

AGENDA
SAN ELIJO JOINT POWERS AUTHORITY
MONDAY, AUGUST 20, 2018 AT 8:30 AM
SAN ELIJO WATER RECLAMATION FACILITY – CONFERENCE ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, CALIFORNIA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS (NON-ACTION ITEM)
5. PRESENTATION OF AWARDS AND STAFF RECOGNITION
 - 2018 Outstanding Membrane Plant Award
 - Frankie Abeyta – AA Degree
 - Scott Best – AA Degree
 - Paul Kinkel, 5 Years of Service
6. * **CONSENT CALENDAR**
7. * APPROVAL OF MINUTES FOR JUNE 11, 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. * 2018 SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) UPGRADE PROJECT
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. **PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST PROGRAM TO PRE-FUND PENSION OBLIGATIONS AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) OBLIGATIONS**

1. Adopt Resolution No. 2019-01, Resolution of the Governing Board of Directors of the San Elijo Joint Powers Authority Approving the Adoption of the Public Agencies Post-Employment Benefits Trust Administered by Public Agency Retirement Services (PARS); and
2. Discuss and take action as appropriate.

Staff Reference: Director of Finance and Administration

14. **AWARD CONSTRUCTION CONTRACT AND PROFESSIONAL SERVICES DURING CONSTRUCTION FOR THE ENCINITAS RANCH RECYCLED WATER EXPANSION PROJECT**

1. Authorize the General Manager to award the base bid construction contract to Burtech Pipeline for an amount of \$1,225,000;
2. Authorize the General Manager to award the Schedule B Optional bid for an amount up to \$343,000 subject to the General Manager's discretion after discussion with HOA;
3. Authorize the General Manager to award the Pumping System equipment to Hidden Valley Pump for an amount of \$73,000;
4. Authorize the General Manager to amend the professional services agreement with Dudek for engineering services during construction for an amount of \$55,520;
5. Authorize the General Manager to amend the professional services agreement with Black and Veatch to increase project inspection for an amount of \$41,393;
6. Authorize the General Manager to enter into agreement with the Encinitas Ranch Community Association and San Dieguito Water District for recycled water service and infrastructure cost sharing; and
7. Discuss and take action as appropriate.

Staff Reference: General Manager

15. **PROGRESS UPDATE – ALTERNATIVE DELIVERY FOR THE BUILDING AND SITE IMPROVEMENT PROJECT**

1. Discuss and take action as appropriate.

Staff Reference: General Manager

16. GENERAL MANAGER'S REPORT

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

17. GENERAL COUNSEL'S REPORT

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

18. BOARD MEMBER COMMENTS

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

19. CLOSED SESSION

The Board will adjourn to Closed Session to discuss item(s) identified below. Closed Session is not open to the public; however, an opportunity will be provided at this time if members of the public would like to comment on any item listed below. (Three minute limit.) 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".

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to Gov. Code section 54956.9(d)(2): 1 matter; and

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION. Initiation of litigation pursuant to Gov. Code section 54956.9(d)(4): 1 matter.

20. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Monday, September 10, 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: August 15, 2018

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

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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
HELD ON JUNE 11, 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, June 11, 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

Vice Chair Zito called the meeting to order at 8:30 a.m.

2. ROLL CALL

Directors Present:

Tasha Boerner Horvath (*Arrived 8:33 a.m.*)
David Zito
Joe Mosca
Peter Zahn

Directors Absent:

None

Others Present:

General Manager
Director of Operations
Director of Finance & Administration
Associate Engineer
Laboratory Analyst II
Accounting Technician
Administrative Assistant/Board Clerk

Michael Thornton
Chris Trees
Paul Kinkel
Mike Konicke
Susie Arredondo
Carrie Cook
Jennifer Basco

SEJPA Counsel:

Procopio, Cory, Hargreaves & Savitch

Adriana Ochoa
Rachael Harrington

City of Solana Beach:

City Manager
Director of Engineering/Public Works

Greg Wade
Mohammad "Mo" Sammak

City of Encinitas, Public Works Mgt. Analyst

Bill Wilson

City of Encinitas, Resident

Bill Steiner

Public Agency Retirement Services

Rachael Sanders

3. PLEDGE OF ALLEGIANCE

Vice Chair Zito led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS

None

5. PRESENTATION OF AWARDS

The General Manager recognized Susie Arredondo, Laboratory Analyst II, for obtaining a Master's Degree in Environmental Management from Duke University. The Board congratulated Ms. Arredondo for this achievement and her service to the agency.

6. CONSENT CALENDAR

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

Agenda Item No. 7	Approval of Minutes for the May 14, 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
Agenda Item No. 11	San Elijo Joint Powers Authority and Encina Wastewater Authority Joint Supplies and Services Contracting

Motion carried with the following vote of approval:

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

Agenda Item No. 8	Approval for Payment of Warrants and Monthly Investment Report
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Motion carried with the following vote of approval:

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

12. ITEMS REMOVED FROM CONSENT CALENDAR

None

13. ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2018-19 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF TREASURER

Paul F. Kinkel, Director of Finance and Administration, presented the Recommended Budget for FY 2018-19 to the Board for approval consideration. He noted that after it was originally presented at the April 2018 Board meeting, staff communicated with the Member Agencies and other government agencies that receive SEJPA services regarding the proposed budget. The SEJPA received no public comments or requests for budget changes. Therefore, at this time, the Recommended Fiscal Year 2018-19 Budget is ready for adoption.

Mr. Kinkel also stated that staff is not recommending any changes to the SEJPA's investment policy for Fiscal Year 2018-19, and that the 2018-19 SEJPA Investment Policy and Guidelines is ready for adoption.

The General Manager recommended to the Board the appointment of Paul F. Kinkel as SEJPA Treasurer for FY 2018-19.

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

1. Adopt Resolution No. 2018-05, Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2018-19; and
2. Adopt Resolution No. 2018-06, Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of Paul F. Kinkel as SEJPA Treasurer.

Motion carried with the following vote of approval:

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

14. PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST PROGRAM TO PRE-FUND PENSION OBLIGATIONS AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) OBLIGATIONS

Paul Kinkel, Director of Finance and Administration, stated that the SEJPA pension participates in the CalPERS shared risk pool, which combines investments with other small California public employers to reduce individual risk and volatility. In 2013, with the implementation of PEPRA, a number of pension benefit changes went into effect in addition to the GASB requirements on how pension liabilities are disclosed in financial reporting. The previously unavailable CalPERS' Unfunded Actuarial Liability (UAL) amount is now provided to the shared risk pool employers. This allows agencies to

better understand their individual UAL and provides an opportunity to pay down the UAL by contributing more than the required minimum. Mr. Kinkel explained that the SEJPA began making supplemental UAL payments in FY 2014-15 to reduce this liability. The SEJPA is now exploring another option for making supplemental contributions through an IRS Section 115 Public Agency Post-Employment Benefits Trust (Trust). The Trust is an irrevocable, locally controlled, trust established for the purpose of funding retirement obligations. Mr. Kinkel introduced Rachael Sanders from Public Agency Retirement Services, who briefly explained the benefits and costs of creating and maintaining a Trust.

Mr. Kinkel stated that the intent of exploring the creation of a Trust is to provide the Board options for providing UAL pension payments. If the Board approves, staff will prepare the required documents to set up the Trust and present them at the next Board meeting for approval consideration.

Moved by Vice Chair Zito and seconded by Chair Boerner Horvath to:

1. Authorize up to \$200,000 of FY 2017-18 budget operating expense savings to be applied to the CalPERS Unfunded Actuarial Liability or initial funding of an IRS Section 115 Trust; and
2. Authorize the General Manager to prepare the required documents and resolutions for a Public Agency Post-Employment Benefits Trust.

Motion carried with the following vote of approval:

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

15. CAPITAL IMPROVEMENT PROGRAM UPDATE

General Manager Thornton provided status updates on the various projects in SEJPA's Capital Improvement Program. Phase I of the CIP is currently in construction which includes the Land Outfall Replacement, Preliminary Treatment Upgrades, and Odor Control Improvements. The Phase I project budget was updated from \$14.2M to \$14.3M to reflect additional costs for the Land Outfall Replacement project due to unforeseen conditions. Phase II is currently in the design and permitting stage, and consists primarily of a bundle of individual projects referred to as the Building and Site Improvements Project, as well as IRWM recycled water pipelines, electrical upgrades to Motor Control Center No. 2, and improvements to the SCADA system. Phase III, the Solids Treatment Project, is currently in the pre-design phase. Phase IV consists of Resource Recovery and Reuse projects including water storage, process optimization, and energy efficiency projects. This phase is in early stages of evaluation and development. Mr. Thornton stated revenue from the sale of the 2017 Clean Water Bonds and grant funding, combined with current and future cash contributions for capital projects, is the primary basis for the Phase I-III projects.

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

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

General Manager Thornton stated that during the construction of the San Elijo Land Outfall project, the contractor encountered conditions that were different than depicted in the construction documents as well as performed additional work at the direction of the SEJPA. The new work that constitutes the construction change order is for (1) additional work associated with concrete encasing flexible couplings at the beach and treatment plant in order to strengthen major connection points, (2) purchasing and installing two 20-inch valves at the Escondido Regulator Vault to replace existing failed valves, (3) payment for premium time worked on weekends and beyond normal 8-hour work shifts, and (4) providing emergency welding to isolate a failed valve on the existing outfall to prevent spillage. Also, in coordination with the City of Encinitas Living Shoreline project, staff approved the relocation of a component of the new outfall that was found to be in conflict with the planned pedestrian path on the west side of Coast Highway. Mr. Thornton stated that these additional challenges prevented the Contractor from meeting the permit deadline of May 25, 2018. In response, staff coordinated with Coastal Commission, the City of Encinitas, and State Parks to obtain permit extensions to June 21, 2018. Funding for the proposed construction change order is available in the Ocean Outfall Capital Program.

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

1. Authorize the General Manager to execute a construction contract change order with Filanc for a total cost of \$126,787.

Motion carried with the following vote of approval:

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

17. PROFESSIONAL SERVICE AGREEMENT FOR ENGINEERING AND ENVIRONMENTAL SERVICES FOR DEVELOPING BIKE/PEDESTRIAN PATH

General Manager Thornton stated that the SEJPA and Caltrans have worked collaboratively to develop a conceptual bike/pedestrian path through the SEJPA water campus property. SEJPA and Caltrans have agreed in principle to the project design and for the SEJPA to lead the design, environmental clearance, and construction, with Caltrans providing cost reimbursement. A draft contribution agreement between Caltrans and SEJPA is in final preparation. Mr. Thornton informed the Board Members that SEJPA and Caltrans have agreed to the selection of Kimley-Horn and Associates for preparing the engineering and design and environmental permitting for the project. Adequate funding is available within the Building and Site Improvement capital program for Kimley-Horn and Associates to begin services. Upon execution of the contribution agreement, SEJPA will seek cost reimbursement from Caltrans.

Moved by Member Mosca and seconded by Vice Chair Zito to:

1. Authorize the General Manager to execute an Engineering/Environmental Services Contribution Agreement with Caltrans for developing Bike/Pedestrian Path; and
2. Authorize the General Manager to execute a professional service agreement with Kimley Horn and Associates for an amount not to exceed \$100,000.

Motion carried with the following vote of approval:

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

18. CONSIDERATION OF ALTERNATIVE DELIVERY FOR THE BUILDING AND SITE IMPROVEMENT PROGRAM

General Manager Thornton stated the SEJPA is developing architectural and engineering designs for building and site improvements at the SEWRF. Staff has evaluated construction delivery methods for moving this project forward, including traditional design-bid-build, fixed-price design build, progressive design build, and construction management at risk (CMAR). In addition, staff has evaluated project funding alternatives including pay-go, bond revenues, and lease-lease-back. From these evaluations, staff recommends moving the project forward under the CMAR project delivery methodology, and potentially using a lease-lease-back funding structure. Mr. Thornton stated that staff recommends retaining Kennedy/Jenks Consultants to assist the SEJPA in procuring the CMAR contactor through a two-step qualifications and proposal process. The financial impact of \$77,235 will fund the selection phase of the contractor for the CMAR team. Upon the completion of this step, the SEJPA will engage Kennedy/Jenks for a scope of work and fee for the remaining work. Funding for the agreement with Kennedy/Jenks is available in the Building and Site Improvement capital program.

Moved by Board Member Zahn and seconded by Board Member Mosca to:

1. Authorize the General Manager to proceed with developing the Building and Site Improvement Project under the Construction Manager at Risk (CMAR) delivery method; and
2. Authorize the General Manager to engage Kennedy/Jenks Consultants as the Owner's Representative and to execute a professional service agreement for an amount not to exceed \$77,235.

Motion carried with the following vote of approval:

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

19. GENERAL MANAGER'S REPORT

None

20. GENERAL COUNSEL'S REPORT

None

21. BOARD MEMBER COMMENTS

Board Member Mosca requested information about legislation regarding additional urban water ceilings on water users and how it affects the SEJPA.

22. CLOSED SESSION

The Board of Directors adjourned to closed session at 10:09 a.m., pursuant to Government Code Section 54957: Employee Performance Evaluation. Title: General Manager.

The Board of Directors came out of closed session at 10:23 a.m.

23. CONSIDERATION OF GENERAL MANAGER PERFORMANCE BONUS (COMPENSATION) PER CURRENT EMPLOYMENT AGREEMENT

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

1. Approve the General Manager's merit bonus of \$10,000 for Fiscal Year 2017-18.

Motion carried with the following vote of approval:

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

24. ADJOURNMENT

The meeting adjourned at 10:25 a.m. The next Board of Directors meeting will be held on August 20, 2018 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****19-08****For the Months of June, July, and to August 7, 2018**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
35810	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping	832.32
35811	Brenntag Pacific, Inc.	Supplies - Chemicals	Citric acid and sodium hydroxide	3,332.34
35812	Ravy H. Chea	CSRMA Wellness Program	Health and wellness	60.00
35813	Chevron & Texaco Business Card	Fuel	May/June	280.00
35814	Coast Waste Management, Inc.	Services - Grit & Screenings	Service charge - 05/01/18 - 05/31/18	120.17
35815	County of San Diego	Fees - Permits	Facility permits	1,795.00
35816	CS-Amsco	Repair Parts Expense	Rubber flapper check valve	1,737.99
35817	Dept. of Consumer Affairs	Licenses	License renewal	120.00
35818	Dudek & Associates	Services - Professional	Preliminary treatment upgrades	5,817.53
35819	EDCO Waste & Recycling Service	Utilities - Trash	May	242.75
35820	City of Encinitas	Service - IT Support	Admin network - April	2,625.00
35821	GTT Communications	Utilities - Internet	T-1 service - July	414.45
35822	The Lawton Group	Services - Intern program	Weeks worked - 05/14/18 - 05/24/18	1,221.00
35823	LiftOff, LLC	Licenses	Exchange Online and Office 365	1,980.00
35824	McMaster-Carr Supply Co.	Repair Parts Expense	Valve, pipes, and motor mounting	666.81
35825	Mertec Engineering	Repair Parts Expense	Switches	1,315.85
35826	Moffatt & Nichol	Services - Professional	JPA outfall assistance	17,997.50
35827	Olivenhain Municipal Water District	Rent	Pipeline rental payment - May	11,407.50
35828	Pacific Pipeline Supply	Repair Parts Expense	Pressure regulator and plumbing tape	1,650.86
35829	Public Employees - Retirement	Retirement Plan - PERS	Retirement - 05/19/18 - 06/01/18	12,449.98
35830	Polydyne Inc.	Supplies - Chemicals	Clarifloc	11,399.95
35831	Preferred Benefit Insurance	Dental/Vision	Vision - June	315.60
35832	ProBuild Company, LLC	Supplies - Safety	Tool, repair parts, and supplies	321.65
35833	ReadyRefresh	Supplies - Lab	Kitchen and lab supplies	260.20
35834	Safety Unlimited, Inc.	Training - Safety	Hazwoper training	1,100.00
35835	Santa Fe Irrigation District	Utilities - Water	Recycled water	1,427.51
35836	San Dieguito Trophy	Board Expense	Name plates	34.48
35837	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 04/04/18 - 05/06/18	69,306.50
35838	San Dieguito Water District	Utilities - Water	Recycled water	1,552.28
35839	San Dieguito Water District	Utilities - Water	Recycled water	1,206.15
35840	Terminix Processing Center	Services - Maintenance	Pest control	88.00
35841	Test America	Supplies - Lab	Testing water samples	628.50
35842	Christopher A. Trees	CSRMA Wellness Program	Health and wellness	60.00
35843	Unifirst Corporation	Services - Uniforms	Uniform service	120.40
35844	Underground Service Alert/SC	Services - Alarm	Dig alert - May	115.60
35845	USA Bluebook	Repair Parts Expense	Submersible transmitter, calibrate gas	1,358.14
35846	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,105.11
35847	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,315.78
35848	Western Water Works Support	Repair Parts Expense	Gate valve, couplings, and gaskets	2,415.35
35849	AT&T	Services - Contractors	Re-arrange existing copper cable and fiber	16,533.57
35850	2ndgear	Repair Parts Expense	Elitebook and laptop	1,229.97
35851	Aflac	EE Deduction Benefits	Aflac - June	643.60
35852	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling - May	17,448.94
35853	All American First Aid & Safety	Supplies - Safety	Nitrile gloves	610.94
35854	Alliant Insurance Services, Inc.	Insurance - Liability; Property	Commercial crime; Physical damage	2,044.00
35855	Susana Arredondo	CSRMA Wellness Program	Health and wellness	60.00
35856	AT&T	Utilities - Telephone	Phone service - 05/13/18 - 06/12/18	382.46
35857	AT&T	Utilities - Telephone	Alarm service - June	400.68
35858	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping; roll-off	1,303.88
35859	BankCard Center	Various	Security, trees, supplies, and training	5,292.49
35860	Black & Veatch	Services - Management	Solids treatment process; Land outfall replacement	148,662.12
35861	Brenntag Pacific, Inc.	Supplies - Chemicals	Sodium hydroxide	2,082.38
35862	Carollo Engineers	Services - Engineering	ARC flash, SCADA, Oak Crest Park	17,275.13
35863	Chevron & Texaco Business Card	Fuel	June	723.92
35864	Comoso	Supplies - Shop & Field	Grease	64.03
35865	Complete Office	Supplies - Office	Office supplies	83.15
35866	Corodata	Rent	Record storage - May	125.17
35867	County of San Diego	Fees - Permits	Facility permits	1,876.00
35868	County of San Diego	Fees - Permits	Cardiff Pump Station	6,273.00
35869	County of San Diego	Fees - Permits	Olivenhain Pump Station	6,273.00
35870	County of San Diego	Fees - Permits	Eden Gardens Pump Station	6,273.00

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****19-08****For the Months of June, July, and to August 7, 2018**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
35871	CWEA Membership	Dues & Memberships	Membership	180.00
35872	DMV	Services - Other	Safety records - 05/01/18 - 05/31/2018	3.00
35873	Dudek & Associates	Services - Professional	Encinitas Ranch Recycled Water expansion	4,431.25
35874	Duperon Corporation	Equipment Rental/Lease	Washer compactor rental	4,310.00
35875	Encina Wastewater Authority	Service - EWA Support	Resource sharing HR and safety	1,193.71
35876	City of Encinitas	Service - IT Support	Admin network - June	2,625.00
35877	Encinitas Bee Company	Services - Other	Live bees removal	350.00
35878	Ershigs, Inc.	Capital Outlay	Scum skimmers	26,562.59
35879	Evantec Lab Supply	Supplies - Lab	Filters, tubes, and ammonia	607.23
35880	J.R. Filanc Construction Co.	Services - Contractors	Land outfall replacement	111,013.21
35881	Flo-Systems, Inc.	Capital Outlay	Hidrostral pump	28,406.13
35882	Global Power Group Inc.	Services - Maintenance	Generator maintenance service	661.66
35883	Grainger, Inc.	Repair Parts Expense	Transformer, ignitor, flue brushes	150.85
35884	Hach Company	Capital Outlay	Spectrophotometer and chlorine analyzer	10,299.11
35885	George T. Hall Co., Inc.	Repair Parts Expense	Low pressure cutoff switch	460.48
35886	Harrington Industrial Plastics	Repair Parts Expense	Valve diaphragm	795.49
35887	Helix Environmental Planning	Services - Professional	As needed support	440.00
35888	Michael Henke	CSRMA Wellness Program	Health and wellness	60.00
35889	Home Depot Credit Services	Vehicle Maintenance	Supplies	496.17
35890	Hydro Gate, LLC	Repair Parts Expense	Cast iron gate	215.50
35891	Kemira Water Solutions, Inc.	Supplies - Chemicals	Ferric chloride	3,916.50
35892	Kennedy/Jenks Consultants	Services - Engineering	Land ocean outfall	20,196.18
35893	Kimley-Horn & Associates, Inc.	Services - Professional	Caltrans and building project	2,224.15
35894	Casey Larsen	CSRMA Wellness Program	Health and wellness	60.00
35895	The Lawton Group	Services - Intern program	Weeks worked - 05/29/18 - 06/08/18	757.02
35896	Lee's Lock & Safe	Services - Maintenance	Lock for Administration building	252.70
35897	McMaster-Carr Supply Co.	Repair Parts Expense	Plumbing parts, PVC, and shop supplies	2,378.12
35898	Napa Auto Parts	Vehicle Maintenance	Air filters, washer fluid, and spray wax	128.09
35899	NeWest Construction	Services - Contractors	Headworks and grit project	293,013.25
35900	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium hypochlorite	2,872.75
35901	Pacific Green Landscape	Services - Landscape	New lateral lines and valves; June service	6,600.00
35902	Pacific Pipeline Supply	Repair Parts Expense	Gasket, nut and bolt set, plumbing parts	751.94
35903	Pacific Safety Center	Training - Safety	Forklift	230.00
35904	Pall Corporation	Repair Parts Expense	Valve and pilot	185.68
35905	Public Employees - Retirement	Retirement Plan - PERS	Retirement - 06/02/18 - 06/15/18	12,449.98
35906	Procopio Cory Hargreaves	Services - Legal	General; Labor & employment - May	15,795.00
35907	Rising Tide Partners	Services - Professional	Public outreach	2,018.14
35908	Roesling Nakamura Terada Architects	Services - Professional	Building improvements	2,180.00
35909	Rohan & Sons, Inc.	Services - Maintenance	Preventative maintenance	385.00
35910	Rusty Wallis, Inc.	Services - Maintenance	Water softener, carbon exchange tank, and salt bag	130.86
35911	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - May	1,453.50
35912	San Diego Gas & Electric	Utilities - Gas & Electric	Electric - Feb - May 2018	1,694.77
35913	Smart & Final	Supplies - Office	Supplies for overnight work for land outfall project	170.84
35914	Sun Life Financial	Life Insurance/Disability	July	1,654.77
35915	Sunbelt Rentals	Equipment Rental/Lease	Diesel driven stand-by pump	4,058.96
35916	T.S. Industrial Supply	Repair Parts Expense	Aqualiner suction	1,022.28
35917	Terminix Processing Center	Services - Maintenance	Pest control	20.00
35918	Test America	Services - Laboratory	Testing water samples	221.50
35919	Technology Integration Group	Services - Maintenance	Copier	88.46
35920	Unifirst Corporation	Services - Uniforms	Uniform service	176.90
35921	UPS	Postage/Shipping	Letter	36.96
35922	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,105.11
35923	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,315.78
35924	Verizon Wireless	Utilities - Telephone	05/11/18 - 06/10/18	310.13
35925	Verizon Wireless	Utilities - Telephone	Cell phone service and equipment	1,405.32
35926	Woodard & Curran	Services - Professional	Stormwater opportunities study	9,186.89
35927	WageWorks	Payroll Processing Fees	Administration and compliance fees	118.25
35928	Asbury Environmental Services	Fees - Disposal	Hazardous waste	35.00
35929	Atlas Pumping Service Inc.	Services - Grease & Scum; Grit & Screeninas	Grease and scum pumping; roll-off	2,132.88
35930	James Barnett	CSRMA Wellness Program	Health and wellness	60.00

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****19-08****For the Months of June, July, and to August 7, 2018**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
35931	Calpers	Retirement Plan - PERS	1959 Survivor Benefit; unfunded accrued liability	167,751.50
35932	Chevron & Texaco Business Card	Fuel	June	336.01
35933	Complete Office	Supplies - Office	Office supplies	130.70
35934	Carrie Cook	CSRMA Wellness Program	Health and wellness	60.00
35935	CS-Amsco	Repair Parts Expense	Rubber flapper check valve	2,003.06
35936	D&H Water Systems	Repair Parts Expense	Motor	616.72
35937	Dale Kreinbring	CSRMA Wellness Program	Health and wellness	60.00
35938	Day & Night Power Sweeping	Services - Maintenance	Power sweeping services	620.00
35939	VOID	VOID	VOID	VOID
35940	EDCO Waste & Recycling Service	Utilities - Trash	June	242.75
35941	Evantec Lab Supply	Supplies - Lab	Nitrate, vials, tubes, and buffer	1,001.44
35942	Fluid Components International	Services - Maintenance	Field service	1,400.00
35943	Forte of San Diego	Services - Janitorial	Supplies and service	1,521.61
35944	Frankie Abeyta	CSRMA Wellness Program	Health and wellness	60.00
35945	Fusco Engineering	Services - Professional	Survey and record services	3,150.00
35946	Jose Garcia	CSRMA Wellness Program	Health and wellness	60.00
35947	Global Equipment Company, Inc.	Supplies - Shop & Field	Ultra tech spill pallet	1,264.93
35948	GTT Communications	Utilities - Internet	T-1 service - August	131.53
35949	Hach Company	Repair Parts Expense	Peristaltic sampler	3,325.20
35950	Harbor Freight Tools	Supplies - Safety	Tools, shop, and safety supplies	902.97
35951	Jennifer Basco	Subsistence - Travel; CSRMA	Mileage; health and wellness	162.46
35952	Kimley-Horn & Associates, Inc.	Services - Professional	Caltrans and building project	20,469.72
35953	Lomas Santa Fe Country Club	Other Personnel Cost	Deposit	150.00
35954	McMaster-Carr Supply Co.	Repair Parts Expense	Fiberglass, valve, aluminum signs	256.60
35955	MetLife - Group Benefits	Dental/Vision	Dental - July	1,816.05
35956	Midas Shop	Vehicle Maintenance	Oil changes and tires	2,149.20
35957	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium hypochlorite	4,553.57
35958	Olivenhain Municipal Water District	Rent	Pipeline rental payment - June	12,366.00
35959	OneSource Distributors, Inc.	Repair Parts Expense	PVC conduit coated	142.94
35960	Penn Valley Pump Co., Inc.	Repair Parts Expense	Parts for primary sludge pump	3,407.50
35961	P.E.R.S.	Medical Insurance - PERS	Health - July	22,638.60
35962	Public Employees - Retirement	Retirement Plan - PERS	Retirement - 06/16/18 - 06/29/18	12,549.72
35963	Pollardwater	Repair Parts Expense	Rubber flapper valve	1,250.47
35964	Preferred Benefit Insurance	Dental/Vision	Vision - July	315.60
35965	ReadyRefresh	Supplies - Lab	Kitchen and lab supplies	174.76
35966	Rosemount Inc.	Repair Parts Expense	North flow meter transmitter	2,043.63
35967	Santa Fe Irrigation District	Utilities - Water	Recycled water	349.05
35968	San Diego Gas & Electric	Utilities - Gas & Electric	Electric - May 2018	27,997.48
35969	San Dieguito Water District	Utilities - Water	Recycled water	3,988.37
35970	State Water Resources Control Board	Dues & Memberships	Grade III operator	170.00
35971	Sunbelt Rentals	Equipment Rental/Lease	Trash pump - 05/28/18 - 06/24/18	1,895.87
35972	State Water Resources Control Board	Interest Expense - SRF Loan	SRF Loan	834,675.18
35973	Terminix Processing Center	Services - Maintenance	Pest control	250.00
35974	Test America	Services - Laboratory	Testing water samples	795.00
35975	Trussell Technologies, Inc.	Services - Engineering	RO membrane replacement	2,025.50
35976	Unifirst Corporation	Services - Uniforms	Uniform service	267.13
35977	Underground Service Alert/SC	Services - Alarm	Dig alert - June	142.00
35978	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,083.67
35979	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,341.74
35980	Aflac	EE Deduction Benefits	Aflac - July	643.60
35981	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling - June	19,938.87
35982	Alliant Insurance Services, Inc.	Insurance - Liability	Liability	2,596.51
35983	Aquatic Bioassay	Services - Laboratory	Toxicity testing	1,400.00
35984	Asbury Environmental Services	Fees - Disposal	Hazardous waste	254.57
35985	Aspen Risk Management Group	Training - Safety	Heat Illness Prevention	600.00
35986	AT&T	Utilities - Telephone	Phone service - 06/13/18 - 07/12/18	383.23
35987	AT&T	Utilities - Telephone	Alarm service - July	400.68
35988	BankCard Center	Various	IT, printing, e-books, and transmitter	672.45
35989	Black & Veatch	Services - Management	Land outfall replacement project	91,001.34
35990	Brenntag Pacific, Inc.	Supplies - Chemicals	Sodium hydroxide	2,004.22
35991	Carollo Engineers	Services - Professional	Oak Crest Park Reservoir; ARC flash study	30,494.95

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****19-08****For the Months of June, July, and to August 7, 2018**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
35992	Cerilliant	Supplies - Lab	Minerals	101.96
35993	Chevron & Texaco Business Card	Fuel	July	225.29
35994	City of Del Mar	Services - Contractors	Replaced reclaimed valve	3,646.49
35995	Coast Waste Management, Inc.	Services - Grit & Screenings	Service charge - 06/01/18 - 06/30/18	171.67
35996	Corodata	Rent	Record storage - June	134.26
35997	County of San Diego	Fees - Permits	Facility permits	469.00
35998	CS-Amsco	Repair Parts Expense	Eccentric plug valve and grit classifier valves	4,629.99
35999	CA Sanitation Risk Mgmt Auth.	Insurance - Claims Against	Slope evaluation	3,116.90
36000	CA Sanitation Risk Mgmt Auth.	Workers Comp. Insurance	WC - deposit	40,465.00
36001	CA Sanitation Risk Mgmt Auth.	Insurance - Property	Property	29,695.00
36002	DMV	Services - Other	Safety records - 06/01/18 - 06/30/18	3.00
36003	Dudek & Associates	Services - Professional	Preliminary treatment upgrades; Encinitas Ranch	3,467.03
36004	Duperon Corporation	Equipment Rental/Lease	Washer compactor	4,310.00
36005	East Penn MFG.Co., Inc.	Repair Parts Expense	Generator batteries	468.77
36006	Encina Wastewater Authority	Service - EWA Support	Resource sharing - HR and safety	1,138.62
36007	City of Encinitas	Service - IT Support	Admin network - July	2,625.00
36008	Fusco Engineering	Services - Professional	Research and survey	6,800.00
36009	Global Power Group Inc.	Services - Maintenance	Removed and replace voltage sensing card	1,126.28
36010	Golden Bell Products	Supplies - Chemicals	Lift station degreaser	452.55
36011	Golden State Overnight	Postage/Shipping	Water samples	32.10
36012	Hach Company	Repair Parts Expense; Supplies	Membrane replacement kit; vial test and nitrite	910.46
36013	Hardy Diagnostics	Supplies - Lab	Broth, bile, and duo-spore	880.55
36014	Kemira Water Solutions, Inc.	Supplies - Chemicals	Ferric chloride	3,924.90
36015	Kennedy/Jenks Consultants	Services - Engineering	CMAR-owner representative	5,986.25
36016	Lee Michael Konicke	CSRMA Wellness; Travel/Rm & Bd	Health and wellness; WateReuse conference	1,239.33
36017	The Lawton Group	Services - Intern program	Weeks worked - 06/18/18 - 07/12/18	1,416.36
36018	McMaster-Carr Supply Co.	Supplies - Shop & Field	V-belts, ball bearings, rivets, soldering gun kit	570.82
36019	MetLife - Group Benefits	Dental/Vision	Dental - August	1,816.05
36020	Michael R. Welch, Ph.D., P.E.	Services - Professional	Regulatory support	4,420.00
36021	Olin Corp - Chlor Alkali	Supplies - Chemicals	Sodium hypochlorite	3,661.97
36022	Pacific Green Landscape	Services - Landscape	July	2,625.00
36023	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 06/30/18 - 07/13/18	12,928.20
36024	Cashier - Jennifer Basco	Postage/Shipping	Replenish petty cash	107.97
36025	Procopio Cory Hargreaves	Services - Legal	General; Labor & employment - June	15,843.03
36026	Random Deeds Media LLC	Services - Professional	Outfall and safety	5,820.00
36027	ReadyRefresh	Supplies - Lab	Kitchen and lab supplies	361.20
36028	Right-Of-Way Engineering	Services - Engineering	Settlement monitoring	1,600.00
36029	Roesling Nakamura Terada Architects	Services - Professional	Building improvement - 05/01/18 - 05/31/2018	3,706.00
36030	Rusty Wallis, Inc.	Services - Maintenance	Water softener, carbon exchange, and salt bags	150.26
36031	Santa Fe Irrigation District	Utilities - Water	Seabright - 05/16/18 - 07/16/18	85.08
36032	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment - June	1,246.50
36033	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 06/06/18 - 07/08/18; adjustments	120,786.09
36034	Shadowcrest Roofing, Inc.	Services - Maintenance	Roof repair	5,807.00
36035	Southern California Fleet Services	Vehicle Maintenance	PM service for 2003 Ford F650	569.79
36036	Board of Equalization	Accrued Sales Tax Payable	2nd Qtr 2018	549.00
36037	Sun Life Financial	Life Insurance/Disability	Life and disability insurance - August	1,654.77
36038	Terminix Processing Center	Services - Maintenance	Pest control	212.00
36039	Technology Integration Group	Services - Maintenance	Copier	142.67
36040	Trussell Technologies, Inc.	Services - Engineering	Ammonia analyzer, membrane replacement	1,203.75
36041	Tyler Cook	CSRMA Wellness Program	Health and wellness	60.00
36042	Unifirst Corporation	Services - Uniforms	Uniform service	228.99
36043	UPS	Postage/Shipping	Mailing parts	40.93
36044	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,136.77
36045	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,382.59
36046	Verizon Wireless	Utilities - Telephone	06/11/18 - 07/10/18	309.80
36047	Verizon Wireless	Utilities - Telephone	Cell phone service and equip - 06/08/18 - 07/07/18	1,100.89
36048	WageWorks	Payroll Processing Fees	Admin and compliance fee	118.25
36049	Water Systems Consulting, Inc.	Services - Professional	Website content and connection	2,712.50
36050	Western Water Works Support	Repair Parts Expense	Flange	1,304.04
36051	ABBA Pump Parts & Service	Capital Outlay	Replacement pump	13,596.00
36052	Atlas Pumping Service Inc.	Services - Grease & Scum	Grease and scum pumping	1,732.32

SAN ELIJO JOINT POWERS AUTHORITY**PAYMENT OF WARRANTS****19-08****For the Months of June, July, and to August 7, 2018**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
36053	American Water Works Assoc.	Dues & Memberships	Membership	105.00
36054	BAVCO	Repair Parts Expense	Rebuild kit for pressure valve	115.32
36055	Black & Veatch	Services - Management	Land outfall replacement, Encinitas Ranch RW	65,136.55
36056	Brenntag Pacific, Inc.	Supplies - Chemicals	Sodium tripolyphosphate, citric acid	3,263.43
36057	CS-Amsco	Repair Parts Expense	Eccentric plug valve	3,050.77
36058	EDCO Waste & Recycling Service	Utilities - Trash	July	242.75
36059	City of Encinitas	Service - IT Support	Admin network - August	2,625.00
36060	Excel Landscape, Inc.	Services - Landscape	Oak Crest Park weed abatement and pest control	775.00
36061	J.R. Filanc Construction Co.	Services - Contractors	Land outfall replacement	198,284.64
36062	National Filter Media	Repair Parts Expense	Lower and upper belts	3,792.80
36063	Flo-Systems, Inc.	Capital Outlay	Cover, gasket, front head, and wear ring	6,334.03
36064	Forte of San Diego	Services - Janitorial	July and August	954.55
36065	FRS Environmental	Services - Maintenance	Parts washer service - 07/23/18 - 10/14/18	241.55
36066	Global Power Group Inc.	Services - Maintenance	Removed and replaced radiator re-seal	3,462.65
36067	GTT Communications	Utilities - Internet	T-1 service - September	358.60
36068	Hach Company	Services - Maintenance	Influent sampler and portable sampler repairs	2,702.88
36069	Kemira Water Solutions, Inc.	Supplies - Chemicals	Ferric chloride	9,483.36
36070	Paul Kinkel	Subsistence - Meals	Bike path presentation	21.05
36071	The Lawton Group	Services - Intern program	Week worked - 07/17/18 - 07/20/18	370.00
36072	McMaster-Carr Supply Co.	Supplies - Shop & Field	UV grip-tight rope, mop, sign	106.14
36073	NeWest Construction	Services - Contractors	Headworks and grit project	334,366.86
36074	Pacific Pipeline Supply	Repair Parts Expense	Angle meter	845.58
36075	Polydyne Inc.	Supplies - Chemicals	Clarifloc	11,399.95
36076	Red Truck Fire & Safety Co.	Services - Maintenance	Annual maintenance service	1,429.88
36077	Santa Fe Irrigation District	Services - Professional	Potable reuse	31,517.74
36078	Sunbelt Rentals	Equipment Rental/Lease	Trash pump - 06/25/18 - 07/22/18	1,895.87
36079	Terminix Processing Center	Services - Maintenance	Pest control	60.00
36080	Test America	Services - Laboratory	Testing water samples	2,790.00
36081	Christopher A. Trees	Seminars/Education	WaterReuse symposium	650.00
36082	Unifirst Corporation	Services - Uniforms	Uniform service	215.68
36083	Underground Service Alert/SC	Services - Alarm	Dig alert - July	161.80
36084	Vantagepoint Transfer Agents	EE Deduction Benefits	ICMA - 457	7,126.73
36085	Vantagepoint Transfer Agents	ICMA Retirement	ICMA - 401a	3,375.82
36086	Water Environment Federation	Dues & Memberships	Membership	320.00
On-line 100	Chevron & Texaco Business Card	Fuel	July	436.89
On-line 101	Home Depot Credit Services	Supplies - Safety	Shop and safety supplies, tools	756.46
On-line 102	P.E.R.S.	Medical Insurance - PERS	Health - August	22,613.36
On-line 103	Public Employees - Retirement	Retirement Plan - PERS	Retirement - 07/14/18 - 07/27/18	12,958.31
	San Elijo Payroll Account	Payroll	Payroll - 06/08/2018	68,359.50
	San Elijo Payroll Account	Payroll	Payroll - 06/22/2018	65,052.20
	San Elijo Payroll Account	Payroll	Payroll - 07/06/2018	66,290.20
	San Elijo Payroll Account	Payroll	Payroll - 07/20/2018	82,035.82
	San Elijo Payroll Account	Payroll	Payroll - 08/03/2018	66,075.98
				<u>\$3,717,559.06</u>

SAN ELIJO JOINT POWERS AUTHORITY

PAYMENT OF WARRANTS SUMMARY

**For the Months of June, July, and to August 7, 2018
As of August 6, 2018**

PAYMENT OF WARRANTS		\$ 3,717,559.06
Reference Number	19-08	

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 August 6, 2018

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND	
<i>(JUNE 2018 YIELD 1.854%)</i>	
RESTRICTED SRF RESERVE	\$ 630,000.00
UNRESTRICTED DEPOSITS	\$ 7,653,739.79
CALIFORNIA BANK AND TRUST	
<i>(JUNE 2018 YIELD 0.01%)</i>	
REGULAR CHECKING	\$ 32,509.49
PAYROLL CHECKING	\$ 5,000.00
UNION BANK - TRUSTEE (BOND FUNDS)	
BLACKROCK <i>(JUNE 2018 YIELD 1.72%)</i>	\$ 1,104,114.08
LAIF <i>(JUNE 2018 YIELD 1.854%)</i>	\$ 18,557,626.29
TOTAL RESOURCES	\$ 27,982,989.65

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

August 20, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

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

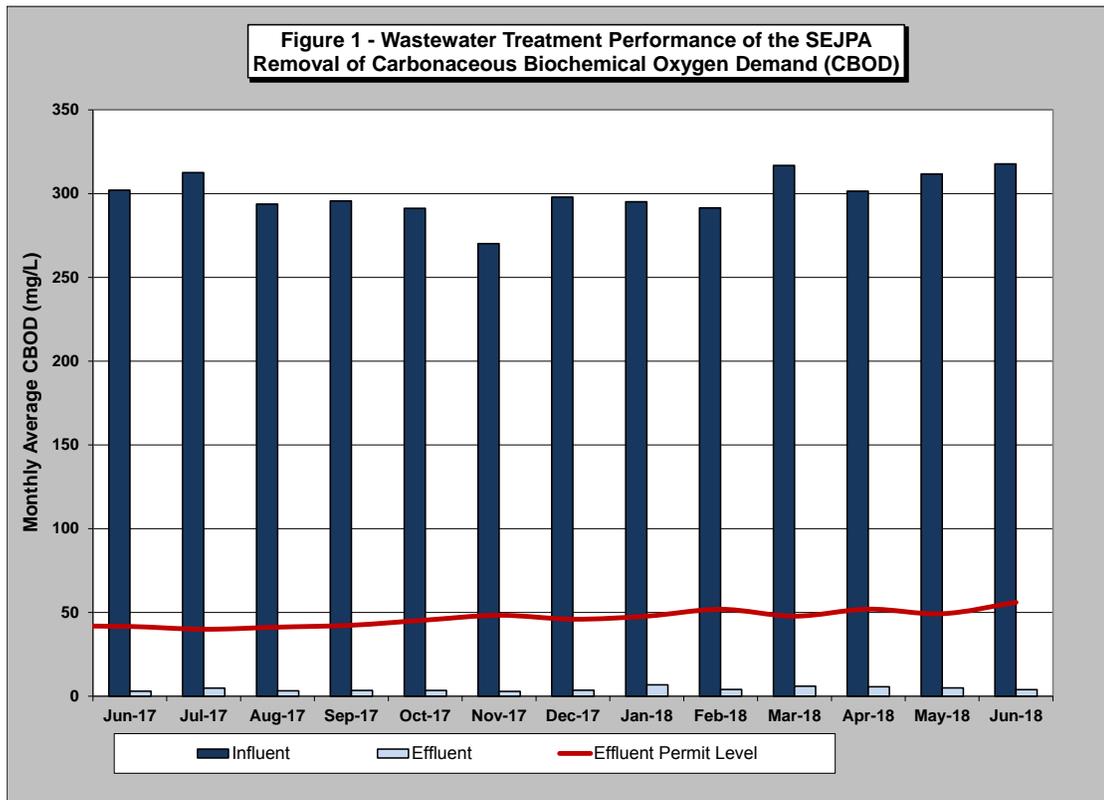
RECOMMENDATION

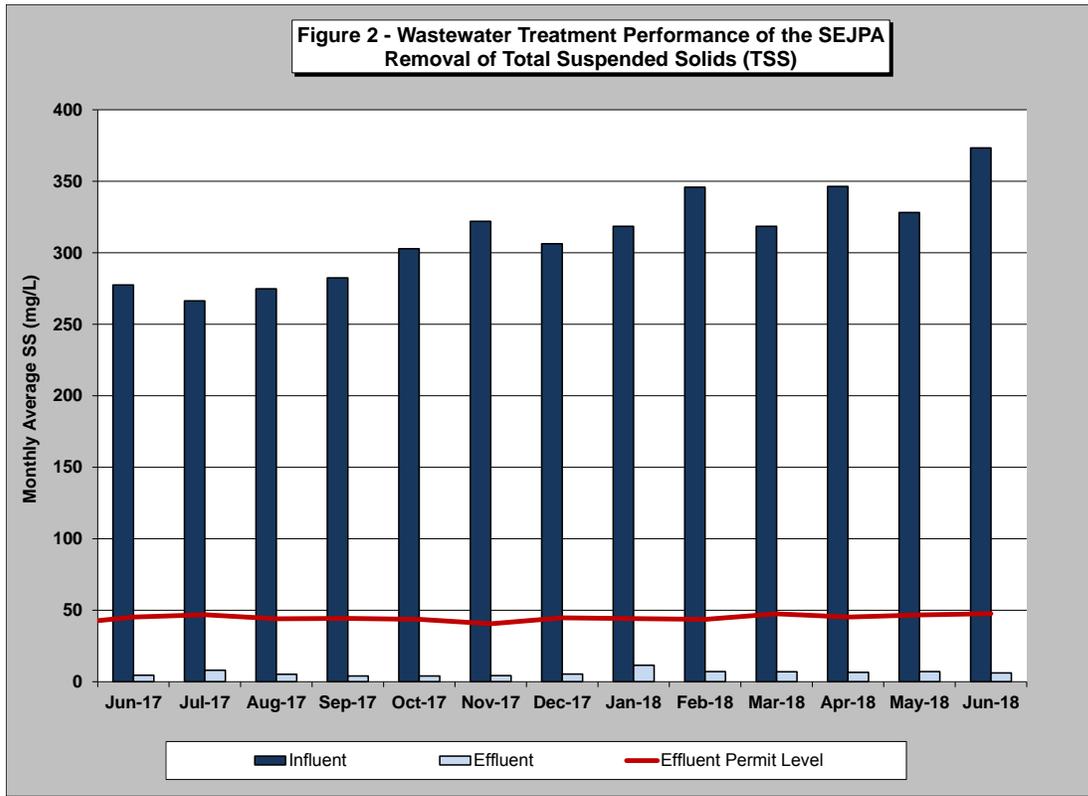
No action required. This memorandum is submitted for information only.

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 months of May and June 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 98.4 and 98.8 percent removal, respectively, in May and 97.8 and 98.3 percent removal, respectively, in June (as shown in Figure 1 and Figure 2).





Member Agency Flows

Presented below are the influent and effluent flows for the months of May and June. Average daily influent flows were recorded for each Member Agency. Total effluent flow was calculated for the San Elijo Water Reclamation Facility. The SEJPA commenced wastewater treatment services for the City of Del Mar on March 29, 2018.

	May	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.173	0.566
City of Solana Beach	0.890	0.430
Rancho Santa Fe SID	0.119	0.057
City of Del Mar	0.376	0.182
Total San Elijo WRF Flow	2.558	1.235

	June	
	<u>Influent (mgd)</u>	<u>Effluent (mgd)*</u>
Cardiff Sanitary Division	1.188	0.557
City of Solana Beach	0.888	0.417
Rancho Santa Fe SID	0.124	0.058
City of Del Mar	0.549	0.258
Total San Elijo WRF Flow	2.749	1.290

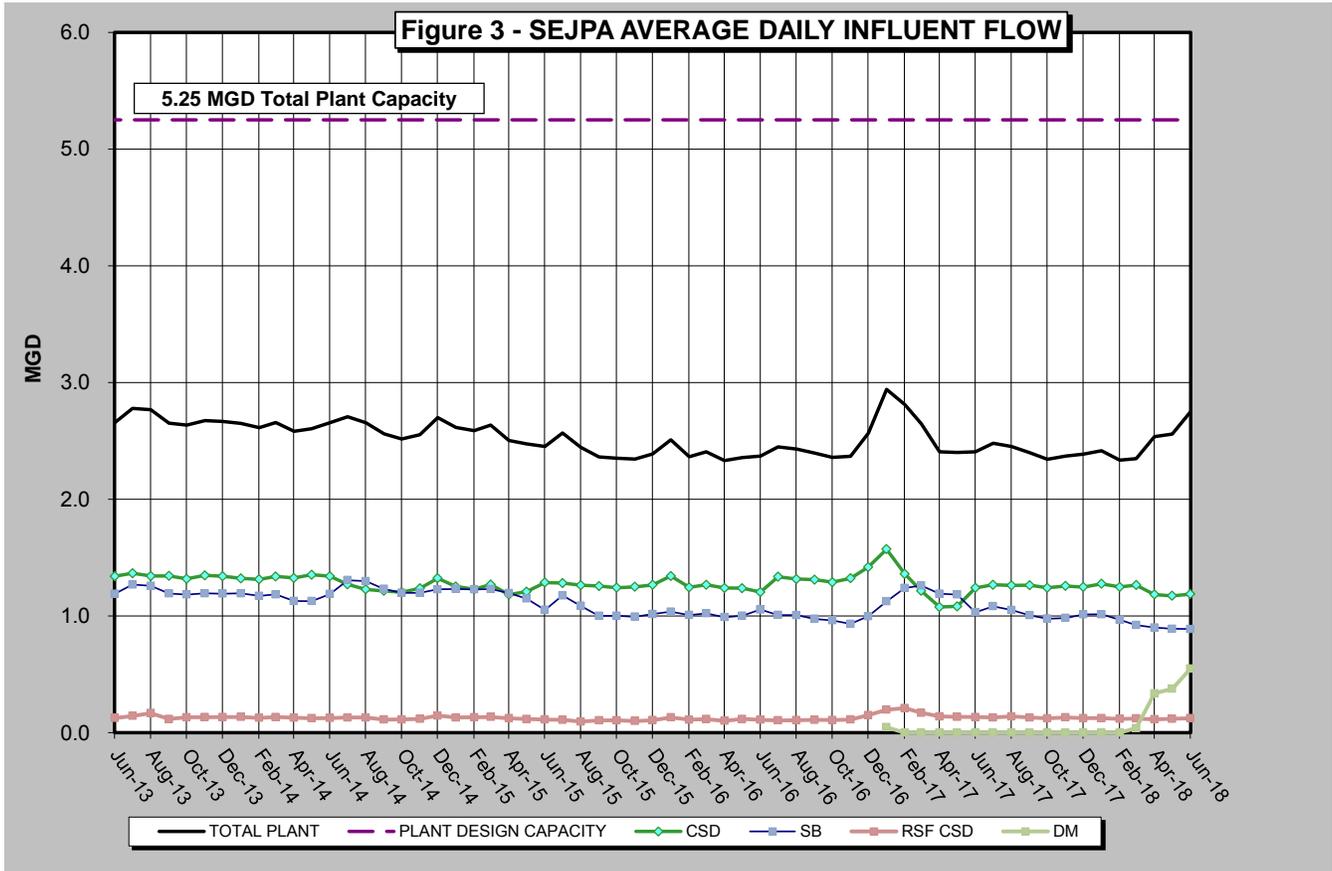
* Effluent is calculated by subtracting the recycled water production from the influent wastewater.

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

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)					AVERAGE DAILY EFFLUENT FLOW RATE (MGD)					CONNECTED EDUs					AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)							
	CSD	RSF	CSD	SB	DM	TOTAL PLANT	CSD	RSF	CSD	SB	DM	TOTAL PLANT	CSD	RSF	CSD	SB	DM	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
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
Mar-18	1.265	0.122	0.922	0.039		2.348	0.857	0.083	0.625	0.026		1.591	8,451	555	8,061	1,716		18,782	150	220	114	273	125
Apr-18	1.184	0.115	0.901	0.337		2.537	0.627	0.061	0.477	0.179		1.344	8,451	559	8,061	1,716		18,786	140	206	112	196	

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 months of May and June 2018 from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below.

	May (mgd)
Escondido (Average flow rate)	10.24
Escondido (Peak flow rate)	18.1

	June (mgd)
Escondido (Average flow rate)	9.46
Escondido (Peak flow rate)	17.70

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

	Connected (EDU)
Cardiff Sanitary Division	8,466
Rancho Santa Fe SID	562
City of Solana Beach	7,724
San Diego (to Solana Beach)	337
City of Del Mar	1,716
Total EDUs to System	18,804

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

August 20, 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 May 2018, recycled water demand was 174.75 acre-feet (AF), which was met using 173.45 AF of recycled water and 1.30 AF of supplementation with potable water. For the month of June 2018, recycled water demand was 179.52 acre-feet (AF), which was met using 179.47 AF of recycled water and 0.06 AF of supplementation with potable water.

For Fiscal Year 2017-18, total recycled water produced and delivered for beneficial use was 1,652 AF. This represents the highest volume on record.

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 seventeen (17) fiscal years. Figure 3 (attached) shows the monthly recycled water demand for each May since the program began. Figure 4 (attached) shows the monthly recycled water demand for each June since the program began. Figure 5 (attached) compares budget versus actual recycled water sales for FY 2017-18; showing sales are ending the year above budget.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Figure 1 - MONTHLY RECYCLED WATER DEMAND

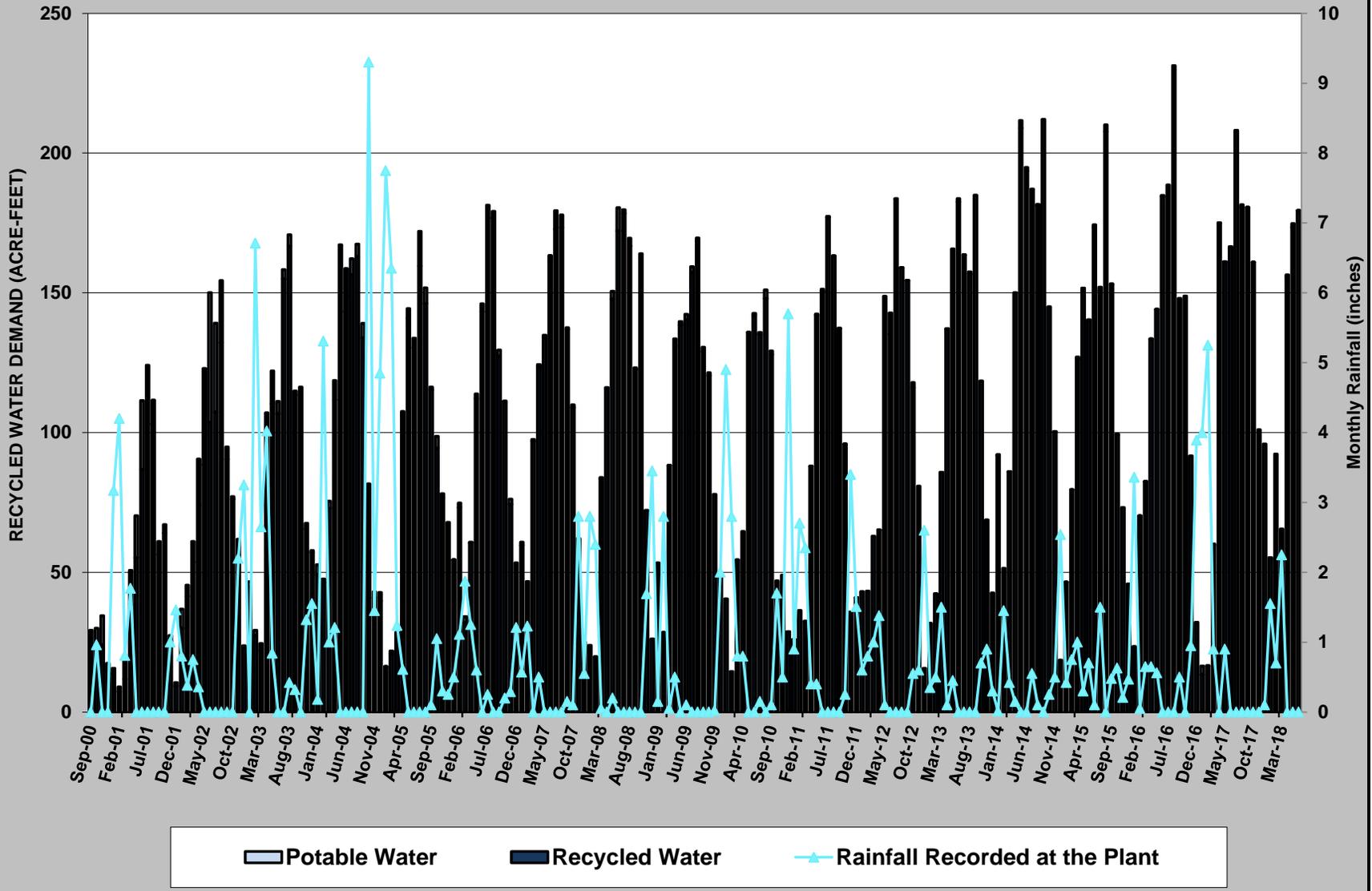


Figure 2 - RECYCLED WATER DEMAND by FISCAL YEAR

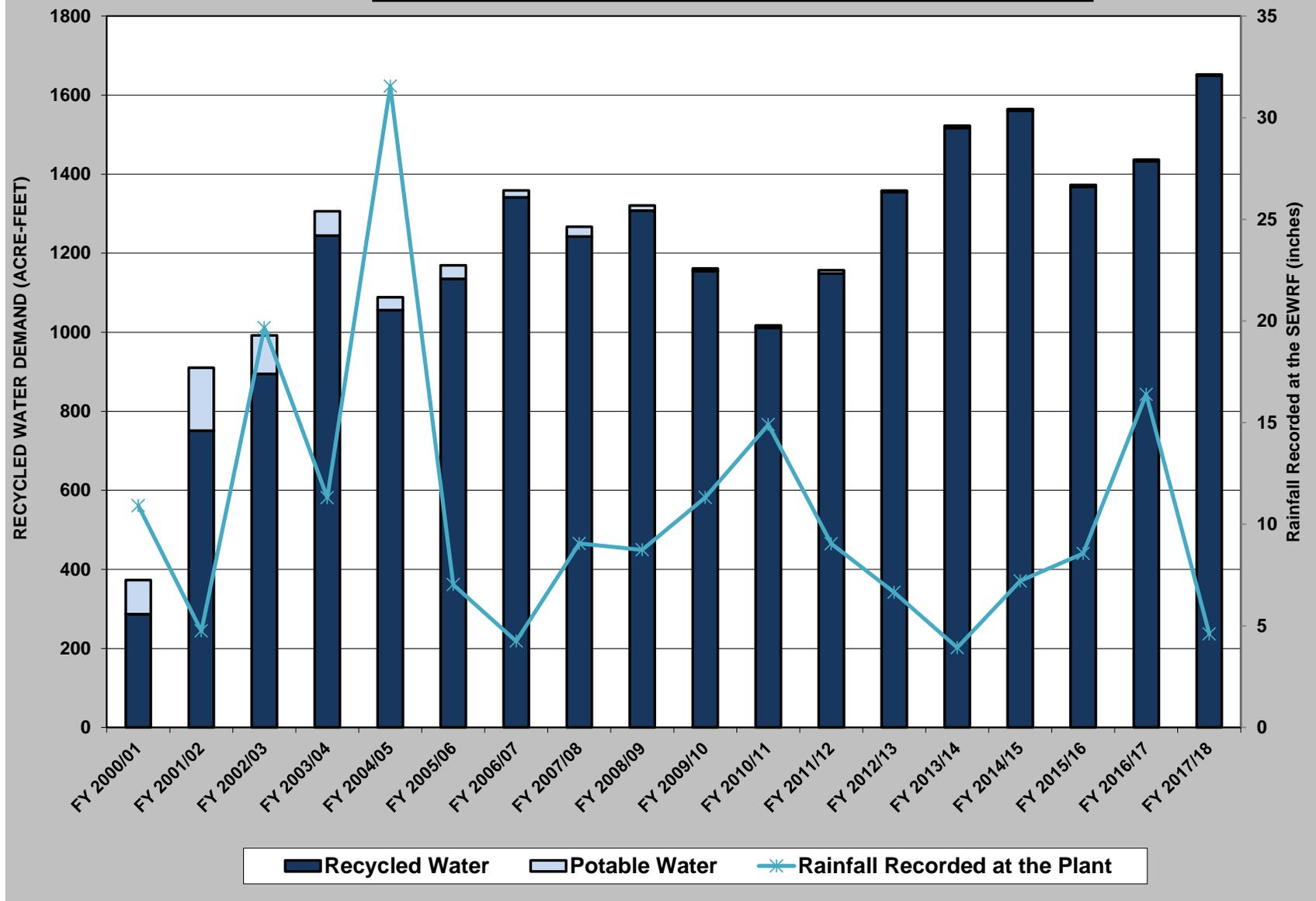


Figure 3 - MAY RECYCLED WATER DEMAND

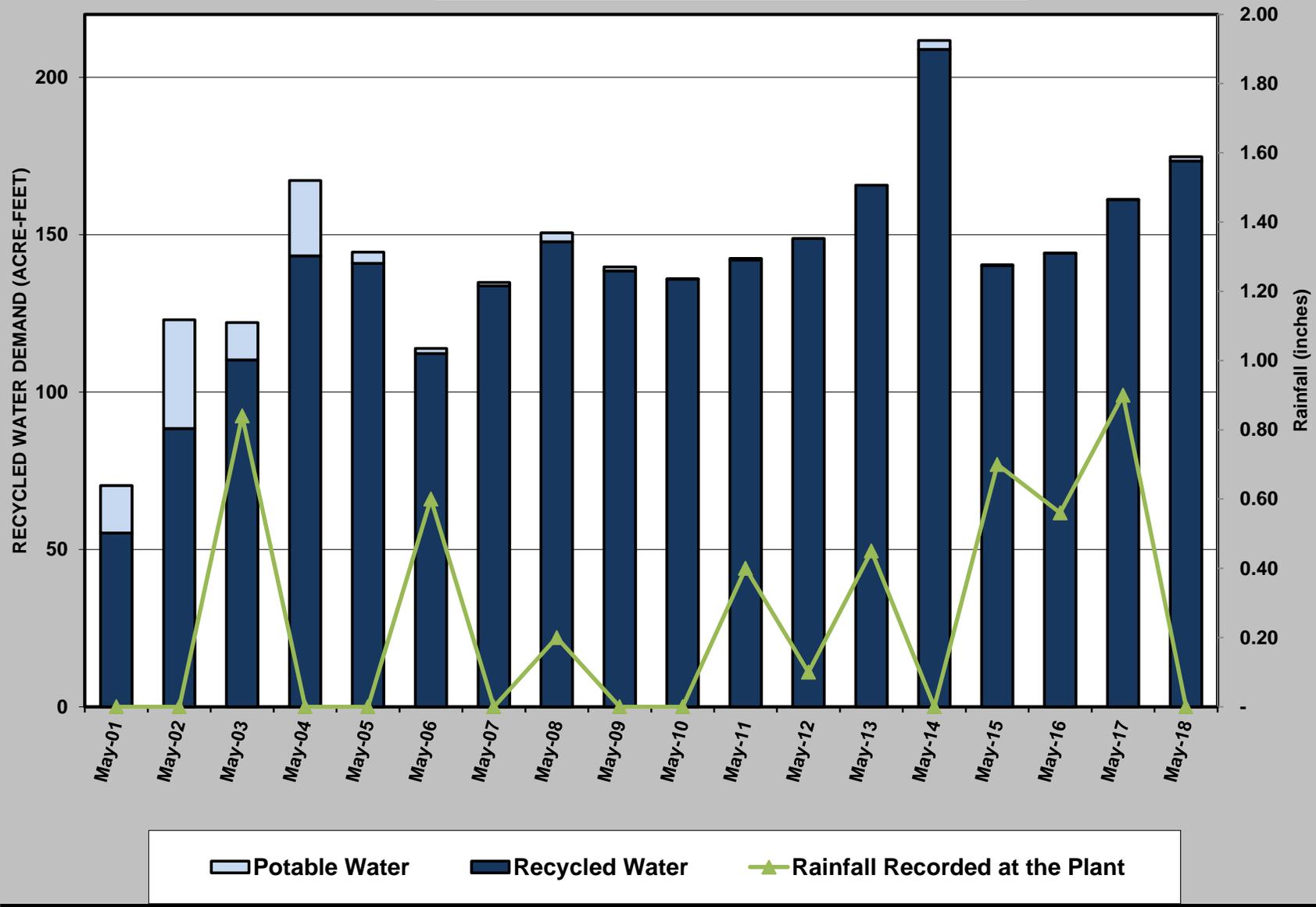


Figure 4 - JUNE RECYCLED WATER DEMAND

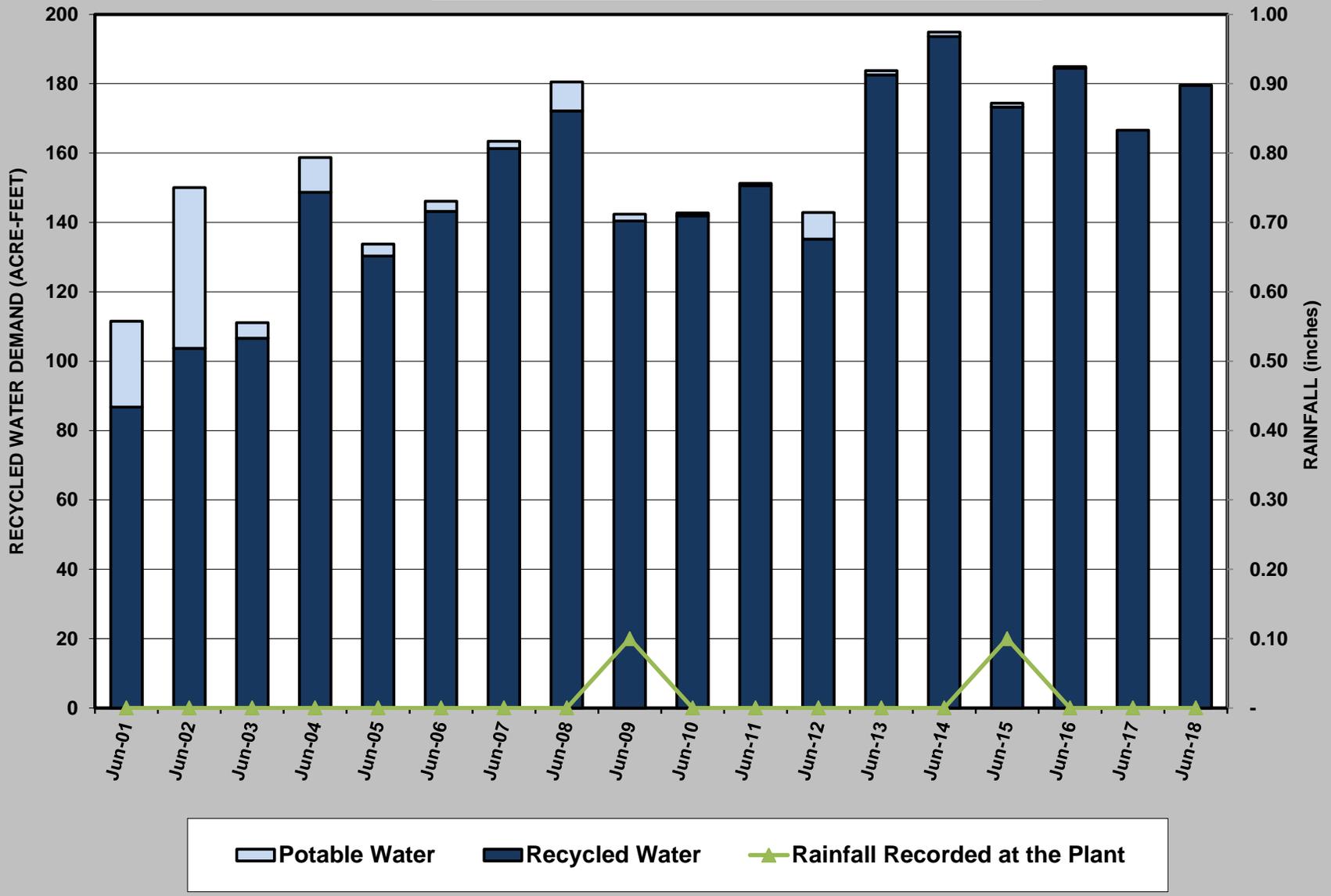
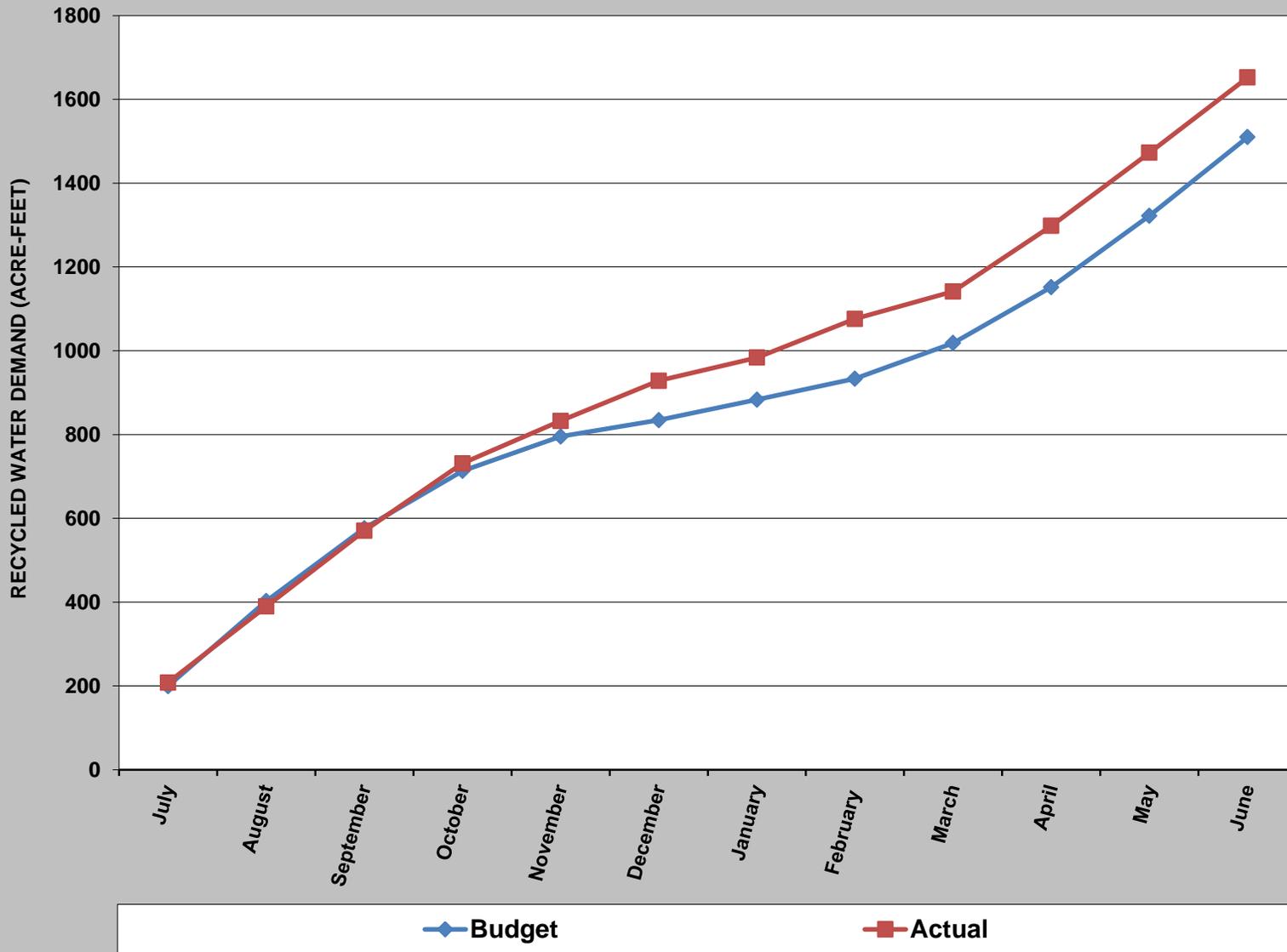


Figure 5 - RECYCLED WATER DEMAND BUDGET vs ACTUAL



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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

August 20, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: 2018 SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)
UPGRADE PROJECT

RECOMMENDATION

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

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) uses a Supervisory Control and Data Acquisition (SCADA) system to monitor and control water treatment, distribution, and storage processes. The SCADA system is comprised of computer hardware and software, which communicate by fiber optics, private cellular network, and wireless radio links to convey information, alarms, and operational direction. The system allows staff to monitor facility operations and process performance in real-time, either onsite or remotely. Treatment Operators utilize SCADA to adjust pump speeds; open and close valves; monitor flows, tank levels, and pump discharge pressures; and observe water quality measurements 24 hours a day. The SCADA system provides for reliable and efficient operation of treatment and conveyance systems.

SEJPA's 2015 Facility Plan evaluated the SCADA system and provided recommendations for system improvements and budgetary planning estimates.

Working with the City of Encinitas' IT Department and third party consultants, the SEJPA refined the SCADA improvements to ensure appropriate cyber security, hardware redundancy, and operational functionality.

DISCUSSION

In November 2017, the Board authorized the General Manager to enter into an agreement with Carollo Engineers to provide engineering services for the SCADA Upgrade project to develop technical specifications and other documents necessary to publicly bid the SCADA project contract. Carollo prepared a Request for Qualifications (RFQ) to assist the SEJPA in identifying qualified firms to propose on the project. The RFQ was advertised on March 28, 2018 and six prospective bidders reviewed the RFQ on Planet Bids, of which three submitted RFQ packages to the SEJPA on April 17, 2018. The RFQ packages were reviewed by Carollo

and it was determined that only two of the prospective bidders met the experience/certification requirement for the project. Bid documents for the project have been sent to the two qualified bidders and bids are due August 23, 2018. Staff anticipates that the contract for the 2018 SCADA Upgrade project will be brought to the Board for consideration of award in September 2018.

The 2018 SCADA Project is part of the Phase II capital program. Staff was considering integrating the SCADA project into the Building and Site Improvement Project, to deliver it as a single project. However, the Building and Site improvement project has been delayed due to coordination issues with Caltrans and will likely be completed in 2020. Therefore, staff recommends delivering the core elements of the SCADA project now due to the critical functions that the SCADA system provides.

The main elements of the project include new hardware, software, programming, equipment installation, system testing and commissioning, warranty, training and support services. Hardware includes servers, data historians, monitors, programmable logic controllers, and equipment panels. SCADA software includes Wonderware System Platform, Historian, Galaxy, VMWare, and Windows Server operating system licenses to replace 11 workstations with remote terminals. Programming, hardware/software, and equipment installation will be performed at six functional areas within the San Elijo Water Reclamation Facility and at five wastewater pump stations located within the cities of Encinitas and Solana Beach. Cybersecurity enhancements will include developing a system program and written plan to follow the guidelines, requirements, and standards outlined in the latest version of the NIST Cybersecurity Framework and provide a comprehensive cybersecurity plan to help identify, protect, detect, respond, and recover from cyber threats.

FINANCIAL IMPACT

The anticipated cost for completing the proposed 2018 SCADA Upgrade Project is \$838,000. The project will be funded by the 2017 Clean Water Bond which included budgetary funding of \$1.19 million for SCADA system upgrades. To date, a total of \$71,229 has been committed to this project for engineering design and bidding support services.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

August 20, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST PROGRAM TO
PRE-FUND PENSION OBLIGATIONS AND OTHER POST-EMPLOYMENT
BENEFITS (OPEB) OBLIGATIONS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2019-01, Resolution of the Governing Board of Directors of the San Elijo Joint Powers Authority Approving the Adoption of the Public Agencies Post-Employment Benefits Trust Administered by Public Agency Retirement Services (PARS); and
2. Discuss and take action as appropriate.

BACKGROUND

At the June 2018 Board meeting, staff provided information on an IRS Section 115 trust (Trust). The Trust is an irrevocable trust that is dedicated to either pension expense or OPEB expense. Subsequent to staff and a Public Agency Retirement Services (PARS) representative presentation, the Board authorized the General Manager to prepare the required documents to create a Trust for Board consideration at the August 2018 meeting. Staff is now presenting the required resolution to the Board for the adoption of the Trust.

DISCUSSION

As a small agency with less than 100 participating employees, the SEJPA pension participates in the CalPERS shared risk pool, which pools investments with other small California public employers to reduce individual risk and volatility. With the implementation of PEPPRA in January 2013, a number of pension benefit changes went into effect in addition to new Government Accounting Standards Board (GASB) requirements on how pension liabilities are disclosed in financial reporting.

The changes due to PEPRA and GASB provide CalPERS shared risk pool employers with their portion of their CalPERS' Unfunded Actuarial Liability (UAL) which was not previously available. This allows employers to pay down their UAL faster by contributing more than the required minimum.

Starting in FY 2014-15, SEJPA began making supplemental UAL payments. These additional funds were applied to the UAL as shown in Table 2 below:

Table 2. Additional Contributions to the UAL

Fiscal Year	Amount
2014-15	\$ 125,000
2015-16	135,000
2016-17	140,000
Total to Date	\$ 400,000

As an option to making additional contributions directly to CalPERS, SEJPA can utilize an IRS Section 115 Public Agency Post-Employment Benefits Trust ("Trust"). The Trust is an irrevocable locally controlled trust to fund retirement obligations. The Trust provides investment flexibility (conservative to aggressive), control over the contribution rate from the Trust to UAL, and easier access to investment performance.

Implementation of a Trust would require governance and administration as outlined below:

Responsible Party	Responsibility
Board	Overall governance of the Trust funds and administrative policies
General Manager and staff	Overall responsibility, develop and manage procedures in accordance with Board policies
Plan Administrator	Plan documents, consulting, reporting and plan accounting records
Trustee	Custodian to hold and disburse the investments in a safe manner
Investment Advisor	Investment recommendations based on Board policies

PARS has implemented or is in process of implementing trusts for the Cities of Solana Beach, Escondido, Temecula, and special districts, Fallbrook Public Utilities District, Orange County Water District and Goleta West Sanitary District. Overall, PARS has about 341 trust clients with 36 in the San Diego area.

FINANCIAL IMPACT

Funding an irrevocable trust would provide restricted funds that may be used at the Board's discretion to smooth the pension expense that can fluctuate due to changes in investment market conditions and CalPERS policies, in addition to making additional contributions to reduce the UAL. The Trust may be set up to pre-fund the OPEB liability in the future. The

Trust's investments would be invested in a Board investment policy rather than CalPERS investment policy.

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2019-01, Resolution of the Governing Board of Directors of the San Elijo Joint Powers Authority Approving the Adoption of the Public Agencies Post-Employment Benefits Trust Administered by Public Agency Retirement Services (PARS); and
2. Discuss and take action as appropriate.

Respectfully submitted,



Paul Kinkel
Director of Finance and Administration

Attachment 1: Resolution No. 2019-01, Resolution of the Governing Board of Directors of the San Elijo Joint Powers Authority Approving the Adoption of the Public Agencies Post-Employment Benefits Trust Administered by Public Agency Retirement Services (PARS)

Attachment 2: Agreement for Administrative Services

Attachment 3: Internal Revenue Service – Letter re Section 115 of the Internal Revenue Code

Attachment 4: Public Agencies Post-Employment Benefits Trust Agreement (Effective November 5, 2014)

Attachment 5: Public Agencies Post-Employment Health Care Plan Master Plan Document (Effective as of November 5, 2014)

Attachment 6: Adoption Agreement for the Post-Employment Section 115 Trust

ATTACHMENT 1

RESOLUTION NO. 2019-01

**RESOLUTION OF THE GOVERNING BOARD OF DIRECTORS
OF THE SAN ELIJO JOINT POWERS AUTHORITY
APPROVING THE ADOPTION OF THE
PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST
ADMINISTERED BY PUBLIC AGENCY RETIREMENT SERVICES (PARS)**

WHEREAS, PARS has made available the PARS Public Agencies Post-Employment Benefits Trust (the "Program") for the purpose of pre-funding pension obligations and/or OPEB obligations; and

WHEREAS, the San Elijo Joint Powers Authority ("Authority") is eligible to participate in the Program, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued there under, and is a tax-exempt trust under the relevant statutory provisions of the State of California; and

WHEREAS, the Authority's adoption and operation of the Program has no effect on any current or former employee's entitlement to post-employment benefits; and

WHEREAS, the terms and conditions of post-employment benefit entitlement, if any, are governed by contracts separate from and independent of the Program; and

WHEREAS, the Authority's funding of the Program does not, and is not intended to, create any new vested right to any benefit nor strengthen any existing vested right; and

WHEREAS, the Authority reserves the right to make contributions, if any, to the Program.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Governing Board of Directors hereby adopts the PARS Public Agencies Post-Employment Benefits Trust, effective August 20, 2018; and
2. The Governing Board hereby appoints the General Manager, or his/her successor or his/her designee as the Authority's Plan Administrator for the Program; and
3. The Authority's Plan Administrator is hereby authorized to execute the PARS legal and administrative documents on behalf of the Authority and to take whatever additional actions are necessary to maintain the Authority's participation in the Program and to maintain compliance of any relevant regulation issued or as may be issued; therefore, authorizing him/her to take whatever additional actions are required to administer the Authority's Program.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the San Elijo Joint Powers Authority, California, held on this 20th day of August, 2018 by the following vote:

AYES: Boardmembers:

NOES: Boardmembers:

ABSENT: Boardmembers:

ABSTAIN: Boardmembers:

Tasha Boerner Horvath, Chairperson
SEJPA Board of Directors

ATTEST:

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

ATTACHMENT 2

AGREEMENT FOR ADMINISTRATIVE SERVICES

This agreement ("Agreement") is made this _____ day of _____, 2018, between Phase II Systems, a corporation organized and existing under the laws of the State of California, doing business as Public Agency Retirement Services and PARS (hereinafter "PARS") and the [Agency Name] ("Agency").

WHEREAS, the Agency has adopted the PARS Public Agencies Post-Employment Benefits Trust for the purpose of pre-funding pension obligations and/or OPEB obligations ("Plan"), and is desirous of retaining PARS as Trust Administrator to the Trust, to provide administrative services.

NOW THEREFORE, the parties agree:

1. **Services.** PARS will provide the services pertaining to the Plan as described in the exhibit attached hereto as "Exhibit 1A" ("Services") in a timely manner, subject to the further provisions of this Agreement.
2. **Fees for Services.** PARS will be compensated for performance of the Services as described in the exhibit attached hereto as "Exhibit 1B".
3. **Payment Terms.** Payment for the Services will be remitted directly from Plan assets unless the Agency chooses to make payment directly to PARS. In the event that the Agency chooses to make payment directly to PARS, it shall be the responsibility of the Agency to remit payment directly to PARS based upon an invoice prepared by PARS and delivered to the Agency. If payment is not received by PARS within thirty (30) days of the invoice delivery date, the balance due shall bear interest at the rate of 1.5% per month. If payment is not received from the Agency within sixty (60) days of the invoice delivery date, payment plus accrued interest will be remitted directly from Plan assets, unless PARS has previously received written communication disputing the subject invoice that is signed by a duly authorized representative of the Agency.
4. **Fees for Services Beyond Scope.** Fees for services beyond those specified in this Agreement will be billed to the Agency at the rates indicated in the PARS' standard fee schedule in effect at the time the services are provided and shall be payable as described in Section 3 of this Agreement. Before any such services are performed, PARS will provide the Agency with a detailed description of the services, terms, and applicable rates for such services. Such services, terms, and applicable rates shall be agreed upon in writing and executed by both parties.
5. **Information Furnished to PARS.** PARS will provide the Services contingent upon the Agency's providing PARS the information specified in the exhibit attached hereto as "Exhibit 1C" ("Data"). It shall be the responsibility of the Agency to certify the accuracy, content and completeness of the Data so that PARS may rely on such information without further audit. It shall further be the responsibility of the Agency to deliver the Data to PARS in such a manner that allows for a reasonable amount of time for the Services to be performed. Unless specified in Exhibit 1A, PARS shall be under no duty to question Data received from the Agency, to compute contributions made to the

Plan, to determine or inquire whether contributions are adequate to meet and discharge liabilities under the Plan, or to determine or inquire whether contributions made to the Plan are in compliance with the Plan or applicable law. In addition, PARS shall not be liable for non performance of Services to the extent such non performance is caused by or results from erroneous and/or late delivery of Data from the Agency. In the event that the Agency fails to provide Data in a complete, accurate and timely manner and pursuant to the specifications in Exhibit IC, PARS reserves the right, notwithstanding the further provisions of this Agreement, to terminate this Agreement upon no less than ninety (90) days written notice to the Agency.

6. **Records.** Throughout the duration of this Agreement, and for a period of five (5) years after termination of this Agreement, PARS shall provide duly authorized representatives of Agency access to all records and material relating to calculation of PARS' fees under this Agreement. Such access shall include the right to inspect, audit and reproduce such records and material and to verify reports furnished in compliance with the provisions of this Agreement. All information so obtained shall be accorded confidential treatment as provided under applicable law.
7. **Confidentiality.** Without the Agency's consent, PARS shall not disclose any information relating to the Plan except to duly authorized officials of the Agency, subject to applicable law, and to parties retained by PARS to perform specific services within this Agreement. The Agency shall not disclose any information relating to the Plan to individuals not employed by the Agency without the prior written consent of PARS, except as such disclosures may be required by applicable law.
8. **Independent Contractor.** PARS is and at all times hereunder shall be an independent contractor. As such, neither the Agency nor any of its officers, employees or agents shall have the power to control the conduct of PARS, its officers, employees or agents, except as specifically set forth and provided for herein. PARS shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.
9. **Indemnification.** PARS and Agency hereby indemnify each other and hold the other harmless, including their respective officers, directors, employees, agents and attorneys, from any claim, loss, demand, liability, or expense, including reasonable attorneys' fees and costs, incurred by the other as a consequence of, to the extent, PARS' or Agency's, as the case may be, negligent acts, errors or omissions with respect to the performance of their respective duties hereunder.
10. **Compliance with Applicable Law.** The Agency shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding the administration of the Plan. PARS shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding Plan administrative services provided under this Agreement.

11. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any party institutes legal proceedings to enforce or interpret this Agreement, venue and jurisdiction shall be in any state court of competent jurisdiction.
12. **Force Majeure.** When a party's nonperformance hereunder was beyond the control and not due to the fault of the party not performing, a party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by such cause, including but not limited to: any incidence of fire, flood, acts of God, acts of terrorism or war, commandeering of material, products, plants or facilities by the federal, state or local government, or a material act or omission by the other party.
13. **Ownership of Reports and Documents.** The originals of all letters, documents, reports, and data produced for the purposes of this Agreement shall be delivered to, and become the property of the Agency. Copies may be made for PARS but shall not be furnished to others without written authorization from Agency.
14. **Designees.** The Plan Administrator of the Agency, or their designee, shall have the authority to act for and exercise any of the rights of the Agency as set forth in this Agreement, subsequent to and in accordance with the written authority granted by the Governing Body of the Agency, a copy of which writing shall be delivered to PARS. Any officer of PARS, or his or her designees, shall have the authority to act for and exercise any of the rights of PARS as set forth in this Agreement.
15. **Notices.** All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of the notices in person or by depositing the notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:
 - (A) To PARS: PARS; 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660; Attention: President
 - (B) To Agency: [Agency]; [Address]; [City, State, Zip]; Attention: [Plan Administrator]Notices shall be deemed given on the date received by the addressee.
16. **Term of Agreement.** This Agreement shall remain in effect for the period beginning _____, 2018 and ending _____, 2021 ("Term"). This Agreement may be terminated at any time by giving thirty (30) days written notice to the other party of the intent to terminate. Absent a thirty (30) day written notice to the other party of the intent to terminate, this Agreement will continue unchanged for successive twelve month periods following the Term.
17. **Amendment.** This Agreement may not be amended orally, but only by a written instrument executed by the parties hereto.
18. **Entire Agreement.** This Agreement, including exhibits, contains the entire understanding of the parties with respect to the subject matter set forth in this Agreement. In the event a conflict arises between the parties with respect to any term, condition or

provision of this Agreement, the remaining terms, conditions and provisions shall remain in full force and legal effect. No waiver of any term or condition of this Agreement by any party shall be construed by the other as a continuing waiver of such term or condition.

19. **Attorneys Fees.** In the event any action is taken by a party hereto to enforce the terms of this Agreement the prevailing party herein shall be entitled to receive its reasonable attorney's fees.
20. **Counterparts.** This Agreement may be executed in any number of counterparts, and in that event, each counterpart shall be deemed a complete original and be enforceable without reference to any other counterpart.
21. **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
22. **Effective Date.** This Agreement shall be effective on the date first above written, and also shall be the date the Agreement is executed.

AGENCY:

BY: _____

TITLE: _____

DATE: _____

PARS:

BY: _____

Tod Hammeras

TITLE: Chief Financial Officer

DATE: _____

EXHIBIT 1A

SERVICES

PARS will provide the following services for the [Agency Name] Public Agencies Post-Employment Benefits Trust:

1. Plan Installation Services:

- (A) Meeting with appropriate Agency personnel to discuss plan provisions, implementation timelines, actuarial valuation process, funding strategies, benefit communication strategies, data reporting, and submission requirements for contributions/reimbursements/distributions;
- (B) Providing the necessary analysis and advisory services to finalize these elements of the Plan;
- (C) Providing the documentation needed to establish the Plan to be reviewed and approved by Agency legal counsel. Resulting final Plan documentation must be approved by the Agency prior to the commencement of PARS Plan Administration Services outlined in Exhibit 1A, paragraph 2 below.

2. Plan Administration Services:

- (A) Monitoring the receipt of Plan contributions made by the Agency to the trustee of the PARS Public Agencies Post-Employment Benefits Trust ("Trustee"), based upon information received from the Agency and the Trustee;
- (B) Performing periodic accounting of Plan assets, reimbursements/distributions, and investment activity, based upon information received from the Agency and/or Trustee;
- (C) Coordinating the processing of distribution payments pursuant to authorized direction by the Agency, and the provisions of the Plan, and, to the extent possible, based upon Agency-provided Data;
- (D) Coordinating actions with the Trustee as directed by the Plan Administrator within the scope this Agreement;
- (E) Preparing and submitting a monthly report of Plan activity to the Agency, unless directed by the Agency otherwise;
- (F) Preparing and submitting an annual report of Plan activity to the Agency;
- (G) Facilitating actuarial valuation updates and funding modifications for compliance with GASB 45/75, if prefunding OPEB obligations;
- (H) Coordinating periodic audits of the Trust;
- (I) Monitoring Plan and Trust compliance with federal and state laws.

3. PARS is not licensed to provide and does not offer tax, accounting, legal, investment or actuarial advice.

EXHIBIT 1B
FEES FOR SERVICES

PARS will be compensated for performance of Services, as described in Exhibit 1A based upon the following schedule:

An annual asset fee shall be paid from Plan assets based on the following schedule:

<u>For Plan Assets from:</u>			<u>Annual Rate:</u>
\$0	to	\$10,000,000	0.25%
\$10,000,001	to	\$15,000,000	0.20%
\$15,000,001	to	\$50,000,000	0.15%
\$50,000,001	and	above	0.10%

Annual rates are prorated and paid monthly. The annual asset fee shall be calculated by the following formula [Annual rate divided by 12 (months of the year) multiplied by the Plan asset balance at the end of the month]. Trustee and Investment Management Fees are not included.

EXHIBIT 1C
DATA REQUIREMENTS

PARS will provide the Services under this Agreement contingent upon receiving the following information:

1. Executed Legal Documents:
 - (A) Certified Resolution
 - (B) Adoption Agreement to the Public Agencies Post-Employment Benefits Trust
 - (C) Trustee Investment Forms

2. Contribution – completed Contribution Transmittal Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
 - (A) Agency name
 - (B) Contribution amount
 - (C) Contribution date
 - (D) Contribution method (Check, ACH, Wire)

3. Distribution – completed Payment Reimbursement/Distribution Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
 - (A) Agency name
 - (B) Payment reimbursement/distribution amount
 - (C) Applicable statement date
 - (D) Copy of applicable premium, claim, statement, warrant, and/or administrative expense evidencing payment
 - (E) Signed certification of reimbursement/distribution from the Plan Administrator (or authorized Designee)

4. Other information pertinent to the Services as reasonably requested by PARS and Actuarial Provider.

ATTACHMENT 3

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

Index Number: 115.00-00

Third Party Communication: None
Date of Communication: Not Applicable

U.S. Bank National Association
c/o Susan Hughes, Vice President
3121 Michelson Drive (Suite 300)
Irvine, CA 92612

Person To Contact:
Robin J. Ehrenberg, ID No. 1000219292

Telephone Number:
(202) 317-5800

Refer Reply To:
CC:TEGE:EOEG:EO3
PLR-146796-14

Date: June 5, 2015

Legend

Trust = Public Agencies Post-Employment Benefits Trust
Trust Agreement = Public Agencies Post-Employment Benefits Trust Agreement
Trustee = U.S. Bank National Association

Dear Ms. Hughes:

This letter responds to a letter from your authorized representative dated December 22, 2014, requesting rulings that (1) the Trust's income is excludable from gross income under section 115 of the Internal Revenue Code (IRC) and (2) the Trust is not required to file annual federal income tax returns under IRC section 6012(a)(4). The Trust represents the facts as follows:

FACTS

The Trust is a multiple employer trust established to enable public-agency employers to fund post-retirement employee benefits. Each participating employer must be a public agency that is a state, political subdivision of a state, or an entity the income of which is excludable from gross income under IRC section 115. The employer's governing body must authorize in writing the adoption of the Trust and the employer must execute the adoption agreement, which approves the Trust's administrator and provides that the agency adopts and agrees to be bound by the Trust Agreement. In the adoption agreement, the employer elects to fund obligations to provide benefits under a post-employment health care plan and contribute to a defined-benefit pension plan maintained by the employer that is qualified under IRC section 401(a). The employer may elect to fund either or both obligations.

The Trust Agreement provides that assets are held by the Trust for the exclusive purpose of funding participating employers' benefit obligations and defraying the reasonable expenses of the Trust. The Trust's assets may not be used for any other purpose. Each employer's contributions to the Trust, together with any allocable investment earnings and losses, are held in a separate account for that employer. Assets allocated to satisfy an employer's health and welfare benefit obligation or the employer's pension obligation may only be used for purposes of satisfying that particular obligation. The assets held in an employer's account are not available to pay any obligations incurred by any other employer.

The employers appoint the Trustee and the Trust's administrator and may remove the Trustee or the administrator by a two-thirds vote of all employers. The employers may amend the Trust Agreement with the approval of two-thirds of all employers then participating in the Trust. The employers may terminate the Trust by unanimous agreement of all employers.

Upon termination of the Trust, any assets remaining in an employer's account, after satisfaction of benefit and the Trust's obligations are returned to the employer to the extent permitted by law and consistent with the requirements of IRC section 115.

LAW AND ANALYSIS

Issue 1 - IRC section 115(1)

IRC section 115(1) provides that gross income does not include income derived from any public utility or the exercise of any essential governmental function and accruing to a state or any political subdivision thereof.

Rev. Rul. 77-261, 1977-2 C.B. 45, holds that income generated by an investment fund that is established by a state to hold revenues in excess of the amounts needed to meet current expenses is excludable from gross income under IRC section 115(1), because such investment constitutes an essential governmental function. The ruling explains that the statutory exclusion is intended to extend not to the income of a state or municipality resulting from its own participation in activities, but rather to the income of an entity engaged in the operation of a public utility or the performance of some governmental function that accrues to either a state or political subdivision of a state. The ruling points out that it may be assumed that Congress did not desire in any way to restrict a state's participation in enterprises that might be useful in carrying out projects that are desirable from the standpoint of a state government and that are within the ambit of a sovereign to conduct.

Rev. Rul. 90-74, 1990-2 C.B. 34, holds that the income of an organization formed, funded, and operated by political subdivisions to pool various risks (e.g., casualty, public liability, workers' compensation, and employees' health) is excludable from gross income under IRC section 115(1), because the organization is performing an essential governmental function. The revenue ruling states that the income of such an organization is excludable from gross income so long as private interests do not participate in the organization or benefit more than incidentally from the organization. The benefit to the employees of the insurance coverage obtained by the member political subdivisions was deemed incidental to the public benefit.

Through the Trust, participating public agency employers fund health and welfare and pension obligations for retired employees. Each of the Trust's participating employers is required to be a state, political subdivision of a state or an entity the income of which is excludable from gross income under IRC section 115. Providing health, welfare and pension benefits to current and former employees constitutes the performance of an essential government function within the meaning of IRC section 115(1). See Rev. Rul. 90-74 and Rev. Rul. 77-261.

The Trust's income accrues to its participating employers, all of which are political subdivisions of a state or entities the income of which is excludable from gross income under IRC section 115. No private interests will participate in, or benefit from, the operation of Trust, other than as providers of goods or services. The benefit to employees is incidental to the public benefit. See Rev. Rul. 90-74.

In no event, including dissolution, will the Trust's assets be distributed or revert to any entity that is not a state, a political subdivision of a state, or entity the income of which is excludable from its gross income by application of IRC section 115(1).

Issue 2- IRC section 6012(a)(4)

Section 301.7701-1(b) of the Procedure and Administration Regulations (Regulations) provides that the classification of organizations that are recognized as separate entities is determined under sections 301.7701-2, 301.7701-3, and 301.7701-4, unless a provision of the IRC provides for special treatment of that organization.

Section 301.7701-4(a) of the Regulations provides that, in general, an arrangement will be treated as if it can be shown that the purpose of the arrangement is to vest in trustees responsibility for the protection and conservation of property for beneficiaries who cannot share in the discharge of this responsibility and, therefore, are not associates in a joint enterprise for the conduct of business for profit.

The Trust enables public-agency employers to set aside funds to be used to satisfy each employer's separate pension and health and welfare benefit obligations. The

Trustee is charged with the responsibility of the protection and conservation of the Trust property for the benefit of the beneficiaries of the Trust. The beneficiaries of the Trust cannot share in the discharge of the Trustee's responsibility for the protection and conservation of property and, therefore, are not associates in a joint enterprise for the conduct of business for profit. IRC section 6012(a)(4) provides that every trust having for the taxable year any taxable income or having gross income of \$600 or more, regardless of the amount of taxable income, shall make returns with respect to income taxes under Subtitle A.

Based solely on the facts and representations submitted by the Trust, we conclude that:

1. Because the income of the Trust derives from the exercise of an essential governmental function and will accrue to a state or a political subdivision thereof, the Trust's income is excludable from gross income under IRC section 115(1).
2. The Trust is classified as a trust within the meaning of IRC section 7701(a) and section 301.7701-4(a) of the Regulations. Because Trust's income is excludable from gross income under IRC section 115, the Trust is not required by IRC section 6012(a)(4) to file an annual income tax return.

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter. This ruling concerns only the federal tax treatment of the Trust's income and may not be cited or relied upon by any taxpayer, including the Trust, employers participating in the Trust, and any recipients of benefits paid under the terms of the Trust, as to any matter relating to the taxation of accident or health contributions or benefits.

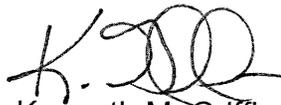
This ruling is directed only to the taxpayer who requested it. IRC section 6110(k)(3) provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representative.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their return that provides the date and control number of the letter ruling.

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Griffin', with a stylized flourish at the end.

Kenneth M. Griffin
Branch Chief, Exempt Organizations Branch 3
(Tax Exempt and Government Entities)

cc: Marcus Wu
Pillsbury Winthrop Shaw Pittman LLP
12255 El Camino Real, Suite 300
San Diego, CA 92130-4088

Paul Marmolejo
Director, Office of Federal, State and Local Governments
SE:T:GE:FSL

ATTACHMENT 4

**PUBLIC AGENCIES
POST-EMPLOYMENT BENEFITS
TRUST AGREEMENT**

(Effective November 5, 2014)

ARTICLE I

DEFINITIONS

- 1.1 “**Adoption Agreement**” shall have the meaning given to such term in Section 2.3.
- 1.2 “**Agency Account**” shall have the meaning given to such term in Section 2.4.
- 1.3 “**Agreement for Administrative Services**” shall mean the agreement executed between the Employer and the Trust Administrator which authorizes the Trust Administrator to perform specific duties of administering the Agency Account of the Employer.
- 1.4 “**Assets**” shall have the meaning given to such term in Section 2.5.
- 1.5 “**Code**” shall mean the Internal Revenue Code of 1986 as amended from time to time.
- 1.6 “**Delegatee**” shall mean an individual or entity, appointed by the Plan Administrator or Employer to act in such matters as are specified in the appointment.
- 1.7 “**Effective Date**” shall mean the date first written above, the date the Trust was established, and with respect to each Employer, the Effective Date shall be the date on which the Employer executes the Adoption Agreement.
- 1.8 “**Eligible Beneficiary**” shall mean any person who, due to his or her relationship to an Eligible Employee, is entitled to post-employment benefits pursuant to the Employer’s Pension Plan or OPEB Plan, including but not limited to the Eligible Employee’s current or former spouse or domestic partner, child, dependent, or survivor.
- 1.9 “**Eligible Employee**” shall mean any employee of an Employer who is entitled to post-employment benefits pursuant to the Employer’s Pension Plan or OPEB Plan. Unless the context otherwise requires, the term “Eligible Employee” as used herein shall include any Eligible Beneficiaries.
- 1.10 “**Employer**” shall mean a public agency that executes the Adoption Agreement, thereby adopting the provisions of this Trust Agreement, provided that such agency is a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Code.
- 1.11 “**GASB**” shall mean the Governmental Accounting Standards Board.
- 1.12 “**Omnibus Account**” shall mean an account, established for record keeping purposes only, to aggregate the balances of the Assets credited to the Agency Accounts. The Trust Administrator shall maintain and reconcile, at the Agency Account level (and subaccount level), the investments of the Agency Accounts

and will provide reports to the Plan Administrator with respect to such investments. The Trustee will maintain a record of the aggregate balance (principal and earnings) for all Agency Accounts. The Trust Administrator will in the ordinary course of business maintain a record of the name, address, taxpayer identification number, account number and amount of funds, including earnings, of each Employer. On periodic valuation dates (no less frequently than monthly) to be established by the Trust Administrator, the Trustee and Trust Administrator will reconcile the aggregate balance information maintained by the Trustee with the Agency Account level records maintained by the Trust Administrator pursuant to this Trust Agreement.

- 1.13 “**OPEB**” shall mean “other post-employment benefits,” such as medical, dental, vision, life insurance, long-term care and other similar benefits provided to retirees, other than pension benefits.
- 1.14 “**OPEB Obligation**” shall mean an Employer’s obligation to provide OPEB to its Eligible Employees in accordance with the Employer’s OPEB Plan.
- 1.15 “**OPEB Plan**” shall mean the Public Agencies Post-Employment Health Care Plan, as adopted by the Employer under the Adoption Agreement.
- 1.16 “**Pension Obligation**” shall mean an Employer’s obligation to contribute to the Pension Plan’s Qualified Trust and shall not, for example, mean an Employer’s Obligation to provide retirement benefits under the Pension Plan to the Employer’s Eligible Employees.
- 1.17 “**Pension Plan**” shall mean an Employer’s defined-benefit pension plan or plans, each of which is (i) qualified under Section 401(a) of the Code, (ii) sponsored by the Employer in order to provide retirement benefits to its Eligible Employees, and (iii) partly or wholly funded by the Employer’s contributions to a Qualified Trust.
- 1.18 “**Plan Administrator**” shall mean the individual designated by position of employment at the Employer to act on its behalf in all matters relating to the Employer's participation in the Trust.
- 1.19 “**Qualified Trust**” shall mean a trust which (i) is separate and apart from the Trust, (ii) constitutes a qualified trust under Code Section 401(a), and (iii) funds retirement benefits provided under an Employer’s Pension Plan to the Employer’s Eligible Employees.
- 1.20 “**Trust**” shall mean the Public Agencies Post-Employment Benefits trust arrangement.
- 1.21 “**Trust Administrator**” shall mean Public Agency Retirement Services or any successor trust administrator appointed by the Employers as provided herein. The Trust Administrator shall serve as trust administrator to the Trust established

pursuant to this Trust Agreement until such Trust Administrator resigns or is removed as provided in Article III.

- 1.22** “**Trust Agreement**” shall mean this Public Agencies Post-Employment Benefits trust document adopted by each Employer upon execution of an Adoption Agreement, as amended from time to time.
- 1.23** “**Trustee**” shall mean U.S. Bank National Association, or any successor trustee appointed by the Employers as provided herein. The Trustee shall serve as trustee of the Trust established pursuant to the provisions of this Trust Agreement until such Trustee resigns or is removed as provided in Article III.

ARTICLE II

THE TRUST

2.1 Multiple Employer Trust

The Trust is a multiple employer trust arrangement established to provide economies of scale and efficiency of administration to public agencies that adopt it to hold the assets used to fund the agency’s OPEB Obligation or Pension Obligation or both. The Trust is divided into Agency Accounts to hold the Assets of each Employer as described in Section 2.4.

2.2 Purpose

The Trust is established with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Code and any regulations issued thereunder and as a tax-exempt trust under the provisions of the relevant state’s statutory provisions of each Employer. This Trust Agreement shall be construed and the Trust shall be administered in a manner consistent with such intention. The fundamental purpose of the Trust is to fund the Employer’s OPEB Obligation or Pension Obligation or both. It is intended that adopting Employers retain an interest in the underlying securities held in the Trust on their behalf, rather than in the Trust itself.

The Employer hereby represents and warrants that the assets held hereunder (including the Assets) are not assets of any qualified plan under Code Section 401(a), regardless of the character of such assets once distributed. The Employer hereby acknowledges that the Trust does not constitute a qualified trust under Code Section 401(a).

2.3 Employers

Any public agency may, by action of its governing body in writing accepted by the Trustee, adopt the provisions of the Trust Agreement. Executing an adoption instrument for the Trust (“**Adoption Agreement**”), in the form attached hereto as Exhibit "A" (or such other form as may be approved by the Trustee), shall

constitute such adoption, unless the Trustee requires additional evidence of adoption. In order for such adoption to be effective, the public agency must also execute an Agreement for Administrative Services with Public Agency Retirement Services, the Trust Administrator, pursuant to Section 3.6 of this Trust Agreement. Such adopting Employer shall then become an Employer of the Trust.

Each such Employer shall, at a minimum, furnish the Trust Administrator with the following documents to support its adoption of the Trust:

- (a) a certified copy of the resolution(s) of the governing body of the Employer authorizing the adoption of the Trust Agreement and the appointment of the Plan Administrator for such Employer;
- (b) an original of the Adoption Agreement executed by the Plan Administrator or other duly authorized Employer employee;
- (c) an original of the Agreement for Administrative Services with Public Agency Retirement Services executed by the Plan Administrator or other duly authorized Employer employee and Public Agency Retirement Services;
- (d) an address notice; and
- (e) such other documents as the Trustee may reasonably request.
- (f) Any action taken by the Plan Administrator for an Employer shall be deemed to have been taken by such Employer. Any notice given to or delivered by the Plan Administrator for an Employer shall be deemed to have been given to or delivered by such Employer.

2.4 Agency Accounts

- (a) Upon an Employer's adopting the Trust Agreement, as provided in Section 2.3, a separate "**Agency Account**" shall be established under the Trust for that Employer, and all Assets of the Trust attributable to that Employer shall be held in that Employer's Agency Account.
- (b) An Employer's Agency Account comprises three subaccounts: a "**Pension Account**", an "**OPEB Account**", and a "**Suspense Account**". The Assets of the Trust that are held in the Employer's Pension Account will be available only to fund the Employer's Pension Obligation and defray the reasonable expenses associated with the same. The Assets of the Trust that are held in the Employer's OPEB Account will be available only to fund the Employer's OPEB Obligation and defray the reasonable expenses associated with the same.
- (c) The Assets of the Trust that are held in an Employer's Agency Account shall not be available to pay any obligations incurred by any other Employer as provided in Section 2.8.

(d) All contributions and transfers received by the Trust on behalf of the Employer will be held in the Employer's Agency Account and will be allocated to the subaccounts under the Agency Account as follows:

(1) If the Employer maintains a Pension Account or OPEB Account (and not both a Pension Account and an OPEB Account), all contributions and transfers received by the Trust on the Employer's behalf will be allocated to that subaccount.

(2) If the Employer maintains both a Pension Account and an OPEB Account, contributions and transfers received by the Trust on the Employer's behalf will be allocated to either the Pension Account or OPEB Account, as directed by the Plan Administrator. To the extent the Plan Administrator does not provide such direction, the Employer hereby directs the Trustee to allocate such contributions and transfers to the Suspense Account and to use the assets of the Suspense Account to purchase a position in the sweep vehicle identified on an **exhibit** hereto or, if none is identified, to hold such assets un-invested. The Plan Administrator may at any time direct the reallocation of cash from the Suspense Account to either the Pension Account or the OPEB Account.

(3) Once allocated to the Pension Account or the OPEB Account, amounts under the Trust may not subsequently be transferred to the other subaccount.

2.5 Assets of Agency Account

The assets held in an Agency Account shall consist of all contributions and transfers received by the Trust on behalf of the Employer, together with the income and earnings from such contributions and transfers, and any increments accruing to the Agency Account, net of any investment losses, benefits, expenses or other costs ("Assets"). All contributions or transfers shall be received by the Trustee in cash or in other property acceptable to the Trustee. The Trustee shall manage and administer the Assets held in Agency Accounts without distinction between principal and income. The Trustee and the Trust Administrator shall have no duty to compute any amount to be transferred or paid to the Agency Account by the Employer, and the Trustee and the Trust Administrator shall not be responsible for the collection of any contributions or transfers to the Agency Account.

2.6 Aggregate Balance for Investment and Administration

The balances of the Assets of more than one Agency Account may be aggregated by the Trustee in one or more Omnibus Accounts for investment and administrative purposes, to provide economies of scale and efficiency of administration to the Agency Accounts. The responsibility for Agency Account level accounting (including subaccount-level accounting within each Agency Account) within this Omnibus Account(s) shall be that of the Trust Administrator.

2.7 Trustee Accounting

The Trustee shall be responsible only for maintaining records and maintaining accounts for the aggregate assets of the Trust. The responsibility for accounting and subaccounting for each Agency Account, based upon the Omnibus Account(s), shall be that of the Trust Administrator.

2.8 No Diversion of Assets

The Assets in each Employer's Agency Account shall be held in trust for the exclusive purpose of funding the Employer's OPEB Obligation or Pension Obligation or both and defraying the reasonable expenses associated with the same. The Assets in each Agency Account shall not be used for or diverted to, any other purpose, including, but not limited to, the satisfaction of any other Employer's Pension Obligation or OPEB Obligation.

2.9 Type and Nature of Trust

Neither the full faith and credit nor the taxing power of each Employer is pledged to the distribution of amounts hereunder. Except for contributions and other amounts hereunder, no other amounts are pledged to the distribution of benefits hereunder. Distributions of benefits are neither general nor special obligations of any Employer, but are payable solely from the Assets held in such Employer's Agency Account, as more fully described herein. No employee of any Employer or beneficiary may compel the exercise of the taxing power by any Employer.

Distributions of Assets from any Agency Account are not debts of any Employer within the meaning of any constitutional or statutory limitation or restriction. Such distributions are not legal or equitable pledges, charges, liens or encumbrances, upon any of an Employer's property, or upon any of its income, receipts, or revenues, except amounts in the accounts which are, under the terms of each Plan and the Trust set aside for distributions. Neither the members of the governing body of any Employer nor its officers, employees, agents or volunteers are liable hereunder.

2.10 Loss of Tax-Exempt Status as to Any Employer

If any Employer participating in the Trust receives notice from the Internal Revenue Service that the Trust as to such Employer fails to satisfy the requirements of Section 115 of the Code, or if any Employer consents to the Internal Revenue Service's determination that the Trust fails to meet such requirements, Assets having a value equal to the funds then held in such Employer's Agency Account shall be segregated and placed in a separate trust by the Trustee for the exclusive benefit of such Employer's Eligible Employees within a reasonable time after the Trust Administrator notifies the Trustee of the Internal Revenue Service's determination. Each Employer participating in the Trust agrees to immediately notify the Trust Administrator upon receiving such

notice or giving such consent. The separate trust provided for in this Section 2.10 shall thereafter be considered as a separate trust containing all of the provisions of this Trust Agreement until terminated as provided in this Trust Agreement.

ARTICLE III

ADMINISTRATIVE MATTERS

3.1 Appointment of Trustee

The Employers may, with the approval of two-thirds (2/3) or more of the Employers then participating in the Trust, act to appoint a bank, trust company, retirement board, insurer, committee or such other entity as permitted by law, to serve as the trustee of this Trust. Such action must be in writing. Upon the written acceptance of such entity it shall become the Trustee of the Trust. If the Trustee is removed or resigns pursuant to Section 3.2, the Employers shall appoint a successor Trustee in accordance with the voting requirements set forth in this Section 3.1.

3.2 Resignation or Removal of Trustee

The Employers may act to remove the Trustee, provided that such action must satisfy the voting requirements set forth in Section 3.1 and notice of such action must be promptly delivered to the Trust Administrator, the Trustee and each Plan Administrator. The Trustee may also resign at any time by giving at least ninety (90) days prior written notice to the Trust Administrator and to the Plan Administrator of each Employer that has adopted the Trust Agreement and not terminated its participation in the Trust; provided, however, that the Trustee may resign immediately upon the earlier of the approval date or the effective date of any amendment of the Trust Agreement by the Employers that would change or modify the duties, powers or liabilities of the Trustee hereunder without the Trustee's consent. The Trustee shall, upon the appointment and acceptance of a successor trustee, transfer and deliver the Assets and all records relating to the Trust to the successor, after reserving such reasonable amount as it shall deem necessary to provide for its fees and expenses and any sums chargeable against the Trust for which it may be liable. The Trustee shall do all acts necessary to vest title of record in the successor trustee.

3.3 Withdrawal of Employer

An Employer may elect to withdraw from the Trust by giving at least thirty (30) days prior written notice to the Trustee and the Trust Administrator. If an Employer so elects to withdraw, Assets having a value equal to the funds held in such Employer's Agency Account shall be segregated by the Trustee and, as soon as practicable, shall be transferred to one or more trusts maintained by the Employer, provided that (i) for Assets transferred from the OPEB Account, any such trust shall satisfy the requirements of Section 115 of the Code, (ii) for Assets

transferred from the Pension Account, any such trust shall satisfy the requirements of either Section 115 or 401(a) of the Code, and (iii) all assets held by any such trust and previously held in the Employer's Pension Account or OPEB Account shall qualify as "plan assets" within the meaning of GASB Statement No. 68 (Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement No. 27) or GASB Statement No. 45 (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions), respectively, in each case as reasonably determined by the Employer and certified in writing by the Employer to the Trust Administrator. The Employer shall appoint a trustee for such Employer's separate trust and, upon the trustee's acceptance of that appointment, the trustee will be vested with title to the transferred Assets.

3.4 The Plan Administrator

The governing body of each Employer shall have plenary authority for the administration and investment of such Employer's Agency Account pursuant to any applicable state laws and applicable federal laws and regulations. Each Employer shall by resolution designate a Plan Administrator. Unless otherwise specified in the instrument the Plan Administrator shall be deemed to have authority to act on behalf of the Employer in all matters pertaining to the Employer's participation in the Trust and in regard to the Agency Account of the Employer. Such appointment of a Plan Administrator shall be effective upon receipt and acknowledgment by the Trustee and the Trust Administrator and shall be effective until the Trustee and the Trust Administrator are furnished with a resolution of the Employer that the appointment has been modified or terminated.

3.5 Failure to Appoint Plan Administrator

If a Plan Administrator is not appointed, or such appointment lapses, the Employer shall be deemed to be the Plan Administrator. As used in this document the term "Plan Administrator" shall be deemed to mean "Employer" when a Plan Administrator has not been appointed for such Employer.

3.6 Delegatee

The Plan Administrator, acting on behalf of the Employer, may delegate certain authority, powers and duties to a Delegatee to act in those matters specified in the delegation. Any such delegation must be in a writing that names and identifies the Delegatee, states the effective date of the delegation, specifies the authority and duties delegated, is executed by the Plan Administrator, is acknowledged in writing by the Delegatee, and is certified as required in Section 3.7 to the Trust Administrator. Such delegation shall be effective until the Trustee and the Trust Administrator are directed in writing by the Plan Administrator that the delegation has been rescinded or modified.

3.7 Certification to Trustee

The governing body of each Employer, or other duly authorized official, shall certify in writing to the Trustee and the Trust Administrator the names and specimen signatures of the Plan Administrator and Delegatee, if any, and all others authorized to act on behalf of the Employer whose names and specimen signatures shall be kept accurate by the Employer acting through a duly authorized officer or governing body of the Employer. The Trustee and the Trust Administrator shall have no liability if they act upon the direction of a Plan Administrator or Delegatee that has been duly authorized, as provided in Section 3.6, if that Plan Administrator or Delegatee is no longer authorized to act, unless the Employer has informed the Trustee and the Trust Administrator of such change.

3.8 Directions to Trustee

All directions to the Trustee from the Plan Administrator or Delegatee must be in writing and must be signed by the Plan Administrator or Delegatee, as the case may be. For all purposes of this Trust Agreement, direction shall include any certification, notice, authorization, application or instruction of the Plan Administrator, Delegatee or Trustee appropriately communicated. The above notwithstanding, direction may be implied if the Plan Administrator or Delegatee has knowledge of the Trustee's intentions and fails to file written objection.

The Trustee shall have the power and duty to comply promptly with all proper directions of the Plan Administrator or Delegatee, appointed in accordance with the provisions of this Trust Agreement. In the case of any direction deemed by the Trustee to be unclear or ambiguous the Trustee may seek written instructions from the Plan Administrator, the Employer or the Delegatee on such matter and await their written instructions without incurring any liability. If at any time the Plan Administrator or the Delegatee should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust and/or the applicable Agency Account which may include not taking any action. The Trustee may request directions or clarification of directions received and may delay acting until clarification is received. In the absence of timely direction or clarification, or if the Trustee considers any direction to be a violation of the Trust Agreement or any applicable law, the Trustee shall in its sole discretion take appropriate action, or refuse to act upon a direction.

3.9 Appointment of Trust Administrator

The Employers may, with the approval of two-thirds (2/3) or more of the Employers then participating in the Trust, act to appoint a bank, trust company, retirement board, insurer, committee or such other entity as permitted by law, to serve as Trust Administrator of the Trust. Such action must be in writing. Upon the written acceptance of such entity it shall become the Trust Administrator of

the Trust. If the Trust Administrator is removed or resigns pursuant to Section 3.13, the Employers shall appoint a successor Trust Administrator in accordance with the voting requirements set forth in this Section 3.9.

3.10 Trust Administrator

The Trust Administrator's duties involve the performance of the following services pursuant to the provisions of this Trust Agreement and the Agreement for Administrative Services:

- (a) Performing periodic accounting of each Agency Account (including subaccount-level accounting within each Agency Account) and reconciling such Agency Account balances with the Trust/Omnibus Account;
- (b) Directing the Trustee to make distributions from the appropriate subaccount under an Agency Account in accordance with Section 5.9.
- (c) Allocating contributions, earnings and expenses to each Agency Account and the underlying subaccounts;
- (d) Directing the Trustee to pay the fees of the Trust Administrator and to do such other acts as shall be appropriate to carry out the intent of the Trust;
- (e) Such other services as the Employer and the Trust Administrator may agree in the Agreement for Administrative Services pursuant to Section 2.3.

The Trust Administrator shall be entitled to rely on, and shall be under no duty to question, any direction and/or data received from the Plan Administrator, or other duly authorized entity, in order to perform its authorized duties under this Trust Agreement. The Trust Administrator shall not have any duty to compute contributions made to the Trust, determine or inquire whether contributions made to the Trust by the Plan Administrator or other duly authorized entity are adequate to meet an Employer's Pension Obligation or OPEB Obligation as may be determined under any applicable GASB pronouncement; or determine or inquire whether contributions made to the Trust are in compliance with the Employer's OPEB Plan or Pension Plan. The Trust Administrator shall not be liable for nonperformance of duties if such nonperformance is directly caused by erroneous, and/or late delivery of, directions or data from the Plan Administrator, or other duly authorized entity.

3.11 Additional Trust Administrator Services

The Plan Administrator may at any time retain the Trust Administrator as its agent to perform any act, keep any records or accounts and make any computations which are required of the Employer or the Plan Administrator by this Trust Agreement or by the Employer's policies and/or applicable collective bargaining agreements. The Trust Administrator shall be separately compensated

for such service and such services shall not be deemed to be contrary to the Trust Agreement.

3.12 Trust Administrator's Compensation

As may be agreed upon from time to time by the Employer and Trust Administrator, the Trust Administrator will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties with respect to such Employer's Agency Account and to the Trust.

3.13 Resignation or Removal of Trust Administrator

The Employers may act to remove the Trust Administrator, provided that such action must satisfy the voting requirements set forth in Section 3.9 and notice of such action must be promptly delivered to the Trust Administrator, the Trustee and each Plan Administrator. The Trust Administrator may also resign at any time by giving at least one hundred and twenty (120) days prior written notice to the Trustee and to the Plan Administrator of each Employer that has adopted the Trust Agreement and not terminated its participation in the Trust; provided, however, that the Trust Administrator may resign immediately upon the earlier of the approval date or the effective date of any amendment of the Trust Agreement by the Employers that would change or modify the duties, powers or liabilities of the Trust Administrator hereunder without the Trust Administrator's consent. The Trust Administrator shall, upon the appointment and acceptance of a successor trust administrator, transfer all records relating to the Trust to the successor.

ARTICLE IV

THE TRUSTEE

4.1 Powers and Duties of the Trustee

Except as otherwise provided in Article V and subject to Article VI, the Trustee shall have full power and authority with respect to property held in the Trust to do all such acts, take all proceedings, and exercise all such rights and privileges, whether specifically referred to or not in this document, as could be done, taken or exercised by the absolute owner, including, without limitation, the following:

(a) To invest and reinvest the Assets or any part hereof in any one or more kind, type, class, item or parcel of property, real, personal or mixed, tangible or intangible; or in any one or more kind, type, class, item or issue of investment or security; or in any one or more kind, type, class or item of obligation, secured or unsecured; or in any combination of them (including those issued by the Trustee of any of its affiliates, to the extent permitted by applicable law), and to retain the property for the period of time that the Trustee deems appropriate;

(b) To acquire and sell options to buy securities ("call" options) and to acquire and sell options to sell securities ("put" options);

(c) To buy, sell, assign, transfer, acquire, loan, lease (for any purpose, including mineral leases), exchange and in any other manner to acquire, manage, deal with and dispose of all or any part of the Trust property, for cash or credit and upon any reasonable terms and conditions;

(d) To make deposits, with any bank or savings and loan institution, including any such facility of the Trustee or an affiliate thereof provided that the deposit bears a reasonable rate of interest;

(e) To invest and reinvest the Assets, or any part thereof in any one or more collective investment trust funds, including common and group trust funds that consist exclusively of assets of exempt pension and profit sharing trusts and individual retirement accounts qualified and tax exempt under the Code, that are maintained by the Trustee or an affiliate thereof. The declaration of trust or plan of operations for any such common or collective fund is hereby incorporated herein and adopted into this Trust Agreement by this reference. The combining of money and other assets of the Trust with money and other assets of other non-qualified trusts in such fund or funds is specifically authorized. Notwithstanding anything to the contrary in this Trust Agreement, the Trustee shall have full investment responsibility over Assets of the Trust invested in such commingled funds. If the plan and trust for any reason lose their tax exempt status, and the Assets have been commingled with assets of other tax exempt trusts in Trustee's collective investment funds, the Trustee shall within 30 days of notice of such loss of tax exempt status, liquidate the Trust's units of the collective investment fund(s) and invest the proceeds in a money market fund pending investment or other instructions from the Plan Administrator. The Trustee shall not be liable for any loss or gain or taxes, if any, resulting from said liquidation;

(f) To place uninvested cash and cash awaiting distribution in one or more mutual funds and/or commingled investment funds maintained by or made available by the Trustee or any of its affiliates, and to receive compensation from the sponsor of such fund(s) for services rendered, separate and apart from any Trustee's fees hereunder. The Trustee or its affiliate may also be compensated for providing investment advisory services to any mutual fund or commingled investment funds;

(g) To borrow money for the purposes of the Trust from any source with or without giving security; to pay interest; to issue promissory notes and to secure the repayment thereof by pledging all or any part of the Assets;

(h) To take all of the following actions: to vote proxies of any stocks, bonds or other securities; to give general or special proxies or powers of attorney with or

without power of substitution; to exercise any conversion privileges, subscription rights or other options, and to make any payments incidental thereto; to consent to or otherwise participate in corporate reorganizations or other changes affecting corporate securities and to delegate discretionary powers and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held in the Trust;

(i) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(j) To raze or move existing buildings; to make ordinary or extraordinary repairs, alterations or additions in and to buildings; to construct buildings and other structures and to install fixtures and equipment therein;

(k) To pay or cause to be paid from the Trust any and all real or personal property taxes, income taxes or other taxes or assessments of any or all kinds levied or assessed upon or with respect to the Trust;

(l) To exercise all the further rights, powers, options and privileges granted, provided for, or vested in trustees generally under applicable federal or state laws, as amended from time to time, it being intended that, except as herein otherwise provided, the powers conferred upon the Trustee herein shall not be construed as being in limitation of any authority conferred by law, but shall be construed as consistent or in addition thereto.

4.2 Additional Trustee Powers

In addition to the other powers enumerated above, the Trustee in any and all events is authorized and empowered:

(a) To invest funds pending required directions in any type of interest-bearing account, including, without limitation, time certificates of deposit or interest-bearing accounts issued by the Trustee, or any mutual fund or short term investment fund (“**Fund**”), whether sponsored or advised by the Trustee or any affiliate thereof); the Trustee or its affiliates may be compensated for providing such investment advice and providing other service to such Fund, in addition to any Trustee’s fees received pursuant to this Trust Agreement;

(b) To cause all or any part of the Trust to be held in the name of the Trustee (which in such instance need not disclose its fiduciary capacity) or, as permitted by law, in the name of any nominee, and to acquire for the Trust any investment in bearer form, but the books and records of the Trust shall at all times show that all such investments are a part of the Trust and the Trustee shall hold evidences of title to all such investments;

- (c) To serve as custodian with respect to the Trust Assets;
- (d) To employ such custodians, agents and counsel as may be reasonably necessary in managing and protecting the Assets and to pay them reasonable compensation from the Trust; to employ any broker-dealer or other agent, including any broker-dealer or other agent affiliated with the Trustee, and pay to such broker-dealer or other agent, at the expense of the Trust, its standard commissions or compensation; to settle, compromise or abandon all claims and demands in favor of or against the Trust; and to charge any premium on bonds purchased at par value to the principal of the Trust without amortization from the Trust, regardless of any law relating thereto;
- (e) In addition to the powers listed herein, to do all other acts necessary or desirable for the proper administration of the Trust, as though the absolute owner thereof;
- (f) To prosecute, compromise and defend lawsuits, but without obligation to do so, all at the risk and expense of the Trust; and to tender its defense to the Employer in any legal proceeding where the interests of the Trustee and the Employer are not adverse;
- (g) To exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Plan;
- (h) To permit such inspections of documents at the principal office of the Trustee as are required by law, subpoena or demand by a United States agency;
- (i) To comply with all requirements imposed by applicable provisions of law;
- (j) To seek written instructions from the Plan Administrator or other fiduciary on any matter and await their written instructions without incurring any liability. If at any time the Plan Administrator or the fiduciary should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust;
- (k) To compensate such executive, consultant, actuarial, accounting, investment, appraisal, administrative, clerical, secretarial, medical, custodial, depository and legal firms, personnel and other employees or assistants as are engaged by the Plan Administrator in connection with funding the Employer's OPEB Obligation or Pension Obligation or both and to pay from the Trust the necessary expenses of such firms, personnel and assistants, to the extent not paid by the Plan Administrator;

(l) To act upon proper written directions of the Plan Administrator or Delegatee, including directions given by photostatic transmissions using facsimile signature, and such other forms of directions as the parties shall agree;

(m) To pay from the Trust the expenses reasonably incurred in the administration of the Trust;

(n) To maintain insurance for such purposes, in such amounts and with such companies as the Plan Administrator shall elect, including insurance to cover liability or losses occurring by reason of the acts or omissions of fiduciaries but only if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary.

ARTICLE V

INVESTMENTS

5.1 Discretionary Versus Directed Investment

For the Pension Account and the OPEB Account under the Agency Account, the Employer shall elect either a discretionary or directed investment approach. The Employer may elect the same or different investment approaches for those two subaccounts. The Employer hereby elects a directed approach for the Suspense Account. If the Employer elects a discretionary investment approach for a subaccount, the Employer shall further elect between the various investment strategies offered and the Trustee, in accordance with Article IV, shall have absolute discretion over the investment of the Assets held in such subaccount under the Employer's Agency Account. If the Employer elects a directed investment approach for a subaccount, the Trustee shall direct the investment of the Assets of such subaccount under the Employer's Agency Account in accordance with the direction provided by such Employer.

5.2 Trustee Fees

As may be agreed upon, in writing, between the Plan Administrator and Trustee, the Trustee will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties with respect to the applicable Agency Account or the Trust.

5.3 Contributions

Eligible Employees are not permitted to make contributions to the Trust. The Plan Administrator shall, on behalf of the Employer, make all contributions to the Trustee. Such contributions shall be in cash unless the Trustee agrees to accept a contribution that is not in cash. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of this Trust Agreement. The Trustee shall not have any duty to determine or inquire whether any contributions

to the Trust made to the Trustee by any Plan Administrator are in compliance with the Employer's Pension Plan or OPEB Plan; nor shall the Trustee have any duty or authority to compute any amount to be paid to the Trustee by any Plan Administrator; nor shall the Trustee be responsible for the collection or adequacy of the contributions to meet an Employer's Pension Obligation or OPEB Obligation. The contributions received by the Trustee from each Employer shall be held and administered pursuant to the terms hereof without distinction between income and principal.

5.4 Records

(a) The Trustee shall maintain accurate records and detailed accounts of all investments, receipts, disbursements and other transactions hereunder at the Trust level. Such records shall be available at all reasonable times for inspection by the Trust Administrator. The Trustee shall, at the direction of the Trust Administrator, submit such valuations, reports or other information as the Trust Administrator may reasonably require.

(b) The Assets of the Trust shall be valued at their fair market value on the date of valuation, as determined by the Trustee based upon such sources of information as it may deem reliable; provided, however, that the Plan Administrator shall instruct the Trustee as to valuation of assets which are not readily determinable on an established market. The Trustee may rely conclusively on such valuations provided by the Plan Administrator and shall be indemnified and held harmless by the Employer with respect to such reliance. If the Plan Administrator fails to provide such values, the Trustee may take whatever action it deems reasonable, including employment of attorneys, appraisers or other professionals, the expense of which will be an expense of administration of the Trust. Transactions in the account involving such hard to value assets may be postponed until appropriate valuations have been received and Trustee shall have no liability therefore.

5.5 Statements

(a) Periodically as specified, and within sixty days after December 31, or the end of the Trust's fiscal year if different, Trustee shall render to the Trust Administrator as directed, a written account showing in reasonable summary the investments, receipts, disbursements and other transactions engaged in by the Trustee during the preceding fiscal year or period with respect to the Trust. Such account shall set forth the assets and liabilities of the Trust valued as of the end of the accounting period.

(b) The Trust Administrator may approve such statements either by written notice or by failure to express objections to such statements by written notice delivered to the Trustee within 90 days from the date the statement is delivered to the Trust Administrator. Upon approval, the Trustee shall be released and discharged as to all matters and items set forth in such statement as if such

account had been settled and allowed by a decree from a court of competent jurisdiction.

5.6 Wire Transfers

The Trustee shall follow the Plan Administrator's, Delegatee's, or Trust Administrator's wire transfer instructions in compliance with the written security procedures provided by the party providing the wire transfers. The Trustee shall perform a telephonic verification to the Plan Administrator, Trust Administrator, or Delegatee, or such other security procedure as selected by the party providing wire transfer directions, prior to wiring funds or following facsimile directions as Trustee may require. The Plan Administrator assumes the risk of delay of transfer if Trustee is unable to reach the Plan Administrator, or in the event of delay as a result of attempts to comply with any other security procedure selected by the directing party.

5.7 Exclusive Benefit

The Assets of an Employer's Agency Account shall be held in trust for the exclusive purpose of funding the Employer's OPEB Obligation or Pension Obligation or both and defraying the reasonable expenses associated with the same and shall not be used for or diverted to any other purpose. No party shall have authority to use or divert the Assets of an Agency Account of an Employer for the satisfaction of any other Employer's Pension Obligation or OPEB Obligation or any other Employer's expenses.

5.8 Delegation of Duties

The Plan Administrator, Delegatee, or Trust Administrator, may at any time retain the Trustee as its agent to perform any act, keep any records or accounts and make any computations that are required of the Plan Administrator, Delegatee or Trust Administrator by this Trust Agreement or by the Plan. The Trustee may be compensated for such retention and such retention shall not be deemed to be contrary to this Trust Agreement.

5.9 Distributions

(a) The Trustee shall, from time to time, upon the written direction of the Plan Administrator or Delegatee, make distributions from the Assets of the Trust under the OPEB Account to the insurers, third party administrators, service providers or other entities providing benefits or services under the OPEB Plan, or to Eligible Employees and Eligible Beneficiaries for reimbursement of OPEB Plan premiums (or other payments for OPEB Plan benefits) paid by the Eligible Employee or Eligible Beneficiary, or to the Employer for reimbursement of OPEB Plan benefits and expenses paid by the Employer, in such manner in such form(s), in such amounts and for such purposes as may be specified in such directions.

(b) In addition, the Trustee shall, from time to time, upon the written direction of the Plan Administrator or Delegatee, make distributions from the Assets of the Trust under the Pension Account directly to (i) the Qualified Trust as employer contributions, (ii) any insurers, third party administrators, service providers or other entities providing services in connection with determining the Employer's Pension Obligation, or (iii) the Employer as reimbursement for the Employer's payment of amounts described in this Section 5.9(b)(i) and (ii).

(c) In no event shall the Trustee have any responsibility respecting the application of distributions from the Assets of the Trust, or for determining or inquiring into whether such distributions are in accordance with the Employer's OPEB Plan, Pension Plan, policies, or applicable collective bargaining agreements.

ARTICLE VI

FIDUCIARY RESPONSIBILITIES

6.1 More Than One Fiduciary Capacity

Any one or more of the fiduciaries with respect to the Trust Agreement or the Trust may, to the extent required thereby or as directed by the Plan Administrator pursuant to this Trust Agreement, serve in more than one fiduciary capacity with respect to the Trust Agreement and the Trust.

6.2 Fiduciary Discharge of Duties

Except as otherwise provided by applicable law, each fiduciary shall discharge such fiduciary's duties with respect to the Trust Agreement and the Trust:

(a) solely in the interest of the Eligible Employees and for the exclusive purpose of funding the Employer's OPEB Obligation or Pension Obligation or both and defraying the reasonable expenses associated with the same; and

(b) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

6.3 Limitations on Fiduciary Responsibility

To the extent allowed by the laws of the state of each Employer:

No fiduciary shall be liable with respect to a breach of fiduciary duty by any other fiduciary if such breach was committed before such party became a fiduciary or after such party ceased to be a fiduciary.

No fiduciary shall be liable for a breach by another fiduciary except as provided by law.

No fiduciary shall be liable for carrying out a proper direction from another fiduciary, including refraining from taking an action in the absence of a proper direction from the other fiduciary possessing the authority and responsibility to make such a direction, which direction the fiduciary in good faith believes to be authorized and appropriate.

6.4 Indemnification of Trustee by Employer

The Trustee shall not be liable for, and Employer shall (to the extent allowed by the laws of the state of each Employer) indemnify, defend (as set out in Section 6.8 of this Trust Agreement), and hold the Trustee (including its officers, agents, employees and attorneys) and other Employers harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Employer's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.5 Indemnification of Employer by Trustee

The Employer shall not be liable for, and Trustee shall (to the extent allowed by the laws of the state of each Employer) indemnify, defend (as set out in Section 6.8 of this Trust Agreement), and hold the Employer (including its officers, agents, employees and attorneys) and other Employers harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.6 Indemnification of Trustee by Trust Administrator

The Trustee shall not be liable for, and Trust Administrator shall (to the extent allowed by the laws of the state of each Employer) indemnify and hold the Trustee (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trust Administrator's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.7 Indemnification of Trust Administrator by Trustee

The Trust Administrator shall not be liable for, and Trustee shall (to the extent allowed by the laws of the state of each Employer) indemnify and hold the Trust

Administrator (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.8 Indemnification Procedures

Promptly after receipt by an indemnified party of notice or receipt of a claim or the commencement of any action for which indemnification may be sought, the indemnified party will notify the indemnifying party in writing of the receipt or commencement thereof. When the indemnifying party has agreed to provide a defense as set out above that party shall assume the defense of such action (including the employment of counsel, who shall be counsel reasonably satisfactory to such indemnitee) and the payment of expenses, insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the indemnifying party. Any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the indemnifying party unless (i) the employment of such counsel has been specifically authorized by the indemnifying party or (ii) the named parties to any such action (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. The indemnifying party shall not be liable to indemnify any person for any settlement of any such action effected without the indemnifying party's consent. The indemnification procedures of this Trust Agreement shall survive the termination of the Trust, any Employer's participation in the Trust and/or this Trust Agreement.

6.9 No Joint and Several Liability

This document is not intended to and does not create any joint powers agreement or any joint and several liability. No Employer shall be responsible for any contributions, costs or distributions of any other Employer.

ARTICLE VII

AMENDMENT, TERMINATION AND MERGER

7.1 No Contractual Obligation

An Employer's participation in the Trust does not create, and is not intended to create, any contractual obligation to Eligible Employees. Therefore, no Employer is contractually obligated to Eligible Employees solely due to its participation in

the Trust to continue providing benefits under its Pension Plan or OPEB Plan or to make contributions to the Trust.

7.2 Amendment of Trust

(a) The Trust Agreement may be amended only by the approval of two-thirds (2/3) or more of the Employers then participating in the Trust. Any such amendment by the Employers shall be set forth in an instrument in writing and shall be delivered to the Trustee, the Trust Administrator and all Plan Administrators not less than one hundred and eighty (180) days before the effective date of such amendment; provided, however, that any party may waive in writing such 180-day requirement with respect to any amendment (and such waiver shall not constitute a waiver with respect to any other amendment); and provided, further, that a waiver in writing of such 180-day requirement by two-thirds (2/3) or more of the Plan Administrators of the Employers participating in the Trust as of the date the amendment is adopted shall constitute a waiver of such 180-day requirement by all of the Employers then participating in the Trust. In addition, the Trust Administrator or the Trustee shall have the right to amend this Trust Agreement from time to time (without the requirement of a vote of Employers) solely for the purpose of keeping the Trust Agreement in compliance with the Code and applicable state law. Any such amendment by the Trust Administrator or the Trustee shall be set forth in an instrument in writing and shall be delivered to the Trustee, the Trust Administrator and all Plan Administrators promptly as each is made.

(b) Any amendment of the Trust Agreement may be current, retroactive or prospective, provided, however, that no amendment shall:

- (1) Cause the Assets of any Agency Account to be used for or diverted to purposes other than for the exclusive purpose of funding the Employer's OPEB Obligation or Pension Obligation or both and defraying the reasonable expenses associated with the same.
- (2) Permit the Assets of any Agency Account to be used for the benefit of any other Employer.

7.3 Termination of Employer's Obligation to Provide Pension Benefits or OPEB

A termination of the Employer's obligation to provide benefits under the Employer's Pension Plan or OPEB Plan for which the Employer's Agency Account was established shall not, in itself, effect a termination of the Agency Account. Upon a termination of the Employer's obligation to provide benefits under its Pension Plan or OPEB Plan, the Assets of the Employer's Pension Account or OPEB Account, as applicable, will be distributed by the Trustee when directed by the Plan Administrator in accordance with this Section 7.3. From and after the date of such termination and until final distribution of all Assets under the Employer's Agency Account, the Trustee shall continue to have all the powers

provided herein as are necessary or expedient for the orderly liquidation and distribution of such Assets, and the Agency Account shall continue until the Assets have been completely distributed. Any Assets remaining in the Pension Account or OPEB Account will be used first to satisfy any remaining Pension Obligation or OPEB Obligation, respectively, pursuant to the Employer's Pension Plan or OPEB Plan (to the extent that such distribution constitutes the exercise of an "essential governmental function" within the meaning of Section 115 of the Code) and to satisfy any of such Employer's obligations under this Trust Agreement. Any Assets remaining in the Employer's Pension Account or OPEB Account (as applicable) after giving effect to the preceding sentence will be paid to the Employer to the extent permitted by law and consistent with the requirements of Section 115 of the Code.

7.4 Fund Recovery Based on Mistake of Fact

Except as hereinafter provided or in accordance with Section 7.3, the Assets of the Trust shall never inure to the benefit of the Employer. The Assets shall be held for the exclusive purpose of funding the Employer's OPEB Obligation or Pension Obligation or both and defraying the reasonable expenses associated with the same. However, in the case of a contribution which is made by an Employer because of a mistake of fact, that portion of the contribution relating to the mistake of fact (exclusive of any earnings or losses attributable thereto) may be returned to the Employer, provided such return occurs within two (2) years after discovery by the Employer of the mistake. If any repayment is payable to the Employer, then, as a condition to such repayment, and only if requested by Trustee, the Employer shall execute, acknowledge and deliver to the Trustee its written undertaking, in a form satisfactory to the Trustee, to indemnify, defend and hold the Trustee harmless from all claims, actions, demands or liabilities arising in connection with such repayment.

7.5 Termination of Trust

(a) The Trust and this Trust Agreement may be terminated by the unanimous agreement of all Employers, which action must be in writing and delivered to the Trustee and Trust Administrator. Upon termination of the Trust under this Section 7.5(a), the Assets of each Employer's Pension Account or OPEB Account, as applicable, will be distributed by the Trustee when directed by the Plan Administrator in accordance with this Section 7.5(a). From and after the date of such termination and until final distribution of all Assets under each Employer's Agency Account, the Trustee shall continue to have all the powers provided herein as are necessary or expedient for the orderly liquidation and distribution of such Assets, and the Agency Account shall continue until the Assets have been completely distributed. Any Assets remaining in the Pension Account or OPEB Account will be used first to satisfy any remaining Pension Obligation or OPEB Obligation, respectively, pursuant to the Employer's Pension Plan and OPEB Plan (to the extent that such distribution constitutes the exercise of an "essential governmental function" within the meaning of Section 115 of the Code) and to

satisfy any of such Employer's obligations under this Trust Agreement. Any Assets remaining in the Employer's Pension Account or OPEB Account (as applicable) after giving effect to the preceding sentence will be paid to the Employer to the extent permitted by law and consistent with the requirements of Section 115 of the Code.

(b) Contributions to the Trust are conditioned on initial qualification of the Trust under Section 115 of the Code. If the Trust receives an adverse determination with respect to its initial qualification, then the Trust and this Trust Agreement will automatically terminate without any action by any Employer or other parties. After such termination, the Assets of each Employer's Pension Account or OPEB Account, as applicable, will be returned by the Trustee to the Employer as directed by the Plan Administrator in accordance with this Section 7.5(b) to the extent permitted by law and consistent with the requirements of Section 115 of the Code. This Section 7.5(b) will cease to apply upon the Trust's receipt of a favorable determination with respect to its initial qualification.

(c) The Trust and this Trust Agreement may be terminated only as described in this Section 7.5. In no case will the assets of the Trust be distributed on termination to an entity that is not a state, a political subdivision of a state or an entity the income of which is excluded from gross income under Section 115 of the Code.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 Nonalienation

Eligible Employees do not have an interest in the Trust. Accordingly, the Trust shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of an Eligible Employee or any other party. Trust Assets shall not be subject to the claims of any Employer or the claims of its creditors.

8.2 Saving Clause

In the event any provision of this Trust Agreement is held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of the Trust Agreement, but this instrument shall be construed and enforced as if said provision had never been included.

8.3 Applicable Law

This Trust Agreement and the Trust shall be construed, administered and governed under the Code and the law of the State of California. To the extent any

of the provisions of this Trust Agreement are inconsistent with the Code or applicable state law, the provisions of the Code or state law shall control. In the event, however, that any provision is susceptible to more than one interpretation, such interpretation shall be given thereto as is consistent with the Trust Agreement being a tax-exempt trust within the meaning of the Code.

8.4 Joinder of Parties

In any action or other judicial proceedings affecting this Trust Agreement, it shall be necessary to join as parties only the Trustee, the Plan Administrator or Delegatee. No participant or other persons having an interest in the Trust or any Agency Account shall be entitled to any notice or service of process unless otherwise required by law. Any judgment entered in such a proceeding or action shall be binding on all persons claiming under this Trust Agreement; provided, however, that nothing in this Trust Agreement shall be construed as to deprive a participant of such participant's right to seek adjudication of such participant's rights under applicable law.

8.5 Employment of Counsel

The Trustee may consult with legal counsel (who may be counsel for the Trustee, the Trust Administrator or any Employer) with respect to the interpretation of this Agreement or the Trustee's duties hereunder or with respect to any legal proceedings or any questions of law and shall be entitled to take action or not to take action in good faith reliance on the advice of such counsel and charge the Trust and, as applicable, one or more Agency Accounts.

8.6 Gender and Number

Words used in the masculine, feminine or neuter gender shall each be deemed to refer to the other whenever the context so requires; and words used in the singular or plural number shall each be deemed to refer to the other whenever the context so requires.

8.7 Headings

Headings used in this Trust Agreement are inserted for convenience of reference only and any conflict between such headings and the text shall be resolved in favor of the text.

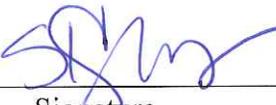
8.8 Counterparts

This Trust Agreement may be executed in an original and any number of counterparts by the Plan Administrator (executing an Adoption Agreement), the Trust Administrator and the Trustee, each of which shall be deemed to be an original of the one and the same instrument.

IN WITNESS WHEREOF, the Plan Administrator (by executing the Adoption Agreement), the Trustee and the Trust Administrator have executed this Trust Agreement by their duly authorized agents on the Effective Date.

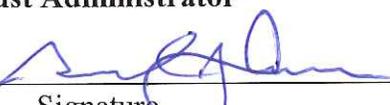
U.S. BANK NATIONAL ASSOCIATION

“Trustee”

By: 
Signature
Susan M. Hughes
Typed or printed name
Its: Vice President & Relationship Manager

**PUBLIC AGENCY
RETIREMENT SERVICES**

“Trust Administrator”

By: 
Signature
Daniel Johnson
Typed or printed name
Its: President

ATTACHMENT 5

**PUBLIC AGENCIES
POST-EMPLOYMENT HEALTH CARE PLAN
MASTER PLAN DOCUMENT**

(Effective as of November 5, 2014)

INTRODUCTION

The Employer specified in the Adoption Agreement has adopted this qualified governmental post-employment health care plan (“OPEB Plan”) for the benefit of its Eligible Employees. The plan document for the OPEB Plan consists of this Master Plan Document plus the Adoption Agreement. Assets of the OPEB Plan are held under a trust (the “Trust”) evidenced by a trust agreement (the “Trust Agreement”). Each Employer’s separate portion of the Trust dedicated to funding the Employer’s OPEB Obligation and defraying the reasonable expenses associated with the same is referred to as the Employer’s “OPEB Account.” Capitalized terms that are not defined herein shall have the meaning attributed to such terms in the Trust Agreement.

The Trust is established with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Code and any regulations issued thereunder and as a tax-exempt trust under the provisions of the relevant state’s statutory provisions of each Employer. It is intended that contributions to the Employer’s OPEB Account shall qualify as “plan assets” within the meaning of GASB Statement No. 45 (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions). At any time prior to the satisfaction of all liabilities with respect to Eligible Employees under an Employer’s OPEB Account, the OPEB Account assets shall not be used for, or diverted to, any purpose other than funding the Employer’s OPEB Obligation and defraying the reasonable expenses associated with the same.

ARTICLE I

PLAN AND TRUST INFORMATION

1.1 Plan Name.

The name of the OPEB Plan adopted by the Employer is the Public Agencies Post-Employment Health Care Plan.

1.2 Effective Date.

The OPEB Plan is effective as of the date set forth in Section A.3.1.2 of the Adoption Agreement. If this OPEB Plan is a restatement of an existing plan, that date is also the effective date of the restatement.

1.3 Plan Year.

The plan year for the OPEB Plan shall be the consecutive twelve-month period beginning on January 1 and ending on December 31.

ARTICLE II

EMPLOYER INFORMATION

2.1 Employer.

The name and address of the Employer sponsoring this OPEB Plan (the "Employer") are as set forth in Section A.2.1 of the Adoption Agreement. The Adoption Agreement can only be used by a governmental agency that is a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Code to establish a plan.

ARTICLE III

ELIGIBLE EMPLOYEES

3.1 Eligible Persons

Each employee of the Employer who is or becomes eligible for post-employment health care and welfare benefits as specified in such Employer's applicable policies and/or applicable collective bargaining agreements is an Eligible Employee under this OPEB Plan. In addition, any person who, due to his or her relationship with the Eligible Employee, is entitled to post-employment health care and welfare benefits as specified in the Employer's applicable policies and/or collective bargaining agreement, is an Eligible Beneficiary under this OPEB Plan.

3.2 Termination of Eligible Status

An Eligible Employee or Eligible Beneficiary shall cease to be an Eligible Employee or Eligible Beneficiary as specified in the Employer's applicable policies and/or applicable collective bargaining agreements.

ARTICLE IV

CONTRIBUTIONS

4.1 Amount of Member Agency Contributions

Eligible Employees and Eligible Beneficiaries are not permitted to make contributions to the Trust, provided however, that nothing herein shall be deemed to (i) prevent the Employer from imposing a charge (including, without limitation, a payroll deduction) for coverage under the OPEB Plan, or (ii) prevent the Employer from depositing the proceeds of any such charge to the Trust (provided that such deposit shall be considered an Employer contribution and shall not be segregated within Employer's OPEB Account from any other Employer contributions). Each Employer shall from time-to-time contribute to its OPEB Account an amount determined by such Employer in its sole discretion. Such amount may, but need not, equal such Employer's "annual required contribution" ("ARC") as determined in accordance with GASB 45.

4.2 Administrative Expenses

The Employer may make contributions to its OPEB Account sufficient to defray all or part of the expenses of administering the OPEB Plan or may pay such expenses directly.

4.3 Allocation of Administrative Expenses

If the Employer chooses not to directly pay the expenses of administering this OPEB Plan, such expenses shall be charged against the OPEB Account for such Employer.

4.4 Reversions

The Employer shall have the right to a return of contributions from this OPEB Plan only if the conditions for such return set forth in the Trust Agreement are satisfied.

ARTICLE V

DISTRIBUTION OF BENEFITS

5.1 Payment of Distribution

Distribution shall only be made to the insurers, third party administrators, service providers, or other entities providing benefits or services under the OPEB Plan, or to Eligible Employees and Eligible Beneficiaries for reimbursement of OPEB Plan premiums (or other payments for OPEB Plan benefits) paid by the Eligible Employee or Eligible Beneficiary, or to the Employer for the reimbursement of OPEB Plan benefits and expenses paid by the Employer. The Plan Administrator or its Delegatee shall provide instructions to the Trustee regarding how distributions and reimbursements are to be made.

ARTICLE VI

FUNDING AND INVESTMENT

6.1 Funding and Investment

The assets of the OPEB Plan shall be held in the OPEB Account of each Employer. In Section A.4.2.1 of the Adoption Agreement, each Employer shall elect between a discretionary or directed investment approach. If the Employer elects a discretionary investment approach, the Employer shall further elect between the various investment strategies offered in the investment strategy selection and disclosure form. If the Employer elects a directed investment approach, the Employer, in accordance with the Trust Agreement, shall have absolute discretion over the investment of the assets of its OPEB Account.

6.2 Type and Nature of Plan and Trust

Neither the faith and credit nor the taxing power of each Employer is pledged to the distribution of benefits hereunder. Except for contributions, earnings and other amounts held in the Trust, no amounts are pledged to the distribution of benefits hereunder. Distributions of benefits are neither general nor special obligations of the Employer, but are payable solely from contributions, as more fully described herein. No employee of any Employer or any other person may compel the exercise of the taxing power by the Employer. Distributions of benefits are not a debt of the Employer within the meaning of any constitutional or statutory limitation or restriction. Distributions are not a legal or equitable pledge, charge, lien or encumbrance, upon any of the Employer's property, or upon any of its income, receipts or revenues.

ARTICLE VII

ADMINISTRATION, AMENDMENT AND TERMINATION OF PLAN

7.1 Designation of Plan Administrator

In Section A.2.2 of the Adoption Agreement, the Employer shall provide the name of the Plan Administrator that has been duly authorized and designated by the governing body of the Employer to act on its behalf in all matters pertaining to the OPEB Plan and the Trust pursuant to Section 3.4 of the Trust Agreement. If no name is provided, the Employer is the Plan Administrator. In addition to a Plan Administrator the Employer may designate a Delegatee to perform those activities relating to the OPEB Plan as specified in the written appointment of such Delegatee certified to the Trust Administrator. Except where the context requires otherwise, the term "Employer" as used in this Article shall mean the Plan Administrator or Delegatee where responsibility for administration of the OPEB Plan has been given to such parties.

7.2 Rules and Regulations

The Employer has full discretionary authority to supervise and control the operation of this OPEB Plan in accordance with its terms and may make rules and regulations for the administration of this OPEB Plan that are not inconsistent with the terms and provisions hereof. The Employer shall determine any questions arising in connection with the interpretation, application or administration of the OPEB Plan (including any question of fact relating to age, employment, compensation or eligibility of Eligible Employees or Eligible Beneficiaries) and its decisions or actions in respect thereof shall be conclusive and binding upon all persons and parties.

The Employer shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

- (a) To determine all questions relating to an Eligible Employee's or Eligible Beneficiary's eligibility;
- (b) To construe and interpret the terms and provisions of the OPEB Plan;
- (c) To compute, certify to, and direct the Trustee with regard to the amount and kind of benefits payable to health care providers;
- (d) To authorize all disbursements from its OPEB Account;
- (e) To maintain all records that may be necessary for the administration of the OPEB Plan other than those maintained by the Trustee; and
- (f) To appoint a Plan Administrator or, any other agent, and to delegate to them or to the Trustee such powers and duties in connection with the administration of the OPEB Plan as it may from time to time prescribe.

Expenses and fees incurred in connection with the administration of the OPEB Plan and the Trust shall be paid from the Trust assets to the fullest extent permitted by law, unless the Employer determines otherwise. The Employer may elect to make contributions to its OPEB Account sufficient to defray the expenses of administering the OPEB Plan or may pay such expenses directly.

7.3 Amendment and Termination

The Employer shall have the right to amend, modify or terminate the OPEB Plan at any time. If an Employer terminates the OPEB Plan, the Assets held in its OPEB Account shall be distributed by the Trustee as provided in Section 7.3 of the Trust Agreement.

ARTICLE VIII

MISCELLANEOUS

8.1 Nonalienation

An Eligible Employee or Eligible Beneficiary does not have any interest in the OPEB Plan or the Assets held in the Trust. Accordingly, the Trust shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of an Eligible Employee, Eligible Beneficiary or any other party.

8.2 Investment

All contributions, interest earned, and any assets of the OPEB Plan shall at all times be invested and managed in accordance with the Trust Agreement and the requirements of applicable law.

8.3 Parties to the Plan

Eligible Employees, Eligible Beneficiaries and unions of each Employer are not parties to this OPEB Plan. The OPEB Plan is only a funding source for such Employer's post-employment health care and welfare benefits and does not increase the rights of any Eligible Employee, Eligible Beneficiary or union.

8.4 Confidential Medical Information

Each Employer and its health care providers or other service providers shall not share confidential medical information regarding employees of the Employer with the OPEB Plan, the Trustee, or the Trust Administrator.

ATTACHMENT 6

ADOPTION AGREEMENT
for the
POST-EMPLOYMENT SECTION 115 TRUST

A.1.1. Trust agreement with U.S. Bank National Association (the “Bank”) (the “Trust Agreement”):

Post-Employment Section 115 Trust. Public Agencies Post-Employment Benefits—Trust Agreement, effective November 5, 2014

A.1.2. OPEB Plan: Public Agencies Post-Employment Health Care Plan

The plan document for the OPEB Plan is the Public Agencies Post-Employment Health Care Plan—Master Plan Document, effective as of November 5, 2014 (the “Plan Document”).

A.1.3. Pension Plan: _____

A.1.4. Pension Plan’s effective date: _____

(Check if applicable) Additional Pension Plans (and their respective effective dates) are listed on an exhibit attached hereto.

A.2.1. Employer:

Name: _____

U.S. mail address: _____

Phone number: _____

EIN: _____

Fiscal year end: _____

A.2.2. Plan Administrator:

Position at Employer: _____

Incumbent: _____

U.S. mail address: _____

Phone number: _____

Email address: _____

A.3.1 **Adoption.** The Employer hereby:

A.3.1.1. Adopts the Trust Agreement as part of the (*Check one or both of the following boxes.*):

- OPEB Plan
- Pension Plan

(each such plan separately, the “Plan”) and agrees to be bound by the Trust Agreement’s terms, effective as of the Employer’s signature date below and subject to the investment approach selected below.

A.3.1.2. *The following provisions apply if and only if the **OPEB Plan** box above is checked:* (i) Adopts the Plan Document and agrees to be bound by the Plan Document’s terms, effective as of the Employer’s signature date below and (ii) acknowledges that the determination of Eligible Employees and Eligible Beneficiaries is finally and conclusively made by the Employer according to the Employer’s applicable policies and collective bargaining agreements and without reference to the Trust Agreement.

A.3.1.3. Ratifies, affirms, and approves Employer’s appointment of Phase II Systems as Trust Administrator and represents and warrants that attached hereto is a fully-executed original of Employer’s Agreement for Administrative Services with Phase II Systems, d/b/a Public Agency Retirement Services (PARS).

A.3.1.4. Agrees that capitalized terms used herein but not defined herein shall have the same meaning attributed to them as in the Trust Agreement or Plan Document, as the case may be.

A.4.1. The Employer hereby represents and warrants that:

A.4.1.1. **Authorizing Law.** Employer has reviewed with its legal counsel and has determined that Employer is authorized to establish and maintain the Plan and to establish a financial-institution trust (separate and apart from the state) for the Plan, including the authority to adopt the Trust Agreement.

A.4.1.2. **Authorizing Resolution.** Attached hereto is a certified copy of a resolution of the Employer’s governing body authorizing the adoption of the Trust Agreement as part of the Plan and authorizing the appointment of the Plan Administrator designated by position of employment at the Employer to act on the Employer’s behalf in all matters relating to the trust.

A.4.1.3. **Tax Status.** The Plan is a “governmental plan” as defined in Section 414(d) of the Internal Revenue Code of 1986, as amended; is a “Section 401(a)(24) governmental plan” as defined in Revenue Ruling 2011-1; and is not subject to Federal income taxation. The Plan’s governing document expressly provides that it is irrevocably impossible for any part of the corpus or income of the Plan to be used for, or diverted to, purposes other than for the exclusive benefit of the Plan participants and their beneficiaries. The Pension Plan is a qualified plan under Code Section 401(a). (In addition, the Employer hereby acknowledges that the Plan is prohibited from assigning any part of its equity or interest in the trust.)

A.4.2. Investment Approach.

4.2.1. *The following provisions apply if and only if the **OPEB Plan** box above is checked:*
OPEB Account. OPEB Account assets are invested in the discretion of (*check one and only one of the following boxes*):

Discretionary investment approach:

- The Bank, subject to **Exhibit A (Investment Strategy Selection and Disclosure Form)** hereto.

Directed investment approach:

- The Plan Administrator.
- The following registered investment adviser, bank (other than the Bank), or insurance company (a "Third-Party Manager):

_____. The Employer hereby represents and warrants that attached hereto is an executed copy of the agreement with the above appointed Third Party Manager.

4.2.2. *The following provisions apply if and only if the **Pension Plan** box above is checked:*
Pension Account. Pension Account assets are invested in the discretion of (*check one and only one of the following boxes*):

Discretionary investment approach:

- The Bank, subject to **Exhibit A (Investment Strategy Selection and Disclosure Form)** hereto.

Directed investment approach:

- The Plan Administrator.
- The following registered investment adviser, bank (other than the Bank), or insurance company (a "Third-Party Manager):

_____. The Employer hereby represents and warrants that attached hereto is an executed copy of the agreement with the above appointed Third Party Manager.

[signature page follows]

EMPLOYER

By: _____

Its: _____

Date: _____

Accepted by:

**PHASE II SYSTEMS, DBA PUBLIC AGENCY
RETIREMENT SERVICES (PARS)**

By: _____
Daniel Johnson

Its: President

Date: _____

U.S. BANK NATIONAL ASSOCIATION

By: _____
Susan M. Hughes

Its: Vice President and Relationship Manager

Date: _____

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

August 20, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: AWARD CONSTRUCTION CONTRACT AND PROFESSIONAL SERVICES
DURING CONSTRUCTION FOR THE ENCINITAS RANCH RECYCLED
WATER EXPANSION PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to award the base bid construction contract to Burtech Pipeline for an amount of \$1,225,000;
2. Authorize the General Manager to award the Schedule B Optional bid for an amount up to \$343,000 subject to the General Manager's discretion after discussion with HOA;
3. Authorize the General Manager to award the Pumping System equipment to Hidden Valley Pump for an amount of \$73,000;
4. Authorize the General Manager to amend the professional services agreement with Dudek for engineering services during construction for an amount of \$55,520;
5. Authorize the General Manager to amend the professional services agreement with Black and Veatch to increase project inspection for an amount of \$41,393;
6. Authorize the General Manager to enter into agreement with the Encinitas Ranch Community Association and San Dieguito Water District for recycled water service and infrastructure cost sharing; and
7. Discuss and take action as appropriate.

BACKGROUND

In 2015, the SEJPA submitted the Coastal Conservation 101 Project to be considered for a Proposition 84, Round 4, Integrated Regional Water Management grant. Project partners included the Cities of Encinitas and Solana Beach, San Dieguito Water District, Santa Fe

Irrigation District, Olivenhain Municipal Water District, and the San Elijo Lagoon Conservancy. The project was selected to receive a \$2.5 million grant in January 2016 to expand recycled water service, implement urban runoff pollution control, conduct water quality monitoring associated with the San Elijo Lagoon, and provide educational outreach activities. The project title was renamed by the grant administrator to the Integrated Water Resource Solutions for Carlsbad Watershed (Integrated Solutions Project).

The Integrated Solutions Project includes recycled water pipeline expansions in both the Cities of Encinitas and Solana Beach to conserve potable water. The Solana Beach pipeline was completed in late 2016, and recycled water conversions are currently in progress. For the City of Encinitas, expansion of recycled water service is focused within the Encinitas Ranch area, as well as potentially serving HOA's along Requeza Street. The Encinitas Ranch Recycled Water Expansion project includes approximately 7,000 linear feet of new pipeline and a small booster pump station. This project will serve agricultural, HOA green belts and open space, and city trails. It is anticipated to offset approximately 45 acre-feet per year, or roughly 14.6 million gallons annually, of potable water consumption. The Requeza Street work is subject to the commitment of the HOA's to convert to recycled water. The General Manager is currently working with the San Dieguito Water District and HOA's located along Requeza Street to determine if there is adequate use commitment to justify construction.

The SEJPA and the Encinitas Ranch Community Association (ERCA) developed a cost sharing agreement for the booster pump station. Staff presented the draft terms of the negotiations for the cost sharing agreement to the Board of Directors at the May 2016 Board meeting. An updated copy of the agreement is attached to this report for approval consideration. The pump station will be located adjacent to the pipeline alignment at the Encinitas Ranch Golf Course, and it's designed to be obscured from sight and provide suitable access for maintenance. The Encinitas Ranch Golf Authority (ERGA) Board approved an easement for the pump station at the June 2018 ERGA Board meeting.

DISCUSSION

Staff received five construction bids for the Encinitas Ranch Recycled Water Expansion Project, as shown in the table below. The bids were reviewed by staff and the engineer for responsiveness to bid requirements. The engineer, Dudek, also conducted experience and reference verification as detailed in the attached bid analysis memorandum. The award determination is based on the lowest base bid, which is only for the Encinitas Ranch project element. The Requeza work is an optional bid item, awarded at the discretion of the SEJPA. Based on the review of the lowest base bid, staff recommends award of the project to Burtech Pipeline.

Company	Base Bid Price	Schedule B - Optional	Total
Burtech Pipeline, Inc.	\$1,225,000	\$343,000	\$1,568,000
SC Valley Engineering, Inc.	1,761,000	334,600	2,095,600
James W. Fowler Co.	1,785,000	238,502	2,023,502
Ahrens Mechanical	2,937,000	846,500	3,783,500
Wier Construction Corporation	3,116,280	872,100	3,988,380

Table 1. Construction Bid Results

In addition, staff issued a Request for Bids for pre-purchasing the package pump equipment system for the booster pump station. The purpose for pre-purchasing the equipment, which is considered a long-lead item, is to reduce the construction schedule duration. Three firms provided bids on the equipment and staff recommends award of the project to Hidden Valley Pump for an amount of \$73,000.

Company	Bid Price
Hidden Valley Pump	\$73,000
Barrett Engineered Pumps	97,355
SC Valley Engineering, Inc.	105,515

Table 2. Pump Equipment Bid Results

The project will require support from the engineer of record (Dudek) during construction. The scope of work will include performing material and equipment submittal reviews, responding to design questions and resolving design conflicts, attending construction meetings, and issuing final record drawings. Staff recommends a contract amendment to the current Dudek professional services contract for the performance of these tasks for an amount not to exceed \$55,520.

Based on the potential complexity of this project with coordination through narrow streets, and the proposed short timeline to complete the project, staff requested a proposal from Black & Veatch for additional inspection efforts to nearly full-time. The contract amendment would increase the total contract price by \$41,393 to \$208,163 for Construction Management and Inspection Services.

FINANCIAL IMPACT

The lowest construction bid for the project is \$1,568,000 (including base bid and optional Schedule B). The negotiated fee for engineering support during construction is \$55,520. The revised total for full time CM inspection is \$208,163. Staff also recommends including a contingency fund of \$383,100 (20% of project costs) to address potential unforeseen conditions that may be encountered during construction. The estimated cost to complete, based on current information, is \$2.3 million. The budgetary cost estimate for the project was \$2.5M.

Encinitas Ranch Recycled Water Expansion Project – Estimated Cost to Complete

Project Element	Estimated Cost
Construction Contract	\$ 1,568,000
Pump Equipment	73,000
Construction Management	208,163
Engineering Support Services	55,520
Public Outreach	11,000
Contingency (20% of Project Costs)	383,100
TOTAL	\$2,298,783
IRWM Grant Funds	(525,000)
Cost Share (End User Contributions)	(150,000)
SEJPA TOTAL	\$1,623,783

The SEJPA has adequate funding in its capital program for the project using funds available from the 2017 Clean Water Bond. The project will receive \$150,000 in infrastructure cost sharing from the end users. Also, upon successful completion of the project, grant funding of approximately \$525,000 will be received from the California Proposition 84, Integrated Regional Water Management grant program.

It is recommended that the Board of Directors:

1. Authorize the General Manager to award the base bid construction contract to Burtech Pipeline for an amount of \$1,225,000;
2. Authorize the General Manager to award the Schedule B Optional bid for an amount up to \$343,000 subject to the General Manager's discretion after discussion with HOA;
3. Authorize the General Manager to award the Pumping System equipment to Hidden Valley Pump for an amount of \$73,000;
4. Authorize the General Manager to amend the professional services agreement with Dudek for engineering services during construction for an amount of \$55,520;
5. Authorize the General Manager to amend the professional services agreement with Black and Veatch to increase project inspection for an amount of \$41,393;
6. Authorize the General Manager to enter into agreement with the Encinitas Ranch Community Association and San Dieguito Water District for recycled water service and infrastructure cost sharing; and
7. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

- Attachment 1: Dudek – Recommendation of Award Memorandum, August 10, 2018
- Attachment 2: Dudek – Proposal for Engineering Services during Construction for the Encinitas Ranch Recycled Water Expansion Project, July 24, 2018
- Attachment 3: Black and Veatch – Amendment letter for additional inspection services, August 13, 2018
- Attachment 4: Agreement for Providing Recycled Water Facilities and Service

MEMORANDUM

To: Mike Konicke - San Elijo Joint Powers Authority
From: Justin Scheidel - Dudek
Subject: Encinitas Ranch Recycled Water Expansion Project
Date: August 10, 2018

As requested by San Elijo Joint Powers Authority (SEJPA), the following is a recommendation of award for the Variable Speed Packaged Pumping System (No. SE2018-PPS) and the Encinitas Ranch Recycled Water Expansion Project (No. SE2018-ERCA).

To expedite the construction schedule the project was broken into two bid packages, the first for the supply of the booster pump package, and the second for the construction and installation of the pipeline and booster pump system.

The following bids were received from pump suppliers to provide the packaged booster pump station:

Hidden Valley Pump	\$73,000.00
Barrett Engineered Pumps	\$97,354.69
FlowNControl	\$105,515.00

The bid package for the construction of the pipeline and booster pump station included a base bid (Schedule A) for construction of the pipeline within Encinitas Ranch, and an optional bid schedule (Schedule B) for expansion of the recycled water system along Requeza Street. Award of the contract is solely based on the low bidder for Schedule A. The results are provided below:

Burtech Pipeline	\$1,225,000
SC Valley Engineering	\$1,761,000
James W. Fowler Co.	\$1,785,000
Ahrens Mechanical	\$2,937,000
Wier Construction Corp.	\$3,116,280

Dudek has evaluated the bidding documents from each contractor and checked licenses, bid bonds, and references of the apparent low bidders. Based on this information, Dudek recommends the following:

Memorandum

Subject: Encinitas Ranch Recycled Water Expansion Project Recommendation for Award

- Award of the Variable Speed Packaged Pumping System (SE2018-PPS) to Hidden Valley Pump for a total contract amount of **\$73,000 (seventy three thousand dollars)**.
- Award of the Encinitas Ranch Recycled Water Expansion Project (SE2018-ERCA) to Burtech Pipeline for a total contract amount of **\$1,225,000 (one million two hundred twenty five thousand dollars)**.

If SEJPA chooses to award Schedule B from Burtech Pipeline, at a total contract amount of \$343,000 (three hundred forty three thousand dollars), the complete construction contract would total \$1,568,000.

A full item breakdown of the bid results and the Engineer's estimate is provided as an attachment to this memorandum. If you have any questions regarding the information presented in this letter, please feel free to contact me at (760) 479-4102 or jscheidel@dudek.com.


Justin Scheidel, PE
Project Manager
Dudek

Project	Recycled Water BPS and Pipeline	Job No.	9769
Client	San Elijo JPA	Estimate by:	DUDEK & ASSOCIATES, INC
Location	Encinitas, CA	Job Status:	Bid Comparison
Date:	8/11/2018	Notes:	
Block:	1		

Item	Item Description	Qty	Unit	Engineers Estimate		Burtech Pipeline		SC Valley Engineering		James W. Fowler		Ahrens Mechanical		Wier Construction Corp.		Average		Min	
				\$/Unit	Net Cost \$	\$/Unit	Net Cost \$	\$/Unit	Net Cost \$	\$/Unit	Net Cost \$	\$/Unit	Net Cost \$	\$/Unit	Net Cost \$	\$/Unit	Net Cost \$	\$/Unit	Net Cost \$
1	General Requirements	1	LS	\$ 71,875	\$ 71,875	\$ 24,500	\$ 24,500	\$ 32,000	\$ 32,000	\$ 30,000	\$ 30,000	\$ 59,500	\$ 59,500	\$ 36,000	\$ 36,000	\$ 30,625	\$ 30,625	\$ 24,500	\$ 24,500
2	Mobilization/ Demobilization	1	LS	\$ 43,125	\$ 43,125	\$ 35,000	\$ 35,000	\$ 80,000	\$ 80,000	\$ 85,000	\$ 85,000	\$ 145,500	\$ 145,500	\$ 155,700	\$ 155,700	\$ 88,925	\$ 88,925	\$ 35,000	\$ 35,000
3	Excavation Safety Measures	1	LS	\$ 15,000	\$ 15,000	\$ 7,500	\$ 7,500	\$ 15,000	\$ 15,000	\$ 75,000	\$ 75,000	\$ 19,000	\$ 19,000	\$ 72,000	\$ 72,000	\$ 42,375	\$ 42,375	\$ 7,500	\$ 7,500
4	Site Work	1	LS	\$ 6,250	\$ 6,250	\$ 34,000	\$ 34,000	\$ 46,000	\$ 46,000	\$ 75,000	\$ 75,000	\$ 126,500	\$ 126,500	\$ 360,000	\$ 360,000	\$ 128,750	\$ 128,750	\$ 34,000	\$ 34,000
5	Booster Pump Station Construction	1	LS	\$ 66,500	\$ 66,500	\$ 187,000	\$ 187,000	\$ 310,000	\$ 310,000	\$ 183,000	\$ 183,000	\$ 859,100	\$ 859,100	\$ 90,000	\$ 90,000	\$ 192,500	\$ 192,500	\$ 90,000	\$ 90,000
6	Recycled Water Pipeline Construction	1	LS	\$ 1,030,021	\$ 1,030,021	\$ 790,000	\$ 790,000	\$ 1,170,000	\$ 1,170,000	\$ 1,200,000	\$ 1,200,000	\$ 1,576,000	\$ 1,576,000	\$ 2,317,560	\$ 2,317,560	\$ 1,369,390	\$ 1,369,390	\$ 790,000	\$ 790,000
7	Electrical Instrumentation and Controls	1	LS	\$ 126,181	\$ 126,181	\$ 105,000	\$ 105,000	\$ 80,000	\$ 80,000	\$ 130,000	\$ 130,000	\$ 94,400	\$ 94,400	\$ 65,880	\$ 65,880	\$ 95,220	\$ 95,220	\$ 65,880	\$ 65,880
8	Testing, Startup, Commissioning, and Turnover	1	LS	\$ 14,375	\$ 14,375	\$ 12,000	\$ 12,000	\$ 15,000	\$ 15,000	\$ 5,000	\$ 5,000	\$ 19,000	\$ 19,000	\$ 3,240	\$ 3,240	\$ 8,810	\$ 8,810	\$ 3,240	\$ 3,240
9	As-Built Record Drawings and O&M Manuals	1	LS	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,500	\$ 5,500	\$ 1,000	\$ 1,000	\$ 19,000	\$ 19,000	\$ 3,900	\$ 3,900	\$ 3,850	\$ 3,850	\$ 1,000	\$ 1,000
10	All Other Work Required to Complete the Project	1	LS	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 7,500	\$ 7,500	\$ 1,000	\$ 1,000	\$ 19,000	\$ 19,000	\$ 12,000	\$ 12,000	\$ 11,375	\$ 11,375	\$ 1,000	\$ 1,000
	BASE BID (SCHEDULE A)				\$ 1,378,327		\$ 1,225,000		\$ 1,761,000		\$ 1,785,000		\$ 2,937,000		\$ 3,116,280		\$ 1,971,820		\$ 1,225,000
11	General Requirements	1	LS	\$ 11,250	\$ 11,250	\$ 7,500	\$ 7,500	\$ 6,000	\$ 6,000	\$ 4,000	\$ 4,000	\$ 16,400	\$ 16,400	\$ 17,400	\$ 17,400	\$ 8,725	\$ 8,725	\$ 4,000	\$ 4,000
12	Mobilization/ Demobilization	1	LS	\$ 6,750	\$ 6,750	\$ 15,000	\$ 15,000	\$ 16,000	\$ 16,000	\$ 55,000	\$ 55,000	\$ 44,300	\$ 44,300	\$ 43,560	\$ 43,560	\$ 32,390	\$ 32,390	\$ 15,000	\$ 15,000
13	Excavation Safety Measures	1	LS	\$ 6,250	\$ 6,250	\$ 7,500	\$ 7,500	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 19,000	\$ 19,000	\$ 72,000	\$ 72,000	\$ 22,375	\$ 22,375	\$ 5,000	\$ 5,000
14	Site Work	1	LS	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ 10,000	\$ 10,000	\$ 1,000	\$ 1,000	\$ 19,000	\$ 19,000	\$ 150,000	\$ 150,000	\$ 40,750	\$ 40,750	\$ 1,000	\$ 1,000
15	Recycled Water Pipeline Construction	1	LS	\$ 200,454	\$ 200,454	\$ 290,000	\$ 290,000	\$ 285,000	\$ 285,000	\$ 173,000	\$ 173,000	\$ 690,800	\$ 690,800	\$ 570,000	\$ 570,000	\$ 329,500	\$ 329,500	\$ 173,000	\$ 173,000
16	Testing, Startup, Commissioning, and Turnover	1	LS	\$ 2,250	\$ 2,250	\$ 7,000	\$ 7,000	\$ 5,500	\$ 5,500	\$ 1	\$ 1	\$ 19,000	\$ 19,000	\$ 3,240	\$ 3,240	\$ 3,935	\$ 3,935	\$ 1	\$ 1
17	As-Built Record Drawings and O&M Manuals	1	LS	\$ 5,000	\$ 5,000	\$ 3,000	\$ 3,000	\$ 1,500	\$ 1,500	\$ 500	\$ 500	\$ 19,000	\$ 19,000	\$ 3,900	\$ 3,900	\$ 2,225	\$ 2,225	\$ 500	\$ 500
18	All Other Work Required to Complete the Project	1	LS	\$ -	\$ -	\$ 11,000	\$ 11,000	\$ 5,600	\$ 5,600	\$ 1	\$ 1	\$ 19,000	\$ 19,000	\$ 12,000	\$ 12,000	\$ 7,150	\$ 7,150	\$ 1	\$ 1
	SCHEDULE B SUBTOTAL				\$ 231,954		\$ 343,000		\$ 334,600		\$ 238,502		\$ 846,500		\$ 872,100		\$ 447,051		\$ 238,502
Total					\$ 1,610,281		\$ 1,568,000		\$ 2,095,600		\$ 2,023,502		\$ 3,783,500		\$ 3,988,380		\$ 2,418,871		\$ 1,463,502

CORPORATE OFFICE
605 THIRD STREET
ENCINITAS, CALIFORNIA 92024
T 760.942.5147 T 800.450.1818 F 760.632.0164

July 24, 2018

6769.0002

Michael Thornton, PE
San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff, California 92007

**Subject: *Encinitas Ranch HOA & Requeza Street Recycled Water Project
Proposal for Engineering Services During Construction***

Dear Mr. Thornton,

As the above referenced project nears the start of construction, the Authority has requested Dudek to provide a proposal for engineering services during construction (ESDC). Engineering services for the bidding phase of the project are included in the current contract. The proposed ESDCs will be provided in close coordination with the Authority-selected Construction Management team, where our design team will address specific design-related questions and other project implementation challenges.

We are pleased to continue supporting the Sa Elijo Joint Powers Authority with this project. If you have any questions, or require any additional information, please do not hesitate to call me at 760.479.4111, or email me at mmetts@dudek.com.

Respectfully Submitted,

DUDEK



D. Michael Metts, P.E.
Principal, Engineering Services Manager

ENGINEERING SERVICES DURING CONSTRUCTION SCOPE OF SERVICES

Dudek proposes to provide the following engineering construction services to the Authority for the Recycled Water System Project, having a projected construction period of approximately seven months.

SDC-1: Project Management

This task includes managing our portion of the construction effort, project status tracking, staff scheduling, budget management, client updates, and other general activities related to overall management activities.

SDC-2: Pre-Construction Meeting

The Dudek Project Manager and Lead Project Engineer will attend the Pre-Construction Meeting, which will occur at the Authority office. The meeting will be conducted by the Authority-selected Construction Manager. The meeting is assumed to be a maximum of two hours.

SDC-3: RFIs and Design Clarifications

Dudek will develop responses to Requests for Information (RFI's) and other design clarifications. RFI's from the Contractor will be formally submitted to the Construction Manager (CM). Questions requiring responses from the design team will be forwarded to the Dudek Project Manager for distribution and response. For the purposes of this proposal, 15 RFIs and other design clarifications are assumed.

SDC-4: Shop Drawing and Submittal Reviews

Dudek will review shop drawings and other submittals that are not otherwise addressed by the Construction Manager. Submittals will be forwarded to the Dudek Project Manager for distribution and review by the appropriate engineer. For the purposes of this proposal, a total of 40 shop drawings and other submittals are assumed.

SDC-5: General Meetings

Dudek will attend six (6) general meetings at the Authority office or construction site to discuss construction issues with Authority staff and the CM. The Dudek project manager will attend each of these meetings with the appropriate additional team member(s) based on the issue(s) being discussed. Meetings are assumed to be a maximum of two hours.

SDC-6: Progress Meetings

Dudek will attend six (6) progress meetings with the Authority, the CM and Contractor, as requested by Authority staff. The Dudek project manager will attend each of these meetings with the appropriate team member(s) based on the issue(s) being discussed. Meetings are assumed to be a maximum of two hours.

SDC-7: Change Order Assistance

Dudek will assist the Authority with preparation and review of Contractor Change Orders, as requested. It is assumed that the CM will prepare and review construction change orders, and Dudek will assist, as necessary and requested. As the extent and nature of potential change orders are undefined at this time, an allowance is assumed for this contract item. Services will be provided at Authority direction within the available allowance.

SDC-8: Design Deviations

Dudek will assist the Authority with evaluation of Contractor-proposed design deviations and substitutions, as requested to support the activities of the CM. Dudek will evaluate the proposed design changes relative to consistency with the original design intention and capability. As the extent and nature of any Contractor-proposed design deviations are undefined at this time, an allowance is assumed for this contract item. Services will be provided at Authority direction within the available allowance.

SDC-9: Site Visits

Dudek will attend site visits at Authority request to observe specific conditions or situations for which design engineer input would facilitate developing an appropriate response to the Contractor. We have assumed a total of ten (10) site visits, by one or more members of the design team.

SDC-10: Punch List

Dudek will assist the CM with punch list resolution. This task entails one or more members of the Dudek Team joining the Authority and/or CM staff on walk-throughs to confirm that the work was constructed per the design documents, and if not, what could be done to resolve observed deficiencies. As the extent and nature of the Punch List is undefined at this time, an allowance is assumed for this contract item. Services will be provided at Authority direction within the available allowance.

SDC-11: Record Drawings

Dudek will provide assistance to the Authority for preparation of record drawings. We have assumed the AutoCAD files will be modified to reflect as-constructed conditions per the CM and Contractor field-maintained redline markups. For the purposes of this proposal, an allowance is assumed for this contract item. Services will be provided at SAWPA direction within the available allowance.

**SAN ELIJO JOINT POWERS AUTHORITY
ENCINITAS RANCH HOA & REQUEZA STREET RECYLED WATER PROJECT
PROPOSAL FOR ENGINEERING SERVICES DURING CONSTRUCTION**

LABOR & FEE PROPOSAL

DUDEK

March 2018

TASK DESCRIPTION	DUDEK ENGINEERING LABOR				TOTAL HRS	FEE
	PM/QA \$235	SE \$205	PE \$175	CADD \$145		
TASK 4 CONSTRUCTION SERVICES						
Task SDC-1: Project Management	4	12			16	\$ 3,400
Task SDC-2: Pre-Construction Meeting	2	2			4	\$ 880
Task SDC-3: RFIs & Design Clarifications (assume 20)	4	16	24	4	48	\$ 9,000
Task SDC-4: Shop Drawing & Submittal Reviews (assume 40)	4	12	24	8	48	\$ 8,760
Task SDC-5: General Meetings (assume 6)	2	8	8		18	\$ 3,510
Task SDC-6: Progress Meetings (assume 6)	2	8	8		18	\$ 3,510
Task SDC-7: Change Order Assistance	2	4	8	4	18	\$ 3,270
Task SDC-8: Design Deviations / Substitutions	2	16	24	8	50	\$ 9,110
Task SDC-9: Site Visits (assume 10)	2	8	8		18	\$ 3,510
Task SDC-10: Punch List	4	4	8		16	\$ 3,160
Task SDC-11: Record Drawings	2		8	32	42	\$ 6,510
<i>Labor Subtotal:</i>	30	90	120	56	296	\$ 54,620
TOTAL OTHER DIRECT COSTS (<i>printing, reproduction, delivery, local travel, etc</i>)					" N/A "	\$ 900
TOTAL PROPOSED ENGINEERING EFFORT	30	90	120	56	296	\$ 55,520

NOTES:



August 14, 2018

Mr. Michael Thornton, P.E.
General Manager
San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff by the Sea, CA 92007

B&V Project 199429
B&V File 14.2100
Letter No. 001

Subject: Amendment No. 1 – Encinitas Ranch HOA and Requeza Street Recycled Water Pipeline Construction Management and Inspection Services

Dear Mr. Thornton:

Black & Veatch respectfully requests a contract amendment in the amount of \$41,393 to provide an elevated level of inspection and construction management services to support SEJPA for the construction of the Encinitas Ranch HOA and Requeza Street Recycled Water Pipeline Project. This amendment is provided in response to SEJPA's request for Black & Veatch's nearly full-time inspection and construction management support of the project.

- **Elevated Inspection and Construction Management Support**
 - Increase in total hours to provide nearly full-time service for a single Black & Veatch professional over the 24-week estimated construction period (10/1/18 – 3/15/19).
 - Continued project support from other professionals and subconsultants remains unchanged.

If the above amendment is acceptable to SEJPA, the project overall budget would increase from \$166,770 to \$208,163.

Please don't hesitate to call me to discuss this proposed budget increase. We sincerely look forward to working with you on this great project.

Very truly yours,
Black & Veatch

A handwritten signature in blue ink that reads 'Kevin N. Davis'.

Kevin N. Davis, P.E., BCEE
Associate Vice President / Project Director

cc: Eric Sturtz, John Bekmanis



San Elijo Joint Powers Authority
Encinitas Ranch HOA and Requeza Street Water Pipeline Project
Fee Proposal for Construction Management and Inspection Services
August 14, 2018



Task	Description	Kevin Davis	Eric Sturtz	Chris Stiedmann	Ramiro Ojeda	Mark Cox	Waqar Amjad	Jorj Long	Administration	B&V Total Hours	Total Fee	B&V Direct Expenses	CSI	Ninyo & Moore	Video Inspection	Subconsultant Markup (5%)	Total
		Project Director	Project Manager	Construction Manager	Inspector	Inspector	Electrical Inspector	Startup and Commissioning									
TASK 1 - PROJECT MANAGEMENT & ADMINISTRATION																	
1.1	Project Management and Administration	2	10						20	32	\$4,600	\$0	\$0	\$0	\$0	\$0	\$4,600
TASK 2 - CONSTRUCTION MANAGEMENT																	
2.1	Construction Management and Inspection			6	9	932	32			979	\$168,763	\$1,200	\$6,000	\$16,000	\$10,000	\$1,600	\$203,563
	TOTAL:	2	10	6	9	932	32	0	20	1,011	\$173,363	\$1,200	\$6,000	\$16,000	\$10,000	\$1,600	\$208,163
Extended Services																	
ES.1	Startup and Commissioning Assistance							24		24	\$5,520	\$0	\$0	\$0		\$0	\$5,520
ES.2	Constructability Review	2	10	10	10					32	\$4,050	\$0	\$0	\$0		\$0	\$4,050

NOTES:

- 1 - Billing rates provided are valid through March 2019. Should the project extend past March 2019, the consultant shall have the right to request a 3% adjustment to the labor billing rates.
- 2 - Schedule assumes Contractor 5-day a week calendar 8 hour working days with construction starting October 2018.
- 3 - Task distribution of hours and expenses are based upon best estimates and understanding of the project. Re-allocation of the total fee may be necessary.

ATTACHMENT 4

AGREEMENT FOR PROVIDING RECYCLED WATER FACILITIES AND SERVICE

This Agreement for providing Recycled Water Facilities and Service (“Agreement”) is made and entered into effective _____, 2018, by and between the SAN ELIJO JOINT POWERS AUTHORITY, a joint powers authority (hereinafter “SEJPA”), the SAN DIEGUITO WATER DISTRICT, a California irrigation district (hereinafter “Water Purveyor”) and the ENCINITAS RANCH COMMUNITY ASSOCIATION (hereinafter “Water Customer” or “Association”), collectively referred to herein as the “Parties” and individually referred to as “Party.”

RECITALS

WHEREAS, SEJPA owns and operates the San Elijo Water Reclamation Facility and associated recycled water distribution systems to produce and deliver recycled water for non-potable water uses within the cities of Encinitas, Solana Beach, and Del Mar;

WHEREAS, Water Purveyor is responsible for purveying potable and recycled water to water customers within its service area in accordance with applicable rules and regulations;

WHEREAS, SEJPA and the Water Purveyor represents and warrants they have entered into an Agreement for the Sale of Reclaimed Water dated March 26, 1997, as amended on August 23, 2000, and December 12, 2013, which provides for the sale and delivery of recycled water by SEJPA to Water Purveyor;

WHEREAS, Water Purveyor and the SEJPA desire to develop and expand locally produced, drought resistant water supplies;

WHEREAS, Water Customer is a homeowners association and the owner of common areas of a common interest development, located within Water Purveyor’s service area, that desires to purchase recycled water from Water Purveyor for non-potable use in the common areas and areas within the boundaries of the common interest development for which it has responsibility and which it otherwise controls;

WHEREAS, in order to efficiently deliver recycled water to Water Customer and adjacent properties, SEJPA must construct recycled water infrastructure, including a pump station (hereinafter “Infrastructure Work”), which will eliminate the need for Water Customer to maintain individual booster pumps at its onsite irrigation distribution system and for which SEJPA shall charge a fee to Association pursuant to this Agreement;

WHEREAS, in order to accept and use recycled water for non-potable water uses, Water Customer must make certain alterations and improvements in and to its onsite irrigation distribution system (hereinafter “Retrofit Work” or “Retrofit Works and Improvements”); and

WHEREAS, in recognition that recycled water is an important supplemental water source necessary to meet the growing demands of San Diego County and the State of California’s emergency mandate to cut back or eliminate the use of potable water for landscaping, the Parties hereby wish to enter into this Agreement for the purpose of defining the rights and obligations of the Parties with respect to the Infrastructure Work and Retrofit Work necessary to facilitate the delivery to and use of recycled water by Water Customer.

AGREEMENT

NOW, THEREFORE, in consideration of these Recitals and the mutual covenants contained herein, SEJPA, Water Purveyor, and Water Customer agree as follows:

1. INFRASTRUCTURE WORK.

- a. Installation and Maintenance. SEJPA, at its sole expense, shall be solely responsible for the design, permitting, and construction and maintenance of recycled water infrastructure up to the five points of delivery but not including Water Customer's meters, as necessary to serve the Water Customer and other adjacent properties. At the time of completion, the Infrastructure Work shall have the capacity to serve an annual average demand of 45 acre-feet per year and maximum instantaneous demand of 275 gpm of recycled water. The means and methods of constructing the Infrastructure Work, including but not limited to the choice of contractors and materials to be used, the maintenance and engineering specifications, and the schedule for construction and maintenance are within the sole discretion of SEJPA.
- b. Timing for Completion. All Infrastructure Work shall be substantially completed and capable of delivering recycled water by April 1, 2020.
- c. Ownership. SEJPA shall be the sole owner, responsible for operation and maintenance, of the Infrastructure Work up to the points of delivery, but not including Water Customer's meter. Water Purveyor shall own, and be responsible for the operation, calibration, maintenance, repair, and replacement of the recycled water meters for service to Water Customer. The cost of the recycled water meters for service to Water Customer shall be paid for by Water Customer and shall be installed and maintained by Water Purveyor at Water Purveyor's expense. The five recycled water meters, as shown on the detailed construction drawings, shall be located in the immediate area of the potable water irrigation meters that currently serve the common areas and greenbelts of the Water Customer.
- d. Consent. Water Purveyor expressly consents to SEJPA's construction, operation and maintenance of the Infrastructure Work within Water Purveyor's service area. Water Purveyor acknowledges that this Agreement does not result in a "duplication of water service" within the meaning of California Public Utility Code section 1505.5, because Water Purveyor, not SEJPA, will act as the water retailer responsible for providing recycled water service customers within Water Purveyor's service area. Furthermore, SEJPA and Water Purveyor agree that no law applicable to SEJPA or Water Purveyor, or contractual obligations entered into by either of them outside of this Agreement require the Water Customer's consent for Water Purveyor and SEJPA to enter into this Agreement.

2. RETROFIT WORK AND IMPROVEMENTS.

- a. Installation. Required improvements downstream of the Water Purveyor's meter are the responsibility of the Water Customer. Water Customer shall be solely responsible for the design, permitting and construction of alterations and improvements in and to the irrigation distribution system located on Water Customer's Property (or property within the boundaries of the common interest development which Water Customer has legal control over) that are necessary for Water Customer to accept recycled water, including but not limited to any necessary backflow prevention and potable water system protection and testing, irrigation

pipelines, pumps, sprinklers and storage facilities. The means and methods of constructing this Retrofit Work and Improvements, including but not limited to the choice of contractors and materials to be used, the engineering specifications, and the schedule for construction, are within the sole discretion of Water Customer. To the extent SEJPA or Water Purveyor provides any recommendations, assistance or guidance to Water Customer concerning the design, construction or operation of Water Customer's recycled water distribution system, Water Customer will hold Water Purveyor and SEJPA, its member agencies (to include the City of Encinitas and the City of Solana Beach), and each of their respective directors, officials, officers, employees, representatives, and agents, harmless from and against any liability arising from said recommendations, assistance and guidance. Such recommendations, assistance and guidance shall be limited to helping to ensure that Water Customer's facilities operate safely and in compliance with applicable regulations. Neither SEJPA nor Water Purveyor shall perform any work on Water Customer's Retrofit Work and Improvements, except that Water Purveyor may require compliance with its terms and conditions for provision of water service generally applicable to other similarly-situated customers.

- b. Timing for Completion. All retrofit work and improvements shall be substantially completed, and capable of accepting recycled water by April 1, 2020.
 - c. Ownership. Water Customer shall be the sole owner, responsible for operation and maintenance, of the Retrofit Work and Improvements to Water Customer's onsite distribution system, including any necessary backflow prevention and flow control devices.
 - d. Minimum Demand (Take or Pay). Water Customer agrees that upon completion of the Infrastructure Work and Retrofit Work, to accept delivery of not less than 15 acre-feet of recycled water per year for a period of 20 years at Water Purveyor's then-current rates. If Water Customer is unable to fully utilize such deliveries, Water Customer agrees to nonetheless compensate Water Purveyor for such minimum amount annually during said 20-year period, provided that not less than 15 acre-feet of recycled water has been made available to Water Customer pursuant to this Agreement. However, if Water Customer is unable to fully utilize such minimum amount annually, Water Customer shall have the right to assign the delivery and use of such excess recycled water to another recycled water user provided that any such assignee shall (1) provide for installation and maintenance of any required infrastructure, meters, easements, or other rights needed for delivery of such water at its sole expense; (2) put such recycled water to a legally-authorized beneficial use; (3) be eligible to be served as a retail customer of Water Purveyor; and (4) comply with all regulatory requirements for the use of the recycled water. The Parties contemplate that this Agreement will continue after the termination of said 20-period of minimum annual amount. If any adjustment to this Agreement is desired by any party after the termination of said 20-year period of minimum annual amount, the Parties shall negotiate in good faith as to their respective rights and obligations in accordance with the provisions of paragraphs 8.a through 8.d hereof.
3. INFRASTRUCTURE DEVELOPMENT FEE. Water Customer voluntarily agrees to pay SEJPA a one-time infrastructure fee ("Fee") in the amount of \$141,600, as consideration for the cost of providing recycled water and in consideration for the efficiencies to be gained by Water Customer. SEJPA and Water Customer agree that the amount of the Fee is both fair and reasonable. Water Customer shall pay the \$141,600 Fee as follows: \$35,400 on or before September 30, 2019; \$35,400

on or before March 31, 2020; \$35,400 on or before March 31, 2021; \$35,400 on or before March 31, 2022. If any installment is not timely paid SEJPA shall have no further obligations under this Agreement. This Fee is refundable to Water Customer on March 31, 2022, if by January 31, 2022, the Infrastructure Work to supply the reclaimed water is not completed. Water Customer acknowledges that the Fee covers only a fraction of the total cost of the project required to deliver recycled water to Water Customer.

4. ACCESS TO PROPERTY.

- a. Property Owned by Water Customer. Subject to reasonable notice (not less than 30 working days) Water Customer shall provide SEJPA with all easements and rights of way necessary for SEJPA to construct and maintain any Infrastructure Work located on property owned by Water Customer. The easements shall be delivered to SEJPA in a recordable form containing substantially the same terms and conditions contained in the Easement Deed attached hereto as Exhibit A. SEJPA's obligations under this Agreement are contingent upon receipt of such easements from Water Customer and acceptance by the SEJPA Board of Directors.
- b. Other Property. SEJPA shall seek, at its sole expense, to obtain all other easements and rights of way not located on Water Customer's property (or property controlled by Water Customer) that are necessary for SEJPA to complete and maintain the Infrastructure Work.

5. INDEMNIFICATION. SEJPA agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless Water Customer, Water Purveyor, its directors, officers, employees, and agents from any damage, liability, or cost (including attorney's fees and costs of defense) arising from or relating to this Agreement, to the extent caused by the negligent, willful or intentional acts, omissions or misconduct of SEJPA, its, directors, officers, employees, and agents. Water Customer agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless Water Purveyor, SEJPA, its directors, officers, employees, and agents from any damage, liability, or cost (including attorney's fees and costs of defense) arising from or relating to this Agreement, to the extent caused by the negligent, willful or intentional acts, omissions or misconduct of Water Customer, its directors, officers, employees, and agents.

6. NO GUARANTEE. This Agreement shall not constitute a guarantee by SEJPA or Water Purveyor of delivery of recycled water in any specified quantity or for any specified duration.

7. WARRANTY AND REPRESENTATION: SEJPA represent and warrant that the work and any and all future modifications they will perform under this Agreement complies with all City, State and Federal laws applicable to the provision of recycled water service as of the date of execution of this Agreement of which each has actual knowledge. SEJPA further represent and warrant that any and all future modifications up to the point of delivery will be at the expense of SEJPA.

8. DISPUTE RESOLUTION. In the event that a dispute shall arise with regard to the interpretation, application, performance or enforcement of this Agreement, the following dispute resolution procedure must be followed:

- a. Demand: Prior to filing a formal complaint, any Party that has a dispute arising out of this Agreement must, in writing, make a demand on the other Party or Parties for an informal dispute resolution meeting.

- b. At Least One Meeting: Within 30 days of the date of mailing of such demand, at least one informal dispute resolution meeting shall be held and attended by a representative of each of the Parties involved in the dispute. Each Party shall endeavor to have a representative present at the meeting with authority to bind its Party. Such additional meetings and time extensions shall occur as the Parties may agree. A request by any Party for dispute resolution tolls (or stops) the running of any applicable claims presentation requirements, statutes of limitation or statutes of repose, which have not otherwise run, for a period of 45 days from the date of the request, to allow the Parties to complete the informal dispute resolution process. The 45-day period referenced may be extended upon agreement of the Parties.
 - c. Non-binding effect: The foregoing dispute resolution process shall be informal and non-binding. The Parties, at their option, may involve the services of a professional mediator but shall not be obligated to do so. If a mediator is retained the Parties shall split the cost equally unless otherwise agreed.
 - d. Litigation: Any party may file litigation to interpret, enforce, or apply the terms of this Agreement provided that either (1) informal dispute resolution has been invoked and at least one meeting has been held as described above, or (2) informal dispute resolution has been invoked in writing, and through no fault of the party seeking to commence litigation, 30 days has expired and the other party or parties have been unable or unwilling to attend informal dispute resolution. There shall be no requirement to comply with the requirement of dispute resolution (stated above) if one Party is seeking extraordinary or equitable relief from the court, provided such relief is directly related to the health and safety of the public, including Water Customer or its residents.
9. TIME FOR PERFORMANCE; FORCE MAJEURE. Notwithstanding the deadlines in paragraphs 1.b and 2.b, hereof, neither Party shall be in violation of its obligations to complete construction of infrastructure if the Party has used its best efforts to prosecute the work, but has been prevented from timely completing the work due to acts of nature, litigation by a third party or delays in obtaining any permit or other required approval which is beyond the Party's control; however the time to complete the work shall be extended only so long as is reasonably necessary under the circumstances. The Party who is unable to perform shall provide no less than 30-day's written notice to the other Party in the event a delay is anticipated.
10. APPLICABLE LAW. This Agreement is entered into in the State of California and California law shall apply to the interpretation and construction of all of its provisions.
11. JURISDICTION/VENUE. The proper jurisdiction, forum and venue for any claims, causes of action or other proceedings concerning this Agreement shall be in the state and federal courts located in the State of California, County of San Diego
12. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors in interest, assigns, and personal representatives. Water Customer, and its assigns, successors in interest, and personal representatives, agree to disclose the terms and conditions of this Agreement to their respective successors in interest and assignees prior to the date of transfer.
13. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding between the Parties hereto with respect to the subject matter hereof superseding all negotiations, prior discussions and preliminary agreements and understandings, written or oral.

SAN DIEGUITO WATER DISTRICT

By: _____ Date: _____

William O'Donnell, P.E.
General Manager

ENCINITAS RANCH COMMUNITY ASSOCIATION

By: _____ Date: _____

Print Name _____
Its: President

By: _____ Date: _____

Print Name _____
Its: Secretary

EXHIBIT A
Easement

RECORDING REQUESTED BY:

San Elijo Joint Powers Authority

WHEN RECORDED RETURN TO:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff, CA 92007

NO FEE REQUIRED PER
GOVERNMENT CODE SECTION 6103

DEED TRANSFER TAX: \$ 0
EXEMPT UNDER SEC. 11922 OF
REVENUE TAXATION CODE

EASEMENT DEED

Parcel No. _____

For valuable consideration, ENCINITAS RANCH COMMUNITY ASSOCIATION, a California nonprofit mutual benefit corporation, as Grantor, hereby grants to SAN ELIJO JOINT POWERS AUTHORITY, a joint powers authority created under California Government Code Section 6502, and San Dieguito Water District, as Grantees, jointly and severally, an easement of right-of-way over, under, and across the lands hereinafter described, together with the right to from time to time construct, reconstruct, install, inspect, maintain, replace, remove, and use facilities of the type described herein (“Easement”).

The lands in which said Easement is hereby granted are situated in the City of Encinitas, County of San Diego, State of California, and are more particularly described in the Legal Description, attached hereto as Exhibit “A”, and shown on the drawing attached hereto as Exhibit “B”, both of which are dated July 23, 2018, and incorporated herein by reference.

Grantor and Grantees agree that facilities constructed within the Easement shall consist of recycled water distribution pipes and appurtenances.

Grantor and Grantees further agree that no other easement or easements shall be granted within any portion of the Easement by Grantor to any person, firm, or corporation without the prior written consent of Grantees.

Grantor and Grantees further agree that Grantor shall not erect or construct, or permit to be erected or constructed, any building, fences, walls, or other structures of any kind and no trees shall be placed, planted, or maintained within any portion of the Easement, and no shrubs or other, plants or vegetation shall be placed, planted, or maintained within any portion of the Easement which is used as a road, and that no changes in the alignment or grading of any such road shall be made without prior written consent of Grantees.

Grantor and Grantees further agree that Grantor shall not drill any well or wells within the limits of the Easement.

Grantor and Grantees further agree that Grantor shall not increase or decrease or permit to be increased or decreased, the ground elevations of the Easement existing at the time this Easement Deed is executed without the prior written consent of Grantees.

Grantor and Grantees further agree that Grantees shall have the right to clear and keep clear the Easement from buildings and structures.

The provisions of this Easement Deed shall inure to the benefit of and bind the successors and assigns of Grantor and of Grantees.

"Grantor"

Encinitas Ranch Community Association

Dated: _____ By: _____

Its: _____

Dated: _____ By: _____

Its: _____

"Grantees"

San Elijo Joint Powers Authority

Dated: _____

By: Michael T. Thornton, P.E.
General Manager

San Dieguito Water District

Dated: _____

By: William O'Donnell, P.E.
General Manager

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant of Right of Way dated _____ from _____

to the San Elijo Joint Powers Authority, a joint powers authority created under California Government Code section 6502, is hereby accepted by order of Board of Director's Resolution No.____, dated _____, authorizing the General Manager to accept and record Grants of Right of Way on behalf of San Elijo Joint Powers Authority.

SAN ELIJO JOINT POWERS AUTHORITY

Dated _____ By _____
General Manager

Project _____		
Water Atlas Page No. _____	Checked by: _____	Date: _____

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant of Right of Way dated _____ from _____

_____ to the San Dieguito Water District is hereby accepted by order of Board of Director's Resolution No.____, dated _____, authorizing the General Manager to accept and record Grants of Right of Way on behalf of San Dieguito Water District.

SAN DIEGUITO WATER DISTRICT

Dated _____ By _____
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

August 20, 2018

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: PROGRESS UPDATE - ALTERNATIVE DELIVERY FOR THE BUILDING AND
SITE IMPROVEMENT PROJECT

RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) is developing architectural and engineering designs for building and site improvements at the San Elijo Water Reclamation Facility. This project will include updating and modernizing the water campus including replacing aging administration, operations, and maintenance buildings, addressing ADA accessibility issues, upgrading security measures, improving the potable water and fire-fighting systems, and adding new public parking. In addition, solar power, energy efficiency, EV charging stations, and other Climate Action Plan measures will be incorporated into the project design. Furthermore, working with the City of Encinitas and Caltrans, the project will include a regional bicycle/pedestrian path through the SEJPA property and road crossing enhancements at Manchester Avenue. The bike/pedestrian path, building, and site improvements are planned to be integrated into a single project (Building and Site Improvement project), which the SEJPA will be the lead agency overseeing design, permitting, and construction.

DISCUSSION

At the June 2018 SEJPA Board meeting, staff was authorized to develop the Building and Site Improvements project using a Guaranteed Maximum Price (GMP) Construction Manager at Risk (CMAR) delivery method. The design of the Project has been awarded to RNT Architects and Kimley Horn & Associates, which are currently under contract with the SEJPA.

SEJPA is currently seeking qualifications from construction firms (Respondents) that are experienced with the type of work proposed and the CMAR delivery method. The request for qualifications (RFQ) is the first step of a two-step procurement process, which includes:

- Step 1: RFQ and Short-listing. The first step involves issuing the RFQ (attached), conducting a pre-submittal meeting, receiving statement of qualifications (SOQs) from Respondents, evaluating SOQs, checking references and shortlisting of up to three Respondents.
- Step 2: RFP and Selection. The second step involves issuing an request for proposal (RFP) to the short-listed Respondents, conducting site visits, receiving proposals, evaluating proposals, additional reference checking, interviewing the Respondents, selecting the winning Respondent and potentially negotiating a Lease/Purchase Agreement incorporating CMAR elements.

The proposed procurement schedule is as follows:

EVENT	SCHEDULED DATE
Deadline for RFIs (RFQ)	August 23, 2018
Responses to RFIs Issued	August 28, 2018
SOQ Due	September 6, 2018
Announce RFP Short-list	September 14, 2018
Issue RFP	September 21, 2018
Pre-Proposal Meeting	October 2, 2018
Deadline for RFIs (RFP)	October 5, 2018
Responses to RFIs Issued	October 12, 2018
Proposals Due	October 24, 2018
Interviews (RFP)	November 8, 2018
Selection of Preferred Respondent	November 15, 2018
Board Approval	December 10, 2018
Notice of Award and Signed Contract	December 11, 2018

The selection of the preferred Respondent will be based on the following criterion:

- Qualification, Experience, and Safety
- Understanding of Key Issues and Challenges
- Project Approach and Innovative Ideas
- Schedule
- Pricing Approach (including life cycle costs)

Final selection criteria will be based on best value provided to SEJPA and will include qualifications, experience and method of approach in addition to price and other non-price related criteria.

SEJPA is also considering utilizing a lease-purchase financing approach for the project pursuant to Government Code section 6584, et seq., which would provide value added flexibility and efficiencies to the project. The intent is that approximately 75% of the project cost would be paid during the design and construction phases as regularly scheduled lease payments. The remaining 25%, or thereabout, would be paid over a term of 36 months, with the allowance for the SEJPA to pay in full at any time without penalty. The SEJPA utilized a similar approach to construct the Advanced Water Purification Facility in 2011.

FINANCIAL IMPACT

There is no funding request at this time.

It is recommended that the Board of Directors:

1. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment 1: Request for Qualifications for the San Elijo Joint Powers Authority Building and Site Improvements – Construction Manager at Risk Project

ATTACHMENT 1

REQUEST FOR QUALIFICATIONS (RFQ)
FOR THE
SAN ELIJO JOINT POWERS AUTHORITY
**BUILDING AND SITE IMPROVEMENTS
CONSTRUCTION MANAGER AT RISK PROJECT**

AUGUST 1, 2018

QUALIFICATIONS DUE – THURSDAY, SEPTEMBER 6, 2018

AT 2:00 PM

at

San Elijo Joint Powers Authority

2695 Manchester Avenue

Cardiff, CA 92007

Attention: Mike Konicke, Project Manager

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1 INTRODUCTION

1.1 General Introduction

San Elijo Joint Powers Authority (SEJPA) is inviting qualified Contractors experienced in construction of administrative/operations buildings and site improvements to submit a Statement of Qualifications (SOQ) for the purpose of competing to be on a short-list to provide design and construction services for the Building and Site Improvements Construction Manager at Risk (CMAR) Project (Project), in Cardiff by the Sea, California.

SEJPA will use a Guaranteed Maximum Price (GMP) CMAR approach, which includes Design Phase and Construction Phase Services. Design of the Project will be completed by the Designer-of-Record, contracted directly with SEJPA. SEJPA seeks to utilize a lease-purchase financing approach pursuant to Government Code section 6584, et seq., incorporating the CMAR model, whereby SEJPA will lease for a nominal sum (e.g. \$1) certain real property to the CMAR firm for its use in constructing the project which will be paid for by SEJPA from installment payments determined in accordance with the provisions of the Lease. At SEJPA's discretion, it may choose to provide a lump sum payment to the CMAR during the lease term.

The submitted SOQ must conform to the requirements of this RFQ and must be signed by the appropriately authorized official with authority to commit the Respondent to perform the Project work. Furthermore, the SOQ must be submitted in conformance to the time and manner described herein.

SEJPA reserves the right to reject any and all responses to the RFQ. SEJPA reserves the right to seek additional pertinent information regarding a Respondent's qualifications at any time during the selection and award process. No requirement in this RFQ will prejudice the right of SEJPA to seek additional pertinent information regarding Respondents' qualifications.

This RFQ is the first step of a two-step procurement process and establishes the process for soliciting and evaluating SOQs from those entities (Respondents) interested in serving as the Contractor. The SOQs will be reviewed and evaluated in accordance with this RFQ to develop a short-list of qualified Respondents (Short-listed Respondents). Only those Respondents selected as Short-listed Respondents will be issued a Request for Proposals (RFP) and invited to submit a proposal in response to the RFP. Up to three (3) Contractors will be short-listed and invited to submit technical and price proposals.

1.2 Background on SEJPA's WRF

In 1965, the San Elijo Water Reclamation Facility (SEWRF) was constructed to combat growing water quality concerns in the San Elijo Lagoon. After multiple expansions, the SEWRF is now capable of treating up to 5.25 MGD, including primary and secondary treatment for ocean disposal, and 3.03 mgd of tertiary treatment to produce recycled water for irrigation and industrial uses. An overview of the site and associated projects pertaining to this RFQ is provided in Figure 1-1.



Figure 1-1: Vicinity and Project Component Map

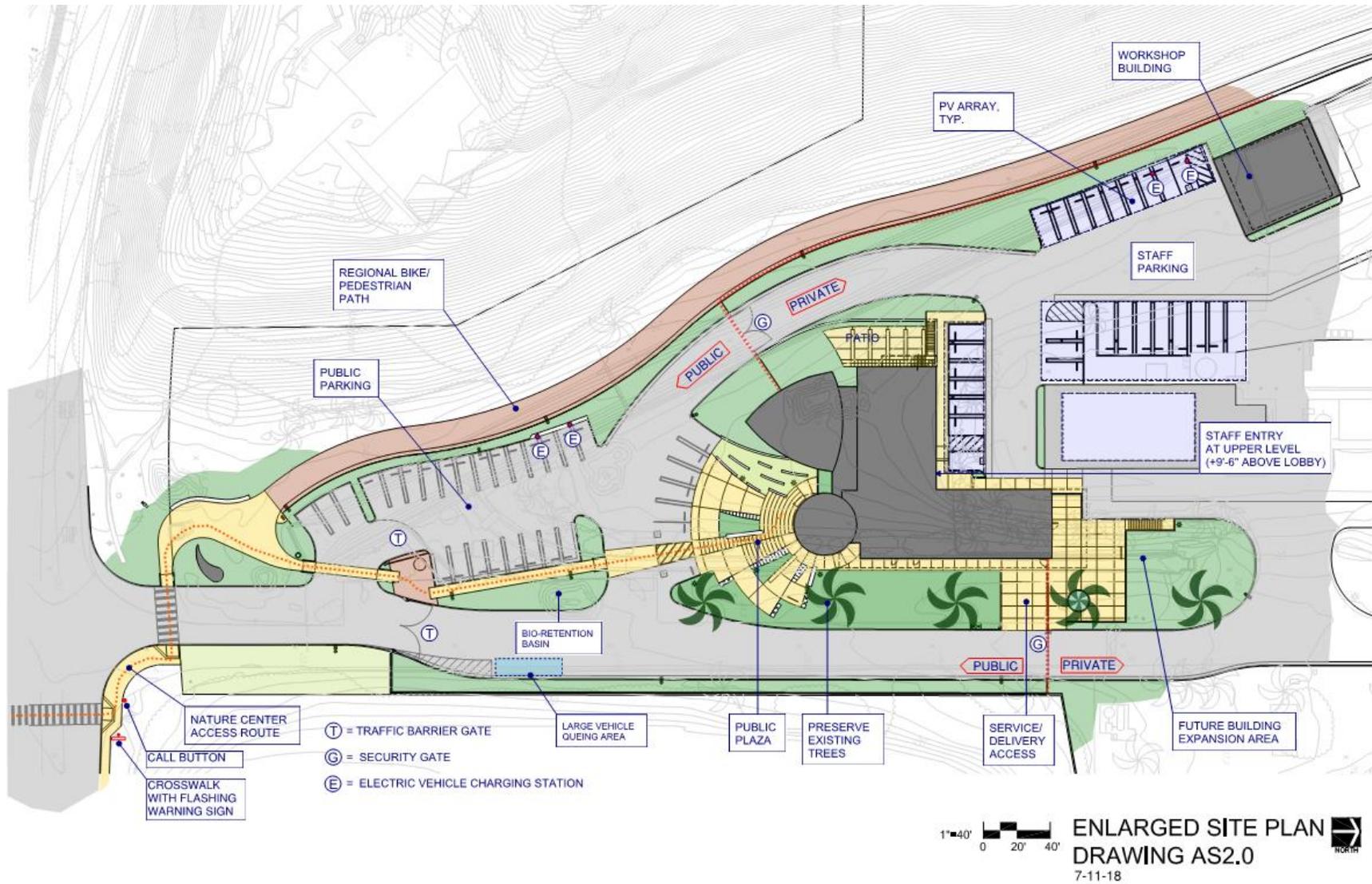
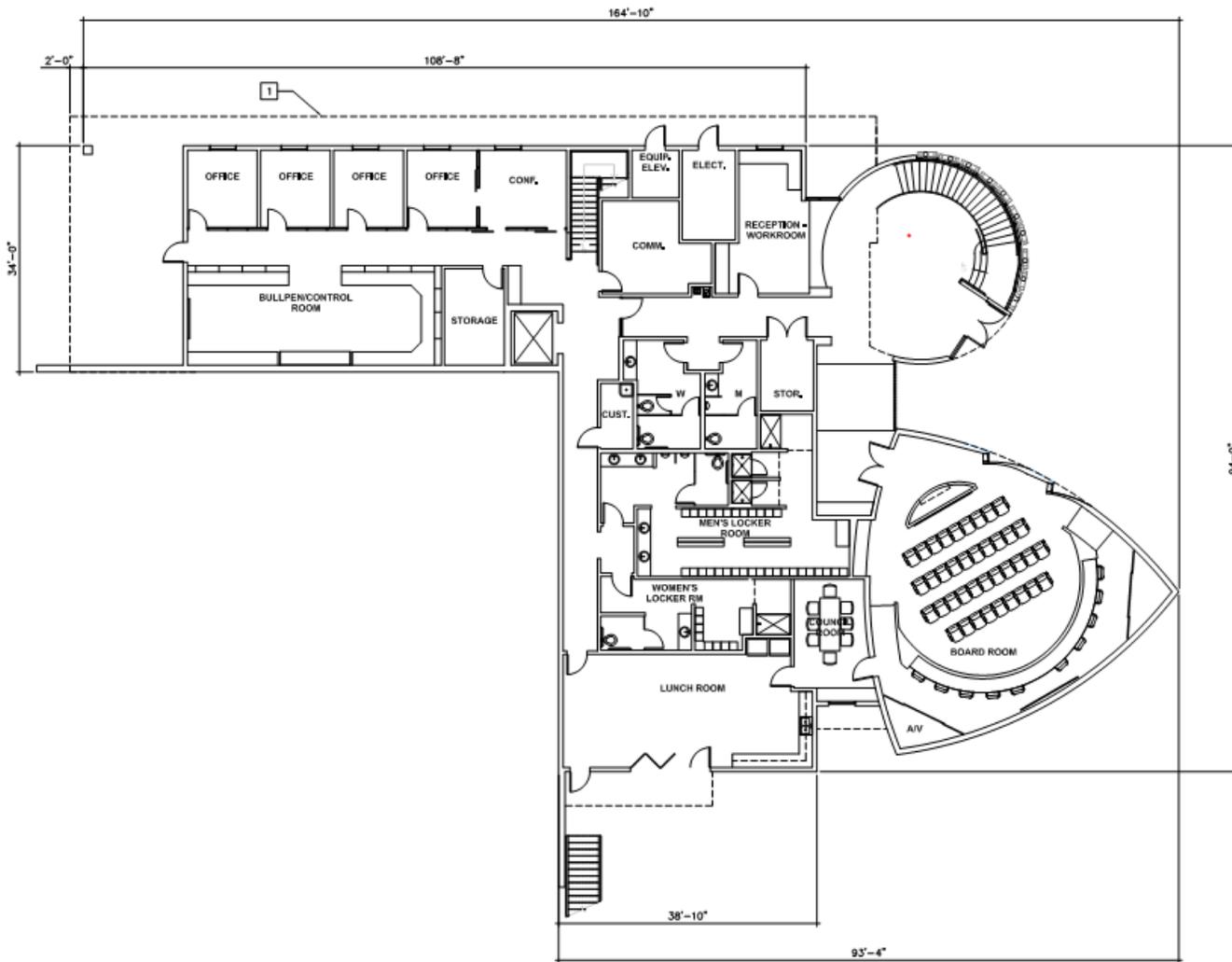


Figure 1-2: Conceptual Site Plan

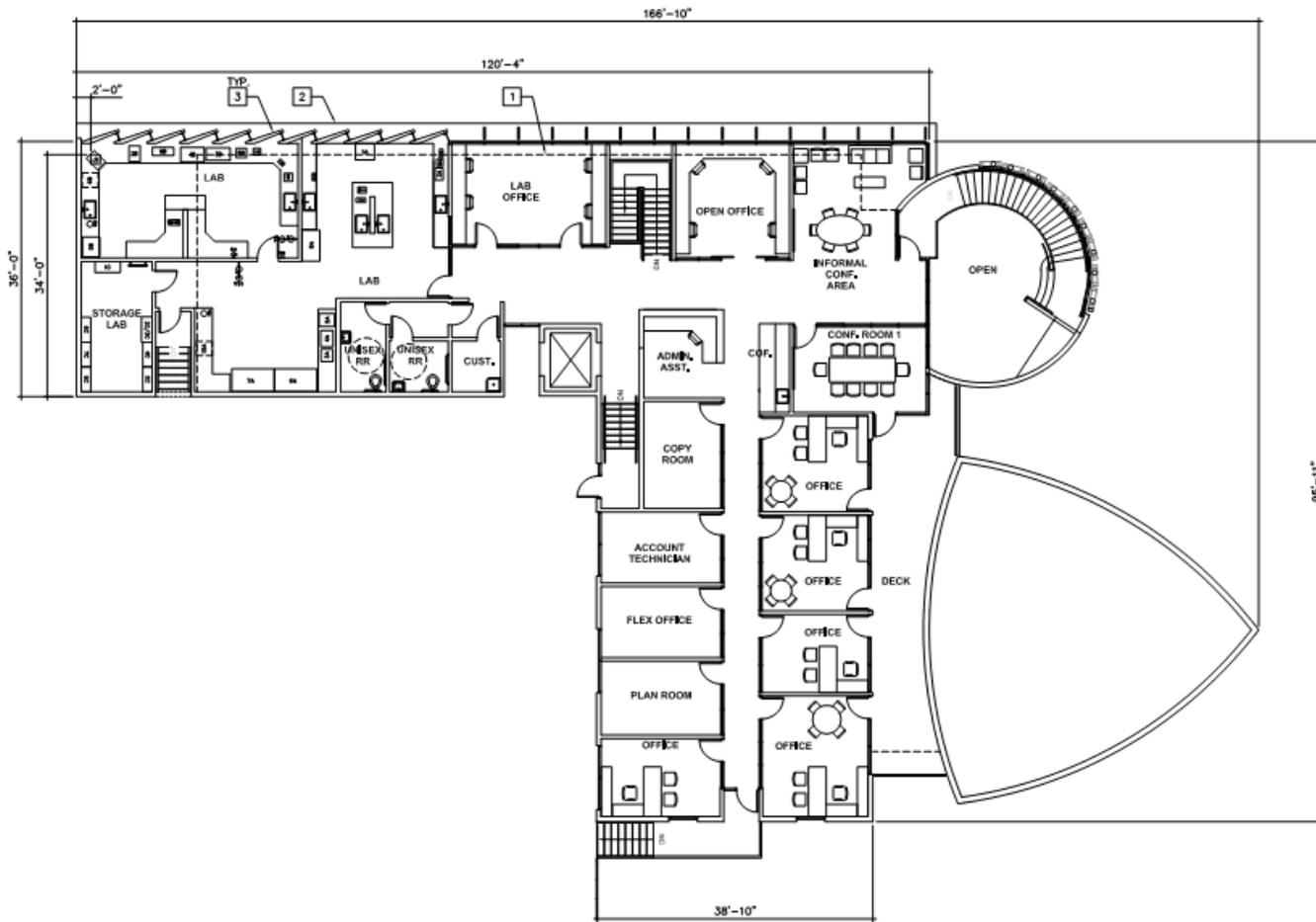


KEYNOTES
 1 LINE OF FLOOR ABOVE

FIRST FLOOR PLAN



Figure 1-3: Conceptual Building Plan – Floor 1



KEYNOTES

- 1 LINE OF FLOOR BELOW
- 2 LINE OF ROOF ABOVE
- 3 PRECAST CONCRETE PANEL

SECOND FLOOR PLAN



Figure 1-4: Conceptual Building Plan – Floor 2

1.3 RFQ Organization

This RFQ consists of nine (9) Sections and two (2) Attachments:

- Section 1: Introduction
- Section 2: SEJPA's Objectives
- Section 3: Project Overview
- Section 4: CMAR Services
- Section 5: Risk Allocation and Key Contract Provision
- Section 6: Procurement Process
- Section 7: RFQ/SOQ and Short-Listing Process
- Section 8: SOQ Submittal Requirements
- Section 9: Limitations
- Attachment A: CMAR Minimum Qualification Requirements
- Attachment B: RFQ Forms

The following additional background materials will be made available with the RFP.

- **Bridging Documents**
- **Draft Agreement**
- **CEQA**

The contents of the RFQ sections take priority over any conflicting statements in the RFQ attachments.

1.4 RFQ Definitions and Acronyms

The capitalized terms in this RFQ have the meanings as first used in the text of this RFQ and as defined below.

1.4.1 Definitions

CMAR/Contractor – Entity responsible for the construction of the work under Contract.

CMAR Team – Includes the Contractor and their subcontractors.

Designers-of-Record – Engineer-of-record that is responsible for the overall design of the site improvement aspects of the Project and Architect-of-record that is responsible for the building aspects of the project.

Key Personnel – The individuals, employed by the Contractor or other firm included on the CMAR Team, who would fill certain key roles in the delivery of the Project and related services by the Contractor.

Owner – San Elijo Joint Powers Authority

Project – Building and Site Improvements Project

Project Team – Includes the Contractor, Designer-of-Record, Owner, and their subconsultants and subcontractors.

Proposer – Respondent that has been short-listed and subsequently submits a proposal.

Respondent – An entity responding to this RFQ by submitting a SOQ.

Step 1 – RFQ/SOQ process and creation of short-list.

Step 2 – RFP/Proposal process and selection of Contractor.

1.4.2 Acronyms

CMAR	Construction Manager at Risk
EMF	Experience Modification Factor
EMR	Experience Modification Rate
OA	Owner’s Advisor
OSHA	Occupational Safety and Health Administration
RFI	Request for Information
RFP	Request for Proposals
RFQ	Request for Qualifications
SEJPA	San Elijo Joint Powers Authority
SEWRF	San Elijo Water Reclamation Facility
SOQ	Statement of Qualifications
WRF	Water Reclamation Facility

2 PROJECT OVERVIEW

2.1 Site and Location

The extent of this work will be completed within the existing San Elijo Water Reclamation Facility (SEWRF), approximately 28 acres located at 2695 Manchester Avenue, Cardiff by the Sea, California 92007, and within Manchester Avenue near the entrance to the SEWRF. The SEWRF is surrounded by existing residential development to the north, west, and southeast. Interstate 5 (I-5) is located immediately to the east of the site. San Elijo Lagoon is located to the south across Manchester Avenue.

2.2 Project Interfaces

The project is inclusive of several items. It is imperative that each system be constructed with consideration to the following aspects:

- **Integration of new and existing systems.** Equipment and communications systems constructed shall be integrated into the Owner's existing systems.
- **Establish clear definition of design/construction.** The Project will require significant coordination and communication among the Designers-of-Record (2), Owner, and Contractor.
- **Construction timing to minimize interruption of operations.** Construction will require consideration to other projects within the SEWRF and existing conditions to minimize interruption to SEWRF operations.
- **Startup.** Startup will require coordination of the Contractor and SEJPA.

2.2.1 Project Components

The Building and Site Improvements Project includes the following elements:

1. Administration /Operations Building with Laboratory
2. Site Improvements and Security
3. Bike & Pedestrian Trail

2.2.1.1 Administration/Operations Building with Laboratory

A new administration/operations building will be constructed at the southern end of the SEWRF, near the entrance off Manchester Avenue. The building will be approximately 14,500 square feet and 30 feet in height (two stories) and will include office and meeting spaces, operations control room, wastewater laboratory, lunch room, dressing room and showers, elevator and storage space.

2.2.1.2 Site Improvements

Site improvements will include the following:

- Replacement of an existing trapezoidal open storm water channel with an underground culverts or pipes to expand the above ground usable area.
- Addition of new parking, access driveway, and landscaping around new Administrative/Operations building.
- New sewer, water, fire and electrical service to new Administrative/Operations building.
- New storm water conveyance, attenuation, and infiltration improvements.
- New perimeter security fencing.
- New solar power system including ground mounted, roof top, and car port systems, as well as electric car charging stations.
- Curb, gutter, and sidewalk improvements on Manchester Avenue at the entrance to the San Elijo Water Reclamation Facility.

2.2.1.3 Bike & Pedestrian Trail

Construction of a bike and pedestrian trail (approximately 10 feet wide, asphalt path) that runs the length of the SEWRF (see Figure 1-1) and that will connect to a bike and pedestrian path (constructed by others) at the Caltrans' right of way, located north of the SEWRF. The trail shall include a terminus at the south end on the SEWRF property adjacent to Manchester Avenue. In addition, the project will include crossing at Manchester Avenue between the SEWRF and the Lagoon Nature Center, which may include flashing lights or signalized crossing system.

2.3 Availability and Use of Background Information

Certain Project background documents will be made available to Respondents electronically. To the extent that any Background Documents include design solutions or related information, such information does not necessarily represent the optimal or specific features that will be included in the Project. Respondents will be encouraged to provide constructability and value engineering evaluations during the project design phase. SEJPA is providing these background documents for information only. SEJPA will be providing a conceptual design for the Project as part of the RFP.

2.4 Project Funding

SEJPA is committed to funding the Project and has issued municipal bonds for the Project, and the project may include elements of State funding. In conjunction with these funding sources, SEJPA seeks to structure the CMAR agreement as a lease-purchase to provide progress payments during the design and construction phases of the project, followed by lease payments to the CMAR for a prescribed time period. Additional details on the project financing and lease-purchase approach will be provided with the forthcoming RFP and will be subject to input from the CMAR to arrive at mutually agreeable terms for the lease-purchase agreement.

2.5 Project Budget

The approximate construction budget for the Project is \$12-16 million. However, this amount is preliminary and is subject to change.

2.6 Schedule

SEJPA desires to work together with the Contractor to achieve the best practical safe completion schedule for the Project. Currently, the Project schedule anticipates an 18-month construction period.

3 CMAR SERVICES

3.1 General

The CMAR delivery process will include two (2) phases of work:

- **Design Phase Services**
- **Construction Phase Services**

The Project will use a single contract for both phases of the Contractor's services. Each phase is described below.

3.2 Design Phase Services

Design phase services are inclusive of the Contractor providing constructability and value engineering input to design concepts presented by the Designer-of-Record; as well as providing construction pricing information and preparing a Guaranteed Maximum Price (GMP). Upon acceptance of the GMP and receipt of a Notice to Proceed, the Contractor will be able to proceed with construction phase services.

3.3 Construction Phase Services

Construction phase services are inclusive of collaboration with the Designers of Record through final design, and construction, start-up and commissioning services. Construction services will be initiated after acceptance of a GMP and receipt of a Notice to Proceed. Start-up, commissioning and performance testing services will follow construction completion.

3.4 Contractor Roles and Responsibilities

The Contractor will collaborate with SEJPA and the Designer-of-Record and will provide in a timely manner all work necessary to complete the Project scope specified in this RFQ and the RFP to follow. Contractor responsibilities include the following, as ultimately defined in the contractual agreements between SEJPA and Contractor:

- Design Services
 - Provide constructability and value engineering reviews.
 - Prepare a GMP.
 - Provide and implement a safety plan for preconstruction.
- Construction Services
 - Maintain operation of the facility.
 - Implement Project health and safety practices.
 - Supervise subcontractors, suppliers and Contractor personnel.
 - Coordinate with utility providers and SEJPA for supply of power, telecommunications, and construction water to the site.
 - Provide and implement a safety plan, noise control plan, and other plans and pollution control measures as required by federal, state, and local requirements.

- Complete startup, commissioning, operational training, and required acceptance testing and provide assistance in preparation of SOPs for the new facilities, equipment/systems.
- Implement and maintain all quality control requirements and activities.
- Maintain redline as-built drawings throughout the construction phase.
- Conduct competitive bidding for subcontracts per the Public Contract Code.
- Lease-purchase financing consistent with the lease-purchase agreement

3.5 SEJPA Roles and Responsibilities

SEJPA will collaborate with the Contractor and will fulfill its responsibilities in a timely manner to facilitate the Contractor’s timely and efficient performance of services. Owner responsibilities include:

- Furnish design drawings and provide data and information regarding the Project.
- Provide available information and provide additional studies that may be necessary to complete design of the Project.
- Provide funding source for the contract price/lease agreement.
- Provide access to the site and any necessary easements.
- Obtain the governmental approvals and permits SEJPA is responsible for and assist Contractor in obtaining governmental approvals and permits for which it is responsible.
- Collaboratively work with the Contractor to complete the Project construction.
- Provide construction oversight and construction quality assurance.
- Provide mitigation monitoring oversight.
- Review submissions and provide comments to Contractor.
- Provide design phase and construction phase progress payments
- Provide lease payment during the lease-purchase finance period
- Provide final buy-out payment within the lease-purchase term

4 PROCUREMENT PROCESS

4.1 Agency Contacts and Communications Protocols

Mike Konicke shall be the Owner Contact for the purposes of this RFQ and shall facilitate the RFQ process. All communications shall be submitted in writing by email and shall specifically reference this RFQ. All questions or comments should be directed to the Owner Contact as follows:

Mike Konicke (konickem@sejpa.org)
Project Manager
San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff, CA 92007

Oral communication with the Owner Contact or other individual shall not be binding. Contact with any Public Official, SEJPA commission member, Owner’s Advisor (OA), or Owner’s staff outside of the Owner Contact shall not be permitted. Failure to comply may result in disqualification of the Respondent.

4.2 Overview of Two-Step Process

SEJPA’s two-step procurement process for the SEJPA Building and Site Improvement Project will include the following:

- Step 1: RFQ and Short-listing. The first step involves issuing this RFQ, conducting a pre-submittal meeting, receiving SOQs from Respondents, evaluating SOQs, checking references and shortlisting of up to three (3) Respondents.
- Step 2: RFP and Selection. The second step involves issuing an RFP to the short-listed Respondents, conducting site visits, receiving proposals, evaluating proposals, additional reference checking, conducting interviews, selecting the winning Respondent and negotiating a Lease/Purchase Agreement incorporating CMAR elements.

Final selection criteria will be based on best value provided to SEJPA and will include qualifications, experience and method of approach in addition to price and other non-price related criteria. Respondents will be allowed to add firms and individuals that enhance their teams or that address additional expertise requirements added by SEJPA at the RFP step. If Respondents want to change out a Key Team Member (firm or individual) listed in the SOQ, it will require submittal of additional qualifications and experience information in the RFP and approval by SEJPA.

4.3 Interviews

Interviews may be used for the proposal evaluation (Step 2) to gain better understanding of submitted material and project teams.

4.4 Procurement Process Schedule

It is the intent of the Owner to follow the procurement schedule provided below. The Owner reserves the right to adjust this schedule however they deem necessary. Table 1 provides a summary of the anticipated procurement process.

Table 1: Project Procurement Schedule

EVENT	SCHEDULED DATE
Issue RFQ	August 1, 2018
Pre-Submittal Meeting	August 16, 2018 (10:00 a.m.)
Deadline for RFIs (RFQ)	August 23, 2018
Responses to RFIs Issued	August 28, 2018
SOQ Due	September 6, 2018
Announce RFP Short-list	September 14, 2018
Issue RFP	September 21, 2018
Pre-Proposal Meeting	October 2, 2018
Deadline for RFIs (RFP)	October 5, 2018
Responses to RFIs Issued	October 12, 2018
Proposals Due	October 24, 2018
Interviews (RFP)	November 8, 2018
Selection of Preferred Respondent	November 15, 2018
Board Approval	December 10, 2018
Notice of Award and Signed Contract	December 11, 2018

5 RFQ / SOQ AND SHORT-LISTING PROCESS

5.1 General

The SOQ / short-listing process begins with issuance of this RFQ. SEJPA will then hold a pre-submittal meeting to provide further information to prospective Respondents. After receipt of SOQs, SEJPA will evaluate and score the submitted SOQs. SEJPA will perform reference checks on the respondents and score the reference checks. The combined score of the SOQ (100 points) and background check (25 points) will be used to determine which Respondents qualify for the short-list that will be sent an RFP. The details associated with the RFQ / SOQ process are described in this section.

5.2 Pre-Submittal Meeting and Site Tour

A non-mandatory pre-submittal meeting will be held at 10:00 a.m. on Thursday, August 16, 2018 at the following location:

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff, CA 92007

The purpose of the meeting is to clarify any questions regarding the RFQ and to provide information relative to a self-guided tour of the site. Attendance is non-mandatory.

5.3 Inquiries / Addenda

SEJPA reserves the right to revise the RFQ prior to the date that SOQs are due. Revisions to the RFQ will be provided to all firms that download the RFQ from Planet Bid. SEJPA reserves the right to extend the date by which the SOQs are due.

This RFQ does not commit SEJPA to award a contract, to defray any costs incurred in the preparation of SOQs pursuant to this RFQ, or to procure or contract for work.

All documents submitted in response to this RFQ become the property of the SEJPA.

SEJPA reserves the right to cancel, in part or in its entirety, this RFQ, including, but not limited to, selection schedule, submittal date, and submittal requirements. If SEJPA cancels or revises this RFQ, all firms who have registered at the pre-submittal meeting will be notified in writing by SEJPA. SEJPA reserves the right to request additional information and/or clarifications from any or all Responders to this RFQ.

All addenda are required to be acknowledged within the SOQ submittal.

See Section 4.1 for communication protocol.

5.4 SOQ Evaluation Committee

SEJPA will establish an evaluation committee(s) to review and score SOQs and proposals, conduct interviews, and ultimately recommend a short-list of Proposers authorized to proceed to Step 2 (RFP). The evaluation will include representatives of SEJPA engineering, operations, and/or finance.

5.5 Responsiveness

Each SOQ will be reviewed to determine whether it is responsive to the RFQ. Failure to comply with the requirements of this RFQ may result in a SOQ being rejected as nonresponsive. At its sole discretion, however, the selection committee may waive any minor irregularity in the SOQ and may request clarification or additional information to remedy a failure. At its sole discretion, the selection committee may also reject all SOQs/proposals.

5.6 CMAR Minimum Qualification Requirements

Qualifying submittals must not fail any of the CMAR Minimum Qualification Requirements provided in Attachment A of this RFQ. Included below are the minimum experience and safety qualification requirements. Other minimum qualification requirements include items such as material adverse conditions, licensing, bonding and insurance.

The Contractor must have successfully completed the construction of at least three (3) occupied buildings (e.g. office space, administration, class room) and site improvements projects having a constructed value over \$10M. In addition, the Contractor shall have completed construction of three (3) alternative delivery projects (e.g. CMAR, Design-Build, Progressive Design-Build, etc.), each totaling over \$10M in construction cost.

The Contractor must have achieved an Experience Modification Rate (EMR) of not greater than 1.0 for the past three (3) years.

5.7 Scored SOQ Evaluation Criteria

The evaluation committee will evaluate, score and rank the responsive SOQs that satisfy the CMAR Minimum Qualification Requirements using the evaluation criteria set forth below. Based on this scoring and ranking, SEJPA will identify Respondents who will be asked to proceed to the interview. The same criteria will be used for the SOQ and interview. Scored criteria include:

- **Team Structure** (15 Points Max)
- **Qualifications of Key Personnel** (30 Points Max)
- **Experience Successfully Completing Similar Projects** (40 Points Max)
- **Safety Experience on Similar Projects** (15 Points Max)

5.8 Reference Checks

SEJPA will conduct initial reference checking (by phone and / or email) for the proposed Contractor's Key Personnel. Reference checking will be used to verify information included in SOQs. SEJPA will score information from reference checks with a maximum possible score of 25. Non-responsive listed references, references that fail to support applicable SOQ information, or poor references will result in reduced scores.

5.9 Notification of RFP Shortlisting

Upon completion of scoring of the SOQ and reference checks, SEJPA will notify Respondents of those short-listed and eligible to receive the RFP.

5.10 Proposal Process

Short-listed Respondents will continue to Step 2 (RFP and Proposal), during which period proposals will be submitted, and interviews will take place (Proposal Interview). SEJPA intends to score proposals on a "best value" basis pursuant to Public Contract Code section 22161, utilizing objective criteria. While the specific evaluation criteria will be identified in the RFP, SEJPA currently anticipates that the following criteria will be considered:

- Price
 - Design Services
 - Construction Services
 - Overhead and Profit
 - Materials, equipment and subcontractor mark up
 - Interest rate during lease term
- Technical approach to project construction
- Management approach to the project
- Key personnel
- Safety

6 SOQ SUBMITTAL REQUIREMENTS

SOQs shall be concise, well organized and demonstrate the responder's applicable experience and proposed team for the Project. The SOQ must address the information identified in the following sections.

6.1 Submittal Deadline and Location

Submissions must be received no later than 2:00 p.m. (local time) on Thursday, September 6, 2018 at the offices of:

San Elijo Joint Powers Authority
2695 Manchester Ave
Cardiff, California 92007
(760) 753-6203

6.2 Page Limitations, Required Copies, and Labeling

One (1) executed paper original, three (3) paper copies and one (1) electronic format (pdf) on USB flash drive of the document shall be submitted. SOQs limited to twenty-five (25) pages (excluding appendices) will be favorably considered. Cover letter and each resume must be limited to two (2) 8.5"x11" pages each and that the use of standardized marketing literature be limited. Excessive marketing literature may not be reviewed. A Table of Contents shall be provided and include major headings of the SOQ and their associated page numbers. Provide a list of appropriate tables, graphics, figures, photos, appendices, etc.

Documents are to be submitted in sealed packages with the following information clearly marked on the outside of each package:

- Name of respondent
- Project title
- Point of contact with contact information

Failure to comply with the requirements of this RFQ may result in disqualification. SOQs received subsequent to the time and date specified above will not be considered.

SEJPA will not reimburse Respondents for any efforts and expenditures in producing and submitting SOQs for the SEJPA Building and Site Improvement Project.

6.3 Withdrawals / Resubmittal of Proposals

A Respondent may withdraw its SOQ only by written and signed request that is received by SEJPA prior to the deadline for submission. Following withdrawal of its SOQ, the Respondent may submit a new SOQ, provided that it is received prior to the deadline for submission.

6.4 Required SOQ Organization and Contents

SOQs submitted in response to this RFQ shall be in the following order and shall include the following:

6.4.1 Transmittal Letter

Respondents must submit a transmittal letter (maximum two pages) on the Respondent's letterhead. It must be signed by a representative of the Respondent who is authorized to sign such material and to commit the Respondent to the obligations contained in the SOQ. The transmittal letter must include the name, address, phone number and email address for the Respondent's Contact, and must specify the Contractor's signatory to any contract documents executed with the Owner. The Transmittal Letter may include other information deemed relevant by the Respondent.

6.4.2 Team Structure (15 Points Max)

This section will be scored based on the following:

- Demonstration of an organizational structure that is appropriate for the construction, startup, commissioning, and performance testing of the Project
- Composition, organization, location and management of the team.
- Project level organizational charts for Construction.
- The depth of availability of key equipment and personnel.

A description of the company proposed as the Prime Contractor entity must be provided as part of the SOQ. (The term “company” can refer to either a single entity or a joint venture.) Information concerning other key firms that may be included on the Contractor team, such as subcontractors, should also be provided as part of the SOQ. The Contractor’s information must include the following information:

- **General.** Provide general information about the proposed Contractor, such as lines of business and service offerings, locations of home and other offices, number of employees in California (professional and non-professional), years in business, and evidence of required licenses.
- **Team Structure.** The Respondent shall identify the composition, organization, and management of the team as follows:
 - Provide staff-level organizational charts for Construction showing the reporting relationships and responsibilities of the Contractor’s and any subcontractor’s and subconsultant’s key personnel. Respondent organizational chart should show all Respondent’s team members that Respondent believes important for SEJPA to consider in its short-listing decision, but at a minimum, must identify the following project roles for the key components listed above:
 - Construction Project Manager
 - Safety Officer
 - Construction Superintendent(s)
 - Estimator(s)
- **Office Location.** Identify where the proposed CMAR Team intends to maintain its project office(s).
- **Subcontractors:** Identify key subcontractors included on the Project Team in addition to the Contractor and describe the scope of each firm’s services and responsibilities during Construction of the Project.

6.4.3 Qualifications of Key Personnel (30 Points Max)

This section will be scored based on the following:

- Lead Contractor Qualifications and experience of key personnel

Provide brief biographies of the Respondent's Key Personnel which demonstrate their ability to fulfill their roles and responsibilities and will enable Respondent to successfully complete the construction, startup, commissioning, and performance testing of the Building and Site Improvements. Two-page resumes for each of the Respondent's Key Personnel shall be included as Appendix A, and shall include the following:

- Academic and professional qualifications.
- Professional registration (as applicable).
- Past experience of Contractor key personnel working together with project owners as a collaborative team.
- Similar experience as it relates to the Project and to the individual's specified role on the Project.

In responding to this RFQ, the Respondent is committing that the CMAR Team and all other firms will use a skilled and trained workforce for completion of the work.

6.4.4 Experience Successfully Completing Similar Projects (40 Points Max)

This Section will be scored based on the following:

- Experience of key personnel successfully completing similar projects.
- Experience of key personnel in performing constructability and value engineering reviews.

Provide descriptions of past and on-going projects for which the Respondent provided similar services, including the following:

- CMAR, Design-Build, Progressive Design-Build, etc. Projects
- Design-Bid-Build Projects

Similar projects would include the key components listed above with similar features to the proposed Project.

Each project description shall contain at least the following information:

- Name of owner
- Owner reference and contact information
- Role of respondent
- Contract approach (e.g., design-build, design bid build, CMAR, etc.)
- Contract value

- Schedule for project including start and completion dates
- Description of the project showing relevance to this Project

In addition, a summary table should be provided to cross-reference the team (firms and key personnel) with participation in the reference projects.

6.4.5 Safety Experience on Similar Projects (15 Points Max)

This section will be scored based on success achieved in past projects related to maintaining a safe project site.

The Respondent's SOQ shall provide a summary of its safety program and Respondent's safety record, including supporting evidence documenting to following:

- The most recent three (3) years of Workers' Compensation EMR and/or Experience Modification Factor (EMF) and/or Severity/DART rates.
- The total recordable injuries and illnesses incidence rate for the past three (3) years.
- The days away from work injury incidence rate for the past three (3) years.
- Completed Occupational Safety and Health Administration (OSHA) Form 300A, Summary of Work-Related Injuries and Illnesses, and OSHA citations for the past three (3) years.
- Information concerning worker's compensation experience history for the past three (3) years and current worker safety program.
- Respondent shall provide supporting evidence documentation as an Appendix (Safety Record Documentation) of its SOQ.

6.4.6 CMAR Minimum Qualification Requirements

Complete the CMAR Minimum Qualification Requirements questionnaire provided as Attachment A of this RFQ for inclusion in the Respondent's SOQ appendix.

6.4.7 SOQ Forms

Complete the following forms provided as Attachment B of this RFQ for inclusion in the Respondent's SOQ appendix.

- B.1 Affidavit of Authenticity
- B.2 Insurance Company Letter of Intent
- B.3 Surety Letter of Intent

6.4.8 SOQ Appendices

Respondent shall include the following appendices to its SOQ:

- Appendix A: CMAR Minimum Qualification Requirements—Complete the CMAR Minimum Qualification Requirements provided in Attachment A, for inclusion as Appendix A to Respondent's SOQ.

- Appendix B: SOQ Forms (provided in Attachment B)
 - B.1 Affidavit of Authenticity
 - B.2 Insurance Company Letter of Intent
 - B.3 Surety Letter of Intent
- Appendix C: Safety Record Documentation
- Appendix D: 2 Page Resumes of Key Personnel

7 LIMITATIONS

7.1 General

This section sets forth SEJPA rights and disclaimers, restrictions due to conflicts of interest, how SEJPA will treat information considered by Respondents to be confidential and / or proprietary, protest procedures, and obligations of the Respondent and, once selected, the Contactor with respect to required documentation and obligations to keep the Respondent’s team intact throughout the procurement process.

7.2 SEJPA Rights

In connection with this procurement, SEJPA reserves to itself all rights (which rights shall be exercisable by the SEJPA in its sole discretion) available to it under the Public Contract Code and applicable law, including without limitation, the following, with or without cause and with or without notice:

1. Cancel, modify, or withdraw the RFQ or RFP without incurring cost obligations or liabilities
2. Issue a new RFQ or RFP, or modify dates set or projected in the RFQ or RFP;
3. Accept or reject any or all SOQs or Proposals or information submitted related to a SOQ or Proposal;
4. Issue Addenda, supplements and modifications to the RFQ or RFP
5. Modify the procurement process with appropriate notice to Respondents or Proposers as applicable;
6. Solicit Best and Final Offers (BAFO) from all Proposers short-listed.
7. Appoint an Evaluation Committee and evaluation teams to review SOQs and Proposals and consider the advice and assistance of non-District experts in evaluations
8. Approve or disapprove subcontractors, substitutions of subcontractors, changes in Key Personnel submitted SOQ
9. Seek or obtain data from any source that has the potential to improve the understanding and evaluation of the SOQs or Proposals
10. Revise and modify, at any time before the SOQ or Proposal Deadline, the factors it will consider in evaluating Proposals and to otherwise revise or expand its evaluation methodology.
11. Conduct interviews and/or discussions with Respondents and Proposers;
12. Waive any weaknesses, informalities, irregularities, or omissions, permit corrections, and seek and receive clarifications

13. Disqualify any Respondent or Proposer that changes its organization or other information included in the SOQ without SEJPA written approval
14. Hold the Proposals under consideration for the maximum duration of the proposal validity period specified in the RFP or longer if there is a mutual agreement
15. Award the Contract, with or without negotiations, to the Proposer determined by the SEJPA to have offered the Best Value to the SEJPA
16. Disclose information contained in the Proposals to the public as described in the RFP
17. Not issue a Notice to Proceed after execution of the Contract if specific contractual requirements are not met by the Contractor
18. Terminate evaluations of SOQs/Proposals received at any time
19. Require confirmation of information, additional information concerning a SOQ or Proposal, or require additional evidence of qualifications to perform the work described in this RFP
20. Contact and ask questions of contact persons
21. Accept other than the lowest Price Proposal as the Best Value Proposal
22. Short-list, hold discussions, and/or request BAFOs
23. Approve or disapprove changes to the Proposer Teams
24. Add or delete Contract work
25. Negotiate with one (1) or more Proposers
26. Suspend and/or terminate negotiations, engage in negotiations with other than the highest ranked Proposer if negotiations with the highest ranked Proposer prove to be unsuccessful;
27. Retain ownership of all SOQ/Proposals and materials submitted in hard-copy and/or electronic format.
28. Exercise any other right reserved or afforded to the SEJPA under the RFQ/RFP
29. Reject or refuse to consider a submitted SOQ/Proposal if such refusal or rejection is based upon listed circumstances
 - a. Failure on the part of a Principal Participant to pay, satisfactorily settle, or provide security for the payment of claims for labor, equipment, material, supplies, or services legally due on previous or ongoing contracts;
 - b. Submittal by the Respondent/Proposer of more than one (1) SOQ/Proposal for the same work under the Respondent's/Proposer's own name or under a different name;
 - c. Participation by a Principal Participant in more than one (1) SOQ/Proposal in response to the RFQ/RFP;
 - d. Evidence of collusion between a prospective Respondent/Proposer, any Principal Participant or Lead Designer and other Respondents/Proposers, Principal Participants or Lead Designers in the preparation of a SOQ in response to the RFQ, an RFP Proposal, or any pricing for the Project;
 - e. Uncompleted work or default on a contract for which the prospective Respondent/Proposer or a Principal Participant is responsible which, in the judgment of the SEJPA, might reasonably be determined to hinder or prevent the prompt completion of work on this Contract if awarded;

- f. Existence of a notice of debarment or suspension in any jurisdiction;
- g. Evidence of inadequate financial resources to ensure successful completion of all work under this Contract;
- h. Failure to obtain required bonds or specified insurance for this Project;
- i. Proposer refusal to further negotiate pricing, or Contract terms and conditions, in advance of execution of the Contract;
- j. Evidence of Respondent/Proposer or Principal Participant noncompliance with any federal, state or local laws or regulations; or
- k. By virtue of the SEJPA exercising any other right reserved or afforded to the SEJPA under the RFQ/RFP or under the Public Contract Code and applicable law.

7.3 SEJPA Disclaimers

In issuing this RFQ and RFP and undertaking the procurement process specified herein, SEJPA disclaims the following:

1. Any liability or commitment to provide sales tax or other revenues to assist in carrying out any and all phases of the Contract
2. Any obligation, responsibility or liability, fiscal or otherwise, to reimburse a Respondent/Proposer for all or part of the costs incurred or allegedly incurred by parties considering a response to and/or in responding to the RFQ or RFP.
3. Any obligation to Award the Contract to the Proposer submitting the lowest priced Proposal
4. Any obligation to Award the Contract
5. Any contractual obligation or liability for, any obligations with respect to the Project until such time (if at all) as a contract, in form and substance satisfactory to the SEJPA, has been authorized and executed.

The Respondent/Proposer acknowledges that, by submitting a SOQ or Proposal in response to the RFQ/RFP, it accepts these disclaimers and waives any right whatsoever to legally challenge or protest any District's actions that exercise these disclaimers.

7.4 Proprietary and Confidential Information

All SOQs submitted in response to this RFQ become property of SEJPA and will be kept confidential until a recommendation for award of a contract has been announced. Thereafter, except for financial statements, SOQs are subject to public inspection and disclosure under the California Public Records Act. (Government Code Section 6250 et seq.) Therefore, unless the information is exempt from disclosure by law, the content of any SOQ, or related submission, between SEJPA and any Respondent regarding the procurement, shall be available to the public.

If a Respondent believes any portion of its SOQ or related communication contains trade secrets or other proprietary information that the Respondent believes would cause substantial injury to the Respondent's competitive position if disclosed, the Respondent may request that SEJPA withhold from disclosure the proprietary information by marking each page containing such proprietary information as confidential. By submitting a SOQ with portions marked "—confidential", a Respondent represents it has

determined such portions qualify for exemption from disclosure under the California Public Records Act. A Respondent may not designate its entire SOQ as confidential. SEJPA will not honor such designations and will disclose submittals so designated to the public. The foregoing statement does not impact the fact that SEJPA will treat Proposals as confidential during the RFP evaluation and selection process.

If a Respondent requests that SEJPA withhold from disclosure information identified as confidential, and SEJPA complies with the Respondent's request, Respondent shall assume all responsibility for any challenges resulting from the non-disclosure, shall indemnify and hold harmless SEJPA from and against all damages (including but not limited to attorneys' fees that may be awarded to the party requesting the Respondent information), and pay any and all costs and expenses related to the withholding of Respondent information. Respondent shall not make a claim, sue, or maintain any legal action against SEJPA or its directors, officers, employees, or agents concerning the withholding from disclosure of Respondent information. If Respondent does not request that SEJPA withhold from disclosure information identified as confidential, SEJPA shall have no obligation to withhold the information from disclosure and may release the information sought without any liability to SEJPA.

7.5 Obligation to Keep Team Intact

Respondents are advised that all firms and Key personnel identified in the SOQ shall remain on the Building and Site Improvements Team for the duration of the procurement process and execution of the Building and Site Improvements. (The anticipated dates for award of the Contract and for completion of the Building and Site Improvements are set forth in Section 2.6 of this RFQ.) If extraordinary circumstances require a change, it must be submitted in writing to the Owner Contract, who, at his or her sole discretion, will determine whether to authorize a change, recognizing that certain circumstances (such as termination of employment) may occur that are beyond the Contractor's control. Unauthorized changes to the Project Team at any time during the procurement process may result in elimination of the Respondent from further consideration.

7.6 Protest Procedures

SEJPA will entertain appeals regarding this RFQ process only as set forth in this Section.

Appeals Prior to SOQ Submittal Date

Appeals may be based upon restrictive requirements or alleged improprieties in the RFQ that are apparent or reasonably should have been discovered prior to SEJPA's receipt of SOQs. Such appeals shall be filed in writing with the Owner's Representative, at least fourteen calendar days prior to SEJPA's receipt of SOQ. The appeal must clearly specify in writing the grounds and evidence on which the appeal is based.

Appeals after Short-listing

Appeals may be based upon alleged improprieties that are not apparent in the RFQ or that could not reasonably have been discovered prior to SEJPA's receipt of the SOQs. Such appeals are limited to procedural errors in the RFQ process. The appeal must clearly specify in writing the grounds and evidence on which the appeal is based. Such appeals must be submitted in writing to the Owner's Representative within three (3) days from receipt of the short-list announcement.

In order to prevail on an appeal based on alleged improprieties not apparent in the RFQ, a Respondent must demonstrate that an error was prejudicial to the Respondent's effort to become shortlisted for participation in this Project. In other words, in order to prevail, the Respondent must demonstrate that but for SEJPA's error, the Respondent would have been short-listed.

No Appeals of Substantive Scores

SEJPA will not entertain appeals regarding, or reconsider, substantive scores or determinations made in the evaluation process.

SEJPA Response to Appeals

SEJPA will respond to an appeal in writing within seven (7) calendar days of receipt, and SEJPA's determination shall be final.

Sole Appeal Procedures

The appeal procedures summarized in this Section comprise the sole appeal procedures for this RFQ. A Respondent's failure to comply with the procedures set forth herein will likely result, at the sole discretion of SEJPA, in rejection of the appeal.

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Attachment A
Construction Manager at Risk Minimum Qualification Requirements

Attachment A
Construction Manager at Risk Minimum Qualification Requirements

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Attachment A

Construction Manager at Risk Minimum Qualification Requirements

Note: Construction Manager at Risk (CMAR) will be disqualified if the answer to any of the following questions is “No,” except as otherwise stated herein.

1. Does the CMAR currently possess a valid and current California **CLASS A** Contractor’s License?

Yes No

2. Has the CMAR successfully completed construction of at least three (3) building and site improvements projects, over \$10M in construction cost?

Yes No

3. Has the CMAR successfully completed construction of at least three (3) alternative delivery projects totaling over \$10M in construction cost, (e.g. CMAR, Design-Build, Progressive Design Build, etc.)

Yes No

4. Has the CMAR achieved an EMR of not greater than 1.0 for the past three (3) years?

Yes No

5. Does the CMAR have the ability to obtain Automobile Liability Insurance with a \$2 million combined single limit per accident policy for bodily injury and property damage?

Yes No

Include a letter or policy statement from the CMAR’s insurance company verifying the ability to obtain this insurance coverage.

6. Does the CMAR have current workers’ compensation insurance policy as required by the Labor Code or is legally self-insured pursuant to Labor Code section 3700 et. seq. with a per enrollee policy limit of \$1,000,000 per accident?

Yes No

Include a letter or policy statement from the CMAR’s insurance company verifying the ability to obtain this insurance coverage.

Attachment A
Construction Manager at Risk Minimum Qualification Requirements

7. Has the CMAR attached a notarized statement from an admitted surety insurer (approved by the California Department of Insurance) and authorized to issue bonds in the State of California, which states: (a) that its current bonding capacity is sufficient to bond for 100% of the Project for which you seek pre-qualification and (b) is within current available bonding capacity? SEJPA may request an additional notarized statement from the surety at the time of submission of a proposal if this SOQ package is submitted more than 60 days prior to proposal submission.

Yes No

A “no” response for this question will not immediately disqualify a CMAR for pre-qualification provided that a written statement of explanation from the Surety Company provides assurances that the CMAR’s bonding capacity will be available before SEJPA solicits proposals for this Project. Surety Letter must state the CMAR’s current bonding capacity and availability.

8. Has the CAMR received and acknowledged receipt of all issued addenda? List the number and date of all Addenda received by the CMAR.

Yes No

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Note: CMAR will be disqualified if the answer to any of the following questions is “Yes,” except as otherwise stated herein.

9. Has the CMAR’s license been revoked or suspended at any time in the last five (5) years preceding the time of submitting this SOQ because of any performance related reasons or the CMAR’s failure to comply with any applicable licensing requirements?

Yes No

Attachment A

Construction Manager at Risk Minimum Qualification Requirements

10. Has a performance bond surety firm taken over or completed a project on the CMAR's behalf, supervised the work of a project, or paid amounts to third parties for completion of a project related to the CMAR's work within the last five (5) years preceding the time of submitting this SOQ?

Yes No

11. Is the CMAR currently or at any time during the last five (5) years preceding the time of submitting this SOQ been in bankruptcy or receivership?

Yes No

12. At any time during the last five (5) years preceding the time of submitting this SOQ, has the CMAR or any of its owners or officers been convicted of a crime involving the awarding of a construction contract for a private or public agency, or the bidding or performance of a private or public agency contract?

Yes No

13. Has the CMAR or any of its owners, officers, or partners ever been found liable in a civil suit, or found guilty in a criminal action, for making any false claim or material misrepresentation?

Yes No

14. Has the CMAR or any of its owners, officers, or partners ever been convicted of a crime involving any federal, state, or local law related to construction?

Yes No

15. In the last five (5) years preceding the time of submitting this SOQ, has any insurance carrier, for any form of insurance, refused to renew the insurance policy of the CMAR.

Yes No

16. In the last five (5) years preceding the time of submitting this SOQ, has the CMAR been denied bond coverage by a surety company, or has there been a period of time when the CMAR had no surety bond in place during a construction project when one was required?

Yes No

Attachment A
Construction Manager at Risk Minimum Qualification Requirements

17. Has the CMAR or any of its owners, officers, or partners ever been convicted of a federal or state crime of fraud or theft, or any other act of dishonesty?

Yes No

18. In the last five (5) years preceding the time of submitting this SOQ form, has the CMAR, or any firm with which any of the CMAR's owners, officers, or partners was associated, been debarred, disqualified, removed or terminated "for cause" from a construction project?

Yes No

Attachment B
RFQ Forms

Attachment B
RFQ Forms

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Attachment B.1
Affidavit of Authenticity

The following affidavit shall be executed, notarized, and submitted for each legal entity that is a member of the Respondent as identified in the Statement of Qualifications (SOQ).

State of California

County of San Diego

Before me, the undersigned authority, personally appeared _____, who, having been by me duly sworn, made the following statement:

"I am authorized to make this affidavit on behalf of _____, a participating legal entity in the attached SOQ dated _____, 2018, and submitted in response to Request for Qualifications (RFQ) issued by San Elijo Joint Powers Authority for the Building and Site Improvements Project. All information pertaining to _____ and provided in the attached SOQ is to the best of my knowledge, true and correct and if called upon to testify, I could testify competently thereto.

I acknowledge receipt of the Addenda to this RFQ by identifying the following Addenda numbers and dates of receipt (if any): _____

(Signature)

(Printed Name)

(Date)

(Responding Firm)

Attachment B.1
Affidavit of Authenticity

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Attachment B.2
Insurance Company Letter of Intent

(to be typed on Insurance Company Letterhead)

Attn: Mike Konicke
2695 Manchester Avenue
Cardiff, CA 92007

SUBJECT: SEJPA Building and Site Improvements Project – – Letter of Intent to Insure

Dear Mr. Konicke:

_____ (“the Respondent”) has submitted herewith a Statement of Qualifications (SOQ) in response to the Request for Qualifications (RFQ) for the Building and Site Improvements, issued by the San Elijo Joint Powers Authority (the “Owner”) on _____, 2018, as amended, pursuant to which it is seeking to be selected by the Owner to deliver the Project described in the SOQ.

Over the past three (3) years, the Respondent is known to have an average Experience Modification Rate of _____.

The Insurance Company has reviewed the Owner’s RFQ and the Respondent's SOQ. The Insurance Company hereby certifies that it intends to provide all required insurance as described in the Owner’s RFQ in the event the Respondent is selected for final negotiations and execution of the CMAR Contract by the Owner.

Name of Insurance Company

Name of Authorized Signatory

Signature

Title

Attachment B.2
Insurance Company Letter of Intent

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Attachment B.3
Surety Letter of Intent

(to be typed on Surety Company letterhead)

Attn: Mike Konicke
2695 Manchester Avenue
Cardiff, CA 92007

SUBJECT: Building and Site Improvements Proposal – – Letter of Intent to Issue Security

Dear Mr. Konicke:

_____ (“the Respondent”) has submitted herewith Statement of Qualifications (SOQ) in response to the Request for Qualifications (RFQ) for the Building and Site Improvements issued by San Elijo Joint Powers Authority (the “Owner”) on _____, 2018, as amended, pursuant to which it is seeking to be selected by the Owner to deliver the Building and Site Improvements described in the Request for Qualifications.

The Surety has reviewed the Owner’s RFQ and the Respondent’s SOQ. The Surety hereby certifies that it intends to issue on behalf of the Respondent, as security for performance under the CMAR Contract, a Performance Bond and a Payment Bond for the benefit of the Owner, in the event the Respondent is selected for final negotiations and execution of the CMAR Contract. The Performance Bond and the Payment Bond will each be in an amount equal to the value of the Contract Price and shall be increased to reflect any Price Adjustment.

Name of Surety

Name of Authorized Signatory

Signature

Title