

AGENDA
REGULAR BOARD MEETING OF THE
SAN ELIJO JOINT POWERS AUTHORITY
FEBRUARY 20, 2024 AT 8:30 A.M.
SAN ELIJO WATER CAMPUS – BOARD MEETING ROOM
2695 MANCHESTER AVENUE
CARDIFF BY THE SEA, CALIFORNIA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD (NON-ACTION ITEM)
5. AWARDS AND RECOGNITION
 - California Sanitation Risk Management Authority (CSRMA) 2022/23 Workers' Compensation Excellence Award
 - California Water Environment Association (CWEA) Safety Plant of the Year (Medium) for San Diego Section
 - California Water Environment Association (CWEA) Quarter Century Award – Todd Hutchinson
6. * **CONSENT CALENDAR**
7. * [APPROVAL OF MINUTES FOR JANUARY 16, 2024 MEETING](#)
8. * [APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS – JANUARY](#)
9. * [WASTEWATER TREATMENT REPORT – DECEMBER](#)
10. * [RECYCLED WATER REPORT – DECEMBER](#)
11. * [REPORTABLE MEETINGS](#)
12. * [APPOINTMENT OF TREASURER AND UPDATE TO AUTHORIZED SEJPA OFFICERS FOR THE LOCAL AGENCY INVESTMENT FUND \(LAIF\)](#)
13. * [EXTENSION OF INFORMATION TECHNOLOGY \(IT\) SERVICES WITH THE CITY OF ENCINITAS](#)
14. * **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

15. [SAN ELIJO JOINT POWERS AUTHORITY MID-YEAR REVIEW OF THE FISCAL YEAR 2023-24 OPERATING BUDGET](#)

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

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](#)

None.

20. [ADJOURNMENT](#)

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Tuesday, March 19, 2024 at 8:30 a.m.

NOTICE:

The San Elijo Joint Powers Authority's open and public meetings comply with 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 are 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 generally held on the third Tuesday of each month, with no scheduled meetings in 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 on the SEJPA website at www.sejpa.org, and in the following locations:

San Elijo Water Campus (formerly known as San Elijo Water Reclamation Facility),
2695 Manchester Avenue, Cardiff, California
City of Encinitas, 505 South Vulcan Avenue, Encinitas, California
City of Solana Beach, 635 South Highway 101, Solana Beach, California

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

Date: February 15, 2024



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

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON JANUARY 16, 2024
AT THE SAN ELIJO WATER CAMPUS

Kellie Hinze, Chair

Kristi Becker, Vice Chair

A meeting of the Board of Directors of San Elijo Joint Powers Authority (SEJPA) was held Tuesday, January 16, 2024, at 8:30 a.m., at the San Elijo Water Campus.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

David Zito
Allison Blackwell
Kristi Becker
Kellie Hinze

Others Present:

General Manager	Michael Thornton
Director of Operations	Chris Trees
Director of Infrastructure and Sustainability	Tom Falk
Director of Finance and Administration	Amy Chang
Management Analyst I	Abby Schlenk

SEJPA Counsel:

Procopio	Adriana Ochoa
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City of Solana Beach:

Director of Engineering/Public Works	Mohammad "Mo" Sammak
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City of Encinitas:

Public Works	Shawn Atherton
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3. PLEDGE OF ALLEGIANCE

Board Chair, David Zito, led the Pledge of Allegiance.

4. ORAL COMMUNICATION/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

Casey Larsen – 15 Years of Service Award
Recognition of the 2023 SEJPA new employees

6. CONSENT CALENDAR

Moved by Board Member Becker and seconded by Vice Chair Kranz to approve the Consent Calendar.

- | | |
|--------------------|---|
| Agenda Item No. 7 | Approval of Minutes for the December 12, 2023 Board Meeting |
| Agenda Item No. 8 | Approval for Payment of Warrants and Monthly Investment Report – December |
| Agenda Item No. 9 | Wastewater Treatment Report – November |
| Agenda Item No. 10 | Recycled Water Report – November |
| Agenda Item No. 11 | Reportable Meetings |
| Agenda Item No. 12 | Update Conflict of Interest Code |

Motion carried with the following vote of approval:

AYES:	Zito, Blackwell, Becker, Hinze
NOES	None
ABSENT:	None
ABSTAIN:	None

14. 2024 ELECTION OF OFFICERS AND BOARD MEETING SCHEDULE

General Manager, Michael Thornton, stated that following past practice of rotating the Board officer positions, the slate of officers for calendar year 2024 is proposed as follows:

Chair of the Board:	Council Member Hinze (Encinitas)
Vice Chair of the Board:	Council Member Becker (Solana Beach)
Board Member:	Deputy Mayor Blackwell (Encinitas)
Board Member:	Council Member Zito (Solana Beach)

Also, the proposed 2024 Regular Meeting Schedule of the Board of Directors is 8:30 a.m. on the third Tuesday of each month, with exceptions in July (no meeting), November (second Tuesday), and December (second Tuesday) was presented.

Per discussion of the Board, the proposed 2024 Regular Meeting Schedule of the Board of Directors was revised to include a meeting on July 16, 2024 and no meeting in August.

Moved by Board Member Hinze and seconded by Board Member Becker to:

1. Appoint Chairperson and Vice-Chairperson for the 2024 SEJPA Board of Directors;
2. Select a regular meeting schedule for 2024; and
3. Discuss and take action as appropriate.

Motion carried with the following vote of approval:

AYES: Zito, Blackwell, Becker, Hinze
NOES: None
ABSENT: None
ABSTAIN: None

15. GENERAL MANAGER'S REPORT

General Manager Michael Thornton briefly discussed SEJPA's collaboration with San Diego State University (SDSU) for Senior Projects in Civil and Environmental Engineering in the fall of 2023. SEJPA sponsored two teams of senior students working on a capital improvement project for the Moonlight Beach Pump Station in Encinitas. Tom Falk, the Director of Infrastructure and Sustainability, noted the rewarding experience and commended the students for their "hard work and motivation."

16. GENERAL COUNSEL'S REPORT

Legal Counsel, Adriana Ochoa, informed attendees that she will be attending a California Association of Sanitation Agencies (CASA) conference next week and reporting back upon her return.

17. BOARD MEMBER COMMENTS

Board Member Zito commented on the upcoming departure of Amy Chang, Director of Finance and Administration, from SEJPA. The Board thanked Amy Chang for her work and contribution to SEJPA. General Manager Michael Thornton expressed his gratitude for her service over the last four years. Legal Counsel Adriana Ochoa praised Amy Chang for her seamless transition into the role and expressed it was a true pleasure working with her.

18. CLOSED SESSION

None.

19. ADJOURNMENT

The meeting adjourned at 8:54 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, February 20, 2024 at 8:30 a.m.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of January 2024**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
43224	Adam Kaye	Services - Professional	Public communications	\$ 500.00
43225	Aflac	EE Deduction Benefits	Aflac - Jun	857.55
43226	Ardurra Group, Inc	Services - Engineering	Wanket tank refurbish support from 11/01/23 to 11/30/23	3,200.00
43227	Bay City Electric Works	Supplies - Shop & Field	Troubleshoot and connect Olivenhain PS generator unit	4,857.67
43228	Boot World, Inc.	Uniforms - Boots	Safety boots - R. Bandyopadhyay and A. Harp	316.08
43229	Brax Process and Pump Equip.	Repair Parts Expense	Pump #3 motor	1,977.97
43230	CA. Office Cleaning, Inc.	Services - Janitorial	Office and window cleaning	4,691.00
43231	CA-NV Section AWWA	Dues & Memberships	Certificate renewal - M. Piper	100.00
43232	California Water Technologies	Supplies - Chem - Ferric Chlo	Ferric chloride solution	11,584.21
43233	Caltrol, Inc.	Repair Parts Expense	RO actuator	2,104.53
43234	Denali Water Solutions LLC	Services - Biosolids Hauling	Biosolids hauling and reuse - Sep	8,372.37
43235	Dudek & Associates	Services - Engineering	Construction of MBPS, Stormwater capture reuse and site water improv.	18,713.08
43236	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	823.00
43237	Evoqua Water Technologies	Supplies - Chem - Odor	Bioxide	9,114.55
43238	Excel Landscape, Inc.	Services - Landscape	Grounds maintenance service - Dec	4,382.00
43239	Hardy Diagnostics	Supplies - Lab	Various lab supplies	1,292.50
43240	Idexx Distribution, Inc.	Supplies - Lab	Enterolert test kits	2,517.73
43241	Lawson Products Inc.	Supplies - Shop & Field	Various shop and field supplies	2,102.80
43242	Layfield Environmental Systems	Services - Maintenance	Flow equalization basins maintenance - 10/01/23 - 11/30/23	30,694.00
43243	McMaster-Carr Supply Co.	Repair Parts, Chemicals, Safety supplie	Various supplies	1,859.93
43244	MetLife - Group Benefits	Dental/Vision	Dental - Jan	2,933.16
43245	Mission Square	ICMA Retirement	ICMA - 401a	6,206.18
43246	North County Transit District	Licenses	Annual license fee - 242.8-1215-PL-SEJP	1,268.13
43247	Cosby Oil Company, Inc	Fuel	Fuel - Dec	1,129.72
43248	Olin Corp - Chlor Alkali	Supplies - Chem - Odor	Procurement of sodium hypochlorite	22,696.37
43249	Olivenhain Municipal Water Dis	Services - Landscape and Maint., Rent	Wanket reservoir 1/3 landscape maint. 2nd Q, Weigan zona, Pipeline rental I	7,866.60
43250	OneSource Distributors, Inc.	Shop Tools and Equip.	Thermal imager	6,895.99
43251	Polydyne Inc.	Supplies - Chem - Polymer	Clarifloc - WE - 007	16,929.42
43252	ProBuild Company, LLC	Supplies - Shop & Field , Safety	Various supplies	886.11
43253	Robert Half International, Inc	Services - Temp	Temp service period ending - 12/28/23	5,000.00
43254	RSF Security Systems	Services - Maintenance, Alarm	Battery leads service and cellular fire system monitoring	898.00
43255	Santa Fe Irrigation District	Utilities - Water	Water	373.15
43256	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline reimbursement	1,011.36
43257	San Dieguito Water District	Utilities - Water	Water	1,928.41
43258	Siemens Industry, Inc.	Repair Parts Expense	Cardiff gravity flow meter and level transducer	4,235.66
43259	Thatcher Company of California	Supplies - Chemicals	Aluminum sulfate	2,741.30
43260	Unifirst Corporation	Services - Uniforms	Uniform service	202.35
43261	US Bank PARS Acct.#6746050100	Accounts Payable Control	FY 2022-23 Contribution to PARS trust	309,000.00
43262	Underground Service Alert/SC	Services - Alarm	Dig alert and safe excavation board	145.39
43263	USA Bluebook	Repair Parts Expense	Tube assembly and submersible pump	1,099.40
43264	University of Southern CA	Dues & Memberships	Membership - M. Piper	120.00
43265	Volt Management Corp	Services - Temp	Intern program and temp services	6,231.25
43266	Benefits Coordinators Corp.	Dental/Vision	Vision - Jan	424.30
43267	Mission Square	ICMA Retirement	ICMA - 401a	12,926.29
43268	Mission Square - 304175	EE Deduction Benefits	ICMA - 457	17,661.56
43269	Abila	Licenses	Accounting software support and subscription	341.24
43270	Aflac	EE Deduction Benefits	Aflac - Jan	831.88
43271	Ahrens Mechanical	Services - Contractors	Moonlight Beach PS modifications - 11/02/23 - 12/31/23	60,325.00
43272	Akeso Occupation Health	Services - Medical	Hearing test	45.00
43273	Allied Storage Containers	Equipment Rental/Lease	20' and 40' storage containers - 01/20/24 - 02/16/24	359.89
43274	AT&T	Utilities - Telephone	Phone service - 12/13/23 - 01/12/24	723.30
43275	Automation Direct	Repair Parts Expense	Level display for wetwell	108.83
43276	Boot World, Inc.	Uniforms - Boots	Safety boots - D. Canady	194.81
43277	Brenntag Pacific, Inc	Supplies - Chem - Odor	Sodium hydroxide	1,500.62
43278	CAN-DO-Maintenance Inc.	Services - Maintenance	Fence repair	750.00
43279	Carollo Engineers	Services - Engineering and Professiona	Engineering services and analysis update through 12/31/23	24,060.16
43280	CDM Smith	Services - Engineering	Services from 09/03/2023 - 01/06/2024	17,328.60
43281	Corodata	Rent	Record storage - Dec	118.85
43282	CSMFO	Seminars/Education	2024 CSMFO Event - A. Chang	35.00
43283	CWEA Membership	Dues & Memberships	Membership renewal - T. Hutchinson	221.00
43284	Denali Water Solutions LLC	Services - Biosolids Hauling	Biosolids hauling and reuse - Oct	7,158.77
43285	Westbound Solar 2, LLC	Utilities - Solar Power	Solar - Dec	8,261.92
43286	EDCO Waste & Recycling Service	Utilities - Trash	Jan	485.95
43287	Encina Wastewater Authority	Services - Laboratory	Heterotrophic plate count analysis	162.00
43288	Enthalpy Analytical, LLC	Services - Laboratory	Laboratory toxicity testing services for Nov 2023	1,050.00
43289	Eurofins Calscience, LLC	Services - Laboratory	Testing water samples	155.00
43290	Fisher Scientific	Supplies - Lab	Lab bench equipment	268.73
43291	Golden Bell Products	Supplies - Chemicals	Coast lift station degreaser	476.79
43292	Unifirst First Aid Corp	Supplies - Safety	First aid supplies	194.12
43293	GSE Construction Company Inc.	Services - Contractors	Biosolids facilities improvements - 03/15/23 - 12/31/23	445,740.00
43294	Hardy Diagnostics	Supplies - Lab	Various lab supplies	1,793.47
43295	Hoch Consulting, APC	Services - Professional	Prop 1 Rd 1 project 6 N.C. RW and project 7 - 10/01/23 - 12/31/23	8,640.00
43296	McMaster-Carr Supply Co.	Repair Parts and Supplies	Various supplies	875.52
43297	MetLife - Group Benefits	Dental/Vision	Dental - Feb	3,007.96
43298	Mission Square	ICMA Retirement	ICMA - 401a	6,642.23
43299	Mission Square - 304175	EE Deduction Benefits	ICMA - 457	10,290.26
43300	MSE Landscape Professionals	Services - Landscape	Tree maintenance services	2,565.00
43301	Cosby Oil Company, Inc	Fuel	Fuel - Jan	844.56
43302	Oasis Palm Nursery, Inc.	Services - Maintenance	Winter service - palm maintenance	600.00
43303	OneSource Distributors, Inc.	Repair Parts Expense	Primary scum pump 2 conduit and VFD converter	1,426.78
43304	Pacific Pipeline Supply	Shop Tools and Equip.	Soil probes	259.86
43305	Parada Painting	Services - Maintenance	AWP structure painting - retention	6,290.00

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of January 2024**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
43306	Robert Half International, Inc	Services - Temp	Temp service period ending - 12/29/23	1,074.15
43307	Rusty Wallis, Inc.	Services - Maintenance	Water softener, tank service and salt bags	402.56
43308	Santa Fe Irrigation District	Utilities - Water	Water	99.91
43309	Sloan Electric Company	Repair Parts Expense	FEB #2 VFD and odor scrubber pump motor	1,851.15
43310	Southwest Valve & Equip.	Repair Parts Expense	Pump suction valves	11,136.14
43311	State Water Resources Control	Fees - Permits	Annual permit fee - Facility ID: 9371001545	1,818.00
43312	Terminix Processing Center	Services - Maintenance	Pest control service	544.00
43313	Trussell Technologies, Inc	Services - Professional	Design of bio treatment improvements - 11/01/23 - 12/31/23	96,108.26
43314	USA Bluebook	Supplies - Lab, Repair parts, Shop and	Various supplies and parts	4,309.33
43315	Valley CM, Inc.	Services - Contractors	Management and inspection services - 12/01/23 - 12/31/23	12,654.50
43316	Verizon Wireless	Utilities - Telephone	12/11/23 - 01/10/24	625.87
43317	Verizon Wireless	Utilities - Telephone	Cellphone service - 12/08/23 - 01/07/24	1,047.30
43318	Volt Management Corp	Services - Temp	Internship program and temp service	6,456.24
43319	WageWorks	Payroll Processing Fees	Admin fee - Nov 2022 and Feb 2023	294.25
43320	Water Environment Federation	Dues & Memberships	Membership - M. Henke	361.00
43321	WM Corporate Services, Inc.	Services - Sediment Disposal	10 yard roll off disposal	3,187.95
On-line 863	BankCard Center	Capital Outlay	Various supplies	12,746.78
On-line 864	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 11/25/23 - 12/08/23	20,104.56
On-line 865	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 12/09/23 - 12/22/23	20,746.03
On-line 866	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 12/23/23 - 01/05/24	22,147.56
On-line 867	CA. Dept. of Tax & Fee Admin.	Accrued Sales Tax Payable	Use tax - 10/01/23 - 12/31/23	823.00
On-line 868	Michelle Pizer	Training	Executive coaching	4,500.00
On-line 869	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 01/06/24 - 01/19/24	22,452.82
On-line 870	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - 12/07/23 - 01/08/24	89,171.88
On-line 871	Sun Life Financial	Life Insurance/Disability	Life and disability - Feb	2,946.85
	San Elijo Payroll Account	Payroll	Payroll - 01/12/2024	135,712.00
	San Elijo Payroll Account	Payroll	Payroll - 01/26/2024	158,681.39
				<u>\$ 1,787,007.65</u>

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS SUMMARY**

**For the Month of January 2024
As of January 31, 2024**

PAYMENT OF WARRANTS

\$ 1,787,007.65

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 SEJPA, including the Member Agency commitment in their operating budgets to support the operations of SEJPA, are expected to be adequate to meet SEJPA's obligations over the next six months. I also certify that SEJPA's investment portfolio complies with the SEJPA's investment policy.



C. Yani Barragan
Accounting Technician III

SAN ELIJO JOINT POWERS AUTHORITY
STATEMENT OF FUNDS AVAILABLE FOR PAYMENT OF WARRANTS
AND INVESTMENT INFORMATION

As of January 31, 2024

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(JANUARY 2024 YIELD 4.012%)</i>	\$ 15,054,218.90
CALIFORNIA BANK AND TRUST <i>(JANUARY 2024 YIELD 0.01%)</i>	1,095,269.98
U.S. Bank <i>(JANUARY 2024 YIELD 4.40%)</i>	15,357,041.27
PARS <i>(JANUARY 2024 YIELD 0.04)</i>	953,803.17
TOTAL RESOURCES	<u>\$ 32,460,333.32</u>

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 20, 2024

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: WASTEWATER TREATMENT REPORT - DECEMBER

RECOMMENDATION

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

DISCUSSION

Monthly Treatment Plant Performance and Evaluation

Wastewater treatment for the San Elijo Joint Powers Authority (SEJPA) met all National Pollutant Discharge Elimination System (NPDES) ocean effluent limitation requirements for the month of December 2023. The primary indicators of treatment performance include the removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD). The SEJPA is required to remove a minimum of 85 percent of the TSS and CBOD from the wastewater. Treatment levels for **TSS** and **CBOD** were **97.8** and **98.3** percent removal, respectively, during the month of December.

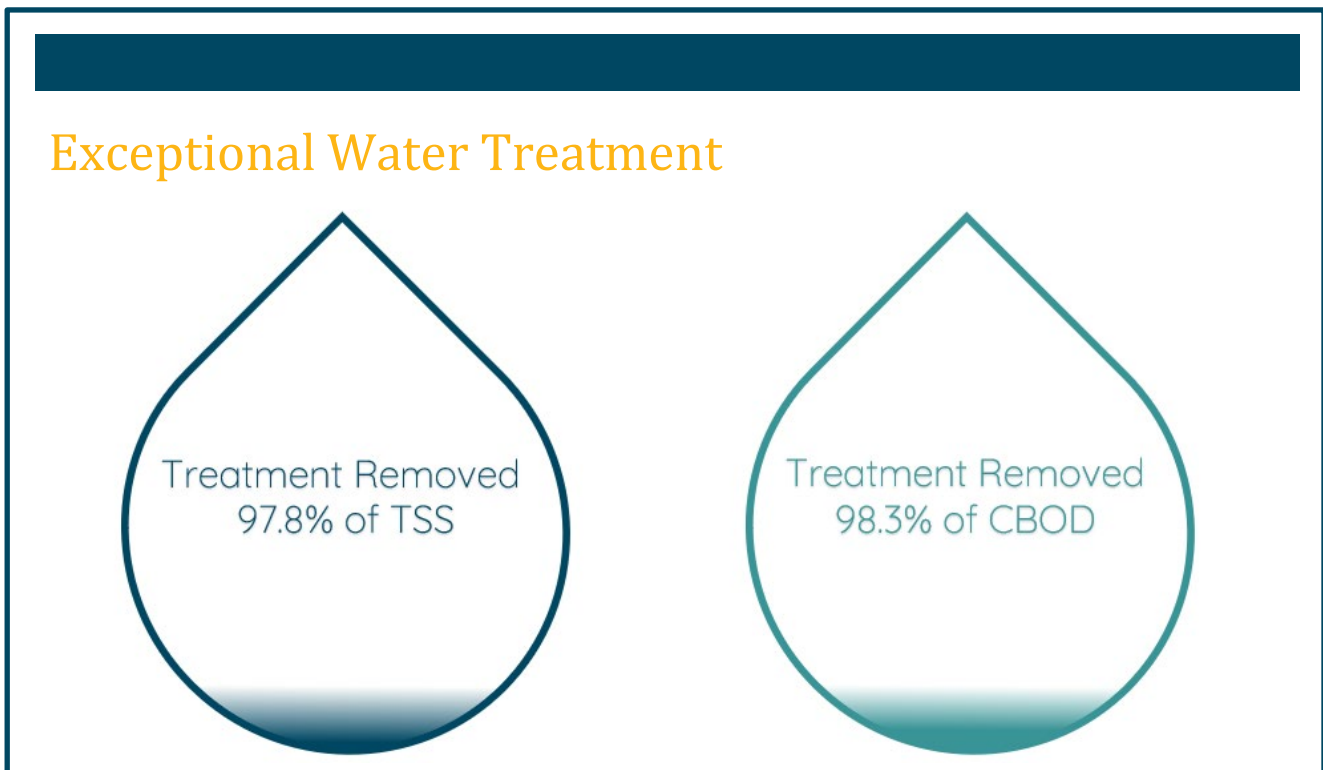
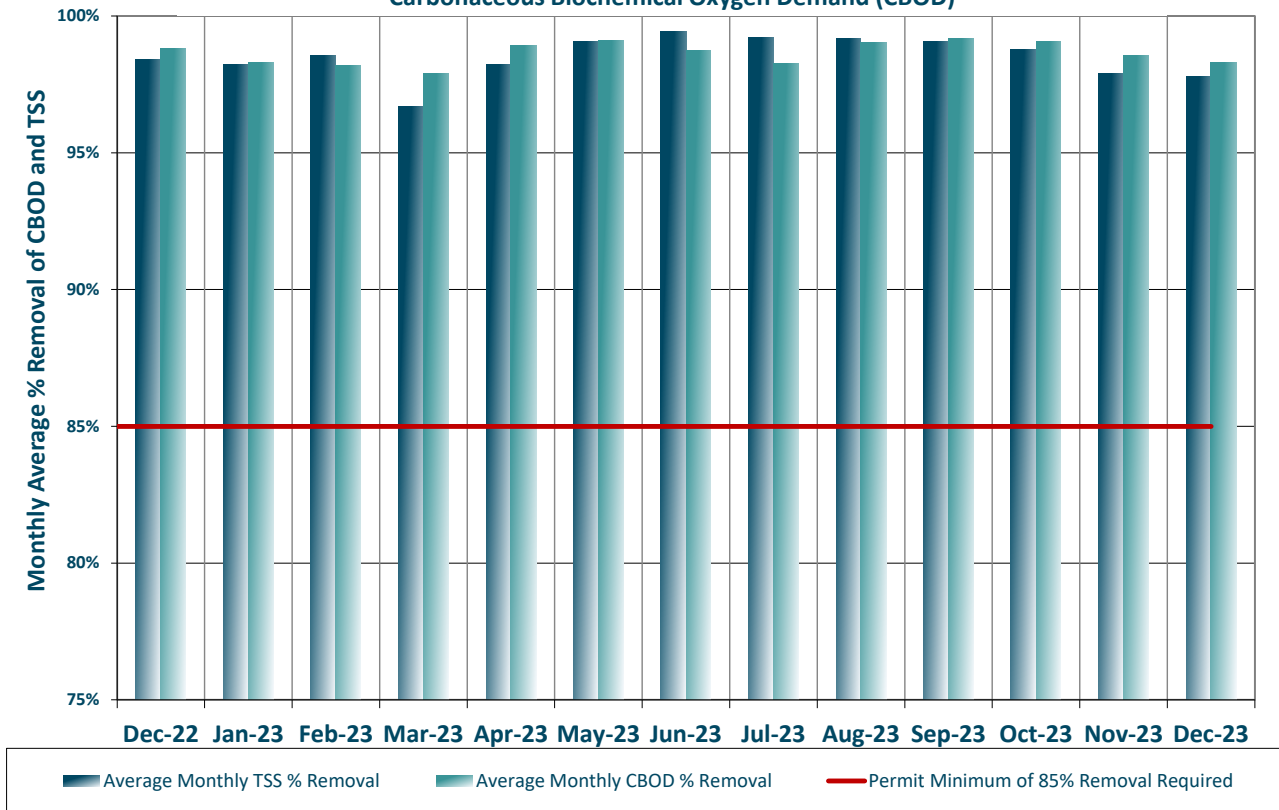


Figure 1 (below) shows historic treatment performance trends for the removal of TSS and CBOD over the last 13 months compared to the permit minimum removal requirement of 85%.

Figure 1: Wastewater Treatment Performance of the SEJPA % Removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD)



Figures 2 and 3 (below) show historic influent vs effluent TSS and CBOD concentration fluctuations in the strength of the wastewater being received and discharged by the SEJPA.

FIGURE 2: TREATED EFFLUENT FLOWS REMOVAL OF TSS

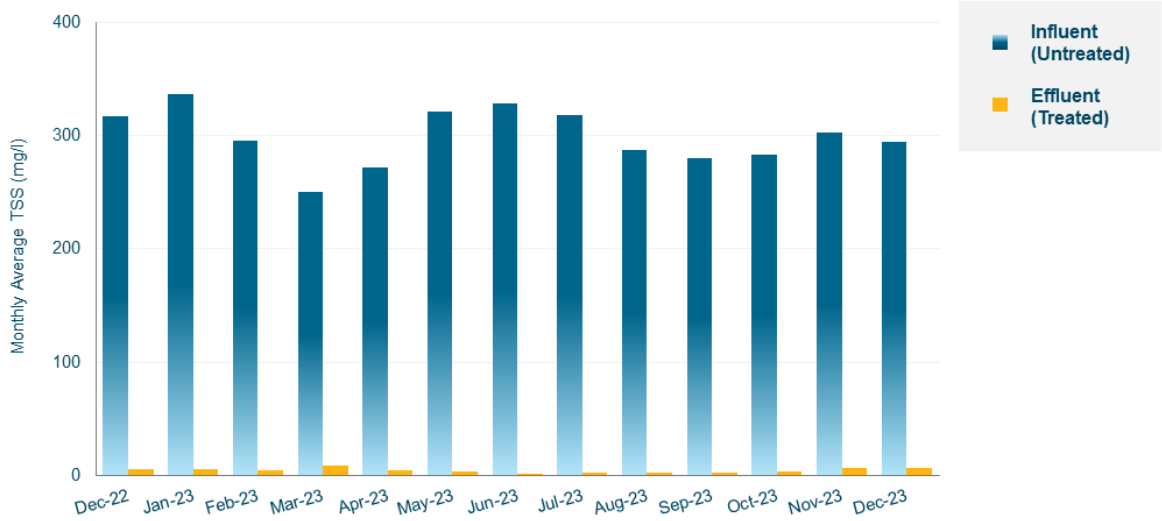
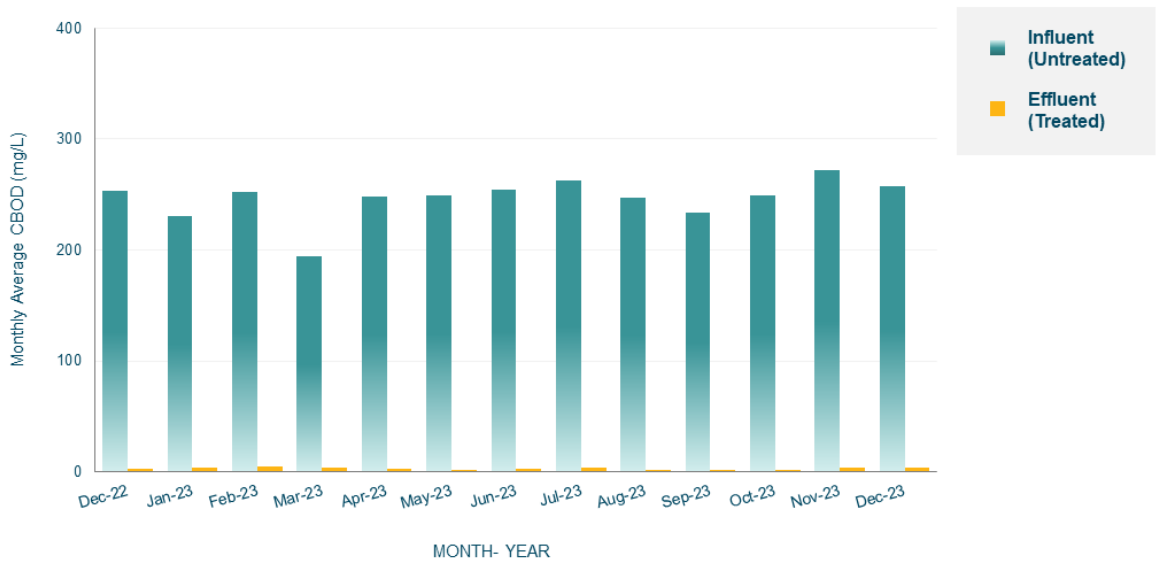


FIGURE 3: TREATED EFFLUENT FLOWS REMOVAL OF CBOD



Member Agency Flows

Table 1 (below) presents the influent and effluent flows for the month of December. Average daily influent flows were recorded for each contributing agency. In December, about 27% of the incoming flow was repurposed as recycled water with the remaining flow discharge to the ocean.

TABLE 1 - INFLUENT AND EFFLUENT FLOWS IN DECEMBER

DECEMBER			
	Influent (mad)	Recycled Water (mad)	Effluent (mad)*
Cardiff Sanitaru Division	1.313	0.349	0.964
Citu of Solana Beach	1.011	0.269	0.742
Rancho Santa Fe SID	0.173	0.046	0.127
City of Del Mar	0.377	0.1	0.277
Total San Elilio Water Campus Flow	2.874	0.764	2.110

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

Table 2 (below) presents the historical average and unit influent rates per month for each of the contributing agency during the past 3 years. It also presents the number of connected Equivalent Dwelling Units (EDUs) for each agency during this same time.

TABLE 2 - SAN ELIJO WATER CAMPUS MONTHLY REPORT - FLOWS AND EDUS

MONTH	AVERAGE DAILY INFLUENT FLOW RATE (MGD)					CONNECTED EDUs					AVERAGE UNIT INFLUENT FLOW RATE (GAL/EDU/DAY)				
	CSD	RSF	SB	DM	TOTAL PLANT	CSD	RSF	SB	DM	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
Dec-20	1.217	0.141	0.893	0.304	2.555	8,543	579	8,110	2,616	19,848	142	244	110	123	129
Jan-21	1.238	0.150	0.909	0.323	2.620	8,543	579	8,110	2,616	19,848	145	259	112	129	132
Feb-21	1.224	0.151	0.926	0.306	2.607	8,548	579	8,110	2,616	19,853	143	261	114	121	131
Mar-21	1.291	0.160	0.968	0.332	2.751	8,548	579	8,110	2,616	19,853	151	277	119	131	139
Apr-21	1.232	0.160	0.925	0.320	2.637	8,552	579	8,110	2,616	19,857	144	277	114	129	133
May-21	1.189	0.157	0.932	0.323	2.601	8,552	579	8,110	2,616	19,857	139	271	115	130	131
Jun-21	1.218	0.148	0.938	0.358	2.662	8,554	579	8,110	2,616	19,859	142	256	116	145	134
Jul-21	1.183	0.144	0.972	0.435	2.734	8,554	579	8,124	2,616	19,873	138	249	120	178	138
Aug-21	1.178	0.150	0.966	0.480	2.774	8,556	579	8,124	2,616	19,875	138	259	119	196	140
Sep-21	1.153	0.129	0.948	0.353	2.583	8,557	579	8,124	2,616	19,876	135	223	117	144	130
Oct-21	1.225	0.126	0.885	0.329	2.565	8,557	579	8,124	2,616	19,876	143	218	109	139	129
Nov-21	1.156	0.131	0.911	0.329	2.527	8,557	581	8,124	2,616	19,878	135	226	112	135	127
Dec-21	1.264	0.145	0.913	0.310	2.632	8,557	581	8,124	2,616	19,878	148	250	112	127	132
Jan-22	1.174	0.140	0.906	0.357	2.577	8,557	581	8,124	2,616	19,878	137	241	112	145	130
Feb-22	1.113	0.158	0.929	0.300	2.500	8,557	581	8,124	2,616	19,878	130	272	114	120	126
Mar-22	1.176	0.142	0.946	0.307	2.571	8,557	581	8,124	2,616	19,878	137	245	116	123	129
Apr-22	1.134	0.140	0.875	0.315	2.464	8,557	582	8,124	2,616	19,879	133	241	108	129	124
May-22	1.146	0.140	0.877	0.301	2.464	8,557	582	8,124	2,616	19,879	134	241	108	123	124
Jun-22	1.133	0.138	0.921	0.452	2.644	8,557	583	8,124	2,616	19,880	132	237	113	184	133
Jul-22	1.124	0.129	0.948	0.438	2.639	8,557	583	8,142	2,616	19,898	131	221	116	179	133
Aug-22	1.163	0.133	0.929	0.448	2.673	8,557	583	8,142	2,616	19,898	136	228	114	185	134
Sep-22	1.139	0.125	0.904	0.381	2.549	8,557	584	8,142	2,616	19,899	133	214	111	158	128
Oct-22	1.083	0.128	0.890	0.295	2.396	8,557	584	8,142	2,616	19,899	127	219	109	122	120
Nov-22	1.205	0.124	0.879	0.336	2.544	8,557	585	8,142	2,616	19,900	141	212	108	138	128
Dec-22	1.186	0.133	0.906	0.374	2.599	8,557	585	8,142	2,616	19,900	139	228	111	151	131
Jan-23	1.630	0.200	0.979	0.379	3.188	8,557	585	8,142	2,616	19,900	190	342	120	153	160
Feb-23	1.323	0.167	0.930	0.371	2.791	8,557	585	8,142	2,616	19,900	155	286	114	149	140
Mar-23	1.892	0.255	1.044	0.392	3.583	8,557	585	8,142	2,616	19,900	221	436	128	154	180
Apr-23	1.244	0.187	0.915	0.303	2.649	8,557	586	8,142	2,616	19,901	145	319	112	123	133
May-23	1.184	0.167	0.879	0.295	2.525	8,557	586	8,142	2,616	19,901	138	285	108	120	127
Jun-23	1.185	0.144	0.891	0.413	2.633	8,557	586	8,142	2,616	19,901	136	282	109	171	132
Jul-23	1.160	0.146	0.949	0.446	2.701	8,557	586	8,166	2,616	19,925	136	249	116	182	136
Aug-23	1.242	0.177	0.954	0.494	2.867	8,559	586	8,166	2,622	19,933	145	302	117	200	144
Sep-23	1.161	0.161	0.885	0.371	2.578	8,559	586	8,166	2,622	19,933	136	275	108	152	129
Oct-23	1.125	0.163	0.870	0.308	2.466	8,559	587	8,166	2,622	19,934	131	278	107	125	124
Nov-23	1.246	0.186	0.961	0.409	2.802	8,559	588	8,166	2,622	19,935	146	317	118	149	141
Dec-23	1.313	0.173	1.011	0.377	2.874	8,559	588	8,166	2,622	19,935	153	294	124	133	144

CSD: Cardiff Sanitary Division

RSF: Ranch Santa Fe Community Service District

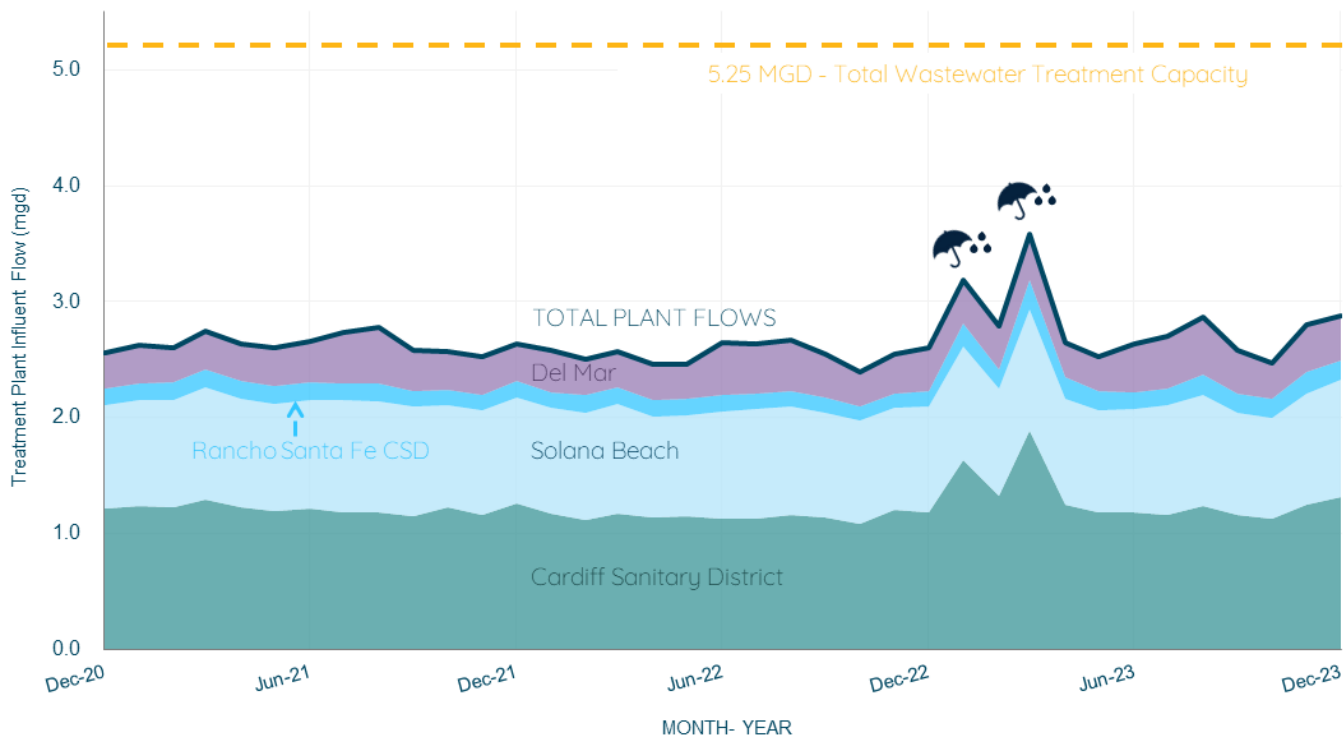
SB: Solana Beach

DM: City of Del Mar

EDU: Equivalent Dwelling Unit

Figure 4 (below) presents the 3-year historical average daily flows per month for each contributing agency. This is to provide a historical overview of the average flow treated for each agency. Also shown in Figure 4 is the total wastewater treatment capacity of the water campus, 5.25 mgd, of which the Cities of Encinitas and Solana Beach 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.

FIGURE 4: SEJPA AVERAGE DAILY FLOWS OVER THE PAST 3 YEARS



City of Escondido Flows

The average and peak flow rate for the month of December 2023 from the City of Escondido's Hale Avenue Resource Recovery Facility, which discharges through the San Elijo Ocean Outfall, is reported below in Table 3.

TABLE 3 - CITY OF ESCONDIDO FLOWS

	Flow (mgd)
Escondido (Average flow rate)	9.25
Escondido (Peak flow rate)	17.9

Connected Equivalent Dwelling Units

The Cities of Encinitas, Solana Beach and Del Mar updated the number of connected EDUs that are reported to the SEJPA in August 2023. The Rancho Santa Fe CSD update their connected EDUs report every month. The number of EDUs connected for each of the Member Agencies and lease agencies is reported in Table 4 below.

TABLE 4 - CONNECTED EDUs BY AGENCY

	Connected (EDU)
Cardiff Sanitary Division	8,559
Rancho Santa Fe SID	588
City of Solana Beach	7,829
San Diego (to Solana Beach)	337
City of Del Mar	2,622
Total EDUs to System	19,935

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

*

AGENDA ITEM NO. 10

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 20, 2024

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: RECYCLED WATER REPORT - DECEMBER

RECOMMENDATION

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

DISCUSSION

Recycled Water Production

For the month of December 2023, recycled water demand was 67.3 acre-feet (AF), which was met using 67.1 AF of recycled water and supplemented with 0.2 AF of potable water. December demand was 26.9% above budget expectations of 53 AF. The total water production of 930 AF for the first six months of FY 2023-24 was slightly below budget by 5.9%. The principal factor contributing to the lower-than-projected recycled water demand can be attributed to the influence of tropical storm Hilary in August 2023, which resulted in approximately 2.4 inches of precipitation in the local area.

Figure 1 (attached) provides a graphical view of annual recycled water demand spanning the last 10 fiscal years, with the overlay of annual rainfall. Since the recycled water program primarily serves outdoor irrigation, annual demand is reduced during wet periods and increases during times of drought. Figure 2 (attached) shows the monthly recycled water demand for each December for the last ten years to provide a year-over-year comparison. Figure 3 (attached) compares budget versus actual recycled water sales for FY 2023-24.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

FIGURE 1: RECYCLED WATER DEMAND AND RAINFALL COMPARISON

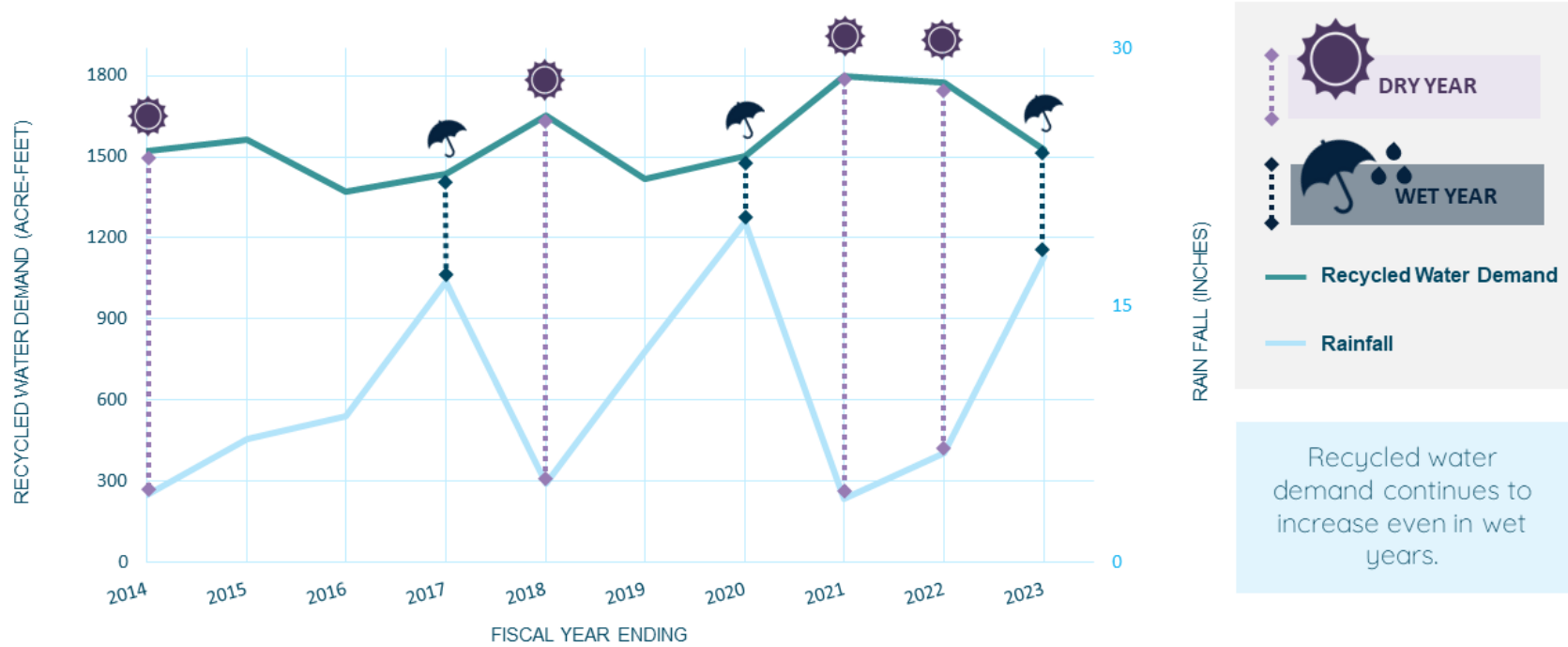


FIGURE 2: DECEMBER RECYCLED WATER DEMAND

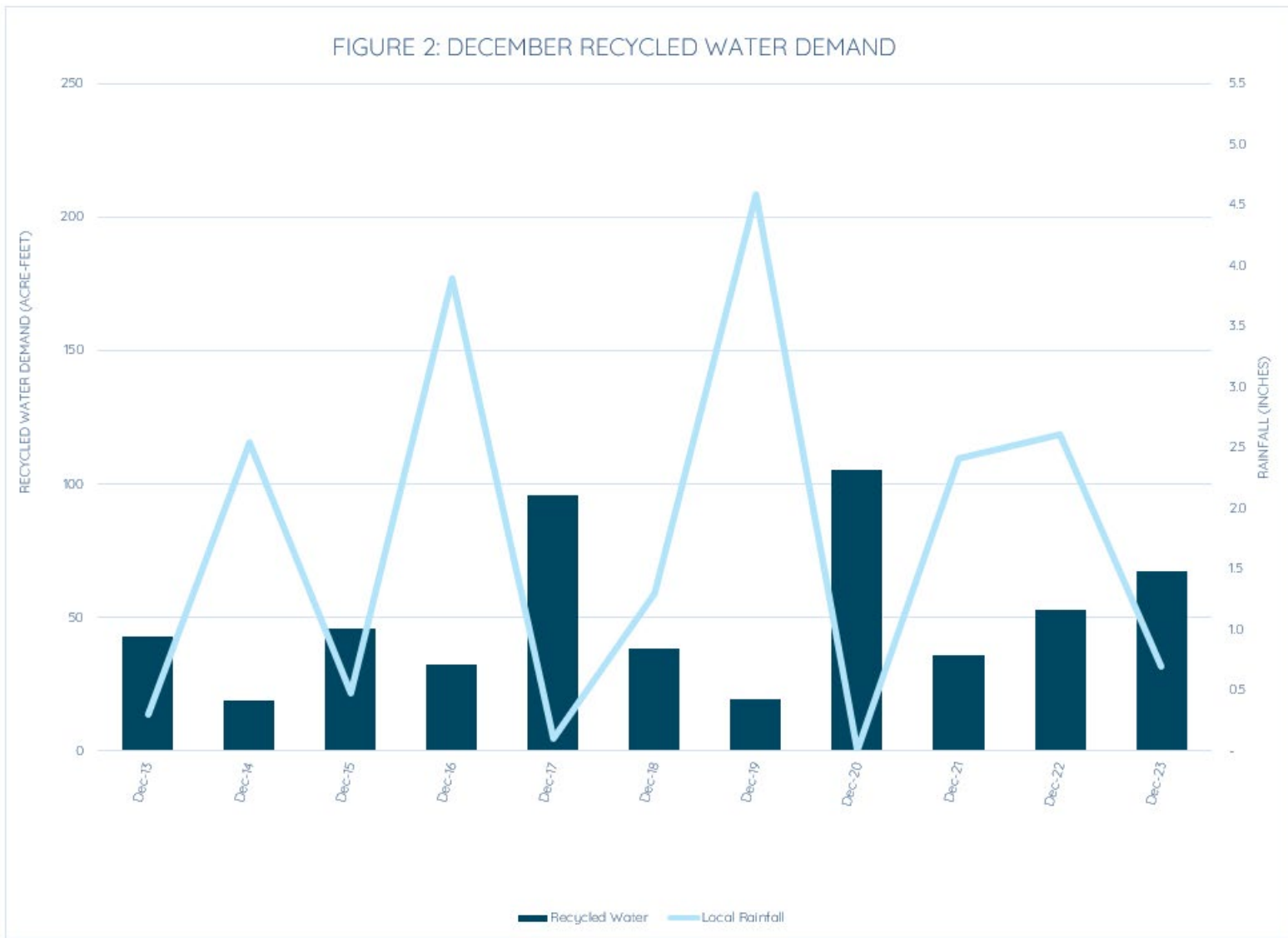
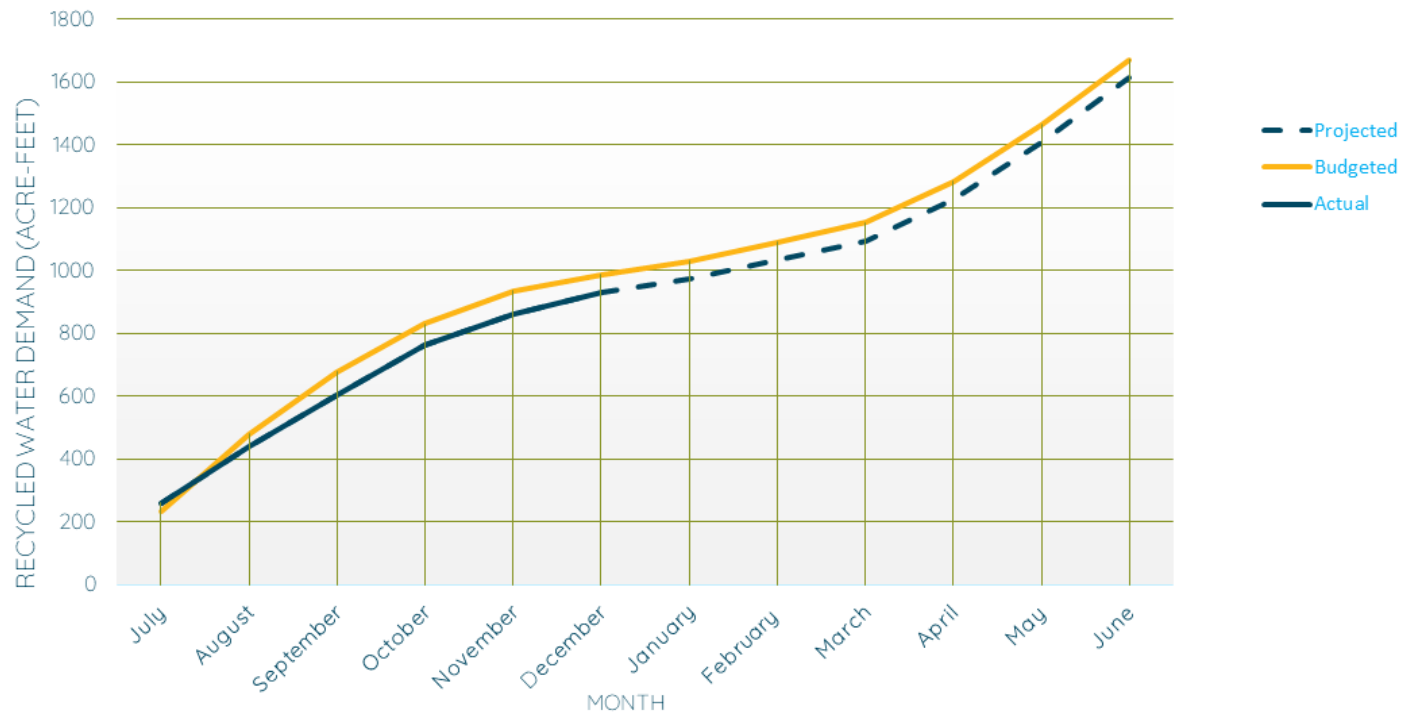


FIGURE 3: FY2023/24 CUMULATIVE DEMAND VS BUDGET



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AGENDA ITEM NO. 11

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 20, 2024

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: REPORTABLE MEETINGS

RECOMMENDATION

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

BACKGROUND

The General Manager or his designee may meet monthly with one or more Board Members in preparation for the Board Meeting.

DISCUSSION

There were no reportable meetings for the month of January.

FINANCIAL IMPACT

Per the SEJPA Restatement Agreement, SEJPA offers the Board Member \$160 for each reportable meeting, which the Board Member may choose to accept or reject. These meetings are accounted for in our annual budget.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

*

AGENDA ITEM NO. 12

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 20, 2024

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: APPOINTMENT OF TREASURER AND UPDATE TO AUTHORIZED SEJPA OFFICERS FOR THE LOCAL AGENCY INVESTMENT FUND (LAIF)

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2024-02, Approving Appointment of SEJPA Treasurer;
2. Adopt Resolution No. 2024-03, Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) by current SEJPA officers; and
3. Discuss and take action as appropriate.

DISCUSSION

In January 2024, Staff informed the Board of Directors that Amy Chang would be resigning from her position as Director of Finance and Administration for SEJPA, effective January 19, 2024.

State law requires that a SEJPA Treasurer be appointed annually. The current SEJPA Treasurer is Amy Chang. The General Manager recommends appointing Director of Operations Christopher Trees as SEJPA Treasurer for the remaining term of fiscal year 2023-24.

Furthermore, staff recommends updating Resolution No. 88-3, which authorizes the investment of SEJPA monies in the Local Agency Investment Fund (LAIF) established in the State Treasury under Government Code section 16429.1 for the purpose of investment. This resolution was approved by the Board of Directors in December 1988 and includes outdated position titles. Current recommended positions that would be authorized to access SEJPA accounts held by LAIF are as follows:

Chairperson
General Manager
Treasurer
Director of Operations
Director of Finance and Administration

Resolution No. 2024-03 will rescind and replace Resolution 88-3, and provide authorizing investment of monies in the Local Agency Investment Fund (LAIF) by current SEJPA officers.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2024-02, Approving Appointment of SEJPA Treasurer;
2. Adopt Resolution No. 2024-03, Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF) by current SEJPA officers; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

- Attachment 1: Resolution No. 2024-02, "Resolution Approving Appointment of SEJPA Treasurer"
- Attachment 2: Resolution No. 2024-03, "Resolution of San Elijo Joint Powers Authority Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)"

Attachment 1

RESOLUTION NO. 2024-02

**RESOLUTION APPROVING
APPOINTMENT OF SEJPA TREASURER**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of SEJPA's Board of Directors, the proposed appointment of SEJPA Treasurer;

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

1. The assignment of Christopher Trees as SEJPA Treasurer for the 2023-24 fiscal year.

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 February 20, 2024 by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

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

Kellie Hinze, Chairperson
SEJPA Board of Directors

Attachment 2

RESOLUTION NO. 2024-03

**RESOLUTION OF SAN ELIJO JOINT POWERS AUTHORITY
AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND (LAIF)**

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Board of Directors authorized the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein by Resolution 88-3 on December 7, 1988;

WHEREAS, Resolution 88-3 has become outdated and requires updated terms and language;

WHEREAS, the Board of Directors hereby finds that continuing the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of the Authority;

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes the deposit and withdrawal of SEJPA monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows:

Section 1. The following San Elijo Joint Powers Authority officers holding the title(s) specified hereinbelow **or their successors in office** are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

Michael T. Thornton – General Manager
Christopher A. Trees – Director of Operations
Kellie Hinze –Chairperson
Treasurer
Director of Finance and Administration

Section 2. This resolution shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

Section 3. Resolution 88-3 is hereby rescinded and replaced by Resolution 2024-03.

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 February 20, 2024 by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

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

Kellie Hinze, Chairperson
SEJPA Board of Directors

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 20, 2024

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: EXTENSION OF INFORMATION TECHNOLOGY (IT) SERVICES
WITH THE CITY OF ENCINITAS

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into Amendment No. 1 to the Agreement for IT Services between the City of Encinitas and San Elijo Joint Powers Authority (SEJPA) for an amount not-to-exceed \$124,117; and
2. Discuss and take action as appropriate.

BACKGROUND

SEJPA collaborates with the City of Encinitas (City) for IT services, aiming to enhance the overall quality and reliability of the IT infrastructure. This collaboration has provided SEJPA with a reliable IT system, onsite and remote support, and robust cybersecurity, delivering value to SEJPA Member Agencies and all organizations served by SEJPA. The City was chosen based on staff experience, the value of services offered, and its established IT infrastructure, providing reliable system continuity and disaster recovery capabilities.

DISCUSSION

The City has provided IT solutions to SEJPA for the last 10 years, with service commencing January 2014. The quality of service and IT operations has met or exceeded expectations. The current IT service agreement term recently expired, and both parties desire to extend working relationship.

The scope of services includes the following:

- Local Area Network (LAN) and Wide Area Network (WAN) administration
- Administration of Microsoft Office 365
- Audio-Visual equipment support
- Hardware configuration
- Cybersecurity tools, including anti-virus, email and file filtering, firewall administration,

- patch and vulnerability management and incident detection
- 24/7 Security Operations Center monitoring and support
- Business systems disaster recovery (excluding cybersecurity incident recovery)
- Secure cloud hosting monthly service charge
- Secure disaster recovery as a service
- Information Technology (IT) Support Staff

The proposed fee for the IT managed services is for \$6,653 per month, or \$119,754 for 18 months plus a one-time cost of \$4,363 to be billed upon completion of the following special projects:

- Virtual server upgrade - \$3,863
- Phone system upgrade - \$500

The proposed amendment extends the agreement until June 30, 2025, and includes five optional one-year terms, each incorporating a 3% escalation or Consumer Price Index (CPI), whichever is greater. Additionally, while termination is not anticipated, the amendment includes allowance for either party to terminate with a 90-day written notice.

FINANCIAL IMPACT

The financial impact of the first 18 months of the agreement amendment, including special projects, is \$124,117, which includes \$6,653 per month in IT services and \$4,363 in one-time costs. Adequate funds are available in the FY 2023-24 Budget for the first 6 months of the amendment and additional funding for the final 12 months will be included in the FY 2024-25 Budget.

It is therefore, recommended that the Board of Directors:

1. Authorize the General Manager to enter into Amendment No. 1 to the Agreement for IT Services between the City of Encinitas and San Elijo Joint Powers Authority (SEJPA) for an amount not-to-exceed \$124,117; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment 1: Amendment No. 1 to the Agreement for IT Managed Services between the City of Encinitas and San Elijo Joint Powers Authority (SEJPA)

Attachment 2: Agreement for IT Managed Services by and between City of Encinitas and San Elijo Joint Powers Authority (SEJPA)

Attachment 1

AMENDMENT #1 TO THE AGREEMENT FOR IT MANAGED SERVICES BETWEEN THE CITY OF ENCINITAS AND SAN ELIJO JOINT POWERS AUTHORITY (SEJPA)

This Amendment 1 (the "Amendment") is made and entered into as of the date of execution of this document (the "Effective Date"), by and between the City of Encinitas, CA ("City") and San Elijo Joint Powers Authority ("Client").

WHEREAS, Client and City are parties to an agreement dated December 20, 2019 ("Agreement"); and

WHEREAS, Client and City desire to amend the Agreement.

NOW THEREFORE, in consideration of the mutual promises hereinafter contained, Client and the City agree as follows:

- Modify the Agreement Effective Date: The Agreement effective date will be January 4, 2024, through June 30, 2025, renewable every year on July 1 for five (5) optional one (1) year terms, in accordance with the renewable terms in the Agreement.
- Fees and Payment Schedule: The current payment schedule is in effect through January 3, 2024. Starting on January 4, 2024, through June 30, 2025, Client will pay the City \$6,653 per month. Thereafter, a three percent (3%) or Consumer Price Index (CPI) increase will be applied, whichever is greater, to the Client monthly payment on July 1 for every renewal period. This cost does not include any other related expenses outside the Scope of Services.
- Scope of Services:

The Scope of Services includes:

- Local Area Network (LAN) and Wide Area Network (WAN) administration
- Administration of Microsoft Office 365 (email and applications)
- Audio-Visual equipment support
- Hardware configuration
- Cybersecurity tools, including anti-virus, email and file filtering (XDR), firewall administration, patch and vulnerability management and incident detection
- 24/7 Security Operations Center monitoring and support
- Business systems disaster recovery (excluding cybersecurity incident recovery)
- Secure cloud hosting monthly service charge
- Secure disaster recovery as a service (DRaaS)
- Information Technology (IT) Support Staff

The Scope of Services does not include:

- Purchase of hardware
- Microsoft subscriptions
- Individual software licenses (e.g. Zoom, Duo)
- Internet monthly service charges
- Phone monthly service charges
- SCADA – hardware, network security, cybersecurity and disaster recovery
- Cybersecurity incident recovery

- Cybersecurity insurance
- Cybersecurity liability coverage

The Client is required to obtain and maintain cybersecurity liability insurance and cybersecurity incident response retainer. The City is not liable for any costs associated with any cybersecurity breaches.

- Special Projects: These are one-time costs that will be billed upon completion:
 - Virtual server upgrade - \$3,863
 - Phone upgrade (VOIP) - \$500

The new contract cost, effective January 4, 2024, through June 30, 2025 will be \$119,754 plus one-time costs of \$4,363, for a total cost of \$124,117.

All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below.

San Elijo Joint Powers Authority

By: _____

Name: _____

Title: _____

Date: _____

City of Encinitas, CA

By: _____

Name: _____

Title: _____

Date: _____

CITY OF ENCINITAS

Agreement for IT Managed Services

by and between

City of Encinitas

and

San Elijo Joint Powers Authority (SEJPA)

AGREEMENT

This service agreement ("Agreement") is entered into between the City of Encinitas ("Service Provider" or "City") and the San Elijo Joint Powers Authority ("Client" or "SEJPA"). This Agreement is entered into as a separate agreement from the City's agreement with SEJPA as a Member Agency. The sole purpose of this Agreement is to provide IT services to the Client, as described herein. This Agreement and its provisions are stand alone and shall not change, alter, vary or revise any provisions of any existing agreements between the City and SEJPA, nor shall any provisions of any existing agreements between Member Agency and SEJPA be implied or otherwise incorporated into this Agreement.

Term of Agreement

This Agreement between Client, and Service Provider, is effective upon January 3, 2020, and shall be for an Initial Term of one (1) year, unless terminated by either party in accordance with the termination provisions contained herein. This Service Agreement has five (5) optional one (1) year terms that begin on the day immediately following the end of each Term, unless either party gives a ninety (90) day written notice of its intent not to renew this Agreement prior to the term end date.

a) This Agreement may be terminated at any time by either the Service Provider or the Client with or without cause upon ninety (90) days written notice.

b) If either party terminates this Agreement, Service Provider will assist Client in the orderly termination of services, including timely transfer of the services to another designated provider. Client agrees to pay Service Provider the actual costs of rendering such assistance as this is not part of the monthly service fee.

Fees and Payment Schedule

Fees for managed IT services are for a not-to-exceed total of \$92,700 in the first year, with a 3% annual increase for each successive year. This cost does not include any other related expenses outside the Scope of Services. Service Provider may revise the costs as deemed appropriate by amending this agreement.

Fees will be paid at a rate of \$7,725 per month and will become due and payable on the first day of each month. Services may be suspended and Service Provider may immediately terminate the Agreement with a five (5) day notice if payment is not received within 45 days following the date due and payable.

a) Fees are not refundable.

b) The Service Provider will periodically review the fees and adjust as required. Service Provider shall deliver to Client written notice of any fee increase within sixty (60) days of each Agreement renewal date. If Client does not provide written notice to Service Provider within thirty (30) days, the fee increase shall become effective as of the next annual renewal date.

Scope of Services

Scope of services includes hosted data center infrastructure, network administration, non-SCADA cybersecurity, telecommunications, business systems disaster recovery, internet connectivity, and audio-visual equipment support. Services not in scope are applications support, physical security, SCADA hardware, SCADA network security, SCADA cybersecurity, SCADA disaster recovery, and SCADA related radio/telemetry infrastructure. Scope of services is covered

by the monthly fee under the terms of this agreement. It is also understood that any and all Services requested by Client and/or deemed necessary by Service Provider that fall outside of the scope of services will be considered projects, and will be quoted and billed as separate, individual services through the change order process.

All hardware must be covered under a currently active outside vendor support contract; and all software must be genuine, currently licensed and vendor supported. Should any hardware or systems fail to meet these provisions, the Client understands and acknowledges that it shall be solely responsible and liable for any cybersecurity breaches or system outages related to unsupported hardware or software.

The Client is required to obtain and maintain cyber-liability insurance.

Remote and On-Site Helpdesk support of Client's IT networks will be provided to the Client by Service Provider between the normal working hours of 7:30 AM – 5:30 PM consistent with Service Provider's existing 9/80 operational schedule. This means that, in general, coverage will not be available every other Friday, weekends or on scheduled holidays. Service calls or email placed outside normal working hours, hours between 7:30 AM – 5:30 PM, will be addressed on the following Service Provider business day. After hours calls or other communications to Service Provider are not within the Scope of Services and Service Provider has no obligation to respond.

Business Day shall mean Monday through Friday excluding the following Service Provider holidays:

- Martin Luther King
- Presidents Day
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve Day through New Year's Day (*new City holiday closure schedule*)
- Holidays observed which fall on Saturday shall be observed on the preceding Friday
- Holidays observed which fall on Sunday shall be observed on the following Monday
- Days deemed by City Council as holidays where City Hall is closed

All service requests/issues shall be logged by emailing the Service Provider helpdesk (helpdesk@encinitasca.gov) or by calling support at (760) 633-2898. Emailing Helpdesk is preferred. A helpdesk work order will be generated for each service request received. Client may call in or email to check the status of open requests.

Client will be given advanced notice of any service or application impacting events and will be given the opportunity to address concerns with the Service Provider before any systems are taken offline during maintenance windows.

Modification of Scope

The Scope of Service under this Agreement can only be changed through an executed written Change Order.

Service Provider or Client shall request changes to the Scope of Services by documenting the following in writing:

- a. The nature of the proposed change;
- b. The specific reason for the proposed change;
- c. The cost of the proposed change and the revised total cost of this Agreement;
- d. The name, title, and signature of both Service Provider and Client representative

Neither the Service Provider nor Client is under any obligation to accept a proposed Change Order, unless the Service Provider determines it is required for network or cyber security integrity. The parties remain required to proceed under the terms of this Agreement. Upon acceptance of a Change Order it shall become part of this Agreement. No Change Order is valid until it is fully executed by both parties. No oral request or oral authorization for modification of services shall be binding on either party.

Waiver of Liability, Indemnification and Limitation of Liability

INDEPENDENT RELATIONSHIP: For purposes of this Agreement, it is agreed and understood that Service Provider's relationship to Client under this Agreement is that of an independent public agency. Neither party will be deemed to be a partner, agent, employee or joint venture of the other party. Service Provider and its employees, agents and contractors will not represent or imply that they are employees, agents, partners or joint ventures of Client. Client and its employees and agents will not represent or imply that they are employees, agents, partners or joint ventures of Service Provider. All persons performing Service Provider's obligations under this agreement will be considered to be solely the employees or agents of Service Provider, and Service Provider will be responsible for ensuring there is payment of any and all salaries, wages, payroll taxes, insurance and other items payable to or on behalf of such personnel, and for maintaining worker's compensation insurance on such personnel.

NO ASSUMPTION AND WAIVER OF LIABILITY: By entering into the Agreement, under no circumstances does Service Provider assume any liability or responsibility for the computer systems, equipment, hardware, software, failures, faults or any other electronic systems of Client. Any failures or faults of such systems shall remain the sole responsibility of Client. Service Provider specifically disclaims and Client specifically waives and releases Service Provider from any claims, including without limitation, loss or corruption of data, any indirect, incidental special or consequential damages, expenses, costs, penalties, costs of regulatory action, fines, lost profits, lost savings or earnings, lost or corrupted data, or other liability arising out of, or related to, the services provided by the Service Provider, whether such liability is asserted on the basis of contract, tort, statute or otherwise, even if the Service Provider has been warned of the possibility of such damages.

THE SERVICE PROVIDER DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.

HOLD HARMLESS: Client shall hold harmless, defend and indemnify Service Provider and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation or regulatory enforcement) of every nature (including passive or active negligence of Service Provider) arising out of or in connection with Service Provider's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the gross negligence or willful misconduct of the Service Provider.

No defense or indemnity rights contained in any agreement between SEJPA and Service Provider as a Member Agency of SEJPA shall be applied to the services provided or performed by Service Provider in this Agreement, including, but not limited to rights held by another Member Agency.

LIMITATION OF LIABILITY: Notwithstanding any other provision of this Agreement or liability found, in recognition of the relative risks and benefits of Agreement to both the Client and the Service Provider, the risks have been allocated such that the Client agrees to limit the liability of the Service Provider to the Client for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of the Service Provider to the Client shall be limited to three (3) times the fixed monthly service fee paid by Client for services rendered under this Agreement. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising from this Agreement.

FORCE MAJEURE. If the performance of any part of this Agreement by either party is prevented, hindered, delayed or otherwise made impracticable by reason of an Act of God, including, any flood, earthquake, riot, fire, judicial or governmental action, acts of terrorism or war, labor disputes, or any other causes beyond the control of such party, that party shall be excused from such to the extent that it is prevented, hindered or delayed by such causes.

Resolution of Disputes

In the event of any dispute or disagreement between the parties, whether with respect to the interpretation of any provision of the Agreement, or with respect to the performance of either party hereto, the Parties shall meet at a working staff level for the purpose of endeavoring to resolve such dispute or negotiate a resolution. If a resolution to such dispute does not occur during such meeting or within fourteen (14) business days thereafter, the parties agree to elevate the dispute to a meeting of the City's IT Manager and Client's General Manager. If a resolution to such dispute does not occur during such meeting or within fourteen (14) business days thereafter, the Encinitas City Manager will make a final determination. Once such final determination is made, Service Provider or Client shall further elevate the dispute to their respective governing boards before Service Provider or Client pursue any other remedy available pursuant to this Agreement or at law, subject to any required notice and claims presentation requirements of the California Government Claims Act or other provisions of law.

General Provisions

a. Governing Law

The Service Provider and Client shall comply with all applicable federal and state laws, ordinances and codes. This Agreement shall be governed by and construed in accordance with the laws of the State of California and any and all disputes or legal actions shall be initiated and venued in San Diego County, North County Division.

b. Provisions Regarding Subcontractors

Contract or sub-contract IT services must be coordinated with the Service Provider in writing to ensure that segregation of duties and appropriate security permissions are applied.

c. Non-Solicitation

Client agrees that neither party will solicit or offer employment to the respective employee(s) or sub-contractor(s), whether directly or indirectly, during their employment, except with prior written approval in each case.

d. Notices

All notices or communications required or permitted as a part of this Agreement shall be in writing.

Any such notices shall be directed to:

City of Encinitas Information Technology
505 South Vulcan Ave
Encinitas, CA 92024
Attn: IT Manager

San Elijo Joint Powers Authority
2695 Manchester Avenue
Cardiff, CA 92007
Attn: General Manager

Entire Agreement

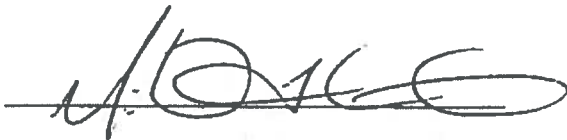
This Agreement constitutes the entire understanding of the parties with respect to the matter contained herein. There are no promises, covenants or undertakings other than those expressly set forth herein. This Agreement may not be amended except by writing signed by authorized representatives of Service Provider and Client. If any of the provisions of the Agreement(s) are declared to be invalid, such provisions shall be severed from the Agreement(s) and the other provisions hereof shall remain in full force and effect.

Acceptance of Terms

Client acknowledges that the person signing this Agreement on its behalf is authorized to do so and may bind the Client to all the terms and conditions contained herein, and represents and warrants that such person is acting within the scope of his or her authority as an officer, director or duly authorized agent or employee of Client.

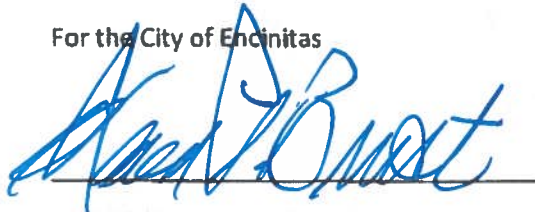
The signature of both parties shall evidence acceptance of the terms of this Agreement:

For the San Elijo Joint Powers Authority



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

For the City of Encinitas



Karen P. Brust / City Manager

Date: 12/9/2019

Date: 12/20/19

Approved As To Form:


Encinitas City Attorney Date

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

February 20, 2024

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY MID-YEAR REVIEW OF THE
FISCAL YEAR 2023-24 OPERATING BUDGET

RECOMMENDATION

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

BACKGROUND

This is a mid-year review of the operating expenses for the 12 programs managed and operated by San Elijo Joint Powers Authority (SEJPA) that includes:

- Wastewater Treatment
- Laboratory Services
- Ocean Outfall
- Cardiff Sanitary Division Pump Stations
- Encinitas Sanitary Division Pump Station
- City of Encinitas Urban & Stormwater
- City of Solana Beach Pump Stations
- City of Solana Beach Generator Services
- City of Del Mar Pump Station
- Del Mar Fairgrounds
- Leucadia Wastewater District Technical Support Services
- Recycled Water

SEJPA provides wastewater treatment and disposal, water recycling, and technical support to local stormwater and clean-water programs. In providing these services, SEJPA seeks to accomplish its mission in an environmentally, socially, and fiscally responsible manner. Each of the programs below is funded by the customer base that is served. The costs are allocated based on actual flows treated or level of effort provided. The total budget for Fiscal Year 2023-24 is \$18,918,171, which includes operating expenses of \$9,974,623, capital expenses of \$6,570,000, and debt service of \$2,373,548.

DISCUSSION

The following information is an estimate of operating expenses for Fiscal Year 2023-24 ending June 30, 2024. SEJPA's management developed the mid-year review based on actual costs incurred

through the first six months of the fiscal year, cost trends, and anticipated future costs. Estimates provided in this report are based on current information. Final results may differ due to emergencies, unplanned repairs, or other unforeseen events.

Operating Expenses Summary

Overall, operating expenses are estimated to end the fiscal year under budget by \$223,893 or 2.2%. By program, nine out of twelve programs are tracking at or under budget, while three programs are tracking over budget. By expense category, Personnel is under budget, Supplies and Services are tracking slightly above budget, and Capital Outlay is tracking above budget. Below are three summary tables showing these expenses by program, expense category, and specific line items within the Supplies and Services category.

Table 1 – Operating Expenses by Program

Program	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Wastewater Treatment	\$ 3,963,796	\$ 4,082,739	\$ (118,942)	103.0%
Laboratory Services	955,076	910,917	44,159	95.4%
Ocean Outfall	1,031,230	896,759	134,471	87.0%
Cardiff Sanitary Division Pump Stations	376,169	344,159	32,010	91.5%
Encinitas Sanitary Division Pump Station	167,778	179,271	(11,493)	106.8%
City of Encinitas Urban & Stormwater	55,515	54,015	1,500	97.3%
City of Solana Beach Pump Stations	463,275	447,992	15,282	96.7%
City of Solana Beach Generator Services	15,507	14,654	853	94.5%
City of Del Mar Pump Station	66,391	60,937	5,454	91.8%
Del Mar Fairgrounds*	136,953	170,350	(33,397)	124.4%
Leucadia WWD Technical Support Services	22,800	22,800	0	100.0%
Programs before Recycled Water	\$ 7,254,491	\$ 7,184,592	\$ 69,899	99.0%
Recycled Water	2,720,132	2,566,138	153,994	94.3%
Total All SEJPA Programs	\$ 9,974,623	\$ 9,750,730	\$ 223,893	97.8%

*Program overage is due to additional services requested and paid for by Del Mar Fairgrounds

Table 2 – Operating Expenses by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 4,610,406	\$ 4,431,169	\$ 179,237	96.1%
Supplies & Services	5,080,216	5,176,084	(95,868)	101.9%
Capital Outlay	75,000	143,477	(68,477)	191.3%
Contingency	209,000	-	209,000	0.0%
Total All SEJPA Programs	\$ 9,974,623	\$ 9,750,730	\$ 223,893	97.8%

Table 3 – Supplies and Services by Category

<i>Supplies and Services</i>	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Over/(Under)
Utilities	\$ 1,307,163	\$ 1,306,414	\$ 749	99.9%
Contracted services	1,568,964	1,661,220	(92,255)	105.9%
Supplies	938,027	883,532	54,495	94.2%
Miscellaneous	266,214	313,609	(47,395)	117.8%
Rent	136,793	115,787	21,006	84.6%
Repair parts expense	240,400	323,191	(82,791)	134.4%
Disposal services	304,455	289,488	14,967	95.1%
Insurance	167,100	168,971	(1,871)	101.1%
Permit/purveyor fees	151,100	113,872	37,228	75.4%
Total All SEJPA Programs	\$ 5,080,216	\$ 5,176,084	\$ (95,868)	101.9%

Operating Expenses by Program

Wastewater Treatment

This program is the cost center for operations and maintenance activities for wastewater treatment at the San Elijo Water Campus. Activities include primary and secondary wastewater treatment for the cities of Encinitas, Solana Beach, and Del Mar as well as the Rancho Santa Fe Community Services Districts. Wastewater biosolids are treated and dewatered, then hauled by a contractor to Arizona for beneficial reuse through land application.

Wastewater Treatment is expected to be over budget by \$118,942 or 3.0%. Personnel and Capital Outlay are tracking slightly over budget. Supplies & Services are anticipated to be \$184,766 or 8.6% over budget, due to higher than anticipated chemical costs and outside professional services.

Table 4 – Wastewater Treatment by Expense Category

<i>Expense Category</i>	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 1,699,035	\$ 1,708,448	\$ (9,414)	100.6%
Supplies & Services	2,153,762	2,338,528	(184,766)	108.6%
Capital Outlay	35,000	35,762	(762)	102.2%
Contingency	76,000	-	76,000	0.0%
Total JPA Wastewater Treatment	\$ 3,963,796	\$ 4,082,739	\$ (118,942)	103.0%

Laboratory Services

The laboratory located at the San Elijo Water Campus provides analytical laboratory services for SEJPA's wastewater, ocean outfall, and recycled water programs, as well as to other entities through contract agreements. For the Fiscal Year 2023-24, contract agreements include the Fairbanks Ranch Community Services District, the Rancho Santa Fe Community Services District, the Santa Fe Valley Community Services District, the Whispering Palms Community Services District, San Ysidro Port of Entry, and the San Elijo Lagoon Conservancy. The laboratory has also begun analyzing samples for the Del Mar Fairgrounds this year as an additional service.

Overall, Laboratory Services are expected to be under budget by \$44,159 or 4.6%. Personnel is under budget due to current vacancies. However, Supplies & Services are estimated to be over budget by \$24,015 or 8.8%, due to the use of temporary laboratory employees while vacancies are being filled.

Table 5 – Laboratory Services by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 677,074	\$ 613,900	\$ 63,174	90.7%
Supplies & Services	273,002	297,017	(24,015)	108.8%
Capital Outlay	-	-	-	
Contingency	5,000	-	5,000	0.0%
Total JPA Laboratory	\$ 955,076	\$ 910,917	\$ 44,159	95.4%

Ocean Outfall

This program provides a cost center for all operation and maintenance services related to the Ocean Outfall system. These activities include effluent pump station operation and maintenance, ocean monitoring, sampling and testing, outfall inspection, maintenance, and repairs. As the outfall capacity is shared through an agreement with the City of Escondido, all operations and maintenance costs are shared on the basis of actual usage (measured by discharged flows).

Ocean Outfall is expected to be under budget by \$134,471 or 13.0% due to engineering services related to asset management of the ocean outfall metering structure anticipated to be completed next fiscal year. Contingency funding is not expected to be used.

Table 6 – Ocean Outfall by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 534,110	\$ 491,132	\$ 42,978	92.0%
Supplies & Services	472,120	405,627	66,493	85.9%
Capital Outlay	-	-	-	
Contingency	25,000	-	25,000	0.0%
Total JPA Ocean Outfall	\$ 1,031,230	\$ 896,759	\$ 134,471	87.0%

Cardiff Sanitary Division Pump Stations

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

Expenses are projected to be under budget by \$32,010 or 8.5%. Personnel and Supplies & Services are estimated to be slightly under budget. Contingency funding is not expected to be used.

Table 7 – Cardiff Sanitary Division Pump Stations by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 185,221	\$ 177,854	\$ 7,367	96.0%
Supplies & Services	171,448	166,305	5,143	97.0%
Capital Outlay	-	-	-	
Contingency	19,500	-	19,500	0.0%
Total Cardiff Sanitary Division	\$ 376,169	\$ 344,159	\$ 32,010	91.5%

Encinitas Sanitary Division Pump Station

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

Overall, this program is forecast to be over budget by \$11,493 or 6.8%. Supplies & Services is over budget due to an unanticipated repair of the overhead crane and replacement of a variable frequency drive for one of the large motors.

Table 8 – Encinitas Sanitary Division Pump Stations by Expense Category

<i>Expense Category</i>	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 88,189	\$ 84,948	\$ 3,241	96.3%
Supplies & Services	69,589	94,322	(24,734)	135.5%
Capital Outlay	-	-	-	
Contingency	10,000	-	10,000	0.0%
Total Encinitas Sanitary Division	\$ 167,778	\$ 179,271	\$ (11,493)	106.8%

City of Encinitas Urban & Stormwater

Under this program, SEJPA provides stormwater related operation and maintenance services to the City of Encinitas. These services include the Urban Runoff Treatment Facility, the Phoebe Stormwater Pump Station, and the Storm Drain Sediment Drying and Disposal Program. The actual costs incurred are borne solely by the City of Encinitas.

This program is expected to end the year under budget by \$1,500 or 2.7%, due to contingency funds not expected to be used.

Table 9 – City of Encinitas Urban & Stormwater by Expense Category

<i>Expense Category</i>	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 34,423	\$ 34,422	\$ 0	100.0%
Supplies & Services	19,593	19,593	(0)	100.0%
Capital Outlay	-	-	-	
Contingency	1,500	-	1,500	0.0%
Total City of Encinitas	\$ 55,515	\$ 54,015	\$ 1,500	97.3%

City of Solana Beach Pump Stations

This program provides pump station maintenance and operation services to the City of Solana Beach. These facilities include the Eden Gardens, Solana Beach, San Elijo Hills, and Fletcher Cove pump stations, as well as the Storm Drain Sediment Drying and Disposal Program.

This program is forecast to complete the year under budget by \$15,282 or 3.3%. Supplies & Services are anticipated to be over budget due to rising fuel costs, property insurance, and permit fees, which will be offset by the contingency budget.

Table 10 – City of Solana Beach Pump Stations by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 244,573	\$ 235,435	\$ 9,137	96.3%
Supplies & Services	198,702	212,557	(13,855)	107.0%
Capital Outlay	-	-	-	-
Contingency	20,000	-	20,000	0.0%
Total City of Solana Beach	\$ 463,275	\$ 447,992	\$ 15,282	96.7%

City of Solana Beach Generator Services

This program provides emergency power generator maintenance services located at the City of Solana Beach City Hall and the Lomas Santa Fe Fire Station. Costs incurred are reimbursed solely by the City of Solana Beach.

The current outlook for this program is expected to be under budget by \$853 or 5.5%.

Table 11 – City of Solana Beach Generator Stations by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 7,383	\$ 7,050	\$ 334	95.5%
Supplies & Services	8,123	7,604	520	93.6%
Capital Outlay	-	-	-	-
Contingency	-	-	-	-
Total City of Solana Beach Services	\$ 15,507	\$ 14,654	\$ 853	94.5%

City of Del Mar Pump Station

The City of Del Mar (Del Mar) has contracted with SEJPA to provide pump station operation and maintenance and other sanitary sewer services including daily operations and maintenance support, programmable logic controller (PLC) programming, instrumentation installation, and wet well cleaning and disposal services.

Overall, this program is expected to be under budget by \$5,454 or 8.2%.

Table 12 – City of Del Mar Pump Stations by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 46,519	\$ 44,416	\$ 2,103	95.5%
Supplies & Services	17,871	16,520	1,351	92.4%
Capital Outlay	-	-	-	-
Contingency	2,000	-	2,000	0.0%
Total City of Del Mar	\$ 66,391	\$ 60,937	\$ 5,454	91.8%

22nd District Agricultural Association (Del Mar Fairgrounds)

This program provides Stormwater Treatment System operation and maintenance services for the Del Mar Fairgrounds. SEJPA conducts weekly stormwater treatment system and pump station review, alarm monitoring and emergency response, equipment preventative maintenance, PLC programming, instrumentation calibration, rotating drum filter maintenance and ultra-violet disinfection system maintenance.

Overall, this program is forecast to be over budget by \$33,397 or 24.4%, due to additional services that were requested by Del Mar Fairgrounds after the FY 2023-24 Budget was developed. Del Mar Fairgrounds has provided funding for these additional expenses.

Table 13 – Del Mar Fairgrounds by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 125,679	\$ 125,679	\$ (0)	100.0%
Supplies & Services	11,274	11,274	0	100.0%
Capital Outlay	-	-	-	-
Contingency	-	-	-	-
Total 22nd District Agriculture Association	\$ 136,953	\$ 136,954	\$ (0)	100.0%
Additional Services	\$ -	\$ 33,397	\$ (33,397)	
Grand Total	\$ 136,953	\$ 170,350	\$ (33,397)	124.4%

Leucadia Wastewater District Technical Support Services

This is a new program developed to support Leucadia Wastewater District (LWWD) with Technical Support Services for the Forest R. Gafner Water Reclamation Facility (Gafner Facility). The actual costs incurred are borne solely by the LWWD.

This program, which is a labor only contract, is forecast to be on budget.

Table 14 – Leucadia Wastewater District Technical Support Services by Expense Category

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 22,800	\$ 22,800	\$ 0	100.0%
Supplies & Services	-	-	-	
Capital Outlay	-	-	-	
Contingency	-	-	-	
Total Leucadia WWD Technical Support	\$ 22,800	\$ 22,800	\$ 0	100.0%

Recycled Water Program

SEJPA recycled water program produces high quality water for irrigation and industrial uses. It is a locally produced, drought resistant water supply, that helps support a diversified regional water portfolio.

SEJPA wholesales recycled water to San Dieguito Water District, Santa Fe Irrigation District, Olivenhain Municipal Water District, and the City of Del Mar, as well as direct sales to the Encinitas Ranch Golf Authority. End customers that use the recycled water include the Encinitas Ranch Golf Course, Lomas Santa Fe Executive and Country Club Golf Courses, Encinitas Community Park, Ecke YMCA, Del Mar Fairgrounds, various Homeowners Associations landscaping, local schools, parks, businesses, and street/freeway landscaping.

Recycled Water Program Revenues:

Recycled Water revenues are expected to be under budget by \$229,446 or 6.4%. In general, the higher-than-normal rainfall this year has caused a reduction in water sales.

Recycled Water Customer	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% of Budget
Santa Fe Irrigation District	\$ 1,096,044	\$ 1,002,255	\$ 93,789	91.4%
San Dieguito Water District	746,634	\$ 807,321	(60,687)	108.1%
City of Del Mar	165,510	\$ 139,764	25,746	84.4%
Encinitas Ranch Golf Association	327,503	\$ 327,503	-	100.0%
Olivenhain Municipal Water District	548,022	\$ 397,224	150,798	72.5%
Total Customer Revenue	\$ 2,883,713	\$ 2,674,067	\$ 209,646	92.7%
MWD and CWA Incentives	720,000	700,200	19,800	97.3%
Total Recycled Water Revenue	\$ 3,603,713	\$ 3,374,267	\$ 229,446	93.6%

The MWD and CWA (Metropolitan Water District and San Diego County Water Authority respectively) revenues are incentive funding for recycled water production and delivery.

Recycled Water Program Expenses:

Overall, Recycled Water operating and maintenance expenses plus debt service are expected to finish the year under budget. Supplies & Services are under budget primarily due to reduced chemical and energy use due to lower than anticipated water production. Capital Outlay is forecast to be over budget predominantly due to the purchase of surge control valves used to dampen transient pressure waves that were identified in certain sections of the distribution system.

Expense Category	Budget FY 2023-24	Estimated Actual FY 2023-24	(Over) / Under Budget	% Budget Spent
Personnel	\$ 945,399	\$ 875,552	\$ 69,848	92.6%
Supplies & Services	1,684,733	1,582,872	101,861	94.0%
Capital Outlay	40,000	107,714	(67,714)	269.3%
Contingency	50,000	-	50,000	0.0%
Total Operating Expense	\$ 2,720,132	\$ 2,566,138	\$ 153,994	94.3%
Debt Service	981,985	981,985	-	100.0%
Total Expense	\$ 3,702,117	\$ 3,548,123	\$ 153,994	95.8%

Comparing the anticipated program revenue for FY 2023-24 of \$3,374,267 with the total Operating expenses and debt service of \$3,548,123 results in an estimated net loss of \$173,856. The anticipated net loss will be balanced by recycled water reserve funding.

Recycled Water	Budget FY 2023-24	Estimated Actual FY 2023-24	% of Budget
Revenue	\$ 3,603,713	\$ 3,374,267	93.6%
Operating Expense	-2,720,132	-2,566,138	94.3%
Debt Service	-981,985	-981,985	100.0%
Net Recycled Water Revenue	\$ (98,404)	\$ (173,856)	

CONCLUSION

Total operating expenses for all programs are expected to be under budget by \$223,893 or 2.2% in FY 2023-24. Nine of the twelve operating programs are tracking at or under budget and three programs are tracking between 3.0% and 6.8% over budget. One program is expected to be 24.4% over budget due to additional work that has been requested, which will be reimbursed by the requesting agency. The recycled water program is projected to produce revenues of \$3,374,267, which is 6.4% below budget due primarily to wet weather decreasing irrigation demand. Due to lower water sales, this year operating expenses (including debt service) will exceed revenues by \$173,856. This anticipated net operating loss will be balanced by recycled water reserve funding.

RECOMMENDATION

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

Respectfully submitted,

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

Michael T. Thornton, P.E.
General Manager