb-13	1.349	0.138	1.201		2.688	1.048	0.108	0.933		2.089	8,301	490	7,728		16,519	163	282	155		163
Mar-13	1.402	0.154	1.235		2.791	0.905	0.100	0.797		1.802	8,302	493	7,728		16,521	169	314	160		169
Apr-13	1.297	0.124	1.237		2.658	0.531	0.051	0.506		1.088	8,304	493	7,728		16,523	156	253	160		161
May-13	1.339	0.126	1.185		2.650	0.376	0.036	0.333		0.745	8,304	493	7,728		16,525	161	256	153		160
Jun-13	1.341	0.126	1.190		2.657	0.269	0.025	0.239		0.533	8,307	493	7,728		16,528	161	256	154		161
Jul-13	1.366	0.144	1.269		2.779	0.482	0.050	0.448		0.980	8,309	493	7,728		16,530	164	292	164		168
Aug-13	1.342	0.168	1.258		2.768	0.380	0.048	0.356		0.784	8,311	494	7,728		16,533	161	340	163		167
Sep-13	1.343	0.117	1.193		2.653	0.403	0.036	0.358		0.797	8,311	494	7,728		16,533	162	237	154		160
Oct-13	1.319	0.132	1.184		2.635	0.629	0.063	0.565		1.257	8,314	494	7,728		16,536	159	267	153		159
Nov-13	1.348	0.133	1.194		2.675	0.932	0.092	0.826		1.850	8,315	494	7,728		16,537	162	270	155		162
Dec-13	1.341	0.134	1.191		2.666	1.030	0.103	0.915		2.048	8,316	494	7,728		16,538	161	272	154		161
Jan-14	1.322	0.135	1.194		2.651	0.851	0.087	0.768		1.706	8,318	495	7,728		16,541	159	273	155		160
Feb-14	1.314	0.127	1.172		2.613	0.954	0.093	0.851		1.898	8,323	495	7,728		16,546	158	257	152		158
Mar-14	1.339	0.134	1.185		2.658	0.858	0.086	0.760		1.704	8,324	496	7,728		16,548	161	270	153		161
Apr-14	1.326	0.128	1.128		2.582	0.449	0.043	0.382		0.874	8,328	498	7,728		16,554	159	257	146		156
May-14	1.353	0.124	1.127		2.604	0.159	0.015	0.132		0.306	8,333	498	7,728		16,559	162	249	146		157
Jun-14	1.341	0.126	1.188		2.655	0.207	0.020	0.183		0.410	8,333	498	7,728		16,559	161	253	154		160
Jul-14	1.271	0.130	1.307		2.708	0.232	0.024	0.239		0.495	8,338	499	7,728		16,565	152	261	169		163
Aug-14	1.228	0.130	1.298		2.656	0.227	0.024	0.239		0.490	8,345	500	7,728		16,573	147	260	168		160
Sep-14	1.215	0.113	1.232		2.560	0.211	0.019	0.214		0.444	8,351	500	7,728		16,579	145	226	159		154
Oct-14	1.204	0.114	1.198		2.516	0.394	0.038	0.392		0.824	8,353	500	7,728		16,581	144	228	155		152
Nov-14	1.237	0.118	1.198		2.553	0.667	0.063	0.646		1.376	8,354	502	7,728		16,584	148	235	155		154
Dec-14	1.323	0.147	1.229		2.699	1.163	0.129	1.081		2.373	8,355	502	7,728		16,585	158	293	159		163
Jan-15	1.253	0.130	1.232		2.615	0.984	0.102	0.967		2.053	8,359	503	7,977		16,838	150	259	154		155
Feb-15	1.229	0.132	1.228		2.589	0.757	0.081	0.757		1.595	8,361	504	7,977		16,841	147	262	154		154
Mar-15	1.269	0.135	1.231		2.635	0.583	0.062	0.566		1.211	8,365	504	7,977		16,846	152	268	154		156
Apr-15	1.183	0.124	1.196		2.503	0.350	0.036	0.354		0.740	8,366	504	7,977		16,847	141	246	150		149
May-15	1.209	0.117	1.149		2.475	0.545	0.053	0.518		1.116	8,367	505	7,977		16,848	144	232	144		147
Jun-15	1.287	0.113	1.052		2.452	0.362	0.032	0.296		0.690	8,369	506	7,977		16,852	154	224	132		146
Jul-15	1.282	0.110	1.176		2.568	0.392	0.034	0.359		0.785	8,370	510	8,003		16,883	153	216	147		152
Aug-15	1.264	0.095	1.087		2.446	0.315	0.023	0.271		0.609	8,371	510	8,003		16,884	151	186	136		145
Sep-15	1.256	0.105	1.001		2.362	0.457	0.038	0.364		0.859	8,372	511	8,003		16,885	150	206	125		140
Oct-15	1.243	0.106	1.002		2.351	0.681	0.058	0.549		1.288	8,373	511	8,003		16,886	148	208	125		139
Nov-15	1.250	0.100	0.994		2.344	0.792	0.063	0.630		1.485	8,376	511	8,003		16,889	149	196	124		139
Dec-15	1.266	0.107	1.016		2.389	0.971	0.082	0.780		1.833	8,377	511	8,003		16,891	151	210	127		141
Jan-16	1.342	0.131	1.037		2.510	1.189	0.116	0.918		2.223	8,380	511	8,003		16,894	160	257	130		149
Feb-16	1.245	0.112	1.008		2.365	0.780	0.070	0.631		1.481	8,383	512	8,003		16,897	149	219	126		140
Mar-16	1.267	0.116	1.023		2.406	0.763	0.070	0.616		1.449	8,388	512	8,003		16,903	151	227	128		142
Apr-16	1.240	0.102	0.990		2.332	0.675	0.055	0.539		1.269	8,389	512	8,003		16,904	148	199	124		138
May-16	1.238	0.117	1.002		2.357	0.505	0.048	0.409		0.962	8,389	512	8,003		16,904	148	229	125		139
Jun-16	1.205	0.111	1.055		2.371	0.362	0.033	0.317		0.712	8,390	514	8,003		16,907	144	216	132		140
Jul-16	1.336	0.105	1.008		2.449	0.586	0.046	0.442		1.074	8,392	514	8,020		16,926	159	204	126		145
Aug-16	1.317	0.107	1.007		2.431	0.647	0.053	0.495		1.195	8,393	516	8,020		16,929	157	207	126		144
Sep-16	1.311	0.110	0.975		2.396	0.601	0.050	0.447		1.098	8,394	516	8,020		16,930	156	213	122		142
Oct-16	1.289	0.108	0.962		2.359	0.521	0.043	0.389		0.953	8,397	517	8,020		16,933	154	209	120		139
Nov-16	1.323	0.113	0.932		2.368	0.730	0.062	0.514		1.306	8,403	517	8,020		16,940	157	219	116		140
Dec-16	1.419	0.150	0.998		2.567	1.179	0.125	0.829		2.133	8,406	549	8,020		16,975	169	273	124		151
Jan-17	1.572	0.197	1.125	0.047	2.941	1.489	0.186	1.066	0.045	2.786	8,409	549	8,020	1,716	18,694	187	359	140	142	157
Feb-17	1.361	0.211	1.240	0.000	2.812	1.236	0.192	1.126	0.000	2.554	8,409	549	8,020	1,716	18,694	162	384	155	0	166
Mar-17	1.215	0.170	1.261	0.000	2.646	0.856	0.120	0.889	0.000	1.865	8,413	550	8,020	1,716	18,698	144	309	157	0	156
Apr-17	1.077	0.139	1.190	0.000	2.406	0.841	0.108	0.929	0.000	1.878	8,414	551	8,020	1,716	18,700	128	252	148	0	142
May-17	1.082	0.136	1.184	0.000	2.402	0.842	0.106	0.922	0.000	1.870	8,416	551	8,049	1,716	18,732	129	247	147	0	141
Jun-17	1.241	0.134	1.032	0.000	2.407	0.980	0.106	0.815	0.000	1.901	8,420	551	8,049	1,716	18,737	147	243	128	0	141
Jul-17	1.267	0.130	1.083	0.000	2.480	0.802	0.082	0.685	0.000	1.569	8,421	551	8,061	1,716	18,749	150	236	134	0	146
Aug-17	1.262	0.139	1.051	0.000	2.452	0.852	0.094	0.709	0.000	1.655	8,423	553	8,061	1,716	18,753	150	251	130	0	144
Sep-17	1.264	0.130	1.006	0.000	2.400	0.866	0.089	0.689	0.000	1.644	8,427	555	8,061	1,716	18,759	150	234	125	0	141
Oct-17	1.242	0.123	0.977	0.000	2.342	0.543	0.053	0.427	0.000	1.023	8,431	555	8,061	1,716	18,763	147	222	121	0	137
Nov-17	1.257	0.131	0.983	0.000	2.371	0.661	0.069	0.517	0.000	1.247	8,431	554	8,061	1,716	18,762	149	237	122	0	139
Dec-17	1.248	0.125	1.014	0.000	2.387	0.693	0.070	0.563	0.000	1.326	8,431	554	8,061	1,716	18,762	148	226	126	0	140
Jan-18	1.276	0.125	1.015	0.000	2.416	0.886	0.087	0.705	0.000	1.678	8,435	555	8,061	1,716	18,767	151	225	126	0	142
Feb-18	1.249	0.118	0.968	0.000	2.335	0.601	0.056	0.466	0.000	1.123	8,441	555	8,061	1,716	18,773	148	213	120	0	137

CSD: Cardiff Sanitary Division

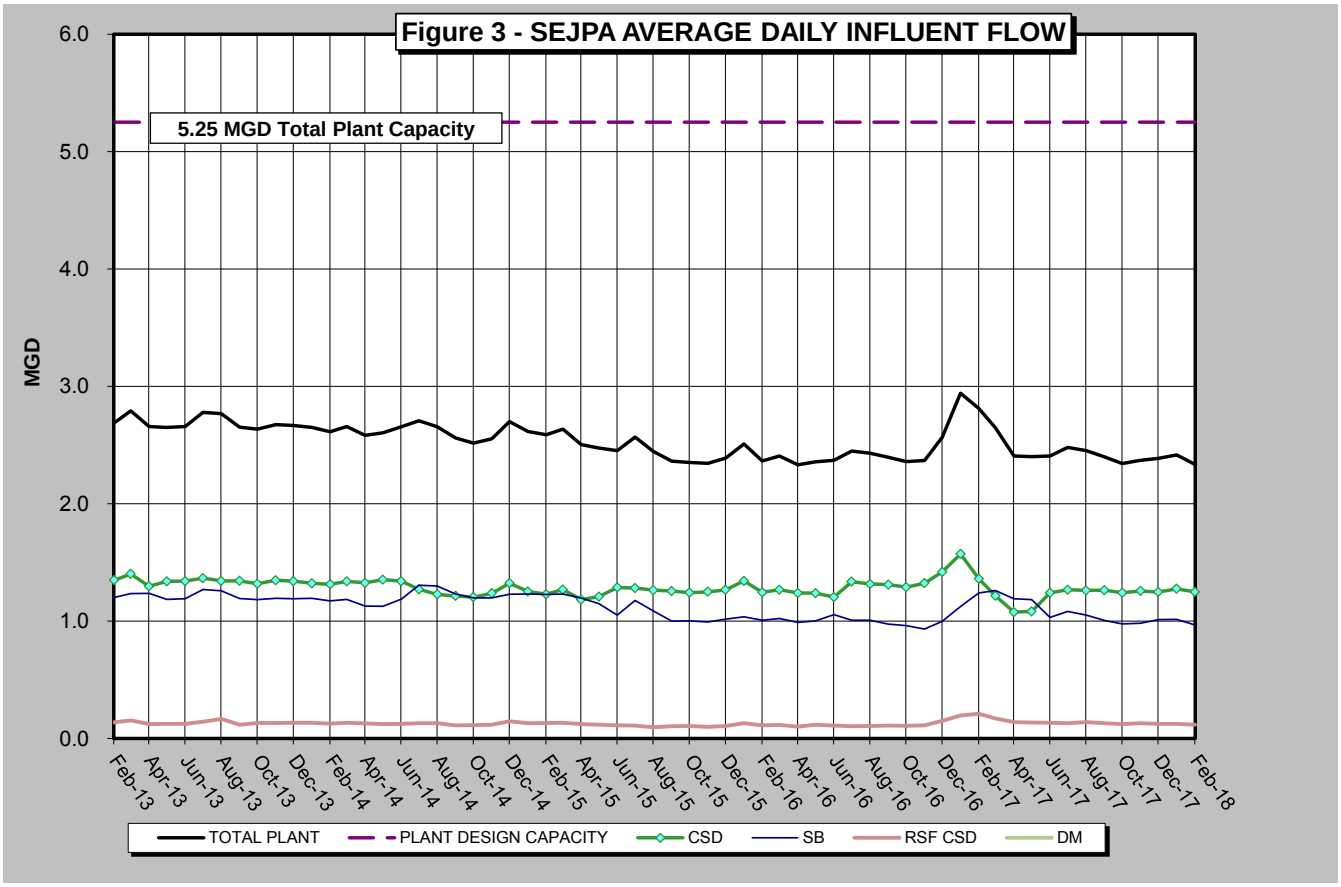
RSF CSD: Ranch Santa Fe Community Service District

SB: Solana Beach

EDU: Equivalent Dwelling Unit

ASSUMPTIONS: SB Connected EDUs includes 300 EDUs for the City of San Diego

Figure 3 (below) presents the 5-year 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. 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 2.2 mgd, Rancho Santa Fe Community Service District leases 0.25 mgd, and the City of Del Mar leases 0.60 mgd.



City of Escondido Flows

The average and peak flow rate for the month of February 2018 from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below.

	Flow (mgd)
Escondido (Average flow rate)	9.83
Escondido (Peak flow rate)	18.1

Connected Equivalent Dwelling Units

The City of Solana Beach updated the connected EDUs number that is reported to the SEJPA in July 2017. The City of Encinitas and Rancho Santa Fe CSD report their connected EDUs every month. The City of Del Mar reported their connected EDUs in March 2017; however, flows have been diverted to the San Diego Metro JPA due to high salinity which is currently being resolved. The number of EDUs connected for each of the Member Agencies is as follows:

	Connected (EDU)
Cardiff Sanitary Division	8,441
Rancho Santa Fe SID	555
City of Solana Beach	7,724
San Diego (to Solana Beach)	337
City of Del Mar	1,716
Total EDUs to System	**18,773**

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

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 February 2018, recycled water demand was 92.35 acre-feet (AF), which was met using 92.35 AF of recycled water and 0.0 AF of supplementation with potable water.

Recycled Water demand for February was the highest on record for the SEJPA. Typical February demand is approximately 47.0 AF. Warm, dry weather was the driving factor to the above normal water demands; and new customer sites have been connected during this last year.

Figure 1 (attached) provides monthly demands for recycled water since deliveries began in September 2000. Figure 2 (attached) provides a graphical view of annual recycled water demand spanning the last 17 fiscal years. Figure 3 (attached) shows the monthly recycled water demand for each February since the program began. Figure 4 (attached) compares budget versus actual recycled water sales for FY 2017-18; currently sales are trending above budget.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

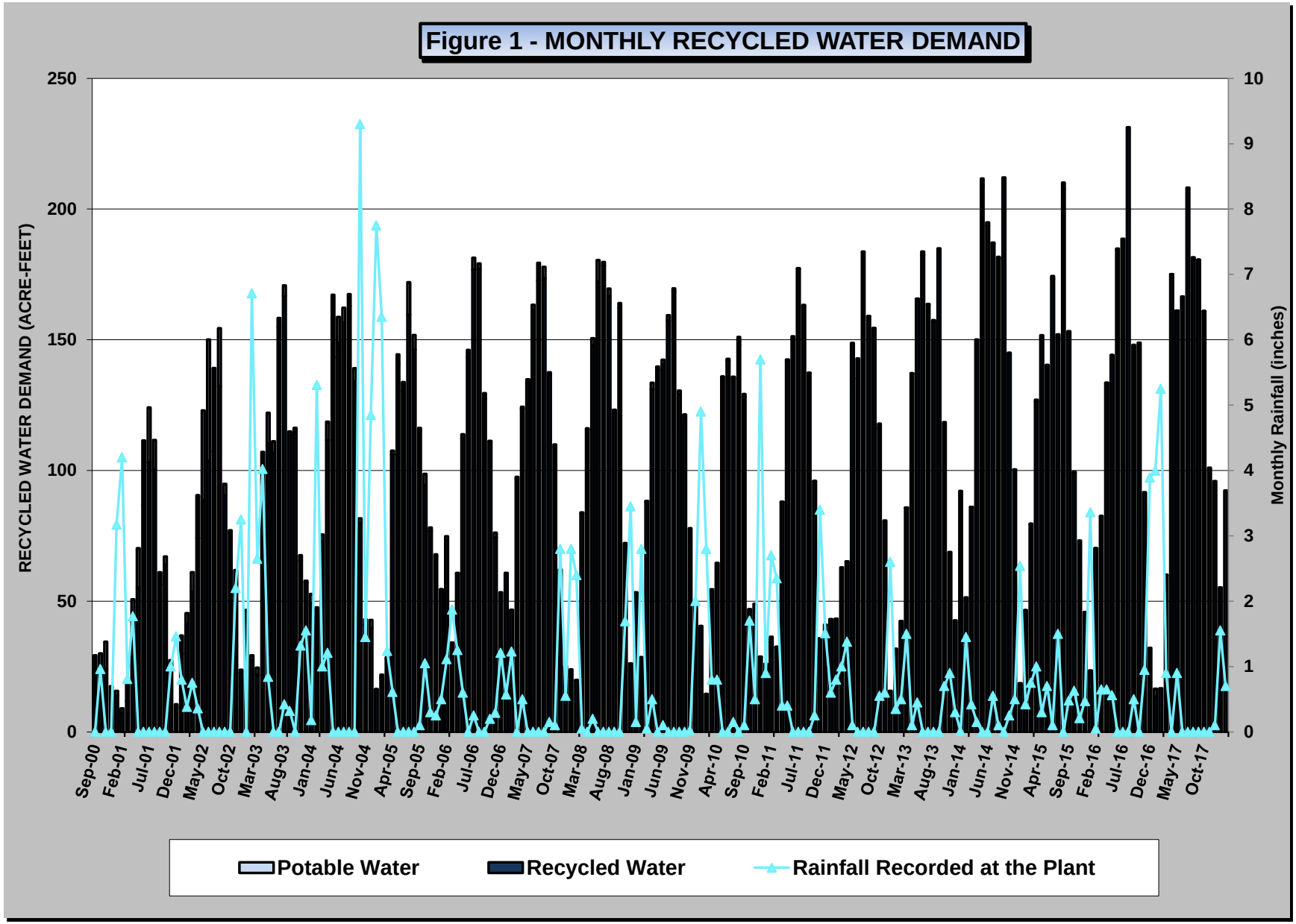


Figure 1 - MONTHLY RECYCLED WATER DEMAND
RECYCLED WATER DEMAND (ACRE-FEET)
Monthly Rainfall (inches)
250
200
150
100
50
0
10
9
8
7
6
5
4
3
2
1
0
Sep-00
Feb-01
Jul-01
Dec-01
May-02
Oct-02
Mar-03
Aug-03
Jan-04
Jun-04
Nov-04
Apr-05
Sep-05
Feb-06
Jul-06
Dec-06
May-07
Oct-07
Mar-08
Aug-08
Jan-09
Jun-09
Nov-09
Apr-10
Sep-10
Feb-11
Jul-11
Dec-11
May-12
Oct-12
Mar-13
Aug-13
Jan-14
Jun-14
Nov-14
Apr-15
Sep-15
Feb-16
Jul-16
Dec-16
May-17
Oct-17
Potable Water
Recycled Water
Rainfall Recorded at the Plant

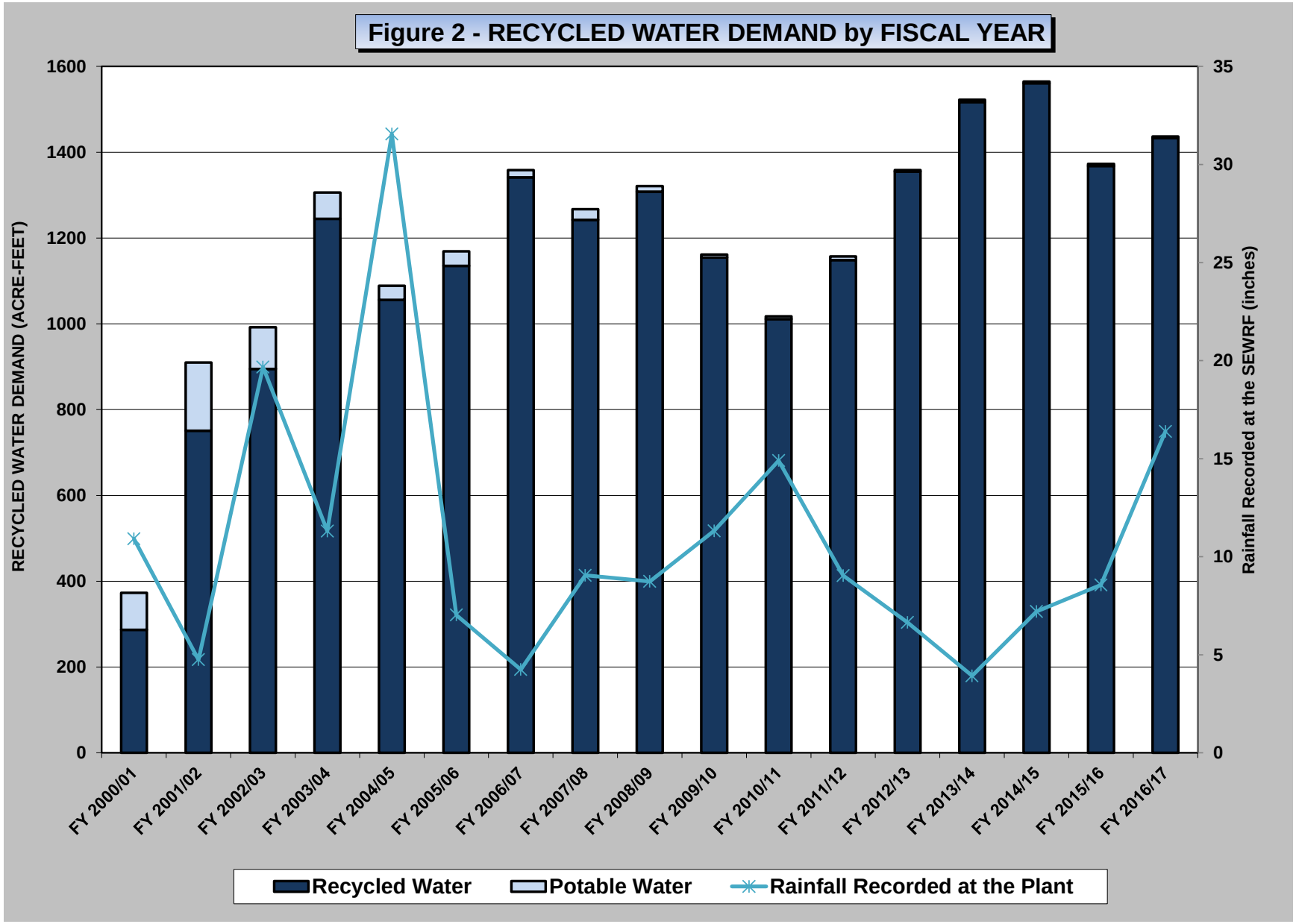


Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR
RECYCLED WATER DEMAND (ACRE-FEET)
Rainfall Recorded at the SEWRF (inches)
1600
1400
1200
1000
800
600
400
200
0
35
30
25
20
15
10
5
0
FY 2000/01
FY 2001/02
FY 2002/03
FY 2003/04
FY 2004/05
FY 2005/06
FY 2006/07
FY 2007/08
FY 2008/09
FY 2009/10
FY 2010/11
FY 2011/12
FY 2012/13
FY 2013/14
FY 2014/15
FY 2015/16
FY 2016/17
Recycled Water
Potable Water
Rainfall Recorded at the Plant

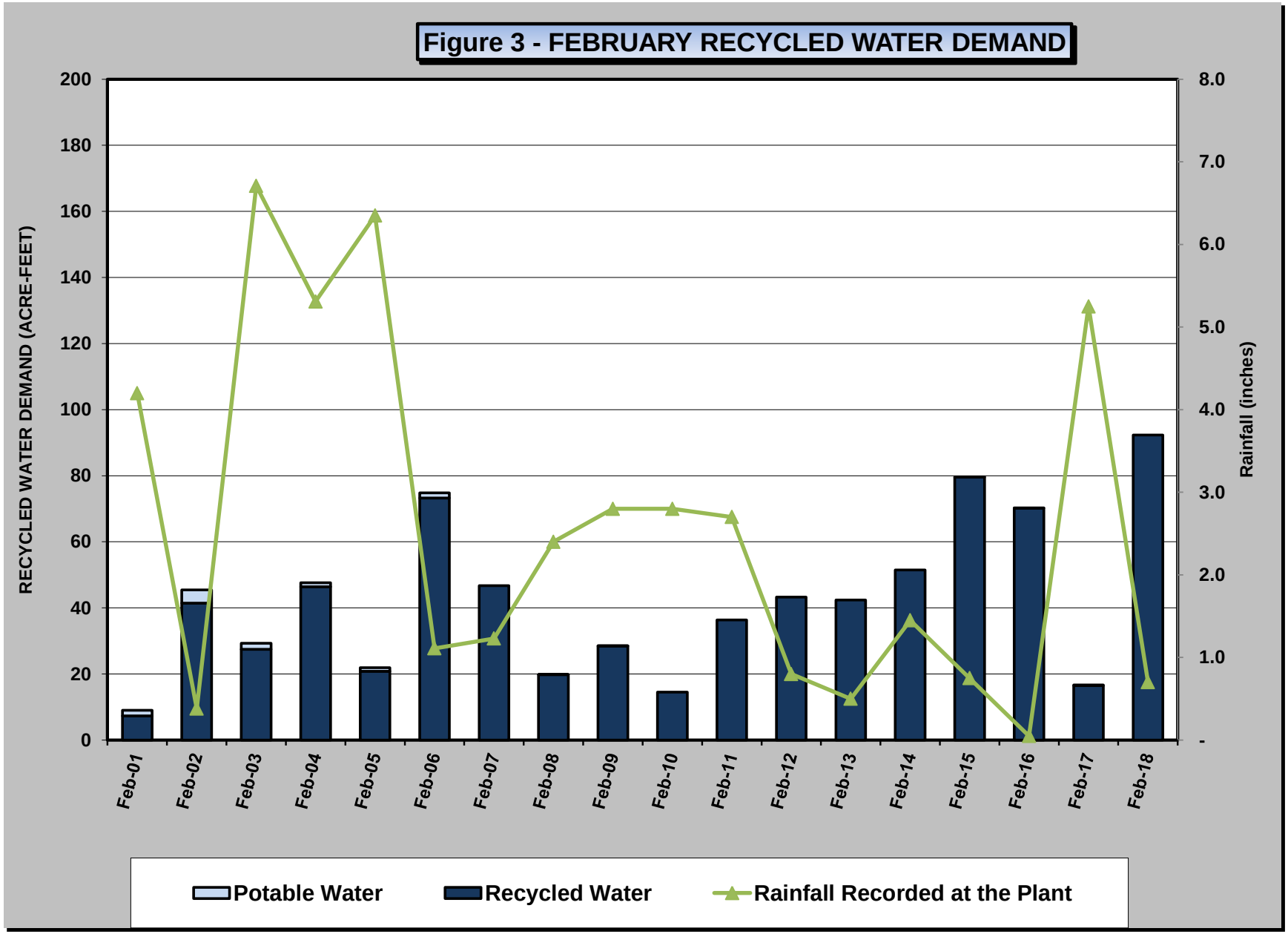


Figure 3 - FEBRUARY RECYCLED WATER DEMAND
RECYCLED WATER DEMAND (ACRE-FEET)
Rainfall (inches)
200
180
160
140
120
100
80
60
40
20
0
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0
-
Feb-01
Feb-02
Feb-03
Feb-04
Feb-05
Feb-06
Feb-07
Feb-08
Feb-09
Feb-10
Feb-11
Feb-12
Feb-13
Feb-14
Feb-15
Feb-16
Feb-17
Feb-18
Potable Water
Recycled Water
Rainfall Recorded at the Plant

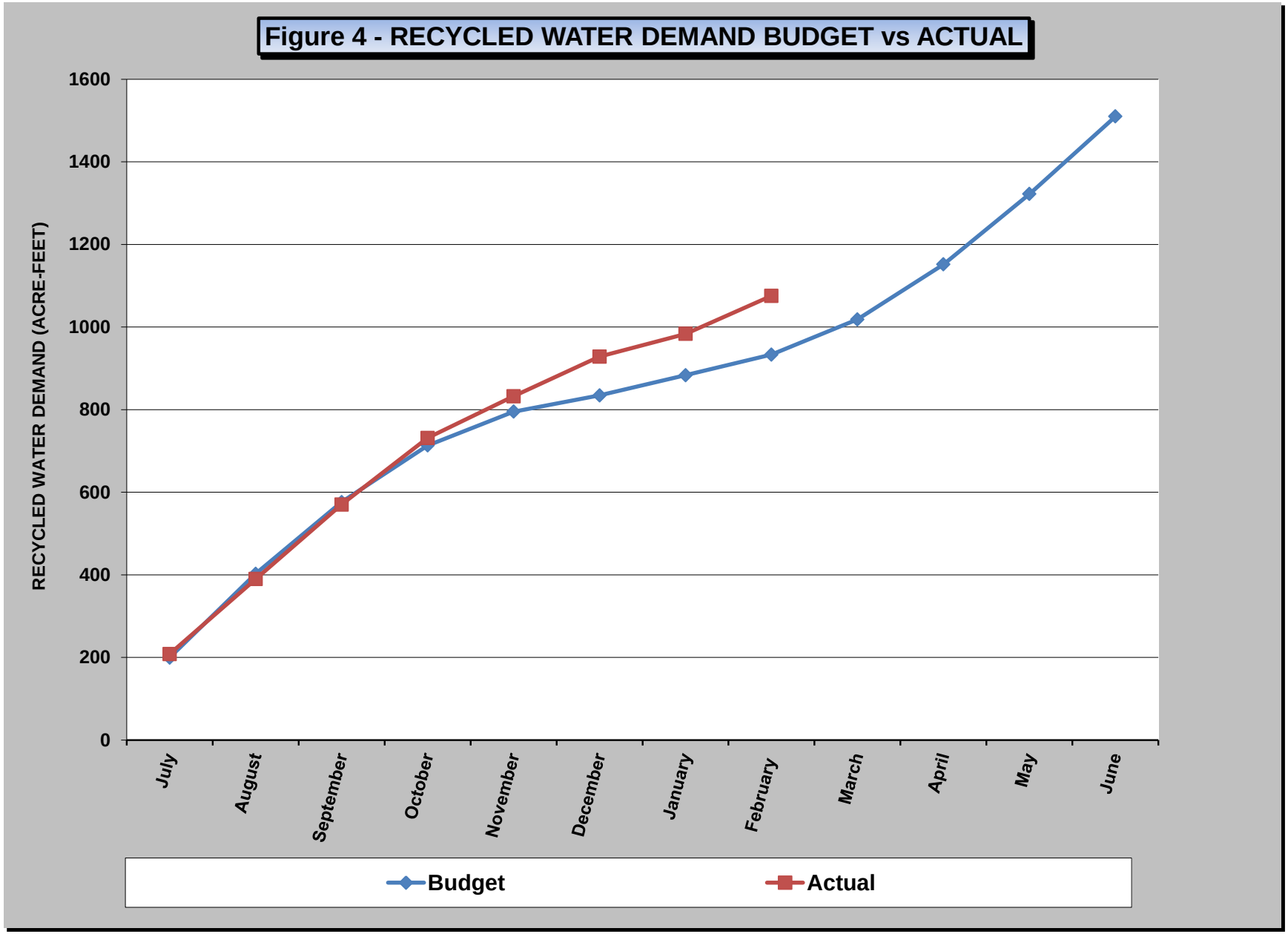


Figure 4 - RECYCLED WATER DEMAND BUDGET vs ACTUAL
RECYCLED WATER DEMAND (ACRE-FEET)
1600
1400
1200
1000
800
600
400
200
0
July
August
September
October
November
December
January
February
March
April
May
June
Budget
Actual

*

AGENDA ITEM NO. 11

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: ADOPT THE PROPOSED CEQA MITIGATED NEGATIVE DECLARATION ADDENDUM FOR RECYCLED WATER SYSTEM IMPROVEMENTS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt the Proposed Addendum No. 1 to the Recycled Water Pipeline and Facility Upgrades Final Mitigated Negative Declaration;

2. Adopt Resolution No. 2018-03, "Resolution of the San Elijo Joint Powers Authority Considering and Approving an Addendum to the Mitigated Negative Declaration Previously Adopted for Recycled Water System Improvements"; and

3. Discuss and take action as appropriate.

BACKGROUND

In 2015, the SEJPA was awarded a grant for a suite of recycled water projects through the California Integrated Regional Water Management (IRWM) program. The IRWM projects include recycled water pipeline extensions to reduce potable water consumption for landscape and agricultural use in response to recent drought conditions. The grant requires an environmental evaluation of potential impacts prior to construction.

The SEJPA retained the professional services of Dudek to prepare the California Environmental Quality Act (CEQA) reporting requirements for the recycled water system improvements. Based on the findings of the Initial Study Environmental Checklist, Dudek prepared a Mitigated Negative Declaration (MND) with the SEJPA as the lead agency, in conformance with Section 15070(a) of the CEQA Guidelines. Some potentially significant effects were identified, and mitigation measures were incorporated into the project to ensure that these effects remain at less than significant levels, thereby satisfying the requirements of CEQA (PRC 21000 et. seq.; 14 CCR 15000 et. seq.). The MND (State Clearinghouse No. 2016031051) was distributed for a 30-day public review period, and was adopted by the Board in May 2016.

DISCUSSION

Subsequent to permitting review, it was determined that a minor realignment of the pipeline would eliminate potentially negative impacts to trees and a bluff along the original alignment. The pipeline was re-designed and is currently awaiting final permit approvals from the City of Encinitas and the California Coastal Commission. The realignment does not create any new significant impacts nor does it substantially increase the severity of impacts identified in the MND. No new mitigation measures beyond those identified in the MND will be required. Furthermore, the realignment will reduce the severity of impacts to biological resources identified for the original alignment. Accordingly, an addendum to the MND was prepared pursuant to Section 15162 and 15164 of the CEQA Guidelines.

CEQA guidelines require the decision-making body to consider the proposed addendum to the MND prior to project approval. Adoption of the proposed addendum and filing of a Notice of Determination will complete the process required under CEQA. No public notice is required for an addendum.

It is therefore recommended that the Board of Directors:

1. Adopt the Proposed Addendum No. 1 to the Recycled Water Pipeline and Facility Upgrades Final Mitigated Negative Declaration;

2. Adopt Resolution No. 2018-03, "Resolution of the San Elijo Joint Powers Authority Considering and Approving an Addendum to the Mitigated Negative Declaration Previously Adopted for Recycled Water System Improvements"; and

3. Discuss and take action as appropriate.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

Attachment 1: Introduction to the Final Mitigated Negative Declaration for the Recycled Water Pipeline and Facility Upgrades (May 2016)

Attachment 2: Proposed Addendum No. 1 to the Recycled Water Pipeline and Facility Upgrades Final Mitigated Negative Declaration

Attachment 3: Resolution 2018-03 – Resolution of the San Elijo Joint Powers Authority Considering and Approving Addendum to the Mitigated Negative Declaration Previously Adopted for Recycled Water System Improvements

Note: The Final Mitigated Negative Declaration for the Recycled Water Pipeline and Facility Upgrades (May 2016) is posted on the SEJPA website at the following link: www.sejpa.org under Capital Projects/Public Notices.

ATTACHMENT 1

Final Mitigated Negative Declaration for the San Elijo Water Reclamation Facility Upgrades

APRIL 2016

PREPARED FOR:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff By The Sea, California 92007

Contact: Mike Konicke

PREPARED BY:

DUDEK
605 Third Street
Encinitas, CA 92024

~~PUBLIC REVIEW DRAFT~~FINAL

San Elijo Water Reclamation Facility Upgrades
Mitigated Negative Declaration

Prepared for:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff By The Sea, California 92007
Contact: Mike Konicke

Prepared by:

DUDEK
605 Third Street
Encinitas, California 92024
Contact: Carey Fernandes, AICP

~~FEBRUARY~~ APRIL 2016

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1 INTRODUCTION

1.1 Project Description and Overview

1.1.1 Purpose and Need

In April 2015, San Elijo Joint Powers Authority (SEJPA) completed the 2015 Facility Plan for the SEJPA's San Elijo Water Reclamation Facility (SEWRF). The purpose of the 2015 Facility Plan was to provide a planning document that would identify and prioritize potential improvements at the SEWRF. The 2015 Facility Plan recommends that multiple components of the SEWRF be upgraded or replaced based on a combination of factors such as risk, safety, physical condition, code compliance, potential for improving process efficiency, reducing labor, and improving energy efficiency.

SEJPA is pursuing State Revolving Loan Fund (SRF) support from the State Water Resources Control Board (SWRCB) for portions of the identified upgrades in the 2015 Facility Plan. Select portions of the SEWRF upgrades that would be funded through SRF support constitute the proposed project under the California Environmental Quality Act (CEQA). This project would be included in the SWRCB's "CEQA Plus" Environmental Package along with a separate San Elijo Water Reclamation Facility Land Outfall Replacement Project.

1.1.2 Project Location and Setting

All facility upgrades would occur within the existing SEWRF site (project site) approximately 16.7 acres and located at 2695 Manchester Avenue, Cardiff by the Sea, California 92007 (Assessor's Parcel Number 2610101302), as shown in Figure 1, Regional Map, and Figure 2, Vicinity Map. The project site is surrounded by existing residential development to the north, west, and southeast. Interstate 5 (I-5) is located immediately to the east of the project site. San Elijo Lagoon is located to the south across Manchester Avenue. The project site is located approximately 0.4 mile east of the Pacific Ocean.

Currently, the project site is fully developed as the existing SEWRF, associated landscaping, and stormwater drainage facilities, as shown in Figure 3, Project Site. The existing facilities within the SEWRF are shown in Figure 4, Existing Site Plan. The existing facilities are separated from surrounding development by extensive existing landscape that consists of shrubs and trees. The project site is zoned as Public/Semi-Public. The project is within the Coastal Zone.

1.1.3 Proposed Project Components

1.1.3.1 Water Reclamation Facility Upgrades

The following is a summary of the proposed SEWRF upgrades, rehabilitations, and replacements as recommended by the 2015 Facility Plan, in the general order of implementation. Refer to Figure 5, Proposed Project Components, for a layout of the project site and the location of project components, as described below.

Administration and Operations Buildings and Seismic Upgrades. The operations building, cogeneration building, and chlorine building would receive a seismic roof to wall connections retrofit. A new administration building would be constructed at the southern end of the project site, near the SEWRF entrance off Manchester Avenue. The proposed administration building would be located approximately 250 feet from the southern property line and approximately 85 feet from the western property line. The proposed administration building would be approximately 12,500 square feet and 30 feet in height (two stories), with associated parking lot with lighting and landscaping. The current design and location is conceptual and subject to change. Although the design would be finalized at a later date, building material would likely consist of concrete masonry and exterior finishes would be similar to existing structures within the SEWRF. The building would include a mechanical heating, ventilation, and air conditioning system. Depth of excavation for the building would be approximately 5 to 10 feet.

Site Improvements and Security. Site access and use would be improved by replacing the open storm channels with storm pipes or culverts. Work on the open storm channel would extend approximately 10 feet west of the existing channel. This area of work is within the 20 foot fire management zone that is cleared periodically, as required by the City of Encinitas Fire Department. Additionally, this area had previously been developed for underground pipelines that exist today. Site asphalt would be replaced. Fencing surrounding the SEWRF site would be improved for proper height along with the installation of climbing deterrents (also to be installed at the block wall located at the gate). Video surveillance would be improved at critical facility areas.

Preliminary Treatment Upgrades. Two existing mechanical screens would be replaced with new screens in new concrete channels, duty/standby compactors, and a new screenings conveyor/sluice would be installed. New screenings and grit inlet channels would be constructed. Corrosion in the existing screenings channels, grit chamber and channels, and primary influent channels would be repaired. Additional foul air ducting would be installed at the headworks channels and Grit and Screenings Building to improve odor control.

Electrical Upgrades. Switchboard MS-2 in the cogeneration building and the odor control panel in the headworks would be replaced. As part of the electrical upgrades, the Arc Flash Study would be updated and Arc Flash labels included on all electrical panels.

Dewatering Upgrades. These upgrades would include replacement of the existing belt filter presses, feed pumps, and electrical equipment and controls. The condition of the truck loading hopper would be evaluated, and the hopper would be repaired or retrofitted as necessary. The mezzanine and roof decking in the dewatering building would be repaired.

Digester Improvements. Digester improvements would include replacement of Sludge Circulation Pumps Nos. 2 , 3, and 5, heat exchangers, and the floating cover on Digester No. 2. Repair would occur on Digester No. 2 (concrete and lining), and Digester No. 3 (seals around cover), Digester No. 4 (joint between cover and walls). Additionally, further inspection of cracks on Digesters Nos. 2, 3, and 4 may require further repair.

Aeration and Return Upgrades. These upgrades would include the installation of mixing in anoxic zones, high efficiency blowers, diffusers, permanent baffles, a fall arrest system, and Return Flow Pump No. 4. The drain pump, all discharge piping, and all pump rails would be replaced.

Dissolved Air Flotation (DAF) Upgrades and Co-thickening. Three pumps and the DAF No. 2 Drive would be replaced and a Pressurization Pump No. 2 (for DAF No. 2) would be installed. These upgrades would implement co-thickening of waste activated sludge and primary sludge.

Supervisory Control and Data Acquisition (SCADA) System. SCADA system hardware would be installed and the software would be updated. This upgrade would include transitioning to a single platform, adding missing equipment (alarms, signals, etc.), and updating the control room working station.

Solar Fields. The proposed project includes four proposed solar fields. The locations of the solar fields align with the identified areas shown on Figure 5. The solar component of the proposed project is conceptual and is subject to change upon final design. Conceptual plans for solar fields include an approximate 80-panel carport on the west of the generator, an approximate 300-panel ground-mounted field east of the generator, an approximate 200-panel carport west of the existing headworks, and an approximate 230-panel ground-mounted field north of the proposed 200-panel carport.

1.1.3.2 Construction

Project construction would be phased intermittently over several years beginning in January 2017 and ending in September 2019. Water required for construction would be supplied by on-site recycled water.

Equipment would vary greatly between project components, and construction of the new administration building would require the largest construction equipment. The following is potential equipment required for construction of the proposed project:

- Medium-sized excavation and earth moving equipment
- Dump trucks
- Cement mixers
- Portable welders
- Cranes

1.1.3.3 Operations and Maintenance

The overall function and purpose of the SEWRF would remain unchanged with implementation of the proposed project. The proposed project would improve the safety and efficiency of the SEWRF, improving its reliability. Regular maintenance activities within the SEWRF would continue generally unchanged from existing conditions. The capacity and number of operational staff would not change as a result of the proposed project.

1.1.4 Discretionary Actions

The following discretionary actions are required for the proposed project:

- San Elijo Joint Powers Authority Board of Directors approval and adoption of the MND
- State Water Resources Control Board approval and CEQA plus approval:
    - In addition to standard CEQA compliance, SEJPA has the potential to apply for the SRF Loan Program, which is partially funded by the U.S. Environmental Protection Agency (USEPA). This makes the project subject to federal environmental regulations guiding the General Conformity Rule for the Clean Air Act, the Endangered Species Act, and the National Historic Preservation Act. USEPA has allowed a modified CEQA, called CEQA plus, to be the compliance base for projects applying for SRF funds. This draft MND has been prepared in compliance with the CEQA plus requirements for SRF funding.
- Coastal Development Permit

1.2 California Environmental Quality Act Compliance

As the Lead Agency for the proposed project under the CEQA (Public Resources Code Section 21000 et seq.), SEJPA prepared an Initial Study to determine if the proposed project would have a significant effect on the environment. The Initial Study identifies potentially significant effects to biological resources and cultural resources during construction and operations, but mitigation measures incorporated into the proposed project by SEJPA before the Initial Study and this Mitigated Negative Declaration (MND) were circulated for public review would mitigate the biological resources and cultural resources effects to a point where no significant effects would occur. There is no substantial evidence, in light of the whole record before the agency, that the project as revised may have a significant effect on the environment. Therefore, pursuant to the *Guidelines for Implementation of the California Environmental Quality Act* (CEQA Guidelines) (Section 15070[b]), SEJPA has prepared an MND for the proposed project. Included in this draft of the MND is the Initial Study documenting the reasons supporting this finding.

1.3 Public Review Process

The Draft MND is available for a 30-day public review period (Guidelines Section 15105). The public review period will begin on February 12, 2016. Written comments regarding the adequacy of the Draft MND must be received by March 14, 2016. Comments should be addressed, emailed, or faxed to:

Michael Thornton, PE
2695 Manchester Avenue
Cardiff, California 92007
thornton@sejpa.org

SEJPA shall prepare written responses to comments on environmental issues received during the noticed public review period. Written comments received by SEJPA will be included in the public record.

Copies of the Draft MND and supporting materials are available online at http://www.sejpa.org/index.php?parent_id=51&page_id=57 and at the SEJPA offices at the address provided above. Copies of the Draft MND are also available at the following locations:

- **Cardiff Library:** 2081 Newcastle Avenue, Cardiff, California 92007
- **City of Encinitas:** 505 S. Vulcan Avenue, Encinitas, California 92024
- **City of Solana Beach:** 635 Highway 101, Solana Beach, California 92075

ATTACHMENT 2

Addendum No. 1 to the Recycled Water Pipeline and Facility Upgrades Final Mitigated Negative Declaration (State Clearinghouse No. 2016031051)

Prepared for:

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

Prepared by:

DUDEK
605 Third Street
Encinitas, California 92024

APRIL 2018

Addendum No. 1 to the Recycled Water Pipeline and Facility Upgrades Final Mitigated Negative Declaration

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Addendum No. 1 to the Recycled Water Pipeline and Facility Upgrades Final Mitigated Negative Declaration

1 INTRODUCTION AND BACKGROUND

1.1 CEQA Requirements

Sections 15162 and 15164 of the California Environmental Quality Act (CEQA) guidelines discuss a lead agency's responsibilities in handling new information that was not included in a project's final mitigated negative declaration (MND).

Section 15162 of the CEQA Guidelines provides the following:

(a) When an EIR has been certified or a negative declaration for a project, no subsequent EIR or negative declaration shall be prepared for that project unless the City determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

1. Substantial changes are proposed in the project which will require major revisions of the EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified as complete of the negative declaration was adopted, shows any of the following:

   (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

   (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR [or negative declaration];

   (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

   (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR [or negative declaration] would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

(b) If changes to a project or its circumstances occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR if required under subdivision (a). Otherwise the lead agency shall determine whether to prepare a subsequent negative declaration, an addendum, or no further documentation.

Section 15164 of the CEQA Guidelines provides the following:

(b) An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.

(c) An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.

(d) The decision making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.

(e) A brief explanation of the decisions not to prepare a subsequent EIR [or negative declaration] pursuant to Section 15162 should be included in an addendum to an EIR [or negative declaration], the lead agency's finding on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

1.2 Project Background and Setting

In May 2016, the San Elijo Joint Powers Authority (SEJPA) adopted the Final MND for the Recycled Water Pipeline and Facility Upgrades Project (proposed project). This Final MND is incorporated by reference herein. The proposed project is driven by three separate planning and development efforts within the City of Encinitas (City). The first effort, which is of concern to this addendum, in response to the recent severe drought, is the Integrated Water Resource Management Solutions for the Carlsbad Watershed, which includes extension of recycled water pipelines, improved streetscapes, and community outreach to conserve water and improve water quality within the Carlsbad Watershed area.

The proposed project is located throughout the City in San Diego County, California. All recycled water components would be located within existing right-of-ways (ROWs) for roadways and the California Department of Transportation, as well as designated recreational trails.

1.3 Proposed Modifications to the Project

As described and analyzed in the Final MND, the proposed project included several recycled water pipeline components, including a segment identified as "Encinitas Ranch." As shown on Figure 1, the

adopted Encinitas Ranch Component would extend Pipeline No. 3 east from Quail Gardens Drive to entrance of the Encinitas Ranch subdivision, along the decomposed granite trail on the northern side of Paseo De Las Flores for approximately 1,700 feet. The pipeline would connect to a new small booster pump station within the existing golf course maintenance yard, south of Paseo De Las Flores; this connection would require approximately 1,000 feet of pipeline (to the maintenance yard and back). From this location, the pipeline would continue east following the City-designated recreational trail along the northern boundary of Encinitas Ranch for approximately 850 feet before turning south and traveling along the same City-designated recreational trail along the eastern border of Encinitas Ranch for approximately 3,900 feet. Approximately 550 feet of pipeline would extend west from the eastern boundary of Encinitas Ranch within Paseo De Las Flores near the intersection with Lynwood Drive. The total length of pipeline for this component is approximately 8,000 feet (approximately 1.52 miles). The pipeline for this component would be 4 to 8 inches in diameter and composed of polyvinyl chloride (PVC). Construction of this component would use trenching at an approximate width of 18 inches.

This addendum, prepared in accordance with the CEQA (California Public Resources Code, Section 21000 et seq.) and its implementing CEQA Guidelines (California Code of Regulations (CCR) Title 14, Chapter 3, Section 15000 et seq.), addresses changes from what was previously assessed in the original MND.

As shown on Figure 1, the alignment of the Encinitas Ranch Component would be modified to be located almost entirely within the roadway ROW within Paseo De Las Flores and Lynwood Drive, as opposed to the recreational trail. The proposed location of the small booster pump station would be moved from the golf course maintenance yard to behind the existing golf course restroom structure. This modified alignment would reduce the total proposed pipeline length to approximately 5,900 feet (approximately 1.12 miles). The pipeline for this modified alignment would be 6 to 8 inches in diameter and composed of PVC. The modified alignment would not alter the proposed operational service area of the Encinitas Ranch Component.

The booster pump station would be located above ground and would be similar to what was analyzed in the Final MND. The modified location would require the removal of existing ornamental landscaping immediately surrounding the restroom structure (removal to be performed during construction). The small booster pump station would be enclosed in a new aboveground structure composed of steel, wood, and concrete similar in appearance to the existing restroom structure.

Construction of the modified alignment would require similar equipment and methods as described in the Final MND. The construction period would be shorter due to the reduction in pipeline length. Construction of the modified alignment would require trenching within the existing paved ROW

of Paseo De Las Flores and Lynwood Drive at a width of approximately 36 inches. Trenching would also be required from Paseo De Las Flores to the small booster pump within the golf course property. Construction would comply, at a minimum, with the City's municipal code regarding construction hours, access, safety, and circulation. Safe access and circulation for pedestrians, bicyclists, and motorists would be maintained at all times. Traffic control, in compliance with City requirements, would be required for the construction contract as part of the encroachment permit process.

No substantial changes have occurred that warrant preparation of subsequent or supplemental negative declarations pursuant to Section 15162 of the CEQA Guidelines.

SOURCE: Bing Maps 2018

FIGURE 1

Adopted and Revised Alignment

Addendum No. 1 to the Recycled Water Pipelines and Facility Upgrades Final Mitigated Negative Declaration

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2 ENVIRONMENTAL IMPACT ANALYSIS

The modified alignment compared to the original proposed project discussed in Section 1 does not result in an increase in severity of impacts or new significant adverse environmental impacts beyond those identified in the Final MND.

To ensure that no significant environmental impacts occur, the modified alignment would adhere to the applicable mitigation measures from the previously adopted Final MND. As detailed in the following sections, certain mitigation measures are no longer required. A revised Mitigation, Monitoring, and Reporting Program (MMRP) (Appendix E to the Final MND) is included as Attachment A to this addendum; revisions to the MMRP are shown in ~~strikeout~~/underline format. The exclusion of these mitigation measures would not result in new or more severe environmental impacts or require new mitigation measures.

2.1 Aesthetics

As discussed in the Final MND, the recycled water pipelines, including the Encinitas Ranch Component, of the proposed project would result in only temporary visual changes to the environment during project construction. Upon completion of construction, the pipelines would be located underground with the construction area returned to existing conditions. The modified alignment would result in similar temporary visual construction changes that would cease upon completion of construction. However, the modified alignment would develop a new aboveground enclosure to house the small booster pump station. This proposed enclosure would be located directly behind the existing golf course restroom facility. Development of this enclosure would require the removal of existing ornamental landscaping, which would be performed by the golf course prior to construction. The proposed enclosure would consist of an 11-foot by 19-foot concrete pad, walls consisting of wood trims and exterior finishes, a rolling gate, and metal roofing. Lighting is proposed for security and maintenance purposes and would comply with the City's municipal code, which would minimize light spillover to adjacent properties. The height of the proposed enclosure would be the same as the existing restroom facility. Given the proposed exterior finishes and similar scale, the new enclosure would appear to be an extension of the existing restroom facilities. The new structure would not visually degrade the existing visual character of the site and surroundings. Therefore, despite the modified alignment requiring a new aboveground structure compared to the adopted alignment, no new substantial or significant impacts to aesthetics and visual resources beyond those analyzed in the Final MND would occur, and no new mitigation is required.

Because the modified alignment would no longer be located within the existing recreational trail, it would no longer result in the removal of trees that line the trail and, therefore, would not result

in associated impacts to existing visual character. Therefore, mitigation measure MM-BIO-4 is no longer applicable. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.2 Agriculture and Forestry Resources

As discussed in the Final MND, the Encinitas Ranch Component is located on land classified as Urban and Built-Up Land. The modified alignment would be located within an existing paved roadway ROW and within a golf course. It would not affect agricultural or forestry resources. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.3 Air Quality

As discussed in the Final MND, the proposed project, including the Encinitas Ranch Component, would result in less-than-significant impacts with respect to construction and operation criteria air pollutant emissions. The modified alignment would require less overall linear feet of pipeline compared to the proposed project. Therefore, the modified alignment would require a shorter construction period, resulting in less criteria air pollutant emissions during construction. The operational capacity and the proposed small booster pump station would remain the same under the modified alignment as analyzed for the proposed project. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.4 Biological Resources

As discussed in the Final MND, the potential for impacts to biological resources for the Encinitas Ranch Component is primarily associated with the portion of the alignment within the recreational trail that is located east of Lynwood Drive and runs along the interface of the residential area and the east-facing bluff dominated by southern maritime chaparral on the east. Construction of the Encinitas Ranch Component would also increase the potential for indirect effects to special-status species such as the coastal California gnatcatcher (*Polioptila californica californica*), least Bell's vireo (*Vireo bellii pusillus*), and other nesting birds, such as construction-related noise, use of pesticides, changes in hydrology, and generation of fugitive dust. These potential indirect effects may increase the risk of predation, disrupt foraging, or interfere with breeding. Therefore, impacts resulting from construction of the Encinitas Ranch Component would be potentially significant. However, compliance with existing regulations and with the incorporation of mitigation measures MM-BIO-1, MM-BIO-2, MM-BIO-3, and MM-BIO-4, impacts would be reduced to a level below significance.

Additionally as discussed in the Final MND, the following natural communities are adjacent to the Encinitas Ranch Component: southern maritime chaparral, freshwater marsh, and southern riparian scrub. Also adjacent to this project component are agricultural lands and urban/developed land. Southern maritime chaparral and southern riparian scrub would be considered sensitive vegetation communities by CDFW under CEQA. Incorporation of mitigation measures MM-BIO-1 and MM-BIO-2 would ensure that direct and indirect construction impacts are reduced to less than significant.

There are trees, including Torrey pines, adjacent to the Encinitas Ranch Component on both sides of the trail that is located east of Lynwood Drive and runs along the interface of the residential area on the west and the east-facing bluff dominated by southern maritime chaparral on the east. Along this trail, there is the potential to indirectly impact mature trees. With incorporation of mitigation measure MM-BIO-4, impacts would be less than significant.

As described above, potential impacts to biological resources resulting from the Encinitas Ranch Component are primarily associated with construction in the recreational trail adjacent to existing mature trees and sensitive areas. The modified alignment would move the pipeline alignment out of the recreational trail and into the roadway ROW, and it would no longer be adjacent to potential sensitive biological resources. The modified location of the booster pump station would require trenching within the golf course property, which consists of disturbed/developed lands and ornamental landscaping; the trenching within the golf course property would not affect sensitive biological land covers or vegetation. As the modified alignment would no longer be adjacent to sensitive vegetation communities and would be located entirely within developed areas, mitigation measures MM-BIO-1 and MM-BIO-2 is no longer applicable to the modified alignment. The modified alignment would require the removal of existing ornamental landscaping within the golf course property and would no longer have the potential to affect existing mature trees within the public area of the recreational trail. Therefore, mitigation measure MM-BIO-4 is no longer applicable to the modified alignment. A revised MMRP (Appendix E to the Final MND) is included as Attachment A to this addendum; revisions to the MMRP are shown in ~~strikeout~~/underline format. The exclusion of these mitigation measures would not result in new or more severe environmental impacts or require new mitigation measures. Mitigation measure MM-BIO-3 shall still apply to the modified alignment as required for the Encinitas Ranch Component. Compliance with applicable regulations for dust control, stormwater quality, and other construction-related controls would remain applicable to the modified alignment. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.5 Cultural Resources

As discussed in the Final MND, no previously recorded historic built environment or archaeological resources have been identified within the Encinitas Ranch Component area of potential effect. The Encinitas Ranch Component is located in entirely disturbed and developed areas (trails and existing roadways). The required excavation is unlikely to reach previously undisturbed native soils due to the amount of previous development. The modified alignment would also be located within existing roadways and heavily disturbed areas (golf course). Therefore, it remains unlikely that required excavation would reach previously undisturbed native soils that could contained cultural or paleontological resources. Mitigation measures were not required for the Encinitas Ranch Component as analyzed in the Final MND and none would be required for the modified alignment. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.6 Geology and Soils

As discussed in the Final MND, the Encinitas Ranch Component would be located in developed areas, and adherence to the California Build Code and other applicable engineering standards would ensure that risks associated with geologic hazards would be less than significant. The construction of Encinitas Ranch Component would occur within previously disturbed and developed land. Soils underlying hardscape land covers and landscaped areas would be temporarily exposed during construction, and soil erosion and loss of topsoil has the potential to occur through the transport of these materials through runoff, wind transport, and vehicle movement. Construction of the pipeline components would be required to comply with the Statewide Construction General Permit. This requires implementation of water quality BMPs to ensure that water quality standards are met, and that stormwater runoff from the construction work areas does not cause degradation of water quality in receiving water bodies. Upon completion of construction, the land disturbed by construction would be returned to a state similar to existing conditions.

The modified alignment would be similarly located as the adopted Encinitas Ranch Component, and the same engineering standards to account for existing geologic hazards would apply. Construction of the modified alignment would also comply with the Statewide Construction General Permit with respect to minimizing degradation of water quality. All excavated areas would be returned to existing conditions. The proposed booster pump station structure would also comply with the California Building Code and would not be a habitable structure. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.7 Greenhouse Gases

As discussed in the Final MND, the proposed project, including the Encinitas Ranch Component, would result in less-than-significant impacts with respect to construction and operational greenhouse gas emissions. The modified alignment would require less overall linear feet of pipeline compared to the proposed project. Therefore, the modified alignment would require a shorter construction period, resulting in less greenhouse gas emissions during project construction. The operational capacity and the proposed small booster pump station would remain the same under the modified alignment as analyzed for the proposed project. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.8 Hazards and Hazardous Materials

As discussed in the Final MND, a variety of hazardous substances and wastes would be stored, used, and generated during construction of the Encinitas Ranch Component. During construction, hazardous materials handling would comply with the applicable federal, state, and local regulations that ensure safe use, handling, transport, storage, and disposal of hazardous materials. The modified alignment would require similar handling of hazardous materials during construction and would comply with all applicable regulations that ensure safe use, handling, transport, storage, and disposal of hazardous materials.

As described in the Final MND, during project construction of components that require encroachment upon roadway ROWs, a traffic control plan would be implemented to ensure that adequate circulation is maintained on area roadways and emergency response plans are not impacted. The majority of the modified alignment would be located within roadway ROWs. Therefore, a traffic control plan for construction as described in the Final MND would still be required of the modified alignment. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.9 Hydrology and Water Quality

As discussed in the Final MND, the Encinitas Ranch Component would result in less-than-significant impacts related to water quality, drainage, and hydrology. Construction would comply with the Statewide Construction General Permit with respect to minimizing degradation of water quality. Upon completion of construction, all disturbed areas would be returned to existing conditions, and no increase in impervious area would occur.

Construction of the majority of the modified alignment would be similar to what was analyzed in the Final MND. The modified alignment would also be required to comply with the Statewide Construction General Permit and to implement water quality best management practices to minimize the potential for degradation of water quality. Upon completion of the majority of the modified alignment, the areas excavated for trenching would be returned to existing conditions and similar drainage patterns. The proposed enclosure for the booster pump station would increase impervious area beyond that analyzed in the Final MND. However, stormwater runoff associated with this proposed enclosure would not be substantial and would drain into the surrounding vegetated and landscaped golf course. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.10 Land Use and Planning

As discussed in the Final MND, the Encinitas Ranch Component would not physically divide an established community or conflict with applicable plans, policies, or ordinances. The modified alignment, resulting in the relocation of the pipeline from the existing recreational trail to the roadway ROW and golf course would also not physically divide an established community and would not conflict with applicable plans. The modified alignment would result in similar pipeline infrastructure that would be located underground upon completion of construction. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.11 Mineral Resources

As discussed in the Final MND, the Encinitas Ranch Component would not be located within areas of known mineral resource significance. The modified alignment would be located in proximity to the adopted alignment within a highly developed site in an area of no known significant mineral resources. Mineral resource extraction within the existing roadway ROW would be incompatible with the current zoning and surrounding land uses. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.12 Noise

As discussed in the Final MND, construction of the Encinitas Ranch Component, and all other components of the proposed project, would result in potentially significant impacts to surrounding noise sensitive land uses, which would be reduced to a level below significance with the incorporation of mitigation measure MM-NOI-1. The Encinitas Ranch Component includes a new small booster pump that would be located within an existing maintenance yard within the golf

course. Due to the small size and distance from nearby noise sensitive land uses, potential adverse noise effects are not anticipated.

The modified alignment would be similarly located adjacent to existing noise sensitive land uses (residences) and would employ similar construction methods/equipment. As analyzed in the Final MND, predicted 1-hour average construction noise levels range from approximately 82 dBA L_{eq} to approximately 85 dBA L_{eq}. This calculated noise level assumed a worst case scenario of multiple construction equipment operating at once, using typical default duty cycles. However, construction noise is temporary phenomena (particularly for linear projects such as pipelines). Construction noise levels vary from hour-to-hour, depending on the equipment in use, the operations being performed, and the distance between the source and receptor. Generally, pipeline projects proceed at a relatively rapid rate and thus do not impact any one receiver for more than a few days at a time. As such, it is likely that the actual duty cycles and intermittent construction activity for the modified alignment would not result in a continuous exceedance of 75 dBA for an 8-hour period, per the City of Encinitas municipal code. The Encinitas Ranch Component is no longer expected to result in a potentially significant construction noise impact. Similarly, construction of all other components have the potential to exceed 1-hour average noise levels of 75 dBA. However, for similar reasons described for the Encinitas Ranch Component, it is unlikely that construction of any other component of the project would result in a continuous exceedance of 75 dBA for an 8-hour period, per the City of Encinitas municipal code. Therefore, all of the components of the proposed project are no longer expected to result in a potentially significant construction noise impact. A revised MMRP (Appendix E to the Final MND) is included as Attachment A to this addendum; revisions to the MMRP are shown in ~~strikeout~~/underline format.

Therefore, mitigation measure MM-NOI-1 would no longer be required. However, the construction noise reduction measures listed in mitigation measure MM-NOI-1 would still be implemented as conditions of approval under the responsibility of the construction contractor. The exclusion of this mitigation measure would not result in new or more severe environmental impacts or require new mitigation measures.

The modified location of the small booster pump station for the Encinitas Ranch Component is a similar distance from existing nearby noise sensitive land uses to the originally proposed booster pump station. Therefore, no new operational noise effects are anticipated. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.13 Population and Housing

As discussed in the Final MND, the Encinitas Ranch Component would service existing land uses and would not extend out to undeveloped areas that may otherwise encourage growth. The modified alignment would serve the same area as the adopted alignment and, therefore, would not induce growth either directly or indirectly. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.14 Public Services

As discussed in Section 2.13, the modified alignment would not induce growth either directly or indirectly. Therefore, operation of the modified alignment would not affect the provision of public services. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

As discussed in the Final MND, the Encinitas Ranch Component has the potential to create temporary lane closures during construction, which may increase congestion during peak travel times and affect emergency response. Any potential lane and driveway closures would need to be coordinated with area residents and businesses to provide proper access. In addition, a traffic control plan would be prepared and is required by the City to minimize impacts to area roadways and ensure adequate circulation and access. Potential impacts during construction would be short-term and temporary and would not require the need for new facilities. Similar requirements for traffic control, access, circulation, and coordination with residents and businesses would be required of the modified alignment. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

The modified alignment would no longer impact access to the existing recreational trail. Therefore, impacts to parks and recreational facilities would be reduced.

2.15 Recreation

As discussed in the Final MND, the proposed project would not directly or indirectly introduce a new population that would result in an increase in the use of any existing parks. Similarly, the modified alignment does not include a component that could reasonably induce growth either directly or indirectly such that the provision of parks or recreational facilities would be affected. Additionally, the modified alignment does not include or require the construction of recreational facilities. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.16 Transportation and Circulation

As discussed in the Final MND, the Encinitas Ranch Component has the potential to create temporary lane closures during construction, which may increase congestion during peak travel times. Any potential lane and driveway closures would need to be coordinated with area residents and businesses to provide proper access. In addition, a traffic control plan would be prepared and is required by the City to minimize impacts to area roadways and ensure adequate circulation and access. All permits required for construction within the public ROW are subject to the requirement for a traffic control plan by the City. The same construction requirements would be imposed upon the modified alignment, resulting in similar impacts to pedestrian, bicycle, vehicular, and emergency access during construction. The modified alignment would be located underground upon completion of construction and would not affect traffic patterns or circulation. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

2.17 Utilities and Service Systems

As discussed in the Final MND, the pipeline extension components, including the Encinitas Ranch Component, would increase the distribution system for water recycling; it would not induce growth or result in the generation of additional utility demands for water supply, wastewater, drainage facilities, or long-term solid waste production.

The modified alignment would still result in the increase of the distribution system for water recycle and would not induce growth. Therefore, construction and operation of the modified alignment would have similar impacts to utilities compared to the originally proposed alignment. The modified alignment would not result in any new substantial or significant impacts beyond those analyzed in the Final MND, and no new mitigation is required.

3 DETERMINATION

Based on the information and analysis in this addendum, and pursuant to Section 15162 of the CEQA Guidelines, SEJPA determined the following:

- There are no substantial changes to the proposed project that would require major revisions to the MND due to new significant environmental effects or a substantial increase in the severity of impacts identified in the MND.
- Substantial changes have not occurred in the circumstances under which the proposed project is being undertaken that would require major revisions to the MND to disclose new significant environmental effects or a substantial increase in the severity of the impacts identified in the MND.
- There is no new information of substantial importance not known at the time the MND was certified that shows that the proposed project would have any new significant effects not discussed in the certified MND or any substantial increase in the severity of the impacts identified in the MND. In addition, no mitigation measures or alternatives previously found not feasible, or that are considerably different from those analyzed in the MND, would substantially reduce one or more significant effects.

_____ _____

Name: Date

Title:

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4 REFERENCES

14 CCR 15000–15387 and Appendices A–L. Guidelines for Implementation of the California Environmental Quality Act, as amended.

California Public Resources Code, Sections 21000–21177. California Environmental Quality Act (CEQA), as amended.

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ATTACHMENT A

Revised Appendix E to the Final MND: Mitigation, Monitoring, and Reporting Program

APPENDIX E
Recycled Water Pipelines and Facility Upgrades
Mitigated Negative Declaration

MITIGATION MONITORING AND REPORTING PROGRAM

The California Public Resources Code, Section 21081.6, requires that a lead or responsible agency adopt a mitigation monitoring and reporting plan when approving or carrying out a project when a Mitigated Negative Declaration identifies measures to reduce potential environmental impacts. As lead agency for the project, San Elijo Joint Powers Authority is responsible for adoption and implementation of the mitigation monitoring and reporting program.

Mitigation Measure		Time Frame of Mitigation: *Planning*	Time Frame of Mitigation: *Pre-Construction*	Time Frame of Mitigation: *During Construction*	Time Frame of Mitigation: *Post-Construction*	Monitoring Reporting Agency	Time Frame for Verification Frequency to: *Monitor*	Time Frame for Verification Frequency to: *Report*	Date of Completion	Date of Verification
Biological Resources										
MM-BIO-1	General Construction-Related Avoidance and Minimization Measures Construction activities will be performed in accordance with applicable local, state, and federal laws. Additionally, the following avoidance and minimization measures shall be implemented during project construction. These measures have been organized into subcategories for ease of reading. *Construction Work Hours* Construction activities within 50 feet of the outside edge of the project impact area containing habitat for wildlife will be prohibited between sunset and sunrise, and all construction-related lighting will be turned off during that period, with the exception of lighting for maintenance, security		X	X		SEJPA				

Mitigation Measure	Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
	Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
patrols, and emergency (defined by an imminent threat to life or significant property) activities during construction. Lighting for maintenance within 50 feet of the outside edge of the project impact area containing habitat for wildlife will be directed away from natural areas. *Flagging/Fencing/Demarcation* For the proposed San Elijo Water Reclamation Facility (SEWRF) Upgrades, the special-status biological resources inside the existing fencing, including the California sagebrush alliance and the avoided federally designated critical habitat for coastal California gnatcatcher, will be demarcated on construction plans. Prior to grading, the project biologist will review the locations of these resources in the field with the contractor. ~~For the proposed Encinitas Ranch Component, the project biologist shall either (1) demarcate the location of special-status biological resources, including the edge of southern maritime chaparral and the federally designated critical habitat for coastal California gnatcatcher, using materials that are highly visible in the field and review with the contractor in accordance with the construction plans or (2) demarcate the location of the construction area using materials that are highly visible in the field, such as construction fencing, and review with the contractor in accordance with the construction plans.~~ For the proposed Requeza Street Component, the location of the adjacent tributary to Cottonwood Creek will be noted on the construction plans. However, due to its location, demarcation of this creek in the field is not necessary.									

Mitigation Measure	Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
	Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
Debris/Non-Native Vegetation/Pollution If necessary, fully covered outdoor trash receptacles that are animal-proof will be installed and used during construction to contain all food, food scraps, food wrappers, beverage containers, and other miscellaneous trash. Trash contained in the receptacles will be removed at least once a week from the construction sites. No litter, construction materials, or debris will be discharged into stream channels or other drainages. Construction work areas shall be kept clean of debris, such as cables, trash, and construction materials. All construction/contractor personnel shall collect all litter, vehicle fluids, and food waste from the project area on a daily basis. No construction material shall be stockpiled in stream channels or other drainages. *Vehicle and Equipment Restrictions and Maintenance* Maximum construction vehicle speed will be 15 miles per hour (mph) during construction. Nighttime construction shall be minimized to the extent possible. However, if nighttime construction or construction-related activity (e.g., security patrols, equipment maintenance) is necessary, then the speed limit shall be 10 mph. Vehicle operation within stream channels or other drainages when surface water is present will be prohibited. Any equipment or vehicles driven adjacent to a jurisdictional channel will be checked and maintained by the operator daily to prevent leaks of oil or other									

Mitigation Measure	Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
	Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
petroleum products that could be deleterious to aquatic life if introduced into the watercourse. Staging and storage areas for spoils, equipment, materials, fuels, lubricants, and solvents will be located outside stream channels or other drainages and within the designated impact areas or areas already developed. Stationary equipment such motors, pumps, generators, compressors, and welders located within or adjacent to stream channels or other drainages shall be positioned over drip pans or other containment solutions. Prior to refueling and lubrication, vehicles and other equipment shall be moved away from the state-jurisdictional channels. *Erosion/Silt* During construction activities, temporary erosion control devices, such as straw bales, silt fencing, and sandbags, shall be used to prevent siltation in jurisdictional areas. Coir rolls, erosion control mats or blankets, straw or fiber wattles, or similar erosion control products shall be composed of natural-fiber, biodegradable materials; photodegradable or other plastic erosion control materials shall be prohibited. Silt settling basins installed during the construction process will be located away from areas of ponded or flowing water to prevent discolored, silt-bearing water from reaching areas of ponded or flowing water during normal flow regimes. *Open Trenches* During the construction period, at the end of each workday, the									

Mitigation Measure	Time Frame of Mitigation: *Planning*	Time Frame of Mitigation: *Pre-Construction*	Time Frame of Mitigation: *During Construction*	Time Frame of Mitigation: *Post-Construction*	Monitoring Reporting Agency	Time Frame for Verification Frequency to: *Monitor*	Time Frame for Verification Frequency to: *Report*	Date of Completion	Date of Verification
construction crew shall completely and securely cover all potential wildlife pitfalls (e.g., trenches, bores, other excavations) to prevent wildlife entry. *Other Restrictions on Construction Activities and Personnel* During construction, no pets, such as cats or dogs, shall be permitted on the project construction sites.									
MM-BIO-2 Environmental Awareness Training Prior to the initiation of project-related construction activities, the project biologist will conduct a worker environmental awareness program (WEAP) with the contractor. The project biologist shall perform the following: 1. Provide the training materials for WEAP training. These materials shall include the measures and mitigation requirements for biological resources, the location of special-status resources, including federally designated critical habitat for coastal California gnatcatcher, and designated work areas. 2. Provide copies of mitigation measures, and permits from resource agencies, if applicable. 3. Complete a timely review of construction schedules to ensure that timing/location of construction activities do not conflict with other measures or mitigation requirements (e.g., pre-construction nesting bird surveys). 4. Ensure that construction area boundary markers are placed to comply with applicable avoidance and/or buffer measure requirements, if necessary.		X	X		SEJPA				

Mitigation Measure		Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
		Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
MM-BIO-3	Nesting Bird Surveys and Nest Buffers This measure would protect nesting special-status birds and more common species protected under the Migratory Bird Treaty Act (MBTA), a federal law that prohibits the "take" of any migratory bird or any part, nest, or eggs of any such bird. The MBTA applies to over 800 species of birds, including rare and common species. Pre-Construction Surveys The project biologist shall conduct pre-construction surveys in the proposed project impact area and a 500-foot buffer around the impact area in areas where birds have the potential to nest no earlier than 7 days prior to any project-related construction activities that would occur during the nesting/breeding season of special-status birds or birds protected under the MBTA. In general, the pre-construction surveys shall be conducted between January 15 and September 15, or as determined by the project biologist. The purpose of the pre-construction surveys will be to determine whether occupied nests are present in the impact zone or within 500 feet of the impact zone boundary. Avoidance Measures If occupied nests are found, then limits of construction to avoid occupied nests (e.g., 250- to 500-foot setbacks) shall be established by the project biologist in the field with flagging, fencing, or other appropriate barriers and construction personnel shall be instructed on the sensitivity of nest areas. The project biologist shall serve as a weekly construction monitor during those periods when construction		X	X		SEJPA				

Mitigation Measure	Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
	Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
activities are to occur near active nest areas (i.e., within 100 feet of setback) to avoid inadvertent impacts to these nests. The project biologist may adjust the 250-foot or 500-foot setback at his or her discretion depending on the species and the location of the nest (e.g., if the nest is well protected in an area buffered by dense vegetation). Once the nest is no longer occupied for the season, construction may proceed.									
~~MM-BIO-4 Tree Protection Plan~~ ~~Upon completion of the project design, SEJPA will prepare a tree protection plan for the Encinitas Ranch Component that is consistent with the City of Encinitas's municipal tree ordinance and urban forest management plan. The tree protection plan will include the following elements:~~ ~~1. Tree Inventory: The tree protection plan will include an inventory of the trees, including Torrey pines, on either side of the trail on the mesa. All trees with their dripline located within 10 feet of the impact area will be mapped by a Certified Arborist. Additionally, the dripline of the tree will be mapped. The inventory will include the species, the trunk diameter at 4.5 feet above the ground surface, and tree structural and health conditions.~~ ~~1. Construction Methods: A menu of construction methods would avoid and minimize impacts to trees during construction, such as:~~ ~~a. Use an excavator with the narrowest impact width and with rubber tracks, as opposed to metal or wheels.~~		~~X~~	~~X~~		~~SEJPA~~				

Mitigation Measure	Time Frame of Mitigation: *Planning*	*Pre-Construction*	*During Construction*	*Post-Construction*	Monitoring Reporting Agency	Time Frame for Verification Frequency to: *Monitor*	*Report*	Date of Completion	Date of Verification
~~b. Require a Certified Arborist to monitor construction, and if tree roots are exposed, ensure that they are cleanly cut (as opposed to tearing/ripping).~~ ~~c. Minimize tree crown impacts by tying back branches instead of pruning them, such as for excavator or other vehicle passage, whenever possible.~~ ~~2. Mitigation: If avoidance of an otherwise healthy tree is not feasible, mitigation will include tree replacement at a minimum 1:1 ratio. The mitigation plan will identified the criteria for when tree replacement is required and the location of the replacement tree planting. The tree protection plan will include success criteria for any tree placement and necessary monitoring and management to ensure the mitigation meets success criteria.~~									
Cultural Resources									
MM-CUL-1 Prior to initiation of ground disturbing activities for the SEWRF Component and Manchester Avenue Component, a qualified archaeologist, meeting the Secretary of the Interior's Professional Qualification Standards, shall be retained to monitor and recognize potential archaeological discoveries. In the event that archaeological resources are exposed during construction, work in the immediate vicinity of the find shall be halted or directed to another location until the qualified archaeologist can evaluate the significance of the find. Construction activities may continue in other areas, but shall be redirected a safe distance from the find. If the new discovery is evaluated and found to be significant under CEQA or Section 106 of the NHPA and avoidance is not feasible, additional work such as		X	X		SEJPA				

Mitigation Measure		Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
		Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
	data recovery may be warranted. The qualified archaeologist shall be present at all times during ground disturbing activities associated with the proposed SEWRF Component and Manchester Avenue Component. See Cultural Construction Monitoring Plan below.									
MM-CUL-2	Prior to initiation of ground disturbing activities for the construction of the reused storage and Manchester Avenue Components, a qualified paleontologist shall be retained to monitor and recognize potential paleontological discoveries. In the event that paleontological resources are exposed during construction, work in the immediate vicinity of the find shall be halted or directed to another location until the qualified paleontologist can evaluate the significance of the find. Construction activities may continue in other areas, but shall be redirected a safe distance from the find. The qualified paleontologist shall be present at all times during ground disturbing activities associated with the proposed reused storage and Manchester Avenue Components.		X	X		SEJPA				

Mitigation Measure	Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
	Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
~~*Noise*~~									
~~MM-NOI-1 The following noise reduction measure shall occur during construction of the proposed project:~~ ~~1. Noisy construction activities shall not take place for a cumulative total exceeding 8 hours in any 24-hour period.~~ ~~2. Construction shall not occur between 7 p.m. and 7 a.m. Monday through Friday or at any time on weekends or federal holidays. The hours of construction, including noisy maintenance activities and all spoils and material transport, shall be restricted to the periods and days permitted by the local noise or other applicable ordinance.~~ ~~3. All noise-producing project equipment and vehicles using internal-combustion engines are recommended to be equipped with mufflers, air-inlet silencers where appropriate, and any other shrouds, shields, or other noise-reducing features in good operating condition that meet or exceed original factory specifications. Mobile or fixed "package" equipment (e.g., arc welders, air compressors) are recommended to be equipped with shrouds and noise-control features that are readily available for that type of equipment.~~ ~~4. All mobile or fixed noise-producing equipment used on the project that are regulated for noise output by a local, state, or federal agency shall comply with such regulations while in the course of project activity.~~ ~~5. Electrically powered equipment shall be used instead of~~		~~X~~	~~X~~		~~SEJPA~~				

Mitigation Measure	Time Frame of Mitigation				Monitoring Reporting Agency	Time Frame for Verification Frequency to		Date of Completion	Date of Verification
	Planning	*Pre-Construction*	*During Construction*	*Post-Construction*		*Monitor*	*Report*		
~~pneumatic or internal-combustion-powered equipment, where feasible.~~ ~~6. Material stockpiles and mobile equipment staging, parking, and maintenance areas shall be located as far as practicable from noise-sensitive receptors.~~ ~~7. The use of noise-producing signals, including horns, whistles, alarms, and bells, shall be for safety warning purposes only.~~ ~~8. No project-related public address or music system shall be audible at any adjacent receptor.~~									

The following is a general cultural construction monitoring plan that may be used during the implementation of mitigation measure MM-CUL-1:

Cultural Construction Monitoring Plan

At least 30 days prior to issuance of grading permits, separate agreements between the Applicant and the Qualified Archaeologist shall be developed regarding prehistoric cultural resources and shall identify any monitoring requirements and treatment of cultural resources so as to meet the requirements of CEQA.

Native American and archaeological monitors shall be allowed to monitor all grading, excavation and groundbreaking activities, and shall also have the authority to temporarily stop and redirect grading activities. The archaeological monitor will be a qualified archaeologist who is familiar with the types of historical and prehistoric resources that could be present in the project and will be directly supervised by the Archaeological Principal Investigator (PI). No primary ground disturbance in sediments which have the potential to contain cultural resources related to project construction will occur without the observation of archaeological and Tribal monitors, unless otherwise agreed upon in writing by the PI, San Elijo Joint Powers Authority (SEJPA), and the City of Encinitas.

Daily monitoring reports will be completed by the archaeological monitor. The daily reports will be submitted to the PI. The Tribal monitor will be responsible for identifying and reporting to the PI effects to tribal values that may not be immediately clear to the archaeological monitor.

All archaeological monitors will be required to have the basic equipment needed to complete minimal documentation, preliminary evaluation, and recovery of unanticipated discoveries, including, but not limited to, a digital camera, screen, shovel, and bucket. If the evaluation or data recovery work prescribed is more extensive than the archaeological monitor alone can complete in an expeditious manner, the archaeological consultant will supply additional crew and equipment for the work.

In the event that archaeological resources are inadvertently unearthed during excavation and grading activities of any future development project, the contractor shall cease all earth-disturbing activities within a 100-foot radius of the area of discovery and the archaeologist will flag the discovery. The project cultural resources professionals shall evaluate the significance of the find and determine the appropriate course of action. If avoidance of the resources is not feasible, salvage operation requirements pursuant to Section 15064.5 of the CEQA Guidelines. If potentially significant features or sites are discovered, an Evaluation Plan shall be developed by the project archaeologist and shall contain, at a minimum, a research design and field methodology designed to address the criterion outlined in the California Register of Historic Places. If a site is determined

to be significant, data recovery excavations may be necessary unless the resource is avoided and preserved/protected in place. Evaluation shall be supervised by an individual or individuals that meet the Secretary of the Interior's Professional Qualification Standards.

All recovered archaeological materials, with the exception of sacred/ceremonial items, human remains and grave goods, will be taken back to the archaeological consultant's laboratory for processing, analysis, reporting, and preparation for curation. Sacred/ceremonial items, human remains, and grace goods will be handled in accordance with state laws (Health and Safety Code 7050.5 and Public Resources Codes 5097.98 and 5097.99). No photographs of human remains or associated grave goods will be taken without consent from the Native American Monitor.

Within 60 days of completion of grading, the archaeological consultant will prepare an Archaeological Monitoring Report documenting monitoring activities. The report will include the type of construction activities monitoring and is applicable, cultural resources recovered, and the disposition of such resources. The report will be submitted to SEJPA for review. If no resources are discovered, a letter report will be completed within 30 days of the completion of grading.

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ATTACHMENT 3

RESOLUTION NO. 2018-03

RESOLUTION OF THE SAN ELIJO JOINT POWERS AUTHORITY CONSIDERING AND APPROVING AN ADDENDUM TO THE MITIGATED NEGATIVE DECLARATION PREVIOUSLY ADOPTED FOR RECYCLED WATER SYSTEM IMPROVEMENTS

WHEREAS, prior to the adoption of this Resolution, the San Elijo Joint Powers Authority ("SEJPA") Board prepared an Initial Study and adopted a Final Mitigated Negative Declaration for Recycled Water Pipeline and Facility Upgrades Project (Proposed Project) (State Clearinghouse No. 2016031051) in accordance with the requirements of the California Environmental Quality Act of 1970, as amended ("CEQA"), and state and local guidelines implementing CEQA; and

WHEREAS, the SEJPA is the lead agency on the Proposed Project, and the Board of Directors is the decision-making body for the Proposed Project; and

WHEREAS, the Proposed Project, analyzed under the Initial Study/Mitigated Negative Declaration, consisted of several recycled water pipelines extensions to serve existing land uses within Encinitas Ranch and Requeza Street and relocations within Carol View Drive and Manchester Avenue, as well as facility upgrades to the San Eiljo Water Reclamation Facility.

WHEREAS, the Initial Study/Mitigated Negative Declaration was made available to the public on March 17, 2016 for the required 30-day public review period under CEQA, and

WHEREAS, the SEJPA adopted a Final Initial Study/Mitigated Negative Declaration document on May 9, 2016 that responded to all of the comments received during the 30-day public review process and also prepared a Mitigation Monitoring and Reporting Program to ensure compliance with the mitigation measures identified and proposed in the Initial Study/Mitigated Negative Declaration, and

WHEREAS, since the time of adoption of the Mitigated Negative Declaration, changes in certain portions of the pipeline route for the Encinitas Ranch Component were implemented to avoid potential impacts to trees and adjacent biological resources, resulting in the alignment to be shortened and moved from a trail to existing paved roadways; and

WHEREAS, none of the conditions described in CEQA Guidelines section 15162 calling for the preparation of an EIR or a subsequent negative declaration have occurred as a result of the design changes; and

WHEREAS, pursuant to CEQA Guidelines section 15164, the SEJPA may prepare an Addendum to the Adopted Mitigated Negative Declaration to account for these design changes.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAN ELIJO JOINT POWERS AUTHORITY AS FOLLOWS:

THAT THE BOARD OF DIRECTORS does hereby make the following findings: (1) it has independently reviewed and considered the Addendum and incorporates the recitals herein, (2) that the proposed changes will not substantially increase the severity of the impacts previously disclosed in the IS/MND, and/or (3) the proposed changes will not involve any of the other

conditions related to new information that can require a subsequent or supplemental MND or an EIR under Public Resources Code Section 21166 and/or CEQA Guidelines section 15162.

THAT THE BOARD OF DIRECTORS does hereby approve the Addendum to the IS/MND previously adopted.

THAT THE BOARD OF DIRECTORS does hereby authorize the Board to file the Notice of Determination with the California State Clearinghouse and the San Diego County Recorder-Clerk, along with a check for the San Diego County Processing Fee ($50) within five (5) days of adoption of this resolution as required by CEQA.

PASSED, APPROVED, AND ADOPTED this 9th day of April, 2018, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved: _____
Tasha Boerner Horvath, Chair of the Board

Attest: _____
Michael T. Thornton, Secretary of the Board

AGENDA ITEM NO. 13

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: PRESENTATION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2018-19 RECOMMENDED BUDGET

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review the Fiscal Year 2018-19 Recommended Budget; and

2. Discuss and take action as appropriate.

DISCUSSION

The Fiscal Year (FY) 2018-19 San Elijo Joint Powers Authority (SEJPA) Recommended Budget has been prepared in accordance with the SEJPA formation agreement, and the SEJPA's existing service agreements with other government entities. The budget estimates all expenditures necessary to provide wastewater treatment, waste disposal, water reclamation, laboratory, ocean outfall, pump station, and other services.

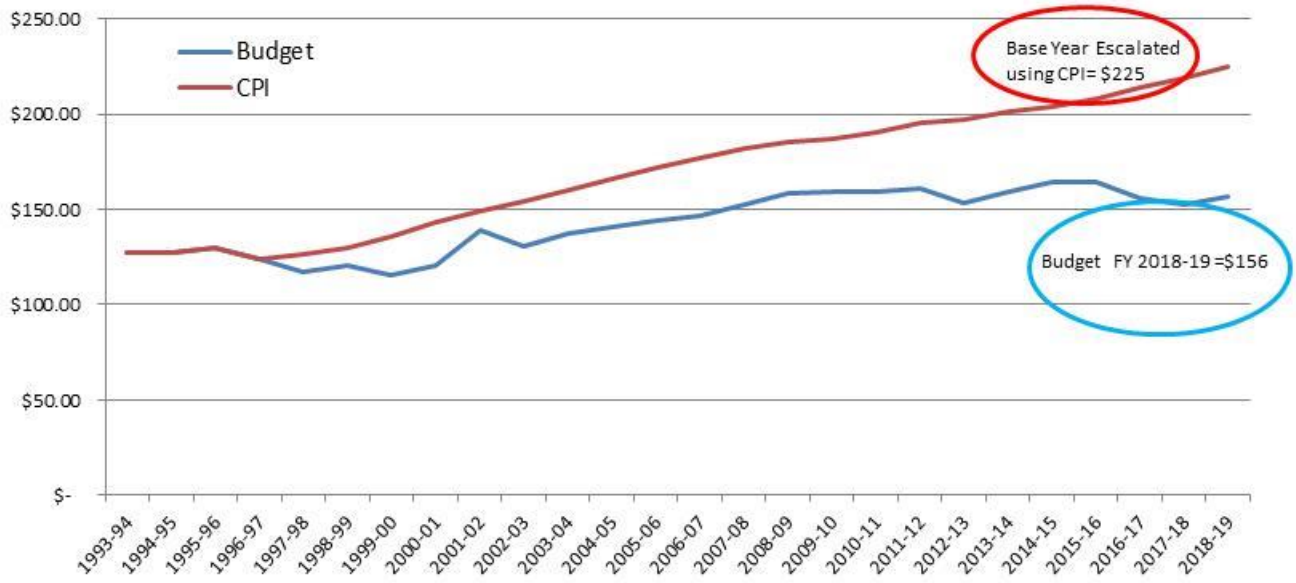
The recommended FY 2018-19 Budget consists of $6,436,646 operating costs, $3,378,671 debt service, and $2,295,000 capital projects for a total budget of $12,110,317. Wastewater and disposal services are the largest programs and have a recommended budget of $7,687,077. These programs include operations and maintenance for wastewater, laboratory, ocean outfall, and pump stations, as well as bond debt for the 2011 SEJPA Refunding Bonds and 2017 Revenue Bonds (Clean Water Projects). Recycled Water, which includes operations and maintenance, as well as debt service expenses, has a recommended budget of $4,375,088. The SEJPA provides its Member Agencies storm water, urban runoff, and emergency generator services that have a total recommended budget of $48,152.

SEJPA's management has reviewed in detail all aspects of operations to control costs without impacting the agency's ability to perform its vital functions. The proposed operating budget for all programs will increase by $294,567, of which the Ocean Outfall Program represents the largest increase of $132,877 for new testing and monitoring requirements associated with the NPDES ocean discharge permit.

The cost for wastewater treatment and disposal services for the Member Agencies are allocated based on use, indicated by measured flows or level of effort, as appropriate. Flows are averaged over a 12 month period and vary from year to year, impacting the amount of expense for each agency. On the basis of 16,492 connected equivalent dwelling units (EDU's), wastewater treatment and disposal services are proposed to cost an average of $156.48 per EDU in FY 2018-19. This represents an increase of $3.70 per EDU or 2.42 percent from a year ago.

Below is a graph showing the historic cost per EDU for the Member Agencies compared to the escalated rate using the San Diego CPI index.

Historic SEJPA Wastewater Cost vs CPI



Recycled water revenues for FY 2018-19 are planned to increase $263,203. There are no planned grant revenues expected in FY 2018-19; however, capital investments made in FY 2017-18 and FY 2018-19 will be submitted for reimbursement from the Proposition 84, Integrated Regional Water Management Round 4 grant.

The SEJPA is planning for recycled water sales volume to be approximately 1,575 acre-feet (AF) for FY 2018-19, which is 65 AF greater than the FY 2017-18 budget. The program is projected to generate $3.0 million in recycled water revenues for FY 2018-19. All sources of revenue less all expenses is estimated to be $481,505.

The SEJPA Capital Improvement Program includes both new and ongoing projects for improvements to the Wastewater Treatment, Ocean Outfall, and the Recycled Water programs. Most of these projects were identified in the 2015 Facility Plan.

The 2017 Revenue Bonds (Clean Water Bonds) will provide funding for wastewater, recycled water, and ocean outfall capital projects including preliminary treatment upgrades, modernization of the water campus, energy efficiency improvements, digester and solid treatment rehabilitation and upgrades, and replacement of the land portion of the ocean outfall.

Although bond revenue is providing the majority of funding for capital improvements, the SEJPA is also funding a portion of the capital improvements with pay-as-you-go revenue. For FY 2018-19, these amounts are $120,000 for Wastewater Capital, and $300,000 for Ocean Outfall Reserves for a total of $420,000.

The Recycled Water capital improvements are related to SEJPA's participation in the Round 4 Proposition 84 IRWM grant. The primary project supports the components of the Integrated Water Resource Solutions that plan to extend recycled water service to the Encinitas Ranch Community Association, Encinitas Park Trails, Fox Point Farms, Requeza Road, Via de Valle, and Solana Beach Highway 101.

Debt service for the SEJPA is budgeted at $3,378,671, which has increased from the prior year as a result of the 2017 Revenue Bonds. The annual debt service consists of the following:

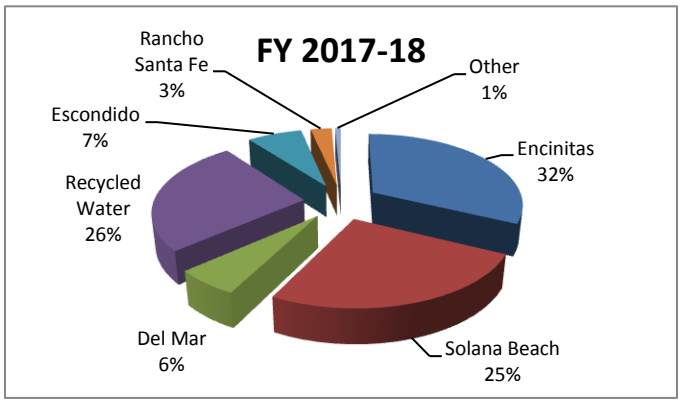
- 2011 Refunding Bond payment of $1,478,068 (1991 Secondary Upgrades Project)
- 2017 Revenue Bond payment of $902,775 (2017 Clean Water Projects)
- State Revolving Fund loan payment of $834,675 (2000 Recycled Water Project)
- Advanced Water Purification (AWP) loan payment of $148,153 (constructed in 2013)
- SFID pipeline acquisition of $15,000 ($6^{th}$ year)

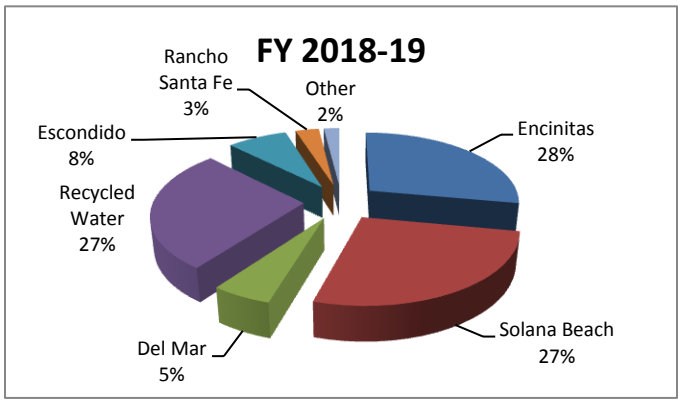
Further information for the FY 2018-19 Recommended Budget is discussed in detail in the budget document, along with information regarding the contribution requirements of the various agencies served by the SEJPA.

SUMMARY

The recommended FY 2018-19 Budget consists of $6,436,646 operating costs, $3,378,671 debt service, and $2,295,000 capital projects for a total budget of $12,110,317. The SEJPA receives revenues from seven primary sources, with the three largest customers being the City of Encinitas, the City of Solana Beach, and the Recycled Water Program, which are expected to provide $3,029,943, $2,898,850, and $2,975,393, respectively. The graph below shows the revenue source percentages for FY 2017-18 and FY2018-19.

Revenue Source Percentage





The May 14, 2018 Board Agenda will include a budget discussion item for the Board to publicly discuss any changes or comments on the recommended budget. The budget will be brought to the June 11, 2018 meeting for Board approval.

It is therefore recommended that the Board of Directors:

1. Review the Fiscal Year 2018-19 Recommended Budget; and

2. Discuss and take action as appropriate.

Respectfully submitted,

Paul F. Kinkel
Director of Finance/Administration

Budget Document will be distributed at the April 9, 2018 Board Meeting.

AGENDA ITEM NO. 14

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: RECYCLED WATER COST OF SERVICE AND PROPOSED WHOLESALE RATE INCREASE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Review the Raftelis Financial Consultants Recycled Water Rate Review and Update; and

2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) operates a recycled water utility that produces and wholesales recycled water to four water purveyors; Santa Fe Irrigation District (SFID), San Dieguito Water District (SDWD), Olivenhain Municipal Water District (OMWD), and the City of Del Mar; and also has an interruptible service agreement directly with the Encinitas Ranch Golf Authority (ERGA). Each water purveyor has its own wholesale agreement with the SEJPA that provides the terms for recycled water price, water quality, water quantity, and contract length.

The original SEJPA wholesale agreements were developed in the 1990's and were based on 85% of the water purveyors' potable water rate. This pricing is known as, "Index Pricing", and is common practice in Southern California. Index pricing provided an industry accepted methodology for pricing the recycled water that ensured pricing is set below that of potable water.

However, for the SEJPA, index pricing created pricing complexities between its multiple water purveyors. Each water purveyor had different potable water rates, which resulted in the SEJPA selling its recycled water at multiple price points, creating concerns at the end user level for pricing inequality.

To resolve these issues, the SEJPA Board moved to price-setting based on cost of service principles. This established the true cost of the utility and provided the basis for a defendable pricing structure.

To move from indexed pricing to cost of service, the SEJPA conducted a financial review of the Recycled Water Utility to confirm that revenues were adequate to support the utility and to confirm that the new recycled water price would not exceed that of potable water, which would be unacceptable to both the water purveyors and the end customers. The financial review, which was conducted in 2013, indicated that the program could transition to the new pricing model assuming (1) water sales continued to grow, (2) incentive funding from the San Diego County Water Authority (CWA) and Metropolitan Water District (MWD) continued, and (3) the creation of repair and replacement reserve funding was allowed to be developed slowly over the next two decades.

Based on this information, the SEJPA reached agreement with its water purveyors for moving toward cost of service methodologies for setting future water rates. This action decoupled future recycled water price increases from that of potable water. However, since the Recycled Water Utility is not financially stable without receiving incentive funding from CWA and MWD, most of the agreements also include terms that set future price increases at least 2% but no more than 5%, with the recommended increase being based on cost of service methodologies. Range bounding future rate increases between 2% and 5% was consistent with the 2013 financial model projections, and provides necessary and predictable pricing growth.

The SEJPA retained Raftelis Financial Consultants (RFC) in 2016 to prepare a recycled water cost of service update and to develop recommendations for future rate increases. RFC completed its review and update that discusses approach, calculations, and conclusions which were presented to the Board in July 2016. The RFC report recommended 4% annual increases for both the uninterruptible and interruptible customers through FYE 2020. Staff agreed with the 4% annual increases; however, recommended 4% annual increases only through FYE 2018 at which time Staff will review the need for further rate increases. The Board approved of this recommendation at the September 2016 Board meeting to increase the price of recycled water to $1,410 per acre-foot (AF) beginning October 1, 2016 and $1,466 per AF on July 1, 2017. Staff is now reviewing the need for future rate increases.

DISCUSSION

The agreement between the SEJPA and the four water purveyors provides the allowance for annual price increases as prescribed through a cost of service model. The SEJPA retained Raftelis Financial Consultants (RFC) to prepare a recycled water cost of service update and to develop recommendations for future rate increases. RFC completed its review and update that discusses approach, calculations, and conclusions (see Attachment 1).

The RFC report recommends 3.8% annual increases for interruptible customers through FYE 2021. Staff agrees with the 3.8% annual increases for this 3-year period. This recommendation will be presented to the Board at the May 2018 Board meeting to increase the price of recycled water to $1,522 per acre-foot (AF) beginning July 1, 2018, $1,580 per AF on July 1, 2019 and $1,640 per AF on July 1, 2020.

The proposed rate increase will provide adequate revenues to fund 90 days operating cash, one year of debt service, and begin funding an asset repair and replacement reserve goal.

FINANCIAL IMPACT

Based on budgeted and projected water sales to the SEJPA water purveyors, the proposed rates will result in adequate funding for the recycled water utility in FY 2018-19, FY 2019-20 and FY 2020-21. The basis for the 3.8% rate increase is supported by the cost of service evaluation conducted by RFC (see Attachment 1) to fund operating expenses, debt, and repair and replacement reserve goals in future years.

It is therefore recommended that the Board of Directors:

1. Review the Raftelis Financial Consultants Recycled Water Rate Review and Update; and

2. Discuss and take action as appropriate.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager

Attachment 1: Raftelis Financial Consultants Recycled Water Rate Review and Update

RAFTELIS

150 North Santa Anita Avenue, Suite #470
Arcadia, CA 92006
Phone (626)583-1894
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ATTACHMENT 1

March 29, 2018

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007
Attention: Mr. Paul Kinkel, Director of Finance & Administration

Subject: Recycled Water Rate Review and Update

Dear Mr. Kinkel:

The San Elijo Joint Powers Authority (SEJPA) engaged Raftelis Financial Consultants, Inc. (Raftelis) to conduct a cost of service analysis and calculate recycled water rates in a recycled water rate study (Study). This analysis serves as a review and update of Raftelis' calculation of rates in Fiscal Year Ending (FYE) 2014 and 2016 using a Cash Basis approach to calculating the rates.

1. Introduction

The SEJPA owns and operates a recycled water utility, which in September 2000 commenced service to Santa Fe Irrigation District (SFID), the San Dieguito Water District (SDWD), and the City of Del Mar (together the "participating water agencies"). In 2011, SEJPA began providing interruptible service to the Encinitas Ranch Golf Authority (ERGA), as part of a three-way agreement between SEJPA, SDWD, and ERGA. In October 2012, SEJPA began providing recycled water service to Olivenhain Municipal Water District (OMWD).

The original recycled water system includes tertiary treatment, transmission, storage, and distribution facilities. In 2013, SEJPA completed construction of an advanced water purification (AWP) facility that reduces the Total Dissolved Solids (TDS) and expands recycled water production by 22 percent. Controlling TDS reduces the hardness of the recycled water, and was instrumental in expanding service to cooling towers and other salt-sensitive uses.

In 2017, SEJPA and OMWD completed construction on the Village Park Recycled Water Project. This joint agency project included the construction of 8 miles of pipelines, the conversion of an existing 1 million-gallon potable water steel reservoir to recycled water, and the connection of up to 26 new customer sites. Pipeline and reservoir construction has been completed, and work continues for the connection of new customers to the system.

Recycled water produced by SEJPA is used to offset potable water demands, which improves the region's water reliability. SEJPA's recycled water system has the capacity to deliver 3 million gallons per day (mgd) or approximately 1,800 to 2,000 acre-feet per year (AFY). Recycled water sales have been as high as 1,562 AFY; however, FYE 2016's sales have declined to approximately 1,368 AFY. SEJPA attributes this reduction to strong water conservation messaging that resulted in conservation of both potable and recycled water. Other recycled water suppliers have experienced similar reductions during that period.

While SEJPA supports water use efficiency, its recycled water system will be most cost-effective for all users when its average annual delivery rates are closer to the full system design capacity.

SEJPA's agreements with SFID, SDWD, OMWD, and the City of Del Mar include "minimum annual purchase volumes", and the interruptible service agreement with ERGA includes a minimum annual delivery volume. These minimum volumes set a revenue floor resulting in sustainability. Table 1-1 below lists the minimum purchase commitments for each agency:

Table 1-1 – Minimum Purchase Commitments for SEJPA Recycled Water

Water Purveyors	Minimum Purchase Volume (AFY)				
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021
Santa Fe Irrigation District	450	450	450	450	450
City of Del Mar	120	120	120	120	120
Olivenhain Water District	85	100	125	155	185
San Dieguito Water District	400	400	400	400	400
ERGA	200	200	200	200	200
Total	**1,255**	**1,270**	**1,295**	**1,325**	**1,355**

Providing direct interruptible service to ERGA's Golf Course storage pond has resulted in operational efficiencies for the SEJPA. In addition, the interruptible service coupled with a large water storage pond at the golf course improves system hydraulics, and allows the SEJPA to serve additional customers. In its supply agreement with OMWD, SEJPA has provided for an "infrastructure credit" or "rent back," as OWMD has constructed the recycled water distribution infrastructure within its service area. Without this infrastructure (valued at approximately $10.2 million), the SEJPA could not provide recycled water service to OMWD's customers. In a similar fashion, the SEJPA purchased a recycled water pipeline from SFID with loan payments of $450 per AF sold through the pipeline, which includes interest that varies from 1.0% to 2.5%. Since its construction, approximately 155 AF has been delivered through the SFID pipeline.

The original recycled water sales agreements tied the price of recycled water to 85% of the potable water rate. During FYE 2014 and FYE 2015, the SEJPA decoupled the price of recycled water from the potable water rates, and developed a single unified rate for all uninterruptible service customers. This rate was based on cost of service. The ERGA interruptible contract extends to June 30, 2024 (with an option to extend), and includes annual rate increases of 4%. In addition to the revenue from customers, the SEJPA also receives incentives from the Southern California Metropolitan Water District (MWD) and the San Diego County Water Authority (CWA) to develop recycled water supplies. These incentives are $250 and $200 per AF from MWD and CWA, respectively.

2. Assumptions

The purpose of the study is to provide recommendations for SEJPA recycled water wholesale pricing for FYE 2018, 2019, and 2020. Based on the structure of current wholesale agreements, water rate adjustments will occur on the first day of each fiscal year (i.e., July 1, 2018). Furthermore, the existing agreements have a floor and ceiling provision that range bounds future water rate increases between 3% and 5%. The last rate increase, implemented in 2016, applied a 4% annual rate escalation over a two-year period. The 2016 Study also provided long range financial forecasting that supported future rates rising between 3% and 5% annually.

In developing this Study, revenues and expenses associated with the recycled water program were based on actual and budgeted revenues and expenses, as well as forward looking assumptions that impact the financial models. Actual revenue and expense data were obtained from audited financial statements, and forward looking assumptions were based on estimates, current year budgets, and discussions with staff from the SEJPA and water purveyors regarding future trends. Assumptions include inflation factors, future recycled water sales, potential grant funding, and payment terms for proposed new debt.

1. Recycled Water Demand

The Study assumes that the recycled water program will experience an increase in new water sales over the term of the study as a result of new customers within the existing service areas of SDWD, SFID, OMWD, and Del Mar.

Projected usage changes across the Study period were developed with input from the SEJPA and the local water districts. As noted earlier, usage reduction in FYE 2016 was likely due to conservation efforts in response to drought messaging. More typical usage levels returned in FYE 2017, and usage for FYE 2018 has been tracking above average, which is likely due to drier than normal weather coupled with the addition of new customer sites.

Over the last 12 months, 18 new customer sites have been added and additional sites are planned over the next three years. **Table 2-1** lists the SEJPA's projected usages for the customer base during the study period. The table also provides the total revenue-generating AF by using ERGA's minimum contracted delivery volume of 200 AFY.

Table 2-1 –Actual and Projected Recycled Water Usage

Customer	Usage in Acre Feet						
	Actual Usage			Forecast Usage			
	FYE 2015	FYE 2016	FYE 2017	FYE 2018*	FYE 2019	FYE 2020	FYE 2021
Santa Fe Irrigation District	524	492	490	534	540	545	550
City of Del Mar	136	118	123	120	125	128	129
Olivenhain Water District	144	86	141	191	200	210	212
San Dieguito Water District	402	350	390	430	440	460	465
Revenue based on AF	**1,206**	**1,046**	**1,144**	**1,275**	**1305**	**1,343**	**1,356**
Encinitas Ranch Golf Authority (ERGA)	356	322	289	300	300	300	300
Total Usage	**1,562**	**1,368**	**1,433**	**1,575**	**1,605**	**1,643**	**1,656**
Less: ERGA Interruptible Supply (over 200 AF)	-156	-122	-89	-100	-100	-100	-100
Total Revenue Generating Usage	**1,406**	**1,246**	**1,344**	**1,475**	**1,505**	**1,543**	**1,556**

* FYE 2018 Recycled Water usage is based on 8 months of actual usage data.

Table 2-2 –Actual and Projected Recycled Water Revenue

Customer	Revenue						
	Actual			Forecast (3.8% Increase)			
	FYE 2015	FYE 2016	FYE 2017	FYE 2018*	FYE 2019	FYE 2020	FYE 2021
Santa Fe Irrigation District	724,137	666,806	657,814	782,844	821,880	861,011	902,666
City of Del Mar	171,062	162,720	170,647	175,920	190,250	202,219	212,002
Olivenhain Water District	184,389	117,226	196,209	280,006	304,400	331,766	347,816
San Dieguito Water District	527,789	542,403	556,629	630,380	669,680	726,725	761,883
Revenue based on AF	**1,607,377**	**1,489,155**	**1,581,299**	**1,869,150**	**1,986,210**	**2,121,721**	**2,224,367**
Encinitas Ranch Golf Authority	225,736	237,024	248,876	258,830	269,183	279,951	291,149
MWD/CWA Incentives	702,675	615,600	644,805	708,750	720,000	720,000	720,000
Total Revenue	**2,535,788**	**2,341,779**	**2,474,980**	**2,836,730**	**2,975,393**	**3,121,672**	**3,235,516**

2. Inflation

Assumed inflationary factors for operations and maintenance (O&M) costs are shown in **Table 2-3**. In examining program costs, it was determined that some costs do not fluctuate significantly with the change in recycled water produced and delivered by the utility. Some of these "fixed" costs have historical variances due to the focus on increasing the service area, insurance increases, and the timing of certain costs such as repair parts and miscellaneous expenses. The two primary expenses that fluctuate with water production and delivery are power (utilities) and chemicals (supplies). To develop future operating expenses, these costs were multiplied by both an inflationary factor and by the anticipated production percentage increase. Rent associated with the usage of OMWD distribution infrastructure varies dependent on the number of acre-feet delivered to OMWD. **Table 2-3** lists Study inflation factors by operating expense type.

Table 2-3 –Inflation Factors

Operating Expense	Type of Expense	Inflation and Assumption Factors
Utilities	Variable	4.0%
Infrastructure Rent	Variable	Unit price fixed; dependent on units delivered
Supplies	Variable	3.0%
All other costs	Fixed	3.0%

3. Operating Expenses

The Study was based on a review of the utility's O&M expenses. Section 4 discusses debt service and Section 5 outlines reserve requirements. **Table 3-1** shows the O&M expenses inflated across the study period using the inflation factors described in **Table 2-3** beginning with FYE 2018. For Utilities (which consists primarily of Power costs) and Supplies (primarily Chemical costs), these expenses are influenced by both water production and delivery (sales), as well as inflation. Capital Outlay is an expense category for repair and replacement items that are considered capital not operational for financial reporting purposes. Capital outlay for FYE 2019 is planned at $15,000 and is assumed to increase at 3.0% annually.

Table 3-1 – Operating and Maintenance Expenses

Operating Expenses	Actual FYE 2016	Actual FYE 2017	Est. Actual FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Personnel Costs	$567,376	$537,467	$524,025	$542,798	$559,082	$575,854
Utilities	271,007	277,749	316,468	356,123	379,137	397,525
Contracted Services	206,241	135,405	243,196	247,283	254,701	262,343
Supplies	100,951	105,305	116,741	123,191	129,891	134,881
Repair Parts	60,113	53,449	41,048	55,000	56,650	58,350
Miscellaneous	17,671	21,455	18,140	25,468	26,232	27,019
Infrastructure Rent	41,180	63,473	90,450	94,500	101,250	102,195
Permit/Purveyor Fees	24,811	25,099	24,070	24,792	25,536	26,302
Insurance	16,520	17,472	17,578	18,105	18,648	19,208
Capital Outlay	42,640	15,315	12,399	15,000	15,450	15,913
Total Operating Expenses	**$1,348,510**	**$1,252,189**	**$1,404,115**	**$1,502,260**	**$1,566,577**	**$1,619,590**

4. Debt Service

4.1 Current Debt

SEJPA's Recycled Water Program currently has three outstanding loans: The State Revolving Fund (SRF), which funded the original recycled water infrastructure in 1999; the Municipal Finance Corporation Loan, which funded the advanced water purification facility (AWP) in 2012, and the SFID Pipeline Loan (SFID) in FYE 2013, which funded the purchase of the recycled water pipeline in the Santa Fe Irrigation District.

The SRF Loan has a remaining balance of $1,650,000 and final payment will be made in August 2020 (FYE 2021). The AWP Loan has a remaining balance of $1,519,541 and payments will extend through FYE 2032. The SFID loan has a remaining balance of $438,339 and payment is based on AF conveyed through the pipeline with any remaining loan balance due in FYE 2033.

4.2 Capital Expenses and Proposed Debt

The SEJPA has plans for capital projects during the study period that will be funded by bond issuance, SRF loan, or other means. Planned projects include recycled water pipelines and onsite storage estimated at $3.1 million.

The SEJPA has secured grant funding of approximately $525,000 for the planned capital projects, thus the remaining amount to be funded from the Wastewater Fund is estimated to be $2.5 million. The Study assumes that this capital expense will incurred during FYE 2018 through 2021 and paid back over a five-year period.

Table 4-1 – Capital Debt (Existing and Proposed)

Debt	FYE 2016	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021
State Revolving Fund Loan	$834,675	$834,675	$834,675	$834,675	$834,675	$834,675
Municipal Finance Corporation Loan	148,153	148,153	148,153	148,153	148,153	148,153
SFID Reimbursement Agreement	12,667	11,719	15,000	15,000	15,000	15,000
Total Debt Service	**995,495**	**994,547**	**997,828**	**997,828**	**997,828**	**997,828**

5. Reserve Requirements and Goals

There are multiple cash reserves that a utility may utilize. Examples are bond, operating and maintenance, and asset repair and replacement (R&R) reserves.

The SEJPA currently has a bond reserve to satisfy SRF loan requirements in the amount of $630,000. This bond reserve funds are intended to be available for system repairs to ensure the delivery and sale of recycled water. These funds are held in the Recycled Water Debt Reserve Fund, and when the loan is paid off, these funds are available for R&R reserve goals.

The Recycled Water Cost of Service Study prepared by GHD, Inc. dated April 2013 suggested a range from about $3.0 million to $3.5 million R&R reserve by FYE 2022 with a $3.3 million target goal. Rate calculations (Section 6) provide an allowance for R&R funding of approximately $3.1 million by FYE 2022.

6. Rate Calculation

It is the goal of the SEJPA to set recycled water rates such that program revenues cover operating expenses, debt service payments, and fund reserves.

In developing the rate calculations, funds available for R&R reserve goals were the difference between expenses and revenues received. Three rate scenarios were evaluated to determine the viability to meet expense demand and reserve goal funding needs. As shown in Table 7.1, Cash Fund Balances, the R&R reserve is underfunded. The R&R reserve is funded by the excess revenues over expenses in each of the rate scenarios; hence, the percentage varies.

As noted in Section 1, the SEJPA provides both uninterruptible and interruptible recycled water service. To normalize the rate calculation, recycled water sales to ERGA are assumed to be 200 AFY, which is the minimum required delivery per agreement. Furthermore, the Study assumes the SEJPA will qualify for MWD and CWA incentives ($450 per AF) through FYE 2025 for water sales up to 1,600 AF annually.

Tables 6-1, 6-2, and 6-3 below consider future rate increases of 3.0%, 3.8%, and 4.6%, respectively.

Table 6-1 – 3.0% Rate Calculation for Recycled Water with MWD and CWA Incentives

	Est. Actual FYE 2018	FYE 2019	FYE 2020	FYE 2021
Operating Expenses	$1,404,115	$1,502,260	$1,566,577	$1,619,590
Debt Service	997,828	997,828	997,828	997,828
Repair & Replacement Funds Available	424,452	454,245	529,960	576,530
Total costs to be recovered	$2,826,395	$2,954,333	$3,094,365	$3,193,948
Total AF for Calculation	1,475	1,505	1,543	1,556
Cost per AF	$1,916	$1,960	$2,005	$2,052
Less: MWD and CWA Incentives	-450	-450	-450	-450
Price per AF to Customers	$1,466	$1,510	$1,555	$1,602
Increase Year over Year		**3.0%**	**3.0%**	**3.0%**

Table 6-2 – 3.8% Rate Calculation for Recycled Water with MWD and CWA Incentives

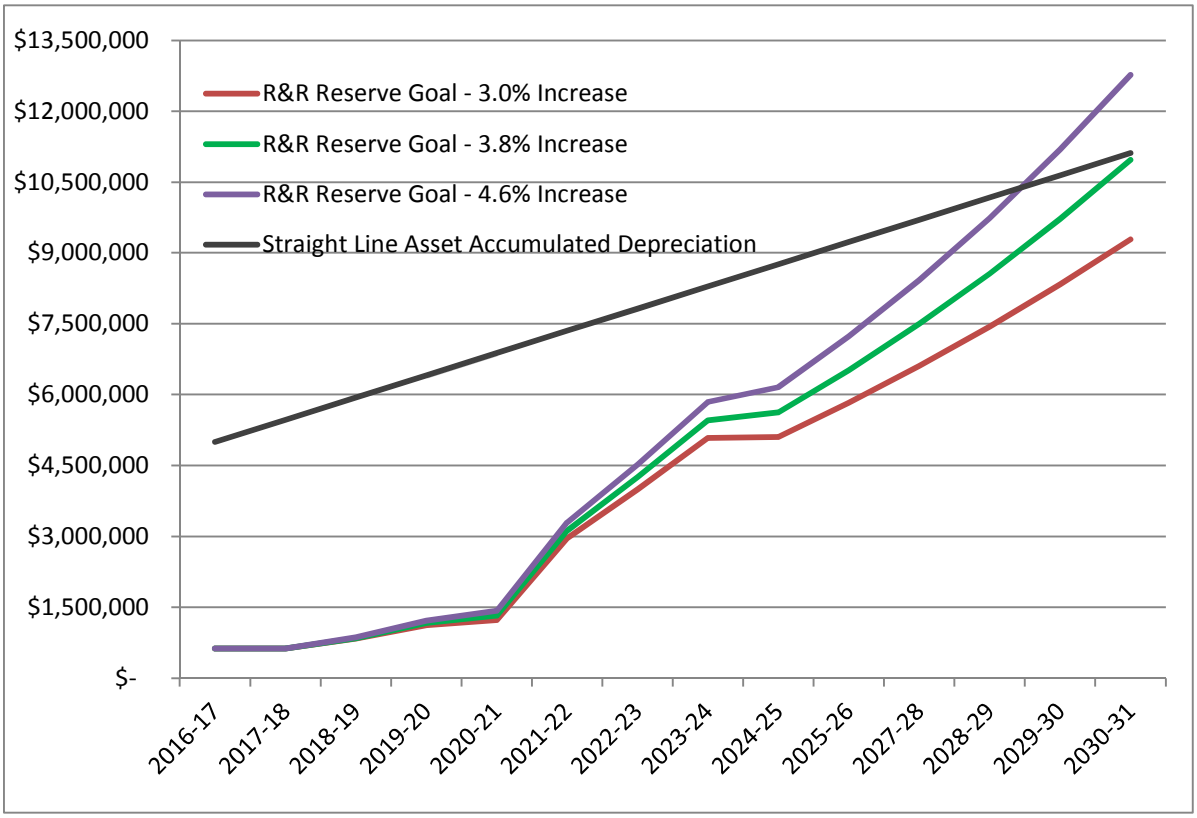
	Est. Actual FYE 2018	FYE 2019	FYE 2020	FYE 2021
Operating Expenses	$1,404,115	$1,502,260	$1,566,577	$1,619,590
Debt Service	997,828	997,828	997,828	997,828
Repair & Replacement Funds Available	424,252	467,748	567,415	635,813
Total costs to be recovered	$2,826,195	$2,967,836	$3,131,820	$3,253,231
Total AF for Calculation	1,475	1,505	1,543	1,556
Cost per AF	$1,916	$1,972	$2,030	$2,090
Less: MWD and CWA Incentives	-450	-450	-450	-450
Price per AF to Customers	$1,466	$1,522	$1,580	$1,640
Increase Year over Year		**3.8%**	**3.8%**	**3.8%**

Table 6-3 – 4.6% Rate Calculation for Recycled Water with MWD and CWA Incentives

	Est. Actual FYE 2018	FYE 2019	FYE 2020	FYE 2021
Operating Expenses	$1,404,115	$1,502,260	$1,566,577	$1,619,590
Debt Service	997,828	997,828	997,828	997,828
Repair & Replacement Funds Available	424,252	485,447	604,440	694,277
Total costs to be recovered	$2,826,195	$2,985,535	$3,168,845	$3,311,695
Total AF for Calculation	1,475	1,505	1,543	1,556
Cost per AF	$1,916	$1,984	$2,054	$2,128
Less: MWD and CWA Incentives	-450	-450	-450	-450
Price per AF to Customers	$1,466	$1,534	$1,604	$1,678
Increase Year over Year		**4.6%**	**4.6%**	**4.6%**

The 3.8% rate scenario provides R&R reserve balance of about $3.1 million in FYE 2022, $5.0 million by FYE 2025, and $11.0 million by FY 2031 which approximates the straight-line depreciation. This is similar to the funding goals stated in the 2013 Study. Based on the three future rate scenarios, the 3.8% rate provides adequate reserve goal balances at the lowest rate increase.

Graph 6-1 – Projected R&R Reserve Goals – 3.0%, 3.8% and 4.6% Rate Increases



6.1 Uninterruptible Customer Rate ($/AF)

The uninterruptible customer rate is intended to recover the costs associated with providing uninterruptible service. This requirement was determined to be 3.8 percent greater than the prior year's rate. The rate was calculated by dividing the total expenses by the total uninterruptible recycled water AF usage, plus the contractual minimum water AF usage for interruptible service. For FYE 2018 this rate is $1,466 per AF shown in **Table 6-2** above.

6.2 Interruptible Customer Rate ($/AF)

The interruptible recycled water rate was calculated in Raftelis' September 2015 Cost of Service Report. In 2017, SEJPA and ERGA negotiated a seven-year service agreement that provides interruptible service to the Encinitas Ranch Golf Course from FYE 2018 through FYE 2024 that includes the provision of a minimum 200 AFY and an annual rate increase of 4 percent.

7. Cash Fund Balances

To determine whether the proposed rates provide sustainability, Cash Fund Balances were analyzed to confirm adequate cash reserves. The operating cash reserve goal is based on 90 days of operating expense plus one year's debt service. The R&R cash reserve goal includes the Debt Reserve Requirement as discussed in Section 5.

Table 7-1 below shows the actual and estimated cash balances for the Recycled Water Fund:

Table 7-1 – Cash Fund Balances

	Est. Actual FYE 2018	Projected FYE 2019	Projected FYE 2020	Projected FYE 2021
Operating Cash Reserve Goal	1,348,857	1,373,393	1,389,472	1,402,725
(Under) Funded	(247,583)			
Operating Cash	1,101,274	1,373,393	1,389,472	1,402,725
Debt Reserve	630,000	630,000	630,000	630,000
R&R Reserve	-0-	215,186	536,372	696,218
Total Cash	**$1,731,274**	**$2,118,579**	**$2,555,844**	**$2,728,943**

The Operating Cash Reserve Goal is less than 90 days of operating expense for FYE 2018; resulting in the R&R Reserve Goal not funding until FYE 2019. The Study indicates that the Operating Cash Reserve Goal is met in FYE's 2019, 2020 and 2021.

8. Conclusion

Based on the analysis shown in the Study, Raftelis recommends a 3.8% annual increase in rates for the uninterruptible customers for the proposed 3-year period. Larger rate increases could be justified by the analysis, however customer usage could be impacted by pricing, and the potential reduction in usage could more than offset the revenue increase of the higher rate. This effort also revealed that increasing recycled water sales, without substantial capital investment, provides the greatest benefit to the financial foundation of the utility. Conversely, should future sales decrease, the rates may need to be increased to meet the revenue requirements. The recycled water utility does include safe guards such as minimum purchase contracts with the water districts and ERGA, which provides protection from significant declines in water sales. The utility also receives financial incentives from MWD and CWA that help meet the programs financial needs. These incentives have an expiration date of FYE 2025, but can be retired early based on certain financial measurements. Based on information provided, it does not appear that these incentives will expire during the review period of this Study. However, this situation

should be monitored annually as financial events such as receiving grant funding or significant deviations of the price of recycled water from potable water rates can reduce or eliminate incentives in any year. Loss of incentive funding will erode R&R funding goals and likely require a review of future recycled water rates.

Raftelis' staff is grateful for the opportunity to work with and the support of SEJPA's staff.

Sincerely,

Raftelis Financial Consultants, Inc.

Sudhir Pardiwala
Executive Vice President

AGENDA ITEM NO. 15

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: SAN ELIJO OCEAN OUTFALL 2017 INSPECTION REPORT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Accept and file the San Elijo Ocean Outfall Year 2017 Inspection Report prepared by Undersea Graphics, Inc.; and

2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Ocean Outfall was commissioned in 1965 to discharge treated effluent from the San Elijo Water Reclamation Facility. The outfall was upgraded and expanded in 1974 to include discharge capacity for the City of Escondido's Hale Avenue Resource Recovery Facility. The length of the outfall from the shoreline into the ocean is 8,000 feet, with an end depth of approximately 150 feet below mean sea level. The diffuser section of pipe is composed of 1,176 feet of 48-inch pipe with 200 individual 2-inch diameter diffuser ports. The discharge of treated wastewater to the ocean is subject to strict environmental regulations that stipulate dilution requirements, distance from shore, and depth of water for which the effluent is discharged. To ensure that the ocean outfall is in sound operating condition and that environmental regulations are being met, the San Elijo Joint Powers Authority (SEJPA) inspects the outfall annually.

DISCUSSION

The SEJPA contracted with Undersea Graphics, Inc. (UGI) to complete the 2017 outfall inspection. Submarine and dive operations were conducted in July and December 2017. Inspection activity was attentive to the following:

- Evidence of surface failure of exposed concrete;
- Cracks or other deficiencies in the outfall;
- Joint integrity;

- Leaks or evidence of degradation;
- Attrition or the loss of the ballast materials as a result of physical, biological, or geologic processes;
- Scour of the nearby marine sediments;
- Inspection of exposed portholes and pile supports;
- Inspection of diffuser flow;
- Evaluation of cathodic protection at exposed anodes; and
- Clearing kelp that hindered inspection activities or threatened ballast material.

UGI reports that the San Elijo Ocean Outfall was found to be in excellent overall condition. Offshore areas of the outfall were stable and showed no signs of ballast movement; inshore ballast rock showed no significant signs of movement since the last re-ballasting project completed in 2005. The outfall showed no signs of spalling, rust staining, cracking, or other deficiencies in the concrete pipe. All observed joints were in alignment with no evidence of leaks. The near shore inspection revealed kelp growth on the pipeline and the surrounding ballast. Because kelp has considerable buoyancy, it was cleared to minimize the threat of ballast movement.

The outfall was constructed with five access portholes that have metal covers. These covers use sacrificial zinc anodes for corrosion protection. The anodes on Portholes 1, 2, and 3 appear to have considerable mass remaining. Portholes 4 and 5 were buried in sand at the time of this inspection; however, porthole 4's anode was installed in 2011.

During inspections, efforts are made to inspect the 35 pile supports that secure the inshore section of the ocean outfall. Typically, these pile supports are covered by sand and cannot be inspected. This year, none of the pile supports were visible during the July inspection and only five of the pile supports were exposed during the December inspection. All of the exposed pile supports have good, working anodes attached.

SUMMARY AND RECOMMENDATIONS

The following points summarize the major findings of this outfall inspection:

- In general, the San Elijo Ocean Outfall was found to be in excellent overall condition.
- Ballast rock shows no significant sign of movement since the last re-ballasting project.
- The outfall showed no signs of spalling, rust staining, or cracking and there was no leakage observed from pipe joints or any other location on the outfall.
- Anodes that were visible that could be inspected were in good condition and have considerable mass remaining.
- Overgrown kelp was removed from the pipeline.
- The exposed pile supports surveyed during this inspection were found to be completely protected.
- Some biofouling was observed in the diffuser ports. It is recommended that the biofouling be cleared when it starts to affect flow. This can be easily cleaned in one day by rebreather divers with hand held brushes.

The following items are recommendations for continued integrity and environmentally safe operation of the San Elijo Ocean Outfall:

- Complete a Submersible, Remote Operated Vehicle (ROV) or rebreather dive survey of the diffuser section of the outfall pipe at least every 2 years.
- Continue to remove kelp from pipeline and ballast pile to minimize movement.
- Monitor for re-emergence of pile supports and inspect all visible pile support structures. Pile supports seem to be most exposed during winter months.
- During future inspections, anodes should be replaced when they become ineffective against preventing corrosion to pipe and pile structures.
- Continue preventative maintenance and detailed inspections of the entire pipeline using Submersible, SCUBA, rebreather, and/or ROV surveys.
- Monitor station 58+00 for possible undermining.
- Continue to monitor biological growth around diffuser ports. Growth is not currently obstructing flow and can be cleaned during the next inspection.

The full report is available at the SEJPA office or at www.sejpa.org under SEJPA Library, then Reports & Studies.

It is therefore recommended that the Board of Directors:

1. Accept and file the San Elijo Ocean Outfall Year 2017 Inspection Report prepared by Undersea Graphics, Inc.; and

2. Discuss and take action as appropriate.

Respectfully submitted,

Christopher A. Trees, P.E.
Director of Operations

Attachment 1: San Elijo Ocean Outfall Year 2017 Inspection Project Summary, Undersea Graphics, Inc., March 2018

PROJECT SUMMARY

Undersea Graphics, Inc. (UGI) performed the Year 2017 San Elijo Ocean Outfall annual inspection at the request of the San Elijo Joint Powers Authority (SEJPA), completing the requested work with two separate inspections which were performed in July 2017 and inshore diving in December 2017. UGI has been in the outfall inspection industry since the 1950's. In 1969 UGI launched its first manned submersible. And then in 1981 UGI launched its support vessel Mother Goose. UGI is committed to providing thorough inspections of underwater outfalls, which include HD video and pictures of the pipeline. The inspection involved piloted submersible examination of the outfall from the end of the ocean outfall structure (End Structure, Station 81-00) to Porthole #3 (Station 27-00) and then diver examination from Porthole #3 (Station 27+00) to the beach where the pipe becomes buried under sand (Station 8+00). The inspection included evaluation of exposed portholes, evaluation of cathodic protection at exposed anodes, a pile support survey, kelp clearing, and a multibeam survey with generated pipeline cross sections.

Photo and video documentation were collected along the entire outfall. The purpose of the inspection was to look for evidence of spalling of the exposed concrete surfaces, cracks or other signs of wear or degradation of the outfall structure. This includes inspecting joint integrity for leaks or evidence of degradation, inspecting diffuser flow, evaluating for other potential hazards and checking attrition or the loss of efficacy of the pipe ballast material.

In general, the San Elijo Ocean Outfall was found to be in excellent overall condition. All areas of the pipeline were stable and the ballast showed minimal signs of movement based on the diver and multibeam data. The outfall showed no signs of spalling, rust staining, or cracking and there was no leakage detected from pipe joints or any other locations on the outfall. Anodes on the exposed manholes were in good condition and have greater than 50% remaining life expectancy. The pile support section of the outfall was about two-thirds buried with sand. All exposed metallic structures are currently protected.

AGENDA ITEM NO. 16

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

April 9, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CONSTRUCTION CONTRACT CHANGE ORDER - SAN ELIJO LAND OUTFALL REPLACEMENT PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to grant a construction contract change order for a total cost of $74,000; and

2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Land Outfall Replacement is a priority capital project for the SEJPA. The land outfall was constructed in 1965 and due to its age and the surrounding soil type, the pipeline is estimated to be at the end of its useful life. This 30-inch diameter pipeline conveys on average 10 million gallons per day of treated wastewater from the cities of Encinitas, Solana Beach, Del Mar and Escondido for ocean disposal approximately 1.5 miles from shore.

In April 2017, the Board of Directors awarded the project construction contract to the lowest responsive and responsible bidder, J.R. Filanc Construction Company (“Filanc”), for an amount of $8,553,000.

DISCUSSION

In order to satisfy California Coastal Commission and City of Encinitas permitting requirements, the Contractor (Filanc) performed additional work at the beach worksite on Cardiff State Beach. The work included the import of sand from the North Coast Corridor I-5 widening project, as well as obtaining and filling additional sandbags or “supersacks”. It was determined that these additional measures would provide enhanced protection for the environment, public access, and the worksite in the event of tidal inundation and/or winter storm events. The imported sand was tested and approved for distribution on the beach at the end of the project, as part of the City’s sand replenishment effort. The contractor expedited the procurement of materials and performed this work in good faith to allow horizontal directional drilling to begin as planned.

FINANCIAL IMPACT

Staff negotiated the cost of the change order and proposes for Board consideration a $74,000 change order to the contractor and an 8-day contract time extension due to the impacts on the schedule to perform this work. If approved, the total amount of change orders for the project to date is -$64,995.

Table 1 – Change Orders for the Land Outfall Replacement Project

PROJECT CHANGE ORDERS	**Cost**
No. 1 – Value Engineering	-158,082
No. 2 – Flowmeter Sizing	904
No. 3 – HDD Launch Pad	74,000
No. 5 – Highway 101 Road Survey	4,412
No. 6 – Outfall ACP Collars	13,771
TOTAL CHANGE ORDERS	**-64,995**

It is recommended that the Board of Directors:

1. Authorize the General Manager to grant a construction contract change order for a total cost of $74,000; and

2. Discuss and take action as appropriate.

Respectfully submitted,

Michael T. Thornton, P.E.
General Manager