

AGENDA (REVISED)
REGULAR BOARD MEETING OF THE
SAN ELIJO JOINT POWERS AUTHORITY
JUNE 16, 2026 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. NEW HIRES, AWARDS AND RECOGNITION

Recognition

Didra Felix – Laboratory Analyst II – Education
Duke University Master’s Degree - Environmental Management - Water

6. CHANGES TO THE AGENDA

Announcements of administrative changes to the agenda, in compliance with the Brown Act.

7. CONSENT CALENDAR

7A.* [APPROVAL OF MINUTES FOR MAY 19, 2026 MEETING](#)

7B. * [APPROVAL FOR PAYMENT OF WARRANTS AND MONTHLY INVESTMENT REPORTS – MAY 2026](#)

7C. * [WASTEWATER TREATMENT REPORT – APRIL 2026](#)

7D. * [RECYCLED WATER REPORT – APRIL 2026](#)

7E. * [REPORTABLE MEETINGS](#)

7F. * [EXTENSION OF INFORMATION TECHNOLOGY \(IT\) SERVICES AGREEMENT WITH THE CITY OF ENCINITAS](#)

7G. * [MCMASTER-CARR SUPPLY COMPANY PURCHASE ORDER AWARD](#)

- 7H. * [STATUS UPDATE – EMERGENCY RECYCLED WATER PIPELINE REPAIR AT EAST ENTRY GATE](#)
 - 7I. * [CONSTRUCTION COMPLETION ACCEPTANCE – EMERGENCY RECYCLED WATER PIPELINE REPAIR AT NORTH COAST TRAIL BIKE PATH](#)
 - 7J. * [CITY OF DEL MAR 21ST STREET PUMP STATION PUMP REBUILD](#)
 - 7K. * [PURCHASE ORDER AWARD TO POLYDYNE, INC. FOR PROCUREMENT OF POLYMER FOR FISCAL YEAR 2026-27](#)
 - 7L. * [SAN ELIJO JOINT POWERS AUTHORITY CONTRACT FOR AS-NEEDED LABORATORY SERVICES FOR FISCAL YEARS 2027-2030](#)
 - 7M. * [AMEND AGREEMENT FOR GROUNDS MAINTENANCE SERVICES FOR FISCAL YEAR 2026-27](#)
8. * [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.

9. **REGULAR AGENDA**

9A. [ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY FISCAL YEAR 2026-27 BUDGET, INVESTMENT POLICY, AND APPOINTMENT OF TREASURER](#)

1. Adopt Resolution No. 2026-01, Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2026-27;
2. Adopt Resolution No. 2026-02, Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of Kevin Lang as SEJPA Treasurer; and
3. Discuss and take action as appropriate.

Staff Reference: Director of Finance and Administration

9B. ADOPTION OF SALARY AND BENEFIT RESOLUTION 2026-03

1. Adopt Resolution No. 2026-03, Resolution Adopting the San Elijo Joint Powers Authority Salary and Benefits for Fiscal Years 2026-27, 2027-28, 2028-29, with an Option for 2029-30;
2. Authorize General Manager to issue one-time recognition payment in the amount of \$2,000 to each employee in good standing. Payable prior to June 30, 2026; and
3. Discuss and take action as appropriate.

Staff Reference: General Manager

9C. CAPITAL GRANT UPDATE

1. Authorize the use of grant proceeds associated with the Recycled Water Conservation and Production Upgrade Project to fund the Recycled Water Utility for recycled water pipeline replacement costs;
2. Direct that grant proceeds, after reimbursement of eligible recycled water pipeline replacement costs, be allocated equally between the Wastewater and the Recycled Water capital programs; and
3. Discuss and take action as appropriate.

Staff Reference: General Manager

10. GENERAL MANAGER'S REPORT

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

11. GENERAL COUNSEL'S REPORT

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

12. 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.

13. 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".

PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957 (b)(1), Title: General Manager

PUBLIC EMPLOYEE APPOINTMENT (Government Code Section 54957 (b)(1), Title: General Manager – Succession Planning

14. DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE GENERAL MANAGER MERIT BONUS

The General Manager's employment agreement allows for consideration and award of a merit bonus payable in June of each year. Staff recommendation is to discuss and take action as appropriate.

15. DISCUSSION AND POSSIBLE ACTION ON GENERAL MANAGER EMPLOYMENT AGREEMENT

1. Discussion and possible action to amend General Manager's Employment Contract; and
2. Discuss and take action as appropriate.

Staff Reference: General Manager

16. ADJOURNMENT

The next regularly scheduled San Elijo Joint Powers Authority Board Meeting will be Tuesday, July 21, 2026 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 2026 SEJPA Board meetings schedule is available at [SEJPA Board Meeting Dates](#).

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, Encinitas, California
- City of Encinitas, 505 South Vulcan Avenue, Encinitas, California
- City of Solana Beach, 635 South Highway 101, Solana Beach, California

The original agenda was published on Thursday, June 11, 2026, at least 72 hours prior to the meeting, in accordance with Government Code Section 54954.2(a).

Date: June 16, 2026



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

Agenda Item No. 7A

SAN ELIJO JOINT POWERS AUTHORITY
MINUTES OF THE BOARD MEETING
HELD ON MAY 19, 2026
AT THE SAN ELIJO WATER CAMPUS

Luke Shaffer, Chair

David Zito, Vice Chair

A meeting of the Board of Directors of the San Elijo Joint Powers Authority (SEJPA) was held Tuesday, May 19, 2026, at 8:30 a.m., at the San Elijo Water Campus.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

Board Chair

Luke Shaffer

Board Member

Jim O'Hara (8:38 am)

Board Member

Kristi Becker

Directors Absent:

Vice Chair

David Zito

Others Present:

General Manager

Michael Thornton

Deputy General Manager

Thomas Falk

Director of Operations

Christopher Trees

Director of Finance and Administration

Kevin Lang

Accounting Technician I

Maria Cruz

SEJPA Counsel:

Snell and Wilmer

Adriana Ochoa

Snell and Wilmer

Chad Thurston

City of Encinitas/San Dieguito Water District:

Senior City Engineer

Will Trax

City of Solana Beach:

Public Works Director

Orelia DeBaal

City Engineer

Austin Frisby

3. PLEDGE OF ALLEGIANCE

Board Chair Shaffer led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS/PUBLIC COMMENT PERIOD

None.

5. AWARDS AND RECOGNITION

Recognition

Ritwik Bandyopadhyay – Operator II – Education
Palomar College Associate's Degree in Wastewater Technology
Palomar College Associates Degree in Water Technology

Miguel Becerra – Mechanic II – Certification
California Water Environment Association – Mechanical Technologist III Certification

Joshua McTaggart – Operator in Training – Certification
State Water Resource Control Board – Grade I Wastewater Treatment Plant Operator

6. CONSENT CALENDAR

- | | |
|--------------------|--|
| Agenda Item No. 7 | Approval of Minutes for the April 21, 2026 Board Meeting |
| Agenda Item No. 8 | Approval for Payment of Warrants and Monthly Investment Report – April 2026 |
| Agenda Item No. 9 | Wastewater Treatment Report – March 2026 |
| Agenda Item No. 10 | Recycled Water Report – March 2026 |
| Agenda Item No. 11 | Reportable Meetings |
| Agenda Item No. 12 | Award of Chemical Contracts for Sodium Hypochlorite and Aluminum Sulfate for Fiscal Years Ending 2027-2029 |
| Agenda Item No. 13 | Supervisory Control and Data Acquisition (SCADA) Upgrades Contract |
| Agenda Item No. 14 | San Elijo Joint Powers Authority Fiscal Year 2026-27 Recommended Budget Update |
| Agenda Item No. 15 | Update on Emergency Repairs (April) to Recycled Water Pipe on San Elijo Water Campus |
| Agenda Item No. 16 | Notice of Emergency Situation and Award of Construction Contract for Repairs to Recycled Water Pipeline on the San Elijo Water Campus at East Entry Gate |

Moved by Board Member Becker and seconded by Board Member O'Hara to approve the Consent Calendar.

Motion carried with the following vote of approval:

AYES: Shaffer, O'Hara, Becker (casting 2 votes: one in personal capacity, one as proxy for Board Member Zito)
NOES: None
ABSENT: Zito
ABSTAIN: None

- 17A. **Board Action:** Vote to include Agenda Item No.17A - NOTICE OF EMERGENCY SITUATION AND AWARD OF CONSTRUCTION CONTRACT FOR REPAIRS TO RECYCLED WATER PIPELINE ON THE SAN ELIJO WATER CAMPUS AT NORTH BIKE TRAIL (SUBJECT TO TWO-THIRDS VOTE OF THE SAN ELIJO JOINT POWERS AUTHORITY BOARD) *

Upon request from the General Manager Michael T. Thornton, the Board voted to include a non-agendized item related to the declaration of an Emergency Situation and subsequent contract award related to repairs needed to the SEJPA recycled water pipeline. To approve the inclusion of the non-agendized item a two-thirds vote is required.

Deputy General Manager Thomas Falk presented to the Board that on May 15, 2026, at approximately 10:00 a.m., during routine landscaping, staff observed water surfacing adjacent to the North Coast Trail Bike Path on the north end of the San Elijo Water Campus (SEWC). Staff isolated the leak and closed the affected area for safety.

Burtech Pipeline was contacted and requested to mobilize a construction crew and equipment on Monday, May 18, 2026, to repair the leak. Leakage was fully contained within SEWC property boundaries, and recycled water delivery service was not interrupted over the weekend.

Under SEJPA's Resolution 2022-01 and PCC 22050, the General Manager authorized emergency repairs without competitive bidding.

Burtech is scoped to provide necessary safety measures for work adjacent to the public bike trail; excavate, locate, and repair the leak; and coordinate with SEJPA to determine and implement the appropriate repair solution.

The cost of the emergency repairs will be funded through the Recycled Water Program's reserves. The recommended contract with Burtech Pipeline for this work is for an amount not to exceed \$50,000.

Moved by Chair Shaffer and seconded by Board Member O'Hara to approve the addition of Agenda Item No. 17A, and;

Moved by Chair Shaffer and seconded by Board Member O'Hara to:

1. Review and Confirm this Emergency Condition pursuant to San Elijo Joint Power Authority's Resolution 2022-01 "Purchasing Policies and Procedures" and Public Contract Code 22050, and ratify the General Manager's execution of an emergency repair agreement with Burtech Pipeline for repairs to buried recycled water pipeline at the San Elijo Water Campus (North Bike Trail).

Motions carried with the following vote of approval:

AYES: Shaffer, O'Hara, Becker (casting 2 votes: one in personal capacity, one as proxy for Board Member Zito)
NOES: None
ABSENT: Zito
ABSTAIN: None

18. EFFLUENT PUMP AND MICROFILTRATION PUMP REBUILDS

Deputy General Manager Thomas Falk reported that Effluent Pumps 1 and 4 and Microfiltration Feed Pumps 3 and 4 are experiencing reduced performance, indicating deterioration of internal components. Rebuilding these pumps has been identified as a necessary capital improvement project. Funding for this work has been appropriated in the FY 2025–26 Capital Budget, with additional funding included in the FY 2027–28 Capital Budget as part of the Effluent Pump Station Rehabilitation Project.

In accordance with SEJPA Resolution 2022-01, Purchasing Policies and Procedures, SEJPA issued a formal Request for Proposals (RFP) to qualified pump service contractors. To improve efficiency and reduce costs, multiple pump rehabilitation projects were combined into a single procurement. Staff estimated that this approach resulted in approximately \$15,000 in savings compared to conducting separate procurements for each project.

One responsive proposal was received from Brax Company, Inc. Following its review, SEJPA determined that the proposal was complete and responsive and that Brax Company, Inc. is qualified to perform the requested work.

Moved by Board Member O'Hara and seconded by Chair Shaffer to:

1. Authorize General Manager to execute Agreement with Brax Company, Inc. for rebuild for four vertical turbine pumps in the amount of \$164,275.98.

Motion carried with the following vote of approval:

AYES: Shaffer, O'Hara, Becker (casting 2 votes: one in personal capacity, one as proxy for Board Member Zito)
NOES: None
ABSENT: Zito
ABSTAIN: None

19. BURIED RECYCLED WATER PIPELINE REPLACEMENT STRATEGY

General Manager Michael Thornton presented a staff report on recurring corrosion-related failures of buried recycled water piping at the south end of the San Elijo Water Campus. The report was prompted by several emergency repairs over the past three years and provided an overview of broader infrastructure conditions and potential long-term replacement strategies.

While most of the Water Campus's nearly 20,000 linear feet of buried yard piping remains in good condition and within its expected service life, staff has identified approximately 900 linear feet of 12-inch ductile iron recycled water piping that has experienced accelerated corrosion due to highly corrosive soils and elevated groundwater conditions.

Emergency repairs were required in March 2023, June and December 2025, and April and May 2026. These repairs have cost the Recycled Water Program approximately \$240,000 and have resulted in operational disruptions and emergency response activities.

As part of ongoing asset management and facility planning efforts, staff is evaluating a proactive replacement project for the affected piping to improve system reliability and reduce operational and regulatory risks. Staff anticipates returning to the Board with additional information regarding project scope, cost, and schedule as the evaluation progresses.

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

20. SAN ELIJO OCEAN OUTFALL 2025 INSPECTION REPORT

Director of Operations Christopher Trees presented the results of the 2025 San Elijo Ocean Outfall Assessment. He noted that the assessment is conducted every two years as part of SEJPA's routine inspection and operational review program to verify the condition of the ocean outfall system and ensure compliance with environmental regulations.

SEJPA contracted with Marine Taxonomic Services, Inc. (MTS) to perform the 2025 inspection. MTS reported that the San Elijo Ocean Outfall is in excellent overall condition. Offshore portions of the outfall were stable, with no evidence of ballast movement, leaks, cracking, spalling, rust staining, or other structural deficiencies. All observed joints were properly aligned. The nearshore inspection identified limited kelp growth on the pipeline, which was removed by divers during the inspection.

The full report is available for review at <https://www.sejpa.org/news/studies-reports>

Moved by Board Member Becker and seconded by Chair Shaffer to:

1. Accept and file the San Elijo Ocean Outfall Year 2025 Inspection Report prepared by Marine Taxonomic Service, Inc.

Motion carried with the following vote of approval:

AYES: Shaffer, O'Hara, Becker (casting 2 votes: one in personal capacity, one as proxy for Board Member Zito)
NOES: None
ABSENT: Zito
ABSTAIN: None

21. GENERAL MANAGER'S REPORT

General Manager Michael Thornton reported that the FY 2026–27 Budget was developed during a period when inflationary pressures were moderating. Since that time, evolving economic conditions and geopolitical events have increased uncertainty regarding future costs. As a result, staff met with member agency representatives to discuss whether contingency funding should be increased. Following those discussions, the member agencies recommended maintaining contingency funding at its current level, and staff agreed with that approach.

Mr. Thornton noted that if contingency funds are fully expended and additional funding becomes necessary, staff will coordinate with the member agencies and return to the Board with a recommendation for consideration and approval.

22. GENERAL COUNSEL'S REPORT

None.

23. BOARD MEMBER COMMENTS

None.

24. CLOSED SESSION

A closed session was held for:

CONFERENCE WITH LABOR NEGOTIATORS (Government Code 54957.6)
Agency designated representatives: Michael T. Thornton, General Manager
Unrepresented employees: SEJPA Employee Group

No reportable actions were taken.

25. ADJOURNMENT

The meeting adjourned at 9:26 a.m. The next Board of Directors meeting is scheduled to be held on Tuesday, June 16, 2026 at 8:30 a.m.

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of May 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
46546	Albireo Energy LLC	Services - Maintenance	Annual fire protection service	\$ 1,378.00
46547	Ardurra Group, Inc	Services - Engineering	Wanket tank refurbish support - Mar	480.00
46548	AT&T	Utilities - Telephone	Phone service - Mar	772.92
46549	ATAC Inc	Services - Contractors	Security cameras	8,850.00
46550	Atlas Copco Compressors LLC	Repair Parts Expense	Filter oil and various supplies	3,563.49
46551	American Water Chemicals, Inc.	Supplies - Chemicals	Antiscalant chemical	10,144.92
46552	Barrett Engineered Pumps	Repair Parts Expense	Various supplies	1,846.17
46553	Boot World, Inc.	Uniforms - Boots	Safety boots - T. Hutchinson	223.00
46554	California Water Technologies	Supplies - Chem - Ferric Chlo	Ferric chloride solution	12,061.72
46555	CDM Smith	Services - Engineering	On-call Engineering Services - Mar	1,090.00
46556	County of San Diego	Fees - Permits	Olivenhain pump station permit fee	608.00
46557	Dixieline Lumber	Repair Parts Expense, Shop Tools and Equip.	Various supplies	1,131.30
46558	DTSC	Fees - Permits	Department of Toxis Substance Control fees	50.00
46559	EDCO Waste & Recycling Service	Utilities - Trash	Trash Service - Apr	520.68
46560	Eide Bailly LLP	Services - Professional	Title XVI Consulting - Biosolid project	1,406.25
46561	Encina Wastewater Authority	Services - Laboratory	Heterotrophic plate count analysis	117.18
46562	City of Encinitas	Board Expense	Board meeting reimbursements - Oct - Dec 25	1,120.00
46563	City of Encinitas	Service - IT Support	Admin Network - Mar	6,860.00
46564	City of Encinitas	Service - IT Support	Admin Network - Apr	6,860.00
46565	City of Encinitas	Board Expense	Board member reimbursements - Jan - Mar 26	960.00
46566	ERA	Supplies - Lab	Various supplies	3,607.67
46567	Excel Landscape, Inc.	Services - Landscape	Grounds maintenance service - Apr	4,382.00
46568	J.R. Filanc Construction Co.	Services - Contractors	Construction billing - Wanket Tank - Feb	327,428.62
46569	gafcon	Services - Contractors	Labor compliance for Wanket Tank - Mar	675.00
46570	Golden Bell Products	Supplies - Chemicals	Disinfectant	1,616.25
46571	Grainger, Inc.	Supplies - Safety	Cabinet	746.62
46572	Hardy Diagnostics	Supplies - Lab	Various supplies	2,672.79
46573	Huber Technology	Services - Maintenance	Tech service	8,357.00
46574	Idexx Distribution, Inc.	Supplies - Lab	Comparator and enterolert supplies	3,006.69
46575	Lawson Products Inc.	Supplies - Shop & Field	Various supplies	727.54
46576	Life Technologies Corporation	Supplies - Lab	Various supplies	606.08
46577	Liquid Environmental Solution	Services - Grease & Scum, Grit & Screenings	Pumping service and roll of box	521.32
46578	McMaster-Carr Supply Co.	Repair Parts Expense, Supplies - Shop & Field, Safety	Various supplies	5,474.68
46579	Michael Thornton	Subsistence - Travel/Rm & Bd	Employee reimbursement - CWEA conference airfare & parking	780.80
46580	Christopher A. Trees	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46581	Susan Cassidy	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46582	The Reinalt-Thomas Corp.	Vehicle Maintenance	Tires	1,621.84
46583	Liquid Environmental Solution	Services - Grease & Scum	Pumping service	237.58
46584	Napa Auto Parts	Repair Parts Expense, Shop Tools and Equip., Vehicle Maint.	Various tools, supplies and generator battery	1,527.52
46585	Nash Fabricators	Services - Maintenance	Repair for sand filters, Lomas Santa Fe PS and spring service	4,780.35
46586	Oasis Palm Nursery, Inc.	Services - Maintenance	Repair for sand filters, Lomas Santa Fe PS and spring service	600.00
46587	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo	Procurement of sodium hypochlorite	17,131.24
46588	Olivenhain Municipal Water Dis	Services - Landscape, Maintenance, Professional	Wanket reservoir Q3, Wiegand Zona Gale Q4 & Rincon - NSDWRC support svcs.	4,238.87
46589	OneSource Distributors, Inc.	Repair Parts Expense	Various supplies	1,869.46
46590	Pacific Pipeline Supply	Repair Parts Expense	Various supplies	7,965.16
46591	Pencco Inc.	Supplies - Chem - Odor	Liquid calcium nitrate	7,735.33
46592	Polydyne Inc.	Supplies - Chem - Polymer	Polymers - Clarifloc C-378 and WE- 2942	13,869.00

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of May 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
46593	Radwell International, Inc.	Repair Parts Expense	Communication module	467.65
46594	RingCentral, Inc	Utilities - Telephone	Phone service	530.66
46595	Robert Half International, Inc	Services - Temp	Temp service - admin	5,962.50
46596	San Dieguito Water District	Utilities - Water (Suppl.)	Water	4,568.10
46597	Sloan Electric Company	Repair Parts Expense	Motor for odor scrubber	2,339.00
46598	Snell & Wilmer L.L.P	Services - Legal	General counsel legal service	3,921.50
46599	Superior Electric Motor Srvc.	Capital Outlay	Motor	12,509.80
46600	Technical Systems Inc	Services - Professional	T & M automation support - Santa Fe Pump Station	4,271.00
46601	Tesco Controls	Services - Professional	SCADA support services	24,147.52
46602	Trussell Technologies, Inc	Services - Professional	T3 - Coliform support from 03/01/26 - 03/31/26	3,027.25
46603	Unifirst Corporation	Supplies - Safety, Uniforms	Uniform service and safety gloves	2,493.62
46604	Void	Void	Void	-
46605	USA Bluebook	Supplies - Lab	Volumetric pipet	162.92
46606	VEGA Americas, Inc	Repair Parts Expense	Various supplies	4,146.53
46607	Verizon Wireless	Utilities - Telephone	Phone Apr	622.60
46608	WageWorks	Payroll Processing Fees	Admin fee - Apr	160.25
46703	Void	Void	Void	-
46609	Adam Kaye	Services - Professional	Public communications	100.00
46610	Aflac	EE Deduction Benefits Payable	Aflac - May	1,380.81
46611	Ag Tech, LLC	Services - Biosolids Hauling	Biosolids hauling and reuse - Apr	18,022.04
46612	Alliant Insurance Services, Inc	Insurance - Auto	Equipment floater - Third quarter premium	91.00
46613	Allied Storage Containers	Equipment Rental/Lease	20' and 40' storage containers - May	359.89
46614	Black & Veatch	Services - Engineering	Facility plan update through Apr	3,681.25
46615	Brenntag Pacific, Inc	Supplies - Chem - Odor	Sodium hydroxide	1,440.31
46616	CA. Office Cleaning, Inc.	Services - Janitorial	Office and window cleaning	3,390.00
46617	City National Bank	AWT Loan	AWT Loan Payment Agreement - #11-020 - #29	74,076.57
46618	Columbia Analytical Instr. Inc	Supplies - Lab	Test standard	967.90
46619	Core & Main LP	Repair Parts Expense	Gaskets	1,988.95
46620	Corodata	Rent	Record storage - Apr	124.79
46621	FRS Environmental	Services - Maintenance	Parts washer service	308.70
46622	Kennedy/Jenks Consultants	Services - Engineering	As needed capital program services - Task Order 2	1,625.00
46623	McMaster-Carr Supply Co.	Supplies - Shop & Field, Safety, Repair Parts Expense	Various supplies	2,880.68
46624	Cosby Oil Company, Inc	Fuel	Fuel - Apr	1,097.35
46625	Concepcion Yani Reyes-Heyer	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46626	San Dieguito Water District	Utilities - Water	Water	3,249.60
46627	Christopher A. Trees	Licenses	Employee reimbursement - Engineering license renewal	180.00
46628	Benefits Coordinators Corp.	Dental/Vision	Vision - May	449.10
46629	Miguel A Becerra	Seminars/Education	Employee reimbursement - CWEA exam fees	255.00
46630	Dixieline Lumber Company	Repair Parts Expense, Shop Tools and Equip.	Moonlight odor control chemicals and pump	250.80
46631	Evan E Fox	Supplies - Safety	Employee reimbursement - Prescription safety glasses	309.29
46632	Grainger, Inc.	Supplies - Safety, Shop & Field	Various supplies	645.49
46633	Jackson & Blanc	Services - Maintenance	Ductwork maintenance - Moonlight Beach Pump Station and VRF 1- 1 leak search	16,148.00
46634	Nautilus Environmental, Inc	Services - Laboratory	Laboratory toxicity testing services for Mar	1,290.00
46635	Nth Generation	Licenses	Cisco Meraki and Enterprise license renewal	1,547.30
46636	Olivenhain Municipal Water Dis	Services - Professional, Rent	Woodward and Curran NSDWRC support & Pipeline rental payment Apr	12,953.06
46637	OneSource Distributors, Inc.	Repair Parts Expense	Headworks repair parts, control & communication module	2,203.40
46638	Pencco Inc.	Supplies - Chem - Odor	Liquid calcium nitrate	7,527.27

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of May 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
46639	Michael Piper	Subsistence - Travel/Rm & Bd	Employee reimbursement - ABPA conference various expenses	2,031.32
46640	Polydyne Inc.	Supplies - Chem - Polymer	Clarifloc C-378 and WE - 2942	1,074.85
46641	Reward Strategy Group, Inc	Services - Professional	Class and comp consulting services	7,490.00
46642	Rising Tide Partners, LLC	Services - Professional	Communication services - Mar	1,407.50
46643	Robert Half International, Inc	Services - Temp	Temp service - admin	2,000.00
46644	Rusty Wallis, Inc.	Supplies - Shop & Field	Water softener, tank service and salt bags	383.95
46645	Santa Fe Irrigation District	Utilities - Water	Water	535.84
46646	Santa Fe Irrigation District	SFID Distribution Pipeline	Pipeline purchase payment	4,963.84
46647	San Dieguito Water District	Services - Maintenance	RW meter testing	571.08
46648	Sloan Electric Company	Repair Parts Expense	Step screen 1 motor	2,515.37
46649	Westbound Solar 2, LLC	Utilities - Solar Power	Solar - Mar	14,168.99
46650	Thomas C Falk	Licenses, Seminars/Education	Employee reimbursement - CWEA banquet awards & engineering license renewal	1,430.00
46651	Snell & Wilmer L.L.P	Services - Legal	General counsel - Apr	3,113.24
46652	Tesco Controls	Services - Professional	SCADA support services	19,209.79
46653	Underground Service Alert/SC	Services - Alarm	Dig alert and safe excavation board	163.03
46654	USA Bluebook	Supplies - Lab	Various supplies	2,682.42
46655	Vanessa Hackney	Other Personnel Cost, Subsistence - Meals	Employee reimbursement - Health and wellness, Team meeting supplies	130.00
46656	Volt Management Corp	Services - Temp	Internship program and temp service	4,398.45
46657	VWR International, Inc.	Supplies - Lab	Arium RO module, Buffer pH and various lab supplies	2,922.23
46658	WageWorks	Payroll Processing Fees	Admin fee - Mar	176.00
46659	Webster Bank, N.A.	2023 RW Loan Payable	2023 Recycled water loan - Pmt #6	387,015.80
46660	Yao Engineering, Inc	Services - Engineering	Professional services from Apr	11,380.00
46661	AT&T	Utilities - Internet	Internet - Apr	2,183.33
46662	AT&T	Utilities - Telephone	Phone service - Apr	781.48
46663	Boot World, Inc.	Uniforms - Boots	Safety boots - V. Buskirk	219.16
46664	Brandon D. Yutsus	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46665	Brenntag Pacific, Inc	Supplies - Chem - Odor	Sodium hydroxide	1,371.10
46666	Burtech Pipeline, Inc.	Services - Contractors	Emergency repair services for RW pipeline (Area 5)	17,842.62
46667	CDM Smith	Services - Engineering	Services for Wanket Tank - 04/05/26 - 05/09/26	7,162.50
46668	Consolidated Electrical Dist.	Repair Parts Expense	Light fixtures primaries	2,827.79
46669	Clean Water SoCal	Prepaid - Other	Annual membership dues - FY 26/27	9,410.00
46670	Maria Ines Cruz	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46671	CS-Amsco	Repair Parts Expense	Valve	11,274.31
46672	CWEA	Dues & Memberships	Membership and certification renewal - J. Garcia	370.00
46673	Nolan Dautremont	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46674	Dixieline Lumber Company	Shop Tools and Equip.	Various supplies	188.16
46675	Fuel Oil Polishing Co. of S.D	Services - Maintenance	Generator tank cleaning service	1,700.00
46676	Jose Garcia	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46677	Hardy Diagnostics	Supplies - Lab	Various lab supplies	1,421.92
46678	Michael Henke	Other Personnel Cost, Seminar/Education	Employee reimbursement - CWEA event and health and wellness	170.00
46679	America Y. Hernandez Guillen	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46680	Integrated Aqua Systems, Inc	Repair Parts Expense	Various supplies	5,838.99
46681	Kevin R. Lang	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46682	Liquid Environmental Solution	Services - Grease & Scum, Grit & Screenings	Pumping service and roll of box	4,339.81
46683	McMaster-Carr Supply Co.	Repair Parts Expense	Various supplies	697.33
46684	MetLife - Group Benefits	Dental/Vision	Dental - Jun	3,515.93
46685	Nash Fabricators	Services - Maintenance	Lomas Santa Fe Pump Station repair	850.15

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of May 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
46686	Cosby Oil Company, Inc	Fuel	Fuel - May	339.62
46687	Michael Piper	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46688	Apolo Ramirez Cervantes	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46689	Daniel Verdon	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46690	Scott Best	Subsistence - Travel/Rm & Bd	Employee reimbursement - Mileage	26.90
46691	Susan Cassidy	Accrued Payroll	Replacement of payroll checks	5,253.02
46692	Thomas C Falk	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46693	Winston Friedly	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46694	Olin Corp - Chlor Alkali	Supplies - Chem - Sodium Hypo, Chem - Odor	Procurement of sodium hypochlorite	21,865.96
46695	Olivenhain Municipal Water Dis	Services - Maintenance, Professional	Wanket reservoir 1/3 maintenance - Q2 and Woodward & Curran NSDWRC support	549.23
46696	Otis Elevator Company	Services - Maintenance	Elevator maintenance - May	243.78
46697	PumpMan SoCal	Services - Maintenance	Lomas Santa Fe Pump Station service	350.00
46698	Radwell International, Inc.	Repair Parts Expense	Various supplies	4,346.65
46699	RingCentral, Inc	Utilities - Telephone	Phone service	530.66
46700	Robert Half International, Inc	Services - Temp	Temp service	1,966.50
46701	Santa Fe Irrigation District	Utilities - Water	Water	123.51
46702	Scheidel Professional Corp.	Services - Engineering	Lomas Santa Fe Pump Station Prelim. Engr. Report - Mar/Apr	6,418.75
46704	Thatcher Company of Nevada	Supplies - Chemicals	Aluminum sulfate	7,368.60
46705	Tyler Cook	Other Personnel Cost	Employee reimbursement - Health and wellness	120.00
46706	U.S. Bank Equipment Finance	Supplies - IT Equipment	IT equipment lease	337.72
46707	Unifirst Corporation	Services - Uniforms	Uniform service	608.50
46708	USA Bluebook	Capital Outlay	Chlorine analyzer	7,977.47
46709	Verizon Wireless	Utilities - Telephone	Phone - Apr	618.73
46710	Verizon Wireless	Utilities - Telephone	Cell phone service - Apr and May	754.59
46711	Volt Management Corp	Services - Temp	Internship program and temp service	1,908.48
46712	WageWorks	Payroll Processing Fees	Admin fee - May	160.25
46713	Terminix Processing Center	Services - Maintenance	Pest control	686.15
On-line 1239	Home Depot Credit Services	Shop Tools and Equip.	Various tools	1,632.99
On-line 1240	Mission Square	ICMA Retirement	ICMA - 401a	9,419.63
On-line 1241	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	10,314.72
On-line 1242	Public Employees- Retirement	Medical Insurance - Pers	Health - May	52,507.65
On-line 1243	Public Employees- Retirement	Retirement Plan - PERS	Retirement - Apr Pay Periods	25,858.00
On-line 1244	Blue Triton Brands Inc	Supplies - Lab	Kitchen and lab supplies	715.45
On-line 1245	UPS	Postage/Shipping	Shipping	25.00
On-line 1246	BankCard Center	Capital Outlay, Advertising	Various supplies	10,019.80
On-line 1247	Mission Square	ICMA Retirement	ICMA - 401a	8,031.04
On-line 1248	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	10,205.27
On-line 1249	Public Employees- Retirement	Retirement Plan - PERS	Retirement - 04/11/26 - 04/24/26	25,463.79
On-line 1250	Home Depot Credit Services	Supplies - Safety, Repair Parts Expense	Various supplies	1,264.69
On-line 1251	Mission Square	Deferred Comp-employer	ICMA - 401a	8,025.38
On-line 1252	Mission Square - 304175	EE Deduction Benefits Payable	ICMA - 457	10,188.89
On-line 1253	P.E.R.S.	Medical Insurance - Pers	Health - Jun	52,507.65
On-line 1254	Public Employees- Retirement	Retirement Plan - PERS	Retirement - May Pay Period	25,255.86
On-line 1255	Public Employees- Retirement	Retirement Plan - PERS	Retirement - May Pay Period	25,124.76
On-line 1256	Blue Triton Brands Inc	Supplies - Lab	Kitchen and lab supplies	363.37
On-line 1257	San Diego Gas & Electric	Utilities - Gas & Electric	Gas and electric - Apr	91,972.08
On-line 1258	Sun Life Financial	Life Insurance/Disability	Life and disability - Jun	3,493.79

**SAN ELIJO JOINT POWERS AUTHORITY
PAYMENT OF WARRANTS
For the Month of May 2026**

Warrant #	Vendor Name	G/L Account	Warrant Description	Amount
On-line 1259	WM Corporate Services, Inc.	Services - Grit & Screenings	Roll off bins - 04/03/26 - 04/30/26	420.00
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 05/01/2026	125,558.54
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 05/15/2026	134,033.08
Payroll ACH	San Elijo Payroll Account	Payroll	Payroll - Pay Date 05/29/2026	135,384.79
				<u>\$ 2,084,047.06</u>

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

**For the Month of MAY 2026
As of MAY 31, 2026**

PAYMENT OF WARRANTS

\$ 2,084,047.06

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.



Kevin Lang
Director of Finance and Administration

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

As of MAY 31, 2026

FUNDS ON DEPOSIT WITH	AMOUNT
LOCAL AGENCY INVESTMENT FUND <i>(MAY 2026 YIELD 3.810%)</i>	\$ 9,174,921.68
CALIFORNIA BANK AND TRUST <i>(MAY 2026 YIELD 0.01%)</i>	2,527,321.28
U.S. Bank <i>(MAY 2026 YIELD 2.55%)</i>	9,441,718.40
PARS <i>(APRIL 2026 YIELD 4.81%)</i>	1,310,565.05
TOTAL RESOURCES	<u>\$ 22,454,526.41</u>

*

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: WASTEWATER TREATMENT REPORT – APRIL 2026

RECOMMENDATION

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

DISCUSSION

Monthly Treatment Facility 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 April 2026. The primary indicators of treatment performance include the removal of Total Suspended Solids (TSS) and Carbonaceous Biochemical Oxygen Demand (CBOD). 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 **99.2** and **99.5** percent removal, respectively, during the month of April.

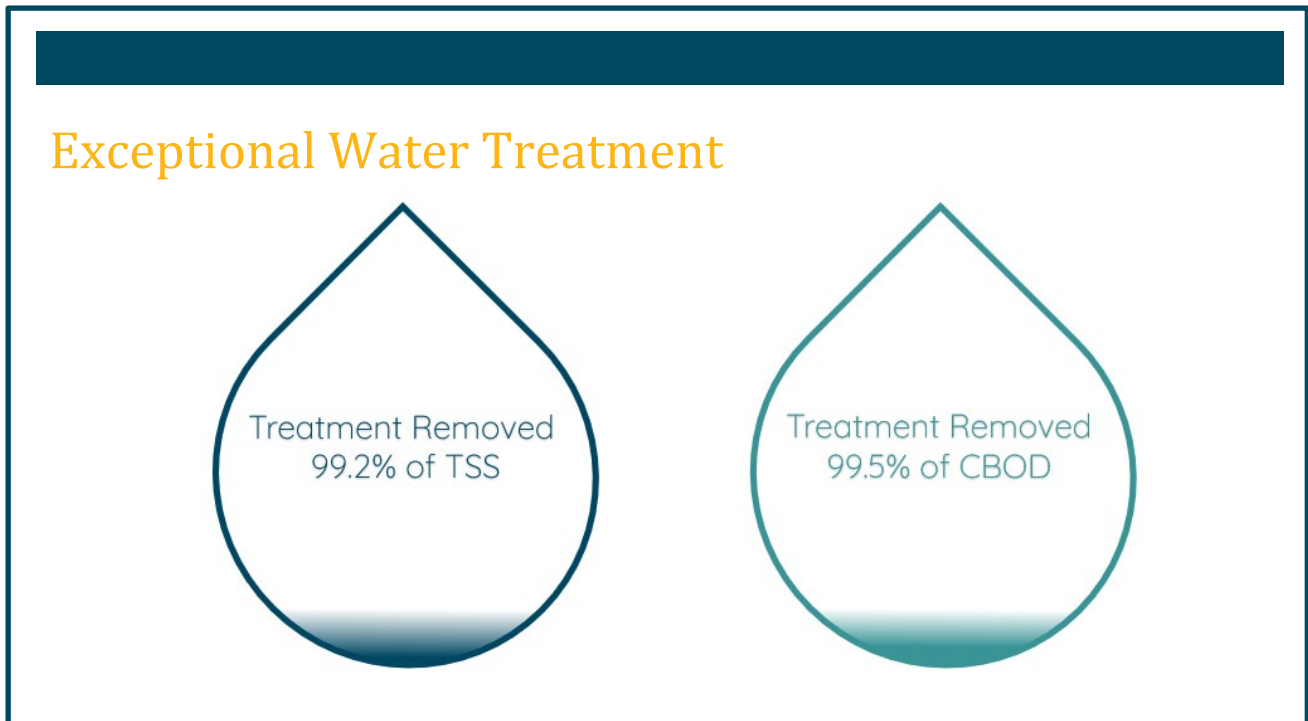
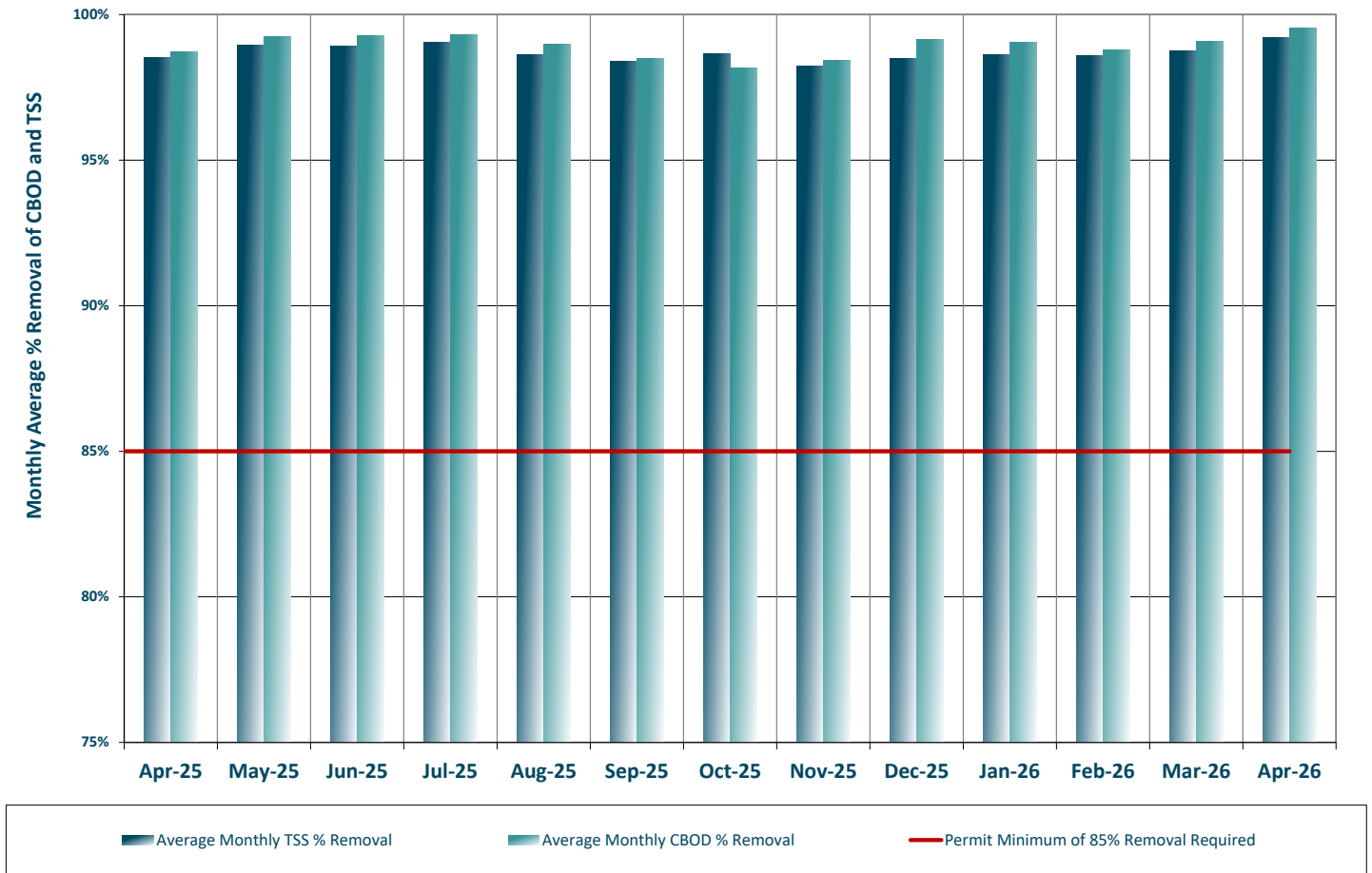


Figure 1 (below) shows historic treatment performance trends for the removal of TSS and CBOD over the last 13 months compared to the permit minimum removal requirement of 85%.

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

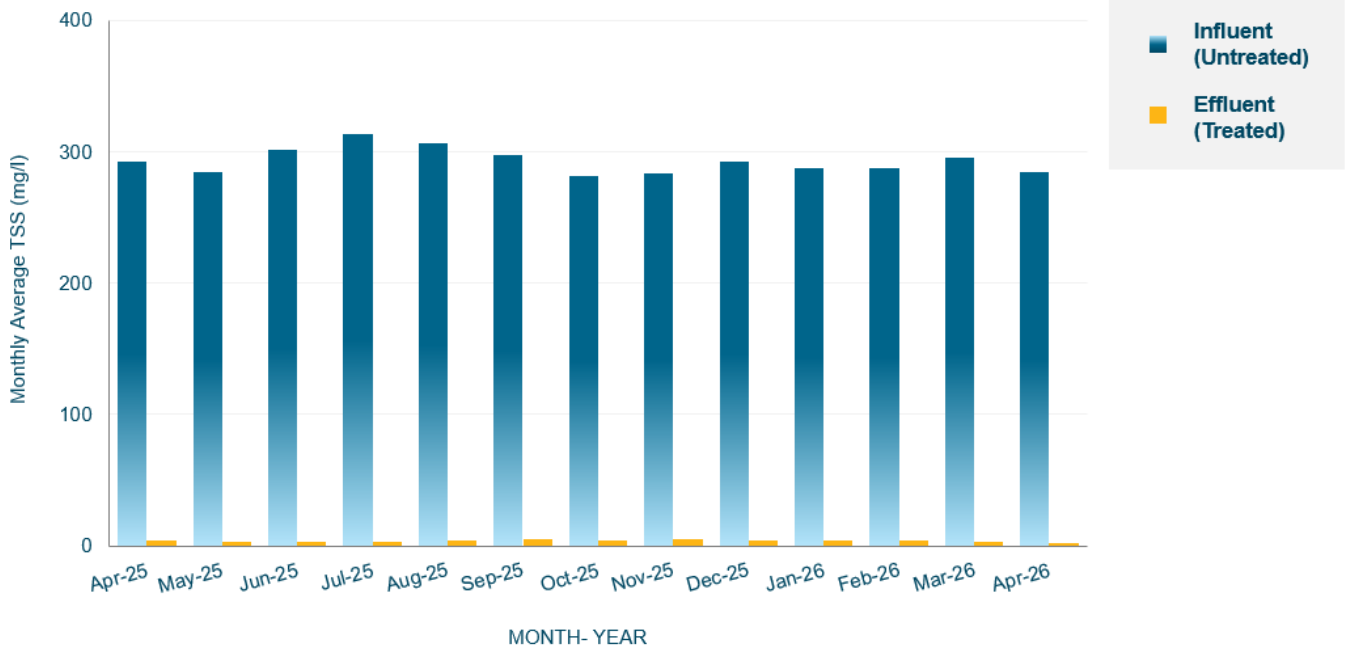
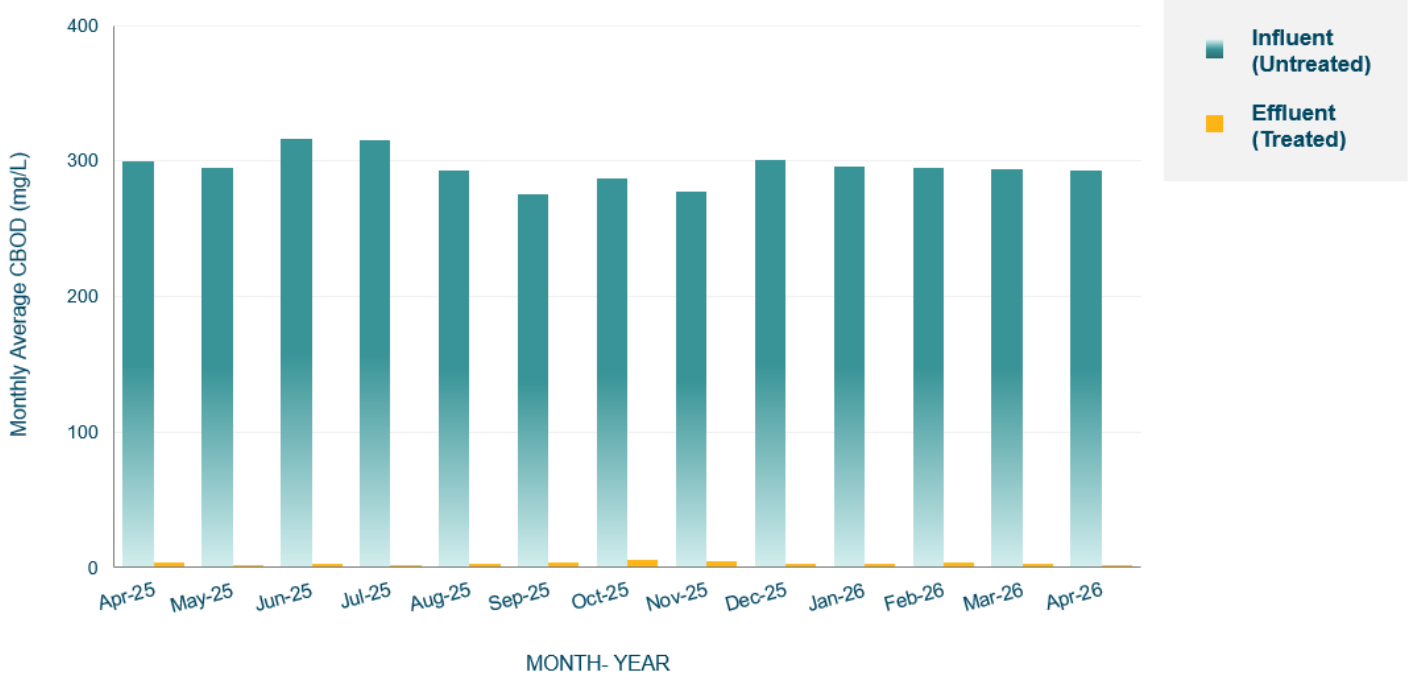


FIGURE 3: TREATED EFFLUENT FLOWS REMOVAL OF CBOD



Member Agency Flows

Table 1 provides a summary of influent and effluent flows for April. Average daily influent volumes were measured for each contributing agency. During this reporting period, roughly 71% of the influent was treated and beneficially reused as recycled water, while the balance was conveyed to the ocean outfall.

TABLE 1 - INFLUENT AND EFFLUENT FLOWS IN APRIL

	Influent (mad)	Recycled Water (mad)	Effluent (mad)*
Cardiff Sanitaru Division	1.309	0.923	0.386
Citu of Solana Beach	1.012	0.714	0.298
Rancho Santa Fe SID	0.166	0.117	0.049
Citu of Del Mar	0.350	0.247	0.103
Total San Elijo Water Campus Flow	2.837	2.001	0.836

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

Table 2 (below) presents the historical average and unit influent flow rates per month for each of the contributing agencies 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 DESIGN	CSD	RSF	SB	DM	TOTAL EDUS	CSD	RSF	SB	DM	TOTAL PLANT
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
Jan-24	1.416	0.190	1.055	0.380	3.041	8,569	588	8,166	2,622	19,945	165	323	129	134	152
Feb-24	1.788	0.256	1.099	0.422	3.565	8,569	588	8,166	2,622	19,945	209	436	135	151	179
Mar-24	1.395	0.200	1.061	0.352	3.008	8,616	588	8,166	2,639	20,009	162	340	130	125	150
Apr-24	1.313	0.216	1.036	0.368	2.933	8,620	588	8,166	2,639	20,013	152	368	127	130	147
May-24	1.294	0.196	1.017	0.349	2.856	8,620	588	8,166	2,639	20,013	150	334	125	125	143
Jun-24	1.275	0.191	1.058	0.508	3.032	8,620	588	8,166	2,639	20,013	148	325	130	184	152
Jul-24	1.310	0.185	1.076	0.494	3.065	8,620	588	8,166	2,639	20,013	152	315	132	182	153
Aug-24	1.279	0.166	1.090	0.512	3.047	8,621	588	8,178	2,639	20,025	148	283	133	188	152
Sep-24	1.278	0.165	1.034	0.399	2.876	8,621	588	8,178	2,657	20,043	148	281	126	147	143
Oct-24	1.296	0.160	1.019	0.340	2.815	8,621	591	8,178	2,657	20,046	150	271	125	122	140
Nov-24	1.250	0.184	0.967	0.482	2.883	8,621	591	8,178	2,657	20,046	145	312	118	165	144
Dec-24	1.231	0.182	1.079	0.408	2.900	8,621	593	8,178	2,657	20,048	143	307	132	134	145
Jan-25	1.398	0.187	1.105	0.381	3.071	8,621	593	8,178	2,657	20,048	162	316	135	124	153
Feb-25	1.471	0.186	1.120	0.408	3.185	8,621	593	8,178	2,657	20,048	171	314	137	134	159
Mar-25	1.524	0.214	1.133	0.390	3.261	8,621	593	8,178	2,657	20,048	177	361	139	129	163
Apr-25	1.355	0.210	1.084	0.367	3.016	8,621	593	8,178	2,657	20,048	157	354	133	122	150
May-25	1.349	0.202	1.071	0.371	2.993	8,621	593	8,178	2,657	20,048	156	341	131	123	149
Jun-25	1.310	0.190	1.071	0.524	3.095	8,621	593	8,178	2,657	20,048	152	321	131	175	154
Jul-25	1.326	0.204	1.109	0.502	3.141	8,621	593	8,126	2,657	19,996	154	344	136	168	157
Aug-25	1.351	0.213	1.090	0.556	3.210	8,621	594	8,126	2,680	20,020	157	359	134	187	160
Sep-25	1.354	0.187	1.050	0.426	3.017	8,623	596	8,126	2,680	20,025	157	314	129	142	151
Oct-25	1.292	0.176	1.039	0.378	2.885	8,627	596	8,126	2,680	20,029	150	296	128	126	144
Nov-25	1.407	0.188	1.050	0.424	3.069	8,629	596	8,126	2,680	20,031	163	316	129	144	151
Dec-25	1.362	0.171	1.011	0.379	2.923	8,629	595	8,126	2,680	20,030	158	288	124	128	146
Jan-26	1.473	0.190	1.051	0.383	3.097	8,631	595	8,126	2,680	20,032	171	320	129	129	155
Feb-26	1.464	0.182	1.052	0.417	3.115	8,631	595	8,126	2,680	20,032	170	306	129	140	156
Mar-26	1.357	0.181	1.046	0.401	2.985	8,631	595	8,126	2,680	20,032	157	304	129	135	149
Apr-26	1.309	0.166	1.012	0.350	2.837	8,631	596	8,126	2,680	20,033	152	279	125	118	142

CSD: Cardiff Sanitary Division

RSF: Ranch Santa Fe Community Service District

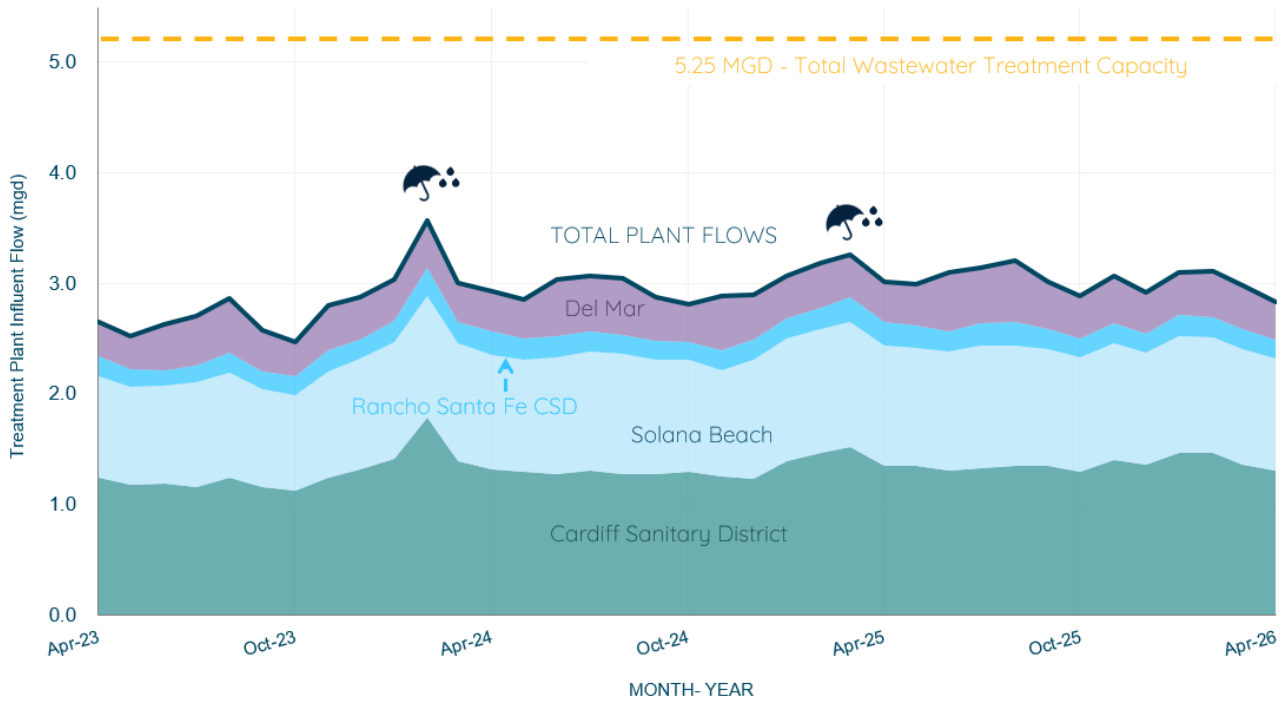
SB: Solana Beach

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 each have 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 daily flow rate for the month of April 2026 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 DAILY FLOWS

	Flow (mgd)
Escondido (Average flow rate)	9.7
Escondido (Peak flow rate)	18.1

Connected Equivalent Dwelling Units

The City of Solana Beach and the City of Del Mar updated the number of connected EDUs reported to the SEJPA in September 2025, memorializing updates effective July 1, 2025. The connected EDUs for Solana Beach were reduced due to the reconstruction of Solana Highlands apartments. The City of Encinitas and 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	8,631
Rancho Santa Fe SID	596
City of Solana Beach	7,789
San Diego (to Solana Beach)	337
City of Del Mar	2,680
Total EDUs to System	20,033

Respectfully submitted,



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

*

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: RECYCLED WATER REPORT – APRIL 2026

RECOMMENDATION

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

DISCUSSION

Recycled Water Production

In April 2026, recycled water production totaled 211.2 acre-feet (AF), with 2.4 AF of supplemental potable water required. Potable water use was higher than normal due to a recycled water pipeline break that required use of potable water to fill Oak Crest reservoir during the repair. Production was significantly higher than the budget estimate of 133 AF due to strong seasonal demand and continued dry weather conditions. The recycled water treatment system operated with no permit violations during the month.

Fiscal year recycled water production currently totals 1,408 AF, approximately 13.3% above budget projections.

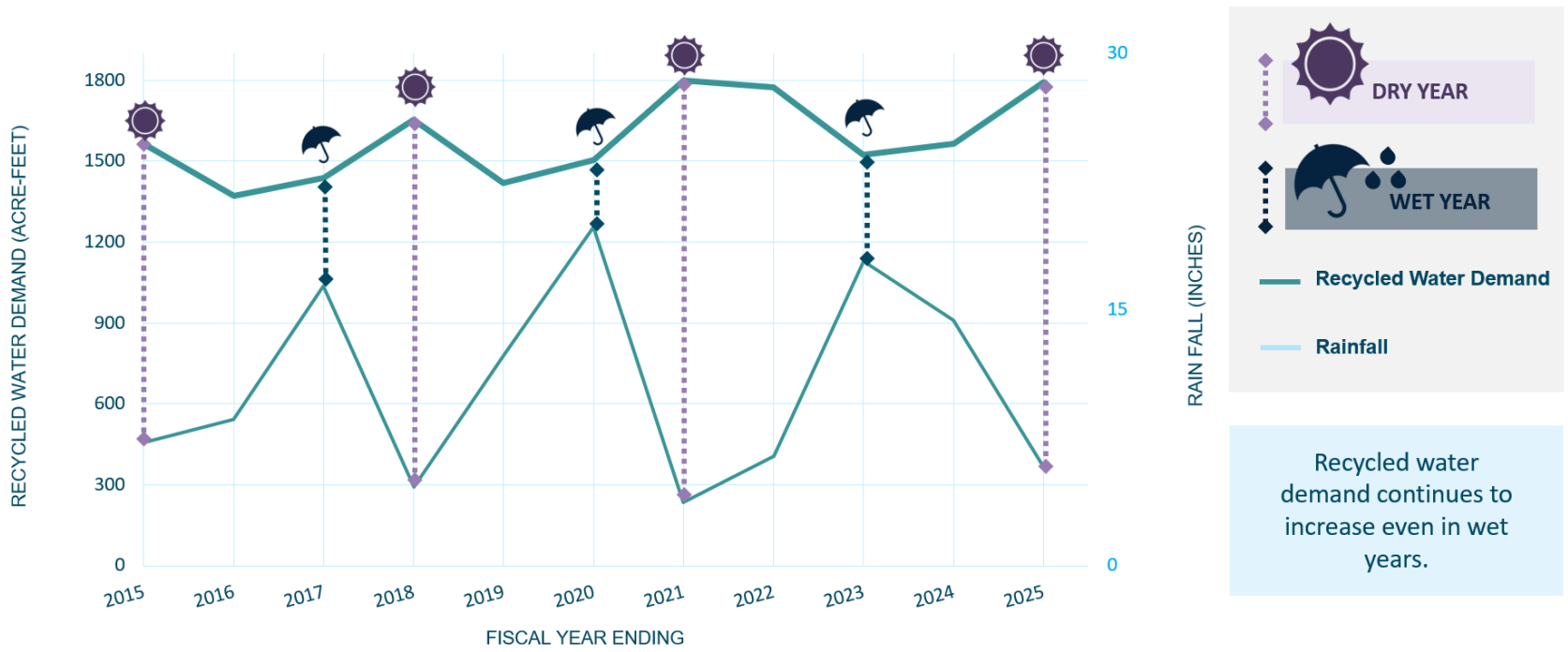
Figure 1 (attached) provides a ten-year history of annual recycled water production and rainfall, illustrating the correlation between precipitation and production. Figure 2 compares April production over the past ten years, and Figure 3 shows budgeted versus actual recycled water production for FY 2025-26.

Respectfully submitted,



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

FIGURE 1: RECYCLED WATER DEMAND AND RAINFALL COMPARISON



Recycled water demand continues to increase even in wet years.

FIGURE 2: APRIL RECYCLED WATER PRODUCTION

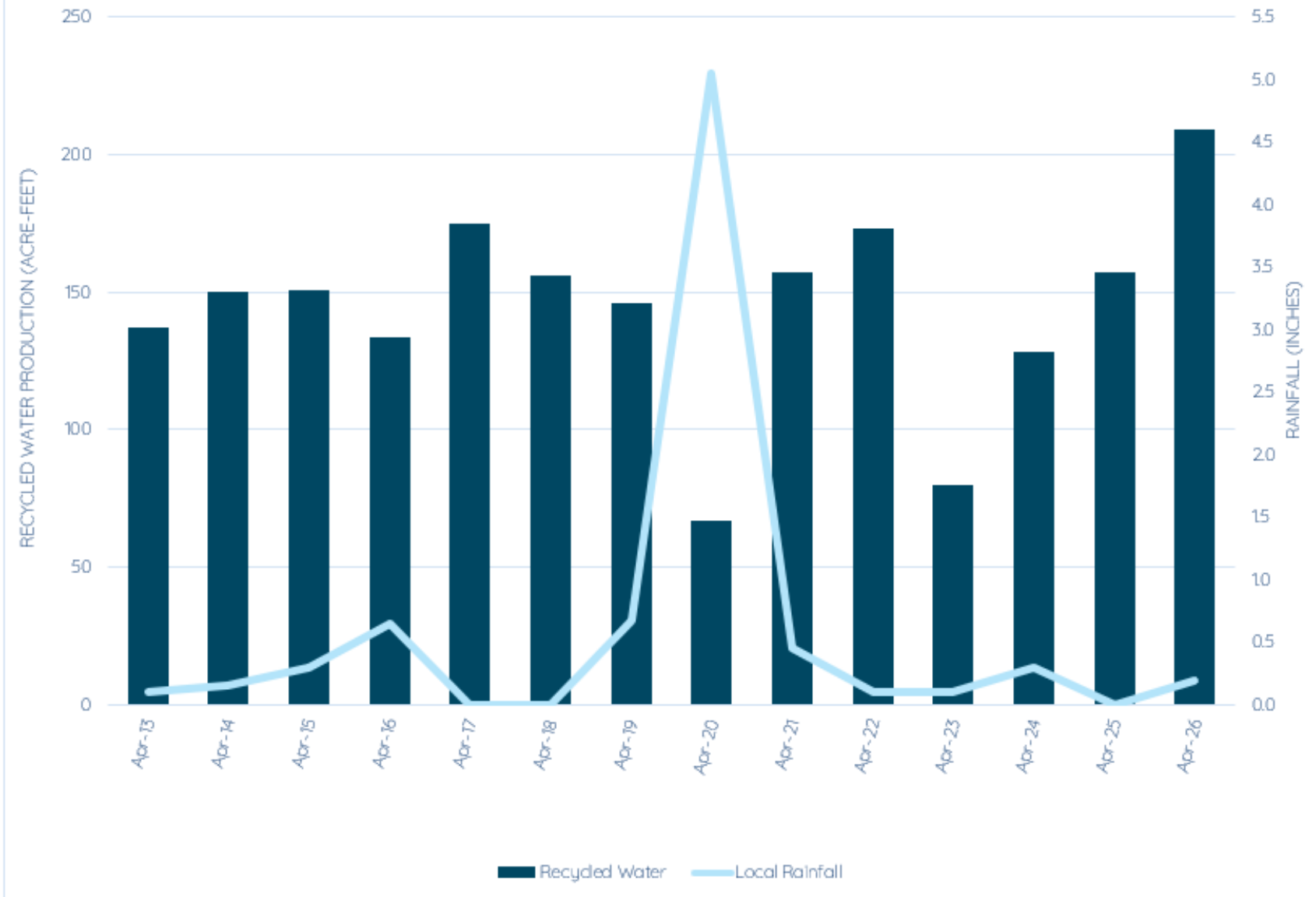
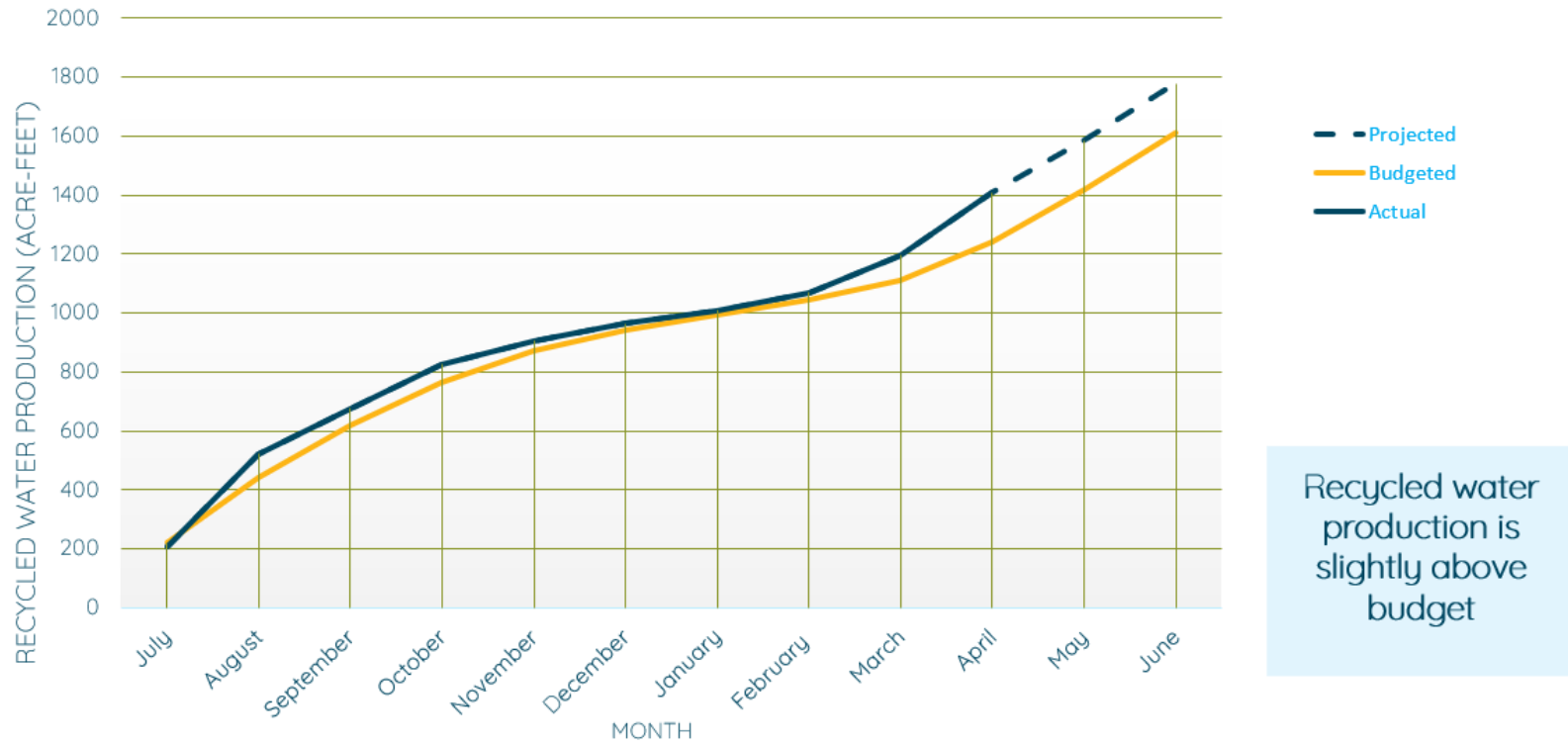


FIGURE 3: FY2025/26 CUMULATIVE PRODUCTION VS BUDGET



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AGENDA ITEM NO. 7E

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

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 in the month of May 2026.

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

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

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

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into Amendment No. 3 to the Agreement for IT Services between the City of Encinitas and San Elijo Joint Powers Authority (SEJPA) for an annual amount not-to-exceed \$85,452; and
2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) has partnered with the City of Encinitas (City) for information technology (IT) and data hosting services since January 2014. During this 12-year partnership, the City has consistently provided reliable, responsive, and cost-effective IT services that are seamlessly integrated into SEJPA's daily operations.

The partnership provides SEJPA with secure IT infrastructure, data hosting, cybersecurity protection, and both onsite and remote technical support. The City was originally selected based on its experienced staff, comprehensive service offerings, and established IT infrastructure. These strengths continue to provide SEJPA with operational continuity, disaster recovery capabilities, and a high level of service at a competitive cost.

DISCUSSION

The current agreement requires annual renewal prior to the beginning of each fiscal year, with the current amendment for IT services is set to expire on June 30, 2026. Both SEJPA and the City have expressed interest in continuing the partnership. Outsourcing IT services to the City remains a cost-effective solution for SEJPA, eliminating the need to employ a full-time IT staff member while allowing access to a wide range of technical expertise and IT resources. The scope of services to be continued under the agreement includes:

- Local Area Network (LAN) and Wide Area Network (WAN) administration
- Microsoft Office 365 administration
- Audio-visual equipment support
- Hardware configuration
- Cybersecurity tools, including antivirus software, 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 monthly cloud hosting
- Disaster Recovery as a Service (DRaaS)
- Dedicated IT support staff

The proposed Amendment No. 3 would authorize an additional one-year term for IT services through June 30, 2027, in accordance with the original agreement. Consistent with the agreement's annual escalation provision of either 3% or the Consumer Price Index (CPI), whichever is greater, the compensation adjustment for this term reflects the current CPI increase of 3.8%. The agreement also allows either party to terminate services with 90 days' written notice.

FINANCIAL IMPACT

The financial impact of the agreement amendment is not to exceed \$85,452, which includes \$7,121 per month in IT services. Adequate funds are available in the FY 2026-27 Recommended Budget for the 12-month term of the amendment and additional funding for further extensions will be included in future budgets.

RECOMMENDATION

It is therefore, recommended that the Board of Directors:

1. Authorize the General Manager to enter into Amendment No. 3 to the Agreement for IT Services between the City of Encinitas and San Elijo Joint Powers Authority (SEJPA) for an annual amount not-to-exceed \$85,452; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Kevin R. Lang, CPA
Director of Finance and Administration

Attachments:

1. Amendment No. 3 to the Agreement for IT Managed Services between the City of Encinitas and San Elijo Joint Powers Authority (SEJPA)

Attachment 1

**AMENDMENT #3 TO THE
AGREEMENT FOR IT MANAGED SERVICES BETWEEN
THE CITY OF ENCINITAS AND
SAN ELIJO JOINT POWERS AUTHORITY (SEJPA)**

This Amendment #3 to the IT Managed Services Agreement is made and entered into as of the date of execution by the City of Encinitas, a municipal corporation, hereinafter referred to as (“City”), and “San Elijo Joint Powers Authority hereinafter referred to as (“Client”).

RECITALS

- A. The City and Client entered an Agreement for IT Managed Services (“Agreement”) for a term that began on January 3, 2020 and expires on June 30, 2025.
- B. The City and Client executed Amendment #1 to the Agreement on January 26, 2024 to modify the Agreement effective date and increase the monthly fee by 3% to \$6,653 for the period January 4, 2024 through June 30, 2025 for a total fee of \$124,117.
- C. The City and Client executed Amendment #2 to the Agreement on June 30, 2025 to extend the first of 5 additional one-year terms and increase the monthly fee by 3.1% to \$6,860 for the period July 1st, 2025 through June 30, 2026 for a total fee amount of \$82,320.
- D. The parties wish to extend the term of the Agreement by the second of five (5) additional one-year periods to June 30, 2027.
- E. The parties wish to amend the Fees and Payments Schedule to increase the monthly fee from \$6,860 to \$7,121 per the current San Diego County CPI rate of 3.8% for an annual amount of \$85,452.

NOW, THEREFORE, in consideration of the mutual benefits to be derived thereupon, the parties agree to amend the Agreement as follows:

- A. The Agreement between the City of Encinitas and Client is extended for the second of five (5) additional one-year terms and will now expire on June 30, 2027.
- B. The current payment schedule is in effect through June 30, 2026. Starting on July 1st, 2026, through June 30, 2027, Client will pay the City \$7,121 per month. This cost does not include any other related expenses outside the Scope of Services.

Except as otherwise provided above, all the provisions of the Agreement between the City of Encinitas and Consultant effective on January 3, 2020, shall remain in full force and effect.

EXECUTION OF AGREEMENT

The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

San Elijo Joint Powers Authority

City of Encinitas

By _____
Name: Michael T. Thornton, P.E. Date
Title

By _____
Name: Jennifer Campbell Date
City Manager

APPROVED AS TO FORM:

City Attorney: Ajit Thind Date

NOTE: Pursuant to California Corporations Code Section 313, if Contractor is a corporation or nonprofit organization, this Contract must be signed by (a) the Chairperson of the Board, President or Vice-President and (b) the Secretary any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer.

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: MCMASTER-CARR SUPPLY COMPANY PURCHASE ORDER
AWARD

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to execute a purchase order for individual parts and supplies from McMaster-Carr Supply in an amount not to exceed \$75,000 for Fiscal Year 2026-27; and
2. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) operates and maintains critical public infrastructure, including wastewater treatment facilities, recycled water systems, and supporting regional collection and conveyance assets. To maintain reliable operations and regulatory compliance, SEJPA routinely requires small-dollar, as-needed procurement of materials, parts, and specialized supplies. Because many maintenance and repair activities require immediate response, prompt access to industrial supplies is essential to minimizing service disruptions and maintaining operational reliability.

McMaster-Carr Supply Company is a national distributor of industrial maintenance and operations supplies. They maintain an inventory of over 700,000 products, including specialized fasteners, tools, raw materials, plumbing components, electrical supplies, and wastewater-compatible maintenance items. Historically, SEJPA has relied on McMaster-Carr’s extensive catalog, rapid fulfillment capabilities, and product reliability to keep infrastructure online.

Because the aggregate annual expenditure under this proposed blanket purchase order (BPO) exceeds the General Manager's purchasing authority of \$50,000, Board approval is required in accordance with SEJPA Resolution No. 2022-01.

DISCUSSION

Staff is requesting the establishment of a centralized annual BPO with McMaster-Carr Supply Company in an amount not to exceed \$75,000. This BPO functions as an operational mechanism, streamlining administrative workflows by eliminating the need to issue individual, repetitive purchase orders for low-dollar, high-frequency emergency and maintenance supplies throughout the fiscal year.

Procurement Policy Compliance and Justification

Pursuant to SEJPA Resolution No. 2022-01, Section 3.2(d), purchases exceeding \$50,000 typically require a formal, advertised competitive bidding process. However, Section 3.6 outlines specific exceptions where competitive bidding is not required. Staff requests a competitive bidding exception for this BPO based on the following criteria established in the agency's purchasing policy:

- **Incongruous Bidding Environment (Section 3.6(f)):** Bidding out an unpredictable, highly varied list of hundreds of individual micro-purchases (e.g., specific nuts, bolts, washers, or gaskets) as a single annual contract would be incongruous and yield no advantage to SEJPA. The administrative labor cost to formally bid and manage separate transactions for daily operational parts would exceed any nominal unit-price variances, resulting in a net financial disadvantage to the agency.
- **Equipment Compatibility and Standardization (Section 3.6(i)):** Critical infrastructure assets require exact dimensional and material matches to meet strict industrial safety and pressure specifications. McMaster-Carr's precise technical data and predictable supply chain satisfy SEJPA's strict equipment compatibility criteria.
- **Time Sensitivity and Operational Availability (Section 3.6(i)):** Unscheduled facility maintenance requires immediate, next-day parts fulfillment. McMaster-Carr provides a unique logistically integrated catalog, guaranteed rapid delivery, and inventory breadth that regional commercial supply houses cannot consistently replicate for specialty utility operations.

Internal Controls and Anti-Splitting Safeguards

To ensure strict adherence to Section 3.5 (Prohibition of Bid Splitting), this BPO will only be utilized for low-dollar, high-frequency as-needed parts. It will not be used to bypass competitive procurement for major equipment overhauls or predictable capital projects. Any individual item or single transaction exceeding \$5,000 will continue to be subjected to the independent competitive quote protocols mandated by Section 3.2 of the Purchasing Policy. Furthermore, local vendors within the SEJPA service area will continue to be evaluated first for non-emergency, routine commercial supplies in accordance with Section 2.2(b).

FINANCIAL IMPACT

Funding for purchases made under this blanket purchase order is fully accounted for within the existing, approved departmental operations and maintenance budgets for the current fiscal year. Total annual expenditures are not to exceed \$75,000, ensuring that tracking remains strictly within authorized budgetary limits.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Authorize the General Manager to execute a purchase order for individual parts and supplies from McMaster-Carr Supply in an amount not to exceed \$75,000 for Fiscal Year 2026-27; and
2. Discuss and take action as appropriate.

Respectfully submitted,



Kevin R. Lang, CPA
Director of Finance and Administration

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AGENDA ITEM NO. 7H

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: STATUS UPDATE - EMERGENCY RECYCLED WATER PIPELINE REPAIR AT
EAST ENTRY GATE

RECOMMENDATION

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

BACKGROUND

On May 8, 2026, staff identified a leak on a 12-inch recycled water pipeline near the east entry gate to the San Elijo Water Campus. The General Manager declared an emergency and authorized repairs in accordance with SEJPA Resolution No. 2022-01, Purchasing Policies and Procedures.

The Board was notified of the emergency declaration and approved the emergency contract on May 19, 2026, consistent with Resolution No. 2022-01, Section 3.1.d. Public Contract Code Section 22050 requires periodic Board review of emergency actions. Accordingly, this memorandum provides an update on the status of the repair work and remaining project closeout activities.

DISCUSSION

Emergency repairs were completed by Burtech Pipeline on May 8, 2026, restoring service the same day and returning the recycled water system to normal operation. The repaired pipeline was successfully pressure tested and remains in service.

Following completion of the pipeline repair, SEJPA evaluated the affected area and determined that approximately 800 square feet of asphalt pavement requires replacement. Asphalt restoration is the only remaining project work and is currently scheduled for completion in June 2026.

Staff is currently reconciling contractor time-and-material records to establish final project costs. Staff anticipates returning to the Board on July 21, 2026 to request construction completion acceptance and authorization to record a Notice of Completion (NOC), following completion of the asphalt restoration work.

The pipe failure was determined to be the result of exterior corrosion of the buried ductile iron pipe. Similar corrosion-related failures have occurred in this localized area of the San Elijo Water Campus, which is known to contain corrosive soils. Although this pipeline has only been in service for 26 years (its expected service life is 50-70 years), this is the third corrosion-related leak in two years. Staff is developing a plan to replace this pipeline with PVC pipe as part of the upcoming Facility Plan update.

FINANCIAL IMPACT

The cost of the emergency repairs will be funded through the Recycled Water Program's operating reserves. The total project cost, including completed pipeline repairs and planned asphalt restoration, is currently estimated at approximately \$65,000. Final cost reconciliation is in progress.

RECOMMENDATION

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

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachments:

1. Emergency Recycled Water Pipe Repair Photos

EMERGENCY RECYCLED WATER PIPE REPAIR PHOTOS



Location Map, San Elijo Water Campus



May 8, 2026
Leak Observed at East Entry Gate



May 8, 2026
Hole in exterior of 12" ductile iron pipe



May 8, 2026
Pipe Repair In-Progress



May 8, 2026
Excavation backfilled to grade with temporary asphalt
Pavement repair area marked out with white paint

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SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CONSTRUCTION COMPLETION ACCEPTANCE - EMERGENCY RECYCLED
WATER PIPELINE REPAIR AT NORTH COAST TRAIL BIKE PATH

RECOMMENDATION

It is recommended that the Board of Directors:

1. Accept the Emergency Recycled Water Pipeline Repair Project at the North Coast Trail Bike Path and authorize the General Manager to record a Notice of Completion; and
2. Discuss and take action as appropriate.

BACKGROUND

On May 15, 2026, staff identified a leak on a recycled water pipeline adjacent to the North Coast Trail Bike Path at the north end of the San Elijo Water Campus. The General Manager declared an emergency and authorized repairs in accordance with SEJPA Resolution No. 2022-01, Purchasing Policies and Procedures.

The Board was notified of the emergency declaration and approved the emergency contract on May 19, 2026, consistent with Resolution No. 2022-01, Section 3.1.d. Public Contract Code Section 22050 requires periodic Board review of emergency actions. Accordingly, this memorandum provides an update on the completed repair work and project closeout activities.

DISCUSSION

Staff promptly contained the leak and secured the area to protect public safety. Leakage was fully contained within the San Elijo Water Campus property boundaries and recycled water deliveries were maintained throughout the repair period, although potable water makeup was required for approximately five days to maintain service to affected customers. The North Coast Trail Bike Path adjacent to the repair area was also temporarily closed during construction activities.

Burtech Pipeline mobilized on May 18, 2026, and confirmed that the leak originated from a failed fabricated fitting on a high-density polyethylene (HDPE) pipeline. SEJPA secured a specialty contractor experienced in HDPE electrofusion welding and had the specialized materials delivered from Arizona to complete the repair.

The failed fitting was removed and replaced with a new section of HDPE pipe using electrofusion couplings. Following completion of the repair, the pipeline was returned to service and successfully tested under full operating pressure. The recycled water system was returned to normal operation on May 22, 2026.

The contractor completed backfill and surface restoration activities during the week of May 26, 2026, and the bike path was reopened to the public on May 28, 2026. Staff is currently reconciling contractor time-and-material records to establish final project costs and complete project closeout activities.

FINANCIAL IMPACT

The cost of the emergency repairs will be funded through the Recycled Water Program's operating reserves. The completed emergency repair work is estimated to cost approximately \$75,000, with final accounting of costs in progress.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Accept the Emergency Recycled Water Pipeline Repair Project at the North Coast Trail Bike Path and authorize the General Manager to record a Notice of Completion; and
2. Discuss and take action as appropriate.

Respectfully submitted,

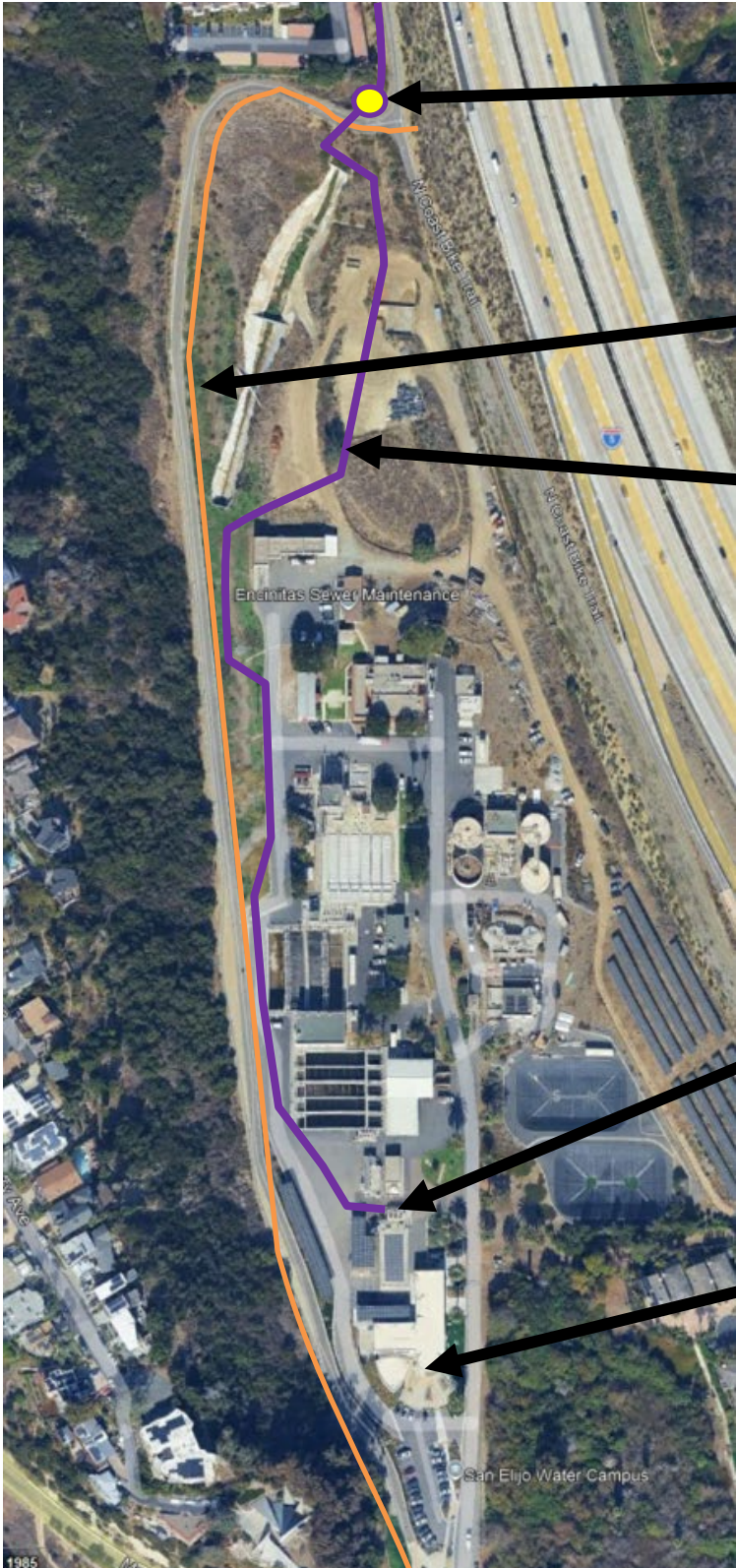


Michael T. Thornton, P.E.
General Manager

Attachments:

1. Emergency Recycled Water Pipe Repair Exhibit and Photos

EMERGENCY RECYCLED WATER PIPE REPAIR PHOTOS



Location of Leak

Bike Trail closed along west side of SEWC

12" Recycled Water Pipe to North System

Recycled Water Pump Station

Administration / Ops Building

Location Map, San Elijo Water Campus



May 15, 2026 at 11:38:44 AM
2695 Manchester Ave
Encinitas CA 92007
United States

May 15, 2026
Leak Observed at North End of San Elijo Water Campus



May 18, 2026
Failed Fitting on HDPE (Blowoff Connection)



May 22, 2026
Pipe Repair In-Progress



May 22, 2026
HPDE Electrofusion Couplings and Straight Pipe Replacement

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AGENDA ITEM NO. 7J

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CITY OF DEL MAR 21ST STREET PUMP STATION PUMP REBUILD

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to issue Purchase Order to Superior Electric Motor in the amount of \$77,211 for rebuild of Pump 2 at the 21st Street Pump Station;
2. Discuss and take action as appropriate.

BACKGROUND

The 21st Street Pump Station was constructed in 2010 and serves the City of Del Mar wastewater collection system. Since 2019, SEJPA has operated and maintained the facility under an Operations and Maintenance Agreement with the City. Pump No. 2 is a Fairbanks Morse non-clog solids handling pump installed as part of the original pump station construction. During routine inspection, staff observed that the pump was not performing as expected and that the mechanical seal exhibited signs of failure.

To further evaluate the condition of the equipment, SEJPA removed Pump No. 2 from service in April 2026 and transported it to the manufacturer's authorized service representative for inspection and assessment.

DISCUSSION

Superior Electric Motor Service, Inc. is the local, authorized service facility for Fairbanks Morse pumping equipment. After disassembling the pump, the assessment identified significant wear of multiple internal pump components, including the adapter plate, wear rings, bearings, and related rotating assemblies. While no structural defects were identified on the pump body, the extent of the wear warranted a comprehensive rebuild rather than a seal-only replacement. The recommended scope includes replacement of worn components, machining, balancing,

protective coating, and reassembly to restore reliable operation and extend the useful life of the pump.

Following review of the assessment, SEJPA coordinated with City of Del Mar staff regarding the repair recommendations and associated costs. The City requested that SEJPA manage the procurement, rebuild, and reinstallation effort under the existing Operations and Maintenance Agreement. SEJPA has the staff resources and technical expertise necessary to oversee the work and coordinate with the authorized repair facility. In accordance with the terms of the O&M Agreement, the City will reimburse SEJPA for all costs associated with the repair, including labor, materials, equipment, and contracted services.

The City is processing the approval of this work through its management and Council. Upon the City's authorization, SEJPA will procure the required parts and authorize the repair shop to proceed with the rebuild. Following completion of the shop work, the pump will be returned to the 21st Street Pump Station, reinstalled, tested, and returned to service. The overall effort is expected to require approximately four months from authorization to final commissioning.

FINANCIAL IMPACT

The cost of the rebuild including the rebuild services, parts and materials and SEJPA staff time is estimated at approximately \$90,000. The cost of this capital project is not included in the City of Del Mar's FY 2026–27 budget. If the project moves forward, SEJPA will be reimbursed for all actual project costs upon completion through a separate invoicing process.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to issue Purchase Order to Superior Electric Motor in the amount of \$77,211 for rebuild of Pump 2 at the 21st Street Pump Station;
2. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachments:

1. Superior Electric Motor Service, Inc. Estimate #22869 (5.13.2026)



Superior Electric Motor Service, Inc.
 4622 Alcoa Ave.
 Vernon, CA 90058
 Phone: 1-323-583-1040
 Fax: 1-323-583-9266

Estimate

Date	Estimate #
5/13/2026	22869

Bill To
SAN ELIJO JOINT POWERS AUTHORITY 2695 MANCHESTER AVENUE CARDIFF BY THE SEA, CA 92007

Ship To
SAN ELIJO JOINT POWERS AUTHORITY 2695 MANCHESTER AVENUE CARDIFF BY THE SEA, CA 92007

P.O. No.	Project No.
	66435

Item	Description	Qty	Cost	Total
	(1) Fairbanks Morse Pump - 1785RPM Serial 1962766-2			
	Dismantle Pump Clean & Inspect All Parts Dynamically Balance Impeller Machine & Repair Bearing Housing – Opposite Drive End Install New Rotating Wear Ring - Provided by Customer Install New Front Head Wear Ring – Provided by Customer Install New Volute – Provided by Customer Install New Mechanical Seal – Provided by Customer Install (1) New Spherical Roller Bearing - Provided by Customer Install New Front Head Install New Adapter Plate Install (2) New Thrust Bearings, New Gaskets & Sleeve Sandblast All Necessary Parts Clean All Parts, Assemble, Test & Paint Adjust Pump			
REP/T	REPAIR PARTS/MATERIAL (TAXED)	1	63234.91	63,234.91T
LAB	LABOR	1	9,075.00	9,075.00
	Plus Inbound Shipping on Parts			

-Quoted price does not include unforeseen tariff charges, which may be added if applicable.
 -Customers are responsible for paying all applicable freight charges, unless stated otherwise.
 -A 3.5% convenience fee will be added to all credit card transactions.
 -Superior Electric Motors is not responsible for items left in our facility longer than 30 days.
 -Inspection fees will be added to all units that are not repaired and/or not replaced at Superior Electric after disassembly and evaluation. Inspection fees will vary based on hours required for disassembly and evaluation.

Subtotal	\$72,309.91
Sales Tax (7.75%)	\$4,900.71
Total	\$77,210.62

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AGENDA ITEM NO. 7K

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: PURCHASE ORDER AWARD TO POLYDYNE, INC. FOR PROCUREMENT OF
POLYMER FOR FISCAL YEAR 2026-27

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve an exception to the Agency's competitive bidding policy for the procurement of polymer in FY 2026-27 due to operational and technical considerations described in this report; and
2. Authorize the General Manager to execute a purchase order for the procurement of polymer from Polydyne, Inc. in an amount not to exceed \$101,112 for Fiscal Year 2026-27; and
3. Discuss and take action as appropriate.

BACKGROUND

SEJPA Resolution No. 2022-01 establishes the Agency's purchasing policy and requires competitive bidding for procurements exceeding \$50,000 to ensure fiscal responsibility and fair competition. The current polymer supply agreement purchase order, approved by the Board in August 2025, is approaching expiration while SEJPA continues to optimize its new centrifuge dewatering system. Staff has deferred initiating a competitive bidding process at this time to avoid disruptions to ongoing system stabilization and performance optimization activities.

In August 2025, staff recommended continuing polymer purchases from Polydyne, Inc. until the new dewatering system was stabilized. Since that time, operators have implemented multiple process adjustments in response to intermittent coliform detections associated with centrate returned from the centrifuges. As the dewatering process has not yet fully stabilized, staff has not completed the competitive process for polymer procurement.

Upon completion of the optimization efforts, SEJPA will initiate a competitive procurement process supported by both laboratory and full-scale performance testing of polymers from multiple vendors. This process will support selection of the most effective product and establishment of a multi-year supply contract.

DISCUSSION

Polymer performance varies significantly among manufacturers and is highly dependent on SEJPA's specific equipment configuration and operating conditions. Identifying the most effective polymer typically requires approximately four to six months of laboratory and full-scale testing.

Polydyne has consistently met SEJPA's operational requirements, and the centrifuge manufacturer, Flottweg, recommended Polydyne products for compatibility with the new equipment. Initial testing supported this recommendation as one polymer provided stable system performance, while another negatively affected treatment operations. This difference in outcomes, demonstrates the importance of careful polymer selection and the significant impact polymer performance can have on overall system reliability.

During system optimization efforts this year, an increased polymer dosage resulted in approximately \$12,000 in additional chemical costs; however this was offset by a reduction in hauling costs of approximately \$31,000, yielding a net operational savings of approximately \$19,000. The higher polymer dose also contributed to excessive foaming in the centrate, illustrating the need to evaluate polymer performance based on overall process impacts rather than chemical cost alone.

To address these considerations, staff has determined that a two-phase competitive procurement process is appropriate. In the first phase, vendors would be pre-qualified through a performance demonstration process. In the second phase, qualified vendors would submit pricing proposals for the polymer products demonstrated to meet SEJPA's operational requirements. Polymer alternatives would be evaluated based on total annual operating cost, including chemical usage, sludge hauling, heating requirements, and process impacts associated with solids returned to the treatment system.

Due to the anticipated timeline required to complete the two-phase competitive procurement process, polymer must continue to be purchased from Polydyne until a multi-year contract is executed. Accordingly, a new Purchase Order is necessary to ensure SEJPA maintains sufficient polymer supplies to meet ongoing treatment needs pending execution of the contract.

FISCAL IMPACT

Based on current pricing and consumption rates, annual polymer expenditures are estimated at approximately \$101,000. Funding for this expense is included in the FY 2026-27 recommended operating budget. Continuing with the current supplier during the evaluation and optimization period will maintain operational continuity and cost predictability.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Approve an exception to the Agency's competitive bidding policy for the procurement of polymer in FY 2026-27 due to operational and technical considerations described in this report; and
2. Authorize the General Manager to execute a purchase order for the procurement of polymer from Polydyne, Inc. in an amount not to exceed \$101,112 for Fiscal Year 2026-27; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Operations

SUBJECT: SAN ELIJO JOINT POWERS AUTHORITY CONTRACT FOR AS-NEEDED
LABORATORY SERVICES FOR FISCAL YEARS 2027 - 2030

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to enter into an agreement with Eurofins Environment Testing Southwest, LLC for as-needed laboratory services in an amount not-to-exceed \$200,000; and
2. Discuss and take action as appropriate.

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) solicited laboratories to submit qualifications and pricing for as-needed analytical services to support compliance with its NPDES permit requirements. The requested services included a broad range of analyses for various matrices, including water, wastewater, sludge, and soil. Laboratories were asked to provide contract pricing, certifications, analytical capabilities, logistical support (including courier services), turnaround times, reporting capabilities, and method-specific detection limits. These submittals were evaluated to supplement SEJPA's in-house laboratory, which is ELAP-certified but does not maintain certifications for all analyses required under the NPDES permit.

DISCUSSION

The following laboratories submitted qualifications and pricing: Eurofins CalScience, Babcock Laboratories, Inc., Weck Laboratories, Inc., and Caltest Labs. Each laboratory was evaluated based on its capabilities, ability to meet SEJPA's desired detection limits, reasonableness of cost, logistical support, and certification or enforcement actions. While the desired detection limits served as a reference for selecting appropriate EPA-approved methods, laboratories were permitted to propose alternative methods when specified limits were not achievable.

The evaluation determined that all laboratories had at least one method that did not meet the desired detection limits, with Babcock Laboratories indicating the greatest number of limitations and Caltest Labs indicating the fewest. However, Caltest Labs also proposed the highest pricing and is located in Northern California, which would present logistical challenges. Both Weck Laboratories and Babcock Laboratories either charge for courier services or do not provide them due to SEJPA's location, whereas Eurofins CalScience offers complimentary courier service. Additionally, Eurofins CalScience has a proven track record of providing reliable analytical services to SEJPA. A scoring matrix was established, and the results are shown in the following table:

Scoring Summary					
Criteria	Points Possible	WECK LABS	CALTEST LAB	BABCOCK LABS	EUROFINS CALSCIENCE
Laboratory capabilities	30	27.9	29.4	29.4	28.8
Achievable Detection Limits	20	18	19.6	11.4	18
Reasonableness of cost	20	6.45	0.32	7.42	9.35
Logistics	20	4	2	8	20
Current Certifications (Enforcement Actions?)	10	10	10	10	10
Total points	100	66.35	61.32	66.22	86.15

Based on the overall evaluation of qualifications, cost, logistical support, and past performance, it is recommended that SEJPA award the as-needed laboratory services contract to **Eurofins Cal Science**.

FISCAL IMPACT

The FY 2026-27 Recommended Budget includes \$59,207 for outside laboratory services which includes the As-Needed contract and the toxicity contract laboratory that is under a separate contract. Typical As-Needed Laboratory expenses are approximately \$40,000 per year depending on the number of samples that are required. We are proposing an initial 3-year term for this contract with two optional one-year extensions for a total of \$200,000 over 5 years.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Authorize the General Manager to enter into an agreement with Eurofins Environment Testing Southwest, LLC for as-needed laboratory services in an amount not-to-exceed \$200,000; and
2. Discuss and take action as appropriate.

Respectfully submitted,



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

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: AMEND AGREEMENT FOR GROUNDS MAINTENANCE SERVICES FOR
FISCAL YEAR 2026-27

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to amend the grounds maintenance service agreement with Excel Landscaping, Inc. for an additional one-year term valued at \$52,484, which results in a total agreement amount not-to-exceed \$160,952; and
2. Discuss and take action as appropriate.

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) hires a specialized company for landscape maintenance services annually to maintain the extensive landscaping throughout the San Elijo Water Campus. This work includes shaping, trimming and training of shrubs and ground cover plants; fertilization; cultivation; weed control; control of all minor plant diseases and pests; plant replacement; sweeping; maintenance and repairs of trails, pathways, irrigation and drainage systems, natural drainage features on the site; litter pick up; removal of pet waste; removal of illegal dumps; cleaning of site furnishings, and all other maintenance required to maintain the areas in a safe, attractive and usable condition, and to maintain the plant material in good condition with horticulturally acceptable growth and color.

DISCUSSION

Staff solicited bids for grounds maintenance services in May 2024 and entered into a two-year agreement with Excel Landscaping, Inc. in the amount of \$105,168 (\$4,382 per month). One amendment to this agreement was executed under the General Manager’s authority in March 2026 to repair erosion damage that was not part of the original contract. The request for bids specified an initial two-year term with the option to extend for an additional year and Excel has agreed to extend the contract at the same price for the additional 12-month period. Staff recommends extending the contract for an additional 12 months at \$4,382 per month for a total contract amendment of \$52,584. This amount is more than the General Manager’s signing authority and must be approved by the Board of Directors.

FINANCIAL IMPACT

The recommended agreement with Excel Landscape, Inc. is for an annual amount not-to-exceed \$52,584. The total agreement, reflecting the original agreement, and approved and proposed amendments is not-to-exceed \$160,952. The FY 2026-27 budget includes funding for this contract.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to amend the grounds maintenance service agreement with Excel Landscaping, Inc. for an additional one-year term valued at \$52,484, which results in a total agreement amount not-to-exceed \$160,952; and
2. Discuss and take action as appropriate.

Respectfully submitted,



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

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: Director of Finance and Administration

SUBJECT: ADOPTION OF THE SAN ELIJO JOINT POWERS AUTHORITY
FISCAL YEAR 2026-27 BUDGET, INVESTMENT POLICY, AND
APPOINTMENT OF TREASURER

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2026-01, Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2026-27;
2. Adopt Resolution No. 2026-02, Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of Kevin Lang as SEJPA Treasurer; and
3. Discuss and take action as appropriate.

BACKGROUND

In April 2026, staff presented the Fiscal Year (FY) 2026–27 Recommended Budget to the Board of Directors for review and public comment. During the development stages of the budget, staff engaged with representatives from both Member Agencies and consulted with partner government agencies that utilize San Elijo Joint Powers Authority (SEJPA) services to discuss the proposed budget.

In May 2026, staff advised the Board of Directors that no revisions to the Recommended Budget had been submitted by Member Agencies, participating public agencies, or members of the public. The sole modification to the Recommended Budget reflected the incorporation of the FY 2026–27 Classification and Salary Schedule approved by the Board at its April 2026 meeting, following acceptance and filing of the Classification and Compensation Study and adoption of the updated salary schedule.

DISCUSSION - FY 2026-27 Budget

The FY 2026–27 San Elijo Joint Powers Authority (SEJPA) Budget has been developed in accordance with the SEJPA Joint Powers Agreement and existing service agreements with partner government agencies to control costs, maximize value, and ensure the agency can effectively carry out its essential functions. The budget outlines the expenditures required to deliver core services, including wastewater treatment, water recycling, laboratory services, ocean outfall management, and pump station operations. No new programs are proposed for this fiscal year.

The total FY 2026–27 Budget is \$18,531,430, comprising \$11,717,007 in operating expenses, \$4,441,412 in capital appropriations, and \$2,373,011 in debt service payments. Below please find a table detailing operating expenses by program, representing a 4.6% increase of \$512,357 from FY 2025-26’s adopted budget.

Operating Expenses

Table 1 – Operating Expenses

Program	Adopted Budget 2026-27	Budget Change
Wastewater Treatment	\$ 4,851,505	\$ 300,139
Laboratory Services	1,205,517	48,565
Ocean Outfall	1,200,924	44,783
Cardiff Sanitary Division Pump Stations	441,831	(1,753)
Encinitas Sanitary Division Pump Station	211,476	7,839
City of Encinitas Urban and Stormwater Services	71,544	5,078
City of Solana Beach Pump Stations	576,564	17,725
City of Solana Beach Generator Maintenance Services	18,499	1,016
City of Del Mar Pump Station	108,922	4,142
22nd District Agricultural Association (Del Mar Fairgrounds)	190,596	(1,424)
Leucadia WD Technical Support Services	33,335	4,011
	\$ 8,910,713	\$ 430,122
Recycled Water	2,806,295	82,235
Total Operating Expenses	\$ 11,717,007	\$ 512,357

Capital Appropriations

The FY 2026–27 Capital Improvement Program (CIP) includes a total appropriation of \$4,441,412 to support critical infrastructure renewal and ongoing asset maintenance activities. Of this total, \$2,696,412 is dedicated to wastewater system rehabilitation and reliability improvements, while \$1,320,000 is allocated for upgrades and maintenance within the recycled water utility system. Remaining appropriations support a variety of program-specific capital improvement efforts. Additional information regarding planned capital projects and infrastructure investments is available in the FY 2026–27 Budget Book.

Capital appropriations are allocated based on ownership share or leased capacity associated with the asset being constructed or improved. The following table summarizes the FY 2026–27 capital appropriations by program area.

Table 2 – Capital Appropriations

Capital Project	Encinitas	Solana Beach	Del Mar	Rancho Santa Fe CSD	Escondido	Recycled Water	Total
Wastewater Capital Projects (2027)	\$ 1,129,925	\$ 1,129,925	\$ 308,161	\$ 128,401	\$ -	\$ -	\$ 2,696,412
Laboratory Remodel	52,381	52,381	14,286	5,952	-	-	125,000
Outfall Ballast Reserve	4,412	4,412	1,176	490	39,510	-	50,000
Escondido Vault Rehabilitation	8,823	8,824	2,353	980	79,020	-	100,000
Eden Gardens Pump 1 Rebuild	-	50,000	-	-	-	-	50,000
Olivenhain Pump Station Upgrade	100,000	-	-	-	-	-	100,000
Recycled Water Projects	-	-	-	-	-	1,320,000	1,320,000
Total	\$ 1,295,541	\$ 1,245,542	\$ 325,976	\$ 135,823	\$ 118,530	\$ 1,320,000	\$ 4,441,412

Debt Service

SEJPA has a number of long-term debt agreements that support the capital needs of the JPA. Debt Service for FY 2026-27 is \$2,373,011, which includes \$1,389,713 for Wastewater and \$983,298 for Recycled Water. Below is a table listing the debt services, representing a decrease of \$2,495 from FY 2025-26's adopted budget. In addition to the debt service costs, the expected revenue credit to Del Mar is capped at \$60,000 for credits against infrastructure costs incurred in prior years by Del Mar.

Table 3 – Debt Service Payments

Expense	Adopted Budget	Recommended Budget
	FY 2025-26	FY 2026-27
Wastewater - 2017 Revenue Bonds	\$ 1,338,075	\$ 1,336,325
Wastewater - San Diego Gas & Electric	53,388	53,388
Recycled Water - Advanced Water Purification	148,154	148,153
Recycled Water - SFID Pipeline Loan	46,500	45,900
Recycled Water - Solana Beach Pipeline Loan	10,350	10,350
Recycled Water - 2023 Recycled Water Loan	779,039	778,895
Total	\$ 2,375,506	\$ 2,373,011
Del Mar Wastewater Infrastructure Credit	\$ 60,000	\$ 60,000

Revenue

Revenue to support operations is collected on a programmatic basis. For FY 2026–27, SEJPA’s total projected revenue is \$17,323,243, as detailed in the table below, representing an increase of \$1,043,105 from FY 2026-27’s adopted budget.

Table 4 - Revenue

Revenue Source	Adopted Budget 2026-27	Budget Change
City of Encinitas	\$ 5,353,806	\$ 415,764
City of Solana Beach	4,500,935	430,326
City of Del Mar	1,363,842	118,142
22nd District Agricultural Association	190,596	(1,424)
Rancho Santa Fe CSD	584,295	67,682
City of Escondido	1,145,415	14,863
Laboratory Services	151,150	15,050
Recycled Water	3,553,532	154,281
T-Mobile Cell Site Lease	34,730	-
Other Revenue	73,844	6,513
Interest on Wastewater Operations	68,437	42,035
Interest on Water Reclamation	302,662	(220,128)
Total Revenue Sources	<u>\$ 17,323,243</u>	<u>\$ 1,043,105</u>

The FY 2026-27 Budget is now ready for Board consideration for adoption as presented in the attached Resolution No. 2025-02. A copy of the FY 2026-27 Budget Document is available on the SEJPA website at <https://www.sejpa.org/about-us/financials>.

Investment Policy

State law requires that the Investment Policy be reviewed and adopted annually. Current SEJPA investment policy allows for investment in the State Local Agency Investment Fund (LAIF), the San Diego County Investment Pool, and Money Market Funds to provide diversified investment options. The Money Market Funds allow investment in short-term, dollar-denominated securities that are issued by diversified management companies and registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) in accordance with Government Code 53601(l)(2) and subject to the criteria and restrictions set forth in Government Code 53601(l)(4) and (5).

For the upcoming FY 2026–27, SEJPA is recommending the addition of Negotiable Certificates of Deposit (CDs) as a new investment option to complement existing investments such as LAIF,

the San Diego County Investment Pool, and Money Market Funds. While these existing options provide strong liquidity and safety, Negotiable CDs can help fill the gap for intermediate-term investments by offering the potential for higher yields while still maintaining a high level of credit quality and liquidity.

The inclusion of Negotiable CDs would also allow SEJPA to implement a laddering strategy, in which investments mature at staggered intervals over time. A laddered portfolio can help improve cash flow management, reduce interest rate risk, and provide regular opportunities to reinvest funds as market conditions change.

Additionally, state law requires the annual appointment of a SEJPA Treasurer. The General Manager recommends reappointing Kevin Lang, Director of Finance and Administration as Treasurer for FY 2026-27.

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2026-01, Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2026-27;
2. Adopt Resolution No. 2026-02, Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of Kevin Lang as SEJPA Treasurer; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Kevin Lang, CPA
Director of Finance and Administration

Attachments:

1. Resolution No. 2026-01, "Resolution Approving the San Elijo Joint Powers Authority Operating and Capital Improvement Budgets for Fiscal Year 2026-27"
2. Resolution No. 2026-02, "Resolution Approving the San Elijo Joint Powers Authority Investment Policy and Guidelines and Appointment of SEJPA Treasurer"
3. San Elijo Joint Powers Authority FY 2026-27 Adopted Annual Budget

Attachment 1

RESOLUTION NO. 2026-01

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR FISCAL YEAR 2026-27**

WHEREAS, the San Elijo Joint Powers Authority (SEJPA) General Manager has submitted for the consideration of the SEJPA Board of Directors proposed SEJPA Operating and Capital Projects Budgets for Fiscal Year 2026-27;

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

1. The Board of Directors has reviewed the Recommended Operating Budgets and Capital Projects Budget, and the funds included herein for the period of July 1, 2026 through June 30, 2027 and hereby finds that such budgets, as reviewed, are sound plans for the financing of required SEJPA operations and capital improvements during Fiscal Year 2026-27. Such budgets are hereby adopted.

San Elijo JPA Operations and Maintenance Fund	\$ 10,300,426
San Elijo JPA Water Reclamation Operating Fund	3,789,592
San Elijo JPA Capital Projects Fund	<u>4,441,412</u>
Total	<u>\$ 18,531,430</u>

2. The Board of Directors authorizes carrying forward unexpended capital project appropriations and encumbered operating funds for the Fiscal Year 2026-27.
3. The Board of Directors authorizes the SEJPA Treasurer to deposit any surplus FY 2026-27 budgeted funds, meaning appropriated funds that are not expended or otherwise encumbered by June 30, 2027, into the SEJPA PARS Public Agencies Post-Employments Benefits Trust Program.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the San Elijo Joint Powers Authority, California, held on this 16th day of June, 2026 by the following vote:

Ayes:
 Noes:
 Abstained
 Absent:

ATTEST:

Signature: _____
 Luke Shaffer, Chairperson
 SEJPA Board of Directors

Signature: _____
 Michael T. Thornton, P.E.
 Secretary of the Board

RESOLUTION NO. 2026-02

**RESOLUTION APPROVING THE SAN ELIJO JOINT POWERS AUTHORITY
INVESTMENT POLICY AND GUIDELINES AND
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 SEJPA Investment Policy and Guidelines;

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

1. SEJPA Treasurer has prepared an Investment Policy and Guidelines, attached hereto as Exhibit A, and incorporated herein by reference as if set forth in full. In order to comply with prudent financial management practices, these guidelines are reviewed and approved on an annual basis in conjunction with the annual budget adoption.
2. The policy is intended to provide guidelines for the prudent investment of SEJPA's temporary idle cash and outline the policies for maximizing the efficiency of SEJPA's cash management system.
3. The investment goal is to enhance the economic condition of SEJPA while ensuring the safety of funds invested.
4. The reappointment of Kevin Lang as SEJPA Treasurer for the 2026-27 fiscal year.
5. The Board of Directors of the San Elijo Joint Powers Authority does hereby approve the Investment Policy and Guidelines attached hereto as Exhibit A.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the San Elijo Joint Powers Authority, California, held on this 16th day of June, 2026 by the following vote:

Ayes:

Noes:

Abstained:

Absent:

ATTEST:

Signature: _____
Luke Shaffer, Chairperson
SEJPA Board of Directors

Signature: _____
Michael T. Thornton, P.E.
Secretary of the Board

**EXHIBIT A
TO
RESOLUTION NO. 2026-02**

**SAN ELIJO JOINT POWERS AUTHORITY
INVESTMENT POLICY AND GUIDELINES AND
APPOINTMENT OF SEJPA TREASURER**

1. PURPOSE

This Statement is intended to provide guidelines for the prudent investment of San Elijo Joint Powers Authority's (SEJPA) temporary idle cash and outline the policies for maximizing the efficiency of SEJPA cash management system. The investment goal is to enhance the economic condition of SEJPA while ensuring the safety of funds invested.

2. OBJECTIVE

SEJPA's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling SEJPA to invest funds to the fullest extent possible. SEJPA attempts to obtain the highest yield on its investments consistent with the criteria established for safety and liquidity.

3. POLICY

SEJPA Treasurer is responsible for investing the surplus funds in SEJPA Treasury in accordance with the California Government Code, Sections 53600 et seq. and 53635 et seq. SEJPA makes investments in accordance with California Government Code 53600.3, which states "all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

The three principal factors of safety, liquidity and yield are to be taken into consideration when making investment decisions.

- A) Safety. Safety and the minimizing of risk associated with investing refer to attempts to reduce the potential for loss of principal, interest or a combination of the two. SEJPA invests only in those instruments that are considered very safe.
- B) Liquidity. Liquidity refers to the ability to convert an investment to cash promptly with a minimum risk of losing some portion of principal or interest. A portion of the portfolio should be maintained in liquid short-term securities which can be converted to cash, if necessary, to meet disbursement requirements.

- C) Yield. Yield is the average annual return on an investment based on the interest rate, price, and length of time to maturity. SEJPA attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

4. INVESTMENT INSTRUMENTS

SEJPA may invest in the following instruments under the guidelines provided herein:

- A) Local Agency Investment Fund (LAIF). Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account. Investment in the LAIF shall not exceed the limit established by the State Treasurer. As of June 17, 2025, this limit is \$75 million, but may change from time to time.
- B) County of San Diego County Treasury. Investment of funds in the Treasury of the County of San Diego that allows the County Treasurer to invest through the Pooled Money Investment Account.
- C) Money Market Fund. Investment of funds in the Money Market Fund which allows investment in short-term dollar-denominated securities that are issued by diversified management companies and registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) in accordance with Government Code 53601(l)(2) and subject to the criteria and restrictions set forth in Government Code 53601(l)(4) and (5).
- D) Negotiable Certificates of Deposit. Issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by California Government Code Section 5102), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested, subject to the additional limitations in Section 53638 of the California Government Code. The Treasurer shall make a determination of the cash flow needs to the District to ensure that any Negotiable Certificates of Deposit are not required to be liquidated prior to the maturity to avoid any early withdrawal penalties; which may be accomplished through laddering maturities and / or investing in short-term Negotiable Certificates of Deposit.

5. SAFEKEEPING

All investments of SEJPA shall have the San Elijo Joint Powers Authority as registered owner or shall be kept in the custody of SEJPA or by a qualified safekeeping institution.

6. INVESTMENT REPORTS

- A) SEJPA Treasurer shall submit a monthly investment report to SEJPA's General Manager and the Board of Directors containing the following information:
- Financial institution
 - Type of investment
 - Amount of deposit
 - Rate of interest

- B) SEJPA Treasurer shall annually render a Statement of Investment Policy to the Board of Directors. In accordance with Government Code Section 53646, this investment policy shall be reviewed and adopted annually at a public meeting, and a copy shall be submitted to the State Treasurer's Office if SEJPA participates in the LAIF program.

7. INVESTMENT OF BOND FUNDS

In accordance with Government Code Section 53601, monies held by a trustee or fiscal agent and pledged to the payment or security of bonds, may be invested in accordance with the statutory provisions governing the issuance of those bonds, ordinance, resolution, or indenture of trust.

* * * End of Policy * * *

SAN ELIJO

JOINT POWERS AUTHORITY



ADOPTED ANNUAL BUDGET

2026 - 2027



SAN ELIJO | JOINT POWERS
AUTHORITY

SAN ELIJO JOINT POWERS AUTHORITY



Celebrating 61 years of service



Creating lasting water solutions for our communities & environment



Delivering responsible & reliable service



Promoting opportunities for our communities

Mission

To serve our communities by providing safe and reliable recycled water and wastewater services in order to protect the environment and public health.

Vision

We pursue innovative practices to produce clean water in an environmentally, socially, and fiscally responsible manner.

As an organization, the San Elijo Joint Powers Authority values:

HUMAN VALUE	PUBLIC TRUST	SAFETY	VALUE	LOYALTY
Provide equal opportunity for all employees to succeed and grow professionally and personally.	Honor and promote public confidence through transparency, personal character, and the highest level of professional behavior.	Ensure individual safety and the safety of co-workers and the public, without compromise.	Provide superior service to the community in a safe, reliable, and cost-effective manner.	Faithfully and reliably promote the best interests of the agency and fellow employees.
COURTESY	RESPONSIBILITY	HONESTY & INTEGRITY	COMMUNITY	
Be respectful, considerate, aware, and caring.	Be accountable for one's conduct and actions.	Be truthful and factual in upholding the values and ethics of the agency.	Demonstrate leadership and stewardship in serving the community and protecting the environment.	

SAN ELIJO JOINT POWERS AUTHORITY

ADOPTED ANNUAL BUDGET FISCAL YEAR 2026-27

BOARD OF DIRECTORS

LUKE SHAFFER, ENCINITAS COUNCIL MEMBER, CHAIRPERSON
DAVID ZITO, SOLANA BEACH COUNCIL MEMBER, VICE CHAIR
JIM O'HARA, ENCINITAS COUNCIL MEMBER, MEMBER
KRISTI BECKER, SOLANA BEACH COUNCIL MEMBER, MEMBER

MANAGEMENT

MICHAEL T. THORNTON, P.E., GENERAL MANAGER
THOMAS C. FALK, P.E., PMP, DEPUTY GENERAL MANAGER
CHRISTOPHER A. TREES, P.E., DIRECTOR OF OPERATIONS
KEVIN R. LANG, CPA, DIRECTOR OF FINANCE AND ADMINISTRATION

MEMBER AGENCIES

CITY OF ENCINITAS
CITY OF SOLANA BEACH

2695 Manchester Avenue
Cardiff-by-the Sea, CA 92007

www.sejpa.org

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TRANSMITTAL LETTER

Honorable Chairperson and Members of the Board of Directors:

I am pleased to present SEJPA's FY 2026–27 Adopted Budget. As the Agency transitions leadership, our focus remains unchanged—delivering reliable service and protecting the environment through strong fiscal discipline, regional collaboration, and continued investment in our infrastructure. This budget reflects our commitment to responsibly sustaining our facilities, investing in our capital program and workforce, and advancing a culture of stewardship that supports long-term performance and high-quality service to the communities we serve.



Working Toward a Sustainable Future. As we strive for a sustainable future, our capital program prioritizes maintaining infrastructure reliability and improving system performance. The San Elijo Water Campus generates approximately 25% of its electrical power through photovoltaic solar production and produces more than 500 million gallons of recycled water annually for irrigation and industrial uses serving the cities of Encinitas, Solana Beach, and Del Mar, as well as portions of Rancho Santa Fe.



Exceptional Water Treatment. We are dedicated to providing exceptional water quality. Monitoring studies conducted in 2025 demonstrate that our average removal rates for carbonaceous biochemical oxygen demand (CBOD) and total suspended solids (TSS) were outstanding, at approximately 98.7% and 98.5%, respectively. Our performance continues to meet all NPDES Ocean Discharge Permit requirements, reflecting our commitment to protecting public health and the environment.



Achieving Highest Levels of Safety. Safety remains a top priority. We take pride in maintaining a safe work environment through proactive training, low-frequency/high-risk safety reviews, site inspections, and ongoing attention to workplace hazards. These efforts support strong safety performance, reduced risk exposure for our team, and continued achievement of no missed workdays due to injuries over the past 26 years.



Investing in Our Community and Workforce. We are committed to preparing the next generation of water leaders through our internship and vocational training programs, which have supported more than 30 students in recent years and resulted in multiple full-time hires. We have also prioritized employee development, competitive compensation, safe and reliable facilities, and responsible resource management, reinforcing SEJPA as an employer of choice.



Building Valuable Partnerships. SEJPA continues to be a model of inter-agency collaboration. Through strong partnerships with our member agencies, water district partners, and regional organizations, we deliver high-quality, cost-effective services while maximizing regional benefits and long-term value. These partnerships have also supported significant regional investment, including more than \$30 million in grant funding to advance water reuse projects in North San Diego County.

OPERATING BUDGET OVERVIEW

The SEJPA budget is organized into 12 operational programs.

For FY 2026–27, total operating costs are projected at \$11,717,007 representing a 4.6% increase over the prior year. This increase is primarily driven by higher personnel costs to support a skilled and reliable workforce, expenses associated with treating wastewater generated during the wet season, and regulatory and infrastructure-related investments to ensure continued system reliability.

Program	Adopted Budget 2025-26	Adopted Budget 2026-27	Budget Change	% Change
Wastewater Treatment	\$ 4,551,366	\$ 4,851,505	\$ 300,139	6.6%
Laboratory Services	1,156,952	1,205,517	48,565	4.2%
Ocean Outfall	1,156,141	1,200,924	44,783	3.9%
Cardiff Sanitary Division Pump Stations	443,583	441,831	(1,753)	-0.4%
Encinitas Sanitary Division Pump Station	203,637	211,476	7,839	3.8%
City of Encinitas Urban and Stormwater Services	66,466	71,544	5,078	7.6%
City of Solana Beach Pump Stations	558,839	576,564	17,725	3.2%
City of Solana Beach Generator Maintenance Services	17,483	18,499	1,016	5.8%
City of Del Mar Pump Station	104,780	108,922	4,142	4.0%
22nd District Agricultural Association (Del Mar Fairgrounds)	192,020	190,596	(1,424)	-0.7%
Leucadia WD Technical Support Services	29,324	33,335	4,011	13.7%
	<u>\$ 8,480,591</u>	<u>\$ 8,910,713</u>	<u>\$ 430,122</u>	<u>5.1%</u>
Recycled Water	2,724,060	2,806,295	82,235	3.0%
Total Operating Expenses	<u>\$ 11,204,651</u>	<u>\$ 11,717,007</u>	<u>\$ 512,357</u>	<u>4.6%</u>

DEBT SERVICE

Total Debt Service for FY 2026-27 is projected at \$2,373,011, reflecting agency scheduled debt service obligations. These amounts are shared proportionally among participating agencies and contribute to improved financial positioning over time.

CAPITAL BUDGET OVERVIEW

The Capital Improvement Program (CIP) is designed to support environmental protection, permit compliance, safety, and reliability. The FY 2026–27 CIP includes approximately \$4.5 million in project appropriations, continuing a multi-year strategy focused on replacing aging infrastructure, enhancing resource recovery, and improving system performance at the San Elijo Water Campus and our remote facilities.

CLOSING

As I present my final budget transmittal, I do so with appreciation for the opportunity to serve SEJPA and the communities we support. Over the past 25 years, the Agency has built a strong foundation grounded in operational excellence, fiscal responsibility, and public trust.

Looking ahead, I am confident in the Agency's continued success under Tom Falk's leadership. Tom's 25 years of engineering experience, operational acumen, and demonstrated commitment to SEJPA's values position him well to guide the next chapter of San Elijo's history.

With this transition, SEJPA remains well-positioned to sustain its high level of service, advance key initiatives, and carry forward sound stewardship of the Agency's people, infrastructure, and public resources.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

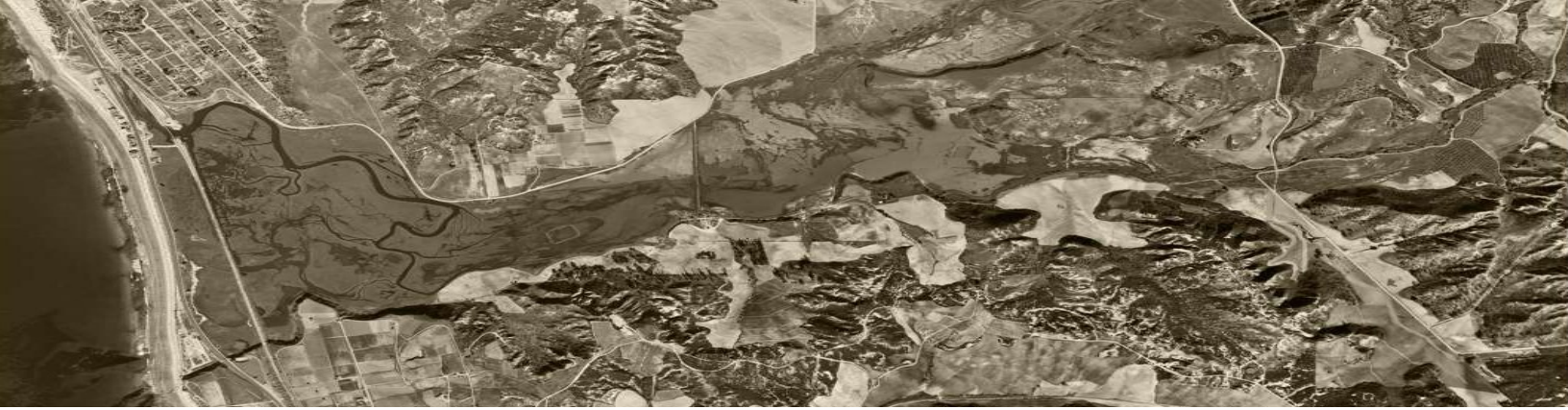


Thomas C. Falk, P.E., PMP
Deputy General Manager

AWARD-WINNING NORTH COUNTY SAN DIEGO WATER CAREER DAY

SEJPA, along with Leucadia Wastewater District and Olivenhain Municipal Water District, hosted the second annual Water Career Day event in October. This innovative program continues to gain local and state recognition, with the 2024 event receiving the 2025 WaterReuse California Outreach & Education Award and the 2025 event earning the 2025 CWEA Community Engagement & Outreach Award. SEJPA looks ahead to the 2026 event, where we will welcome more than 80 high school and college students will be welcome back to introduced to careers in the water industry.





OUR HISTORY AT A GLANCE

Up to the early 1950s, Solana Beach and Cardiff-by-the-Sea relied on privately-owned septic systems for wastewater treatment and disposal. As the communities grew, the Cardiff Sanitation District and the Solana Beach Sanitation District formed to collect, treat, and dispose of wastewater. The districts built independent facilities in the San Elijo Lagoon to provide basic treatment before discharging the effluent directly into the lagoon. Within a decade, authorities determined that water quality in the lagoon was deteriorating, and that additional improved treatment was needed. In 1963, Cardiff Sanitation District and Solana Beach Sanitation District joined hands to form what is now the San Elijo Joint Powers Authority (SEJPA). Established under state law to protect public health and the environment, in 1965 the newly formed entity built the San Elijo water pollution control facility and a 4,000-foot-long ocean outfall.

Since then, SEJPA has evolved, adding ocean disposal services to the City of Escondido (1974) and increasing the outfall length to 1.5 miles offshore, building new treatment (1991) to comply with the Clean Water Act, constructing water recycling infrastructure (2000), adding microfiltration and reverse osmosis treatment (2013) to enhance recycled water quality, providing wastewater treatment to the City of Del Mar (2017), adding clean water services for 22nd District Agricultural Association (2022), and providing operational support services to Leucadia Wastewater District (2022).

As we begin our seventh decade of service, the San Elijo Joint Powers Authority builds on its strong history to guide a bright future, remaining steadfast in our commitment to serve our local communities and protect the water environment through a wide range of clean water programs. Now more than ever, our focus remains on providing high-quality, reliable water treatment and recycling to support a sustainable future for the communities we serve.

SHARING OUR WATER STORY

We love to share our story. During Water Campus tours, students and teachers see the treatment process for wastewater and water recycling. In a typical year, we welcome more than 900 local students and teachers to the campus. To accommodate distance-learning, we produced a virtual tour to expand our water education outreach.

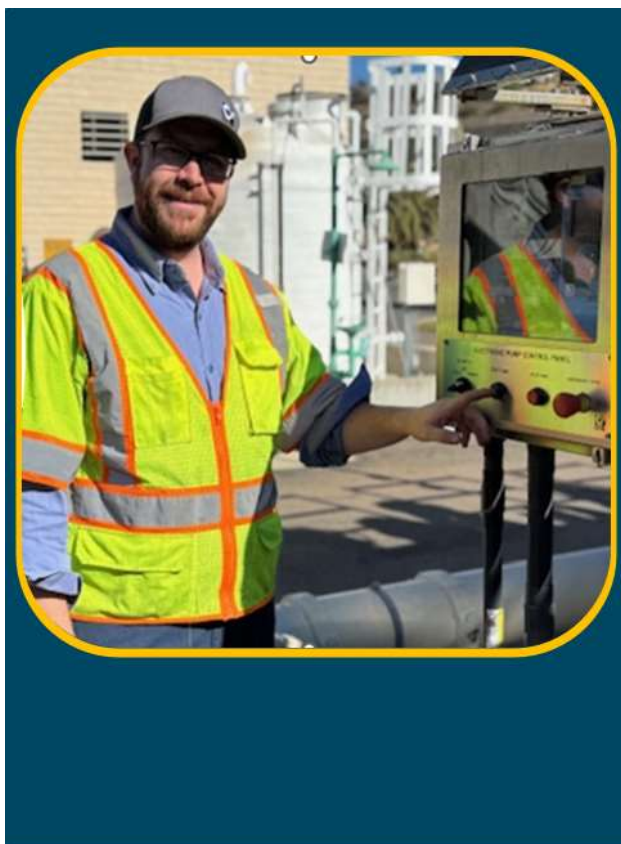




INDUSTRY LEADERSHIP

Most recently in 2024, the San Elijo Joint Powers Authority was recognized by both the California Water Environment Association and the California Sanitation Risk Management Association for its leadership in promoting safe work practices within the industry. Building on our legacy of excellence, our agency has consistently received accolades for innovative treatment applications, efficient utility operations, and exceptional treatment performance. We believe that fostering collaboration and knowledge sharing with our peers is integral to achieving sustained success.

CELEBRATING ACCOMPLISHMENTS



We are proud to support the professional development of our employees. Recent accomplishments include:

CERTIFICATIONS AND DEGREES

Didra Felix

Laboratory Analyst Certification – Grade 2

Evan Fox

Associate of Science Degree – Water Technology

Associate of Science Degree – Wastewater Technology

Wastewater Treatment Plant Operator – Grade 3

Winston Friedly

Electrical and Instrumentation Certification – Grade 2

America Hernandez

Bachelor of Science Degree – Mechanical Engineering

Joshua McTaggart

Associate of Science Degree – Water Technology

Associate of Science Degree – Wastewater Technology

Water Distribution Operator – Grade 2

Javier Perez

Master of Science Degree - Biochemistry

Yani Reyes-Heyer

Bachelor of Science Degree – Business Administration

Dan Verdon

Laboratory Analyst Certification – Grade 3

FUND SUMMARY

The SEJPA budget includes the following categories: Wastewater Services, Wastewater Capital Projects, Recycled Water Services and Capital Projects, and PARS Trust which are presented below.

Wastewater Services Fund supports operating and debt services expenses in Wastewater Treatment, Laboratory Services, Ocean Outfall, Pump Station Operations, and other services programs. Capital expenses for these programs are accounted for under the Wastewater Capital Projects Fund.

The Wastewater Capital Projects Fund supports PayGo projects for all projects under Wastewater Services programs. SEJPA’s FY 2026-27 capital appropriation budget of \$3,121,412 includes \$2,696,412 for Wastewater Treatment projects, \$125,000 for Laboratory projects, \$150,000 for Ocean Outfall projects, and \$150,000 for Pump Station Projects. Please refer to the Capital Programs section for additional details.

Recycled Water Services & Capital Project Fund supports operating, capital, and debt services expenses in the Recycled Water program. FY 2026-27 capital appropriations budget includes \$1,320,000, which will be combined with previous appropriations to fund improvements to treatment system enhancements, valve maintenance and replacements, replacing existing distribution system pumps and motors, and ongoing system asset management. The \$10 million debt revenue is the private placement loan for the above-mentioned projects to smooth cashflow requirements.

The PARS Trust Fund accounts for an irrevocable Section 115 Trust established to serve as a pension rate stabilization program, facilitating the prefunding of employee benefit plan obligations. Although a contribution to the PARS Trust has not been budgeted, as provided by SEJPA’s Board of Directors, unspent budgetary funds may be used to provide funding for the PARS Trust Fund.

	<u>Wastewater Services</u>	<u>Wastewater Capital Projects</u>	<u>Recycled Water Services</u>	<u>Recycled Water Capital Projects</u>	<u>PARS Trust</u>	<u>Total</u>
Revenues						
Operating	\$ 8,733,702	\$ -	\$ 3,553,532	\$ -	\$ -	\$ 12,287,234
Capital	-	3,121,412	-	-	-	3,121,412
Debt	1,389,713	-	-	-	-	1,389,713
Other	177,010	149,068	114,715	187,947	75,000	703,740
Total Revenues	\$ 10,300,425	\$ 3,270,480	\$ 3,668,246	\$ 187,947	\$ 75,000	\$ 17,502,099
Expenses						
Operating	\$ 8,910,713	\$ -	\$ 2,806,295	\$ -	\$ -	\$ 11,717,008
Capital	-	2,350,000	-	1,125,000	-	3,475,000
Debt Service	1,389,713	-	983,298	-	-	2,373,011
Total Expenses	\$ 10,300,426	\$ 2,350,000	\$ 3,789,593	\$ 1,125,000	\$ -	\$ 17,565,019
Increase/(Decrease)	\$ -	\$ 920,480	\$ (121,347)	\$ (937,053)	\$ 75,000	\$ (62,921)
Funds Available Beginning of the Year	-	3,011,033	3,689,028	8,455,807	1,097,622	16,253,490
Funds Available End of the Year	\$ -	\$ 3,931,513	\$ 3,567,681	\$ 7,518,755	\$ 1,172,622	\$ 16,190,569

REVENUE SUMMARY

BASIS FOR REVENUE BY SOURCE

SEJPA’s revenue is based on the cost of service and miscellaneous revenue sources. Influent and effluent flow percentages are used to allocate the operating and maintenance costs. Capital costs are allocated to program participants based on owned or leased capacity.

- Influent flow is the basis for Wastewater and Laboratory Services costs.
- Effluent flow is the basis for the Ocean Outfall costs.
- Capacity is the basis for capital appropriations and debt services.

Below is a table of the 3-year average daily influent, effluent, and owned/leased capacity data for each member and leasing agency:

Entity	Influent		Effluent		Wastewater Treatment Capacity		Outfall Capacity	
	MGD	%	MGD	%	MGD	%	MGD	%
City of Encinitas	1.342	45.4%	0.750	6.8%	2.200	41.9%	2.250	8.8%
City of Solana Beach	1.022	34.5%	0.537	4.9%	2.200	41.9%	2.250	8.8%
Rancho Santa Fe CSD	0.187	6.3%	0.100	0.9%	0.250	4.8%	0.250	1.0%
City of Del Mar	0.408	13.8%	0.207	1.9%	0.600	11.4%	0.600	2.4%
City of Escondido	-	0.0%	9.407	85.5%	-	0.0%	20.150	79.0%
Total	2.960	100.0%	11.001	100.0%	5.250	100.0%	25.500	100.0%

The Laboratory Services program provides analytical services to:

- Fairbanks Ranch Community Service District (CSD)
- Rancho Santa Fe CSD
- Santa Fe Valley CSD
- Whispering Palms CSD
- San Ysidro Border Facility

The FY 2026-27 adopted laboratory budget is based on projected service levels. The analytical service revenues may vary based upon the actual number of samples analyzed for our customers.

The Recycled Water Program generates revenue from multiple customer classes with varying levels of service. In September 2025, the Board accepted the 2025 Recycled Water Cost-of-Service Study and approved recycled water rates for a four-year period covering calendar years 2026 through 2029. The approved rate adjustments become effective January 1 of each year. The FY 2026–27 Adopted Budget incorporates the adopted rate increases. A significant change reflected in this budget is the expiration of incentive revenues historically received by the Recycled Water Program from the San Diego County Water Authority (CWA) and the Metropolitan Water District of Southern California (MWD). The program had received these incentives for approximately 25 years; however, the incentive payments ended September 1, 2025.

FY 2025-26 ESTIMATED ACTUAL REVENUE

Across all programs of the San Elijo Joint Powers Authority, total FY 2025-26 estimated revenues are estimated to be \$16,066,296, which is \$213,842 or 1.3% lower than budget.

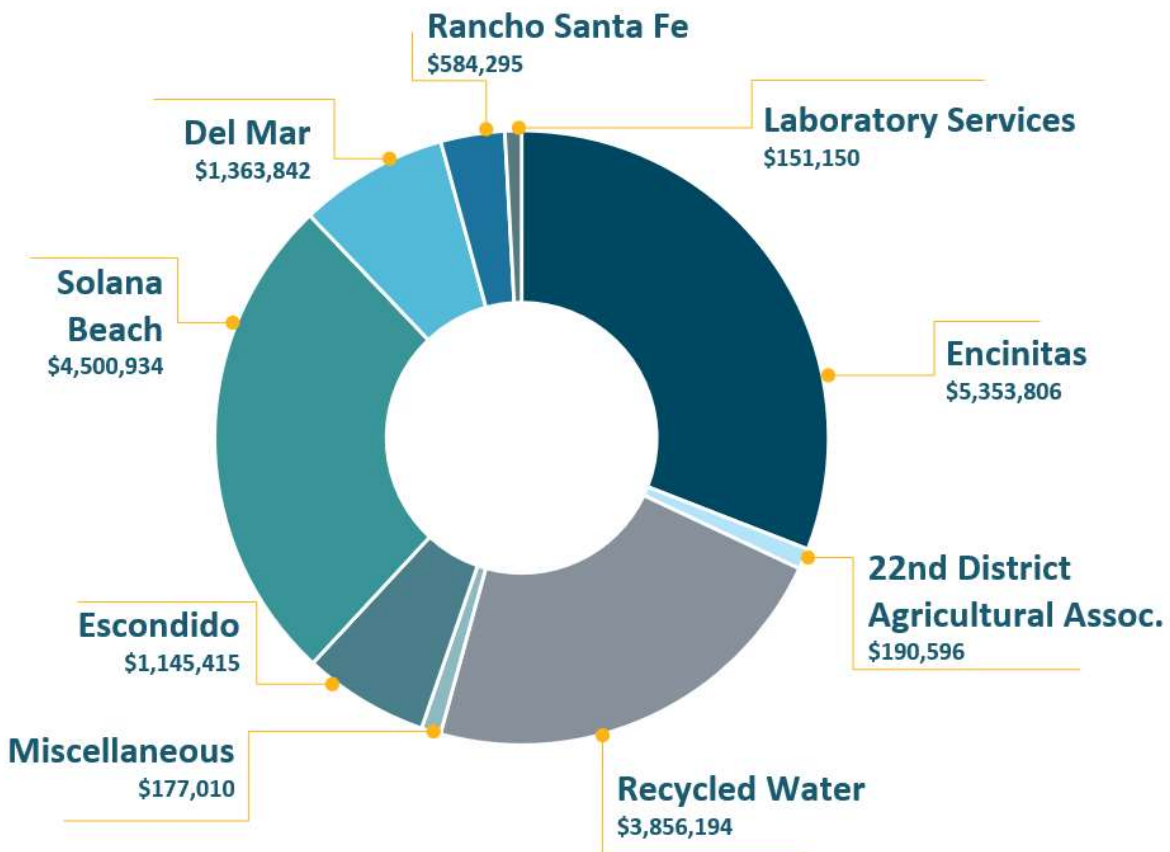
FY 2026-27 ADOPTED REVENUE BUDGET

The FY 2026-27 adopted budget includes a total revenue forecast of \$17,323,242, which is \$1,043,105 or a 6.4% increase from the prior fiscal year. Key contributors to year-over-year budget changes include:

- Personnel cost increases of 6.1% across all programs, reflecting continued efforts to attract and retain a high-quality workforce in a competitive labor market. The year-over-year increase also accounts for rising benefit and pension obligations.
- Increased maintenance services costs of approximately \$62,000 for cleaning one of the three digesters. SEJPA targets cleaning and inspection of each tank every five years, to ensure operational performance and maintain assets in this aggressive environment.
- Engineering and professional services to support wastewater and recycled water treatment improvements, along with specialized SCADA consulting, to enhance ongoing operations and prepare for planned capital improvements in the coming years.
- Increase in wastewater capital appropriations to collect additional PayGo funding for upcoming capital needs expected to be identified during the 2025 Facility Plan, which will outline capital needs for the next decade to address state of good repair projects to support SEJPA's aging infrastructure.
- Recycled water rates for the period July 1, 2026, through December 31, 2026, are set at the approved rate of \$2,185 per acre-foot. Consistent with the adopted Study, a 10% rate increase will take effect January 1, 2027, resulting in a rate of \$2,403 per acre-foot for the period January 1, 2027, through June 30, 2027.
- Scheduled increase in recycled water purchase volume by the Encinitas Ranch Golf Authority.

Below is a summary of revenue sources shown in both table and chart format to illustrate the revenue diversity among the agencies we serve.

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
City of Encinitas	\$ 4,787,939	\$ 4,622,870	\$ 4,856,481	\$ 4,938,041	\$ 5,353,806
City of Solana Beach	3,433,547	3,579,851	4,030,964	4,070,609	4,500,934
City of Del Mar	1,021,804	1,076,643	1,228,935	1,245,700	1,363,842
22nd District Agricultural Association	168,356	166,151	181,920	192,020	190,596
Rancho Santa Fe CSD	462,921	446,866	509,411	516,613	584,295
City of Escondido	911,963	981,482	1,108,951	1,130,552	1,145,415
Laboratory Services	124,796	131,751	136,334	136,100	151,150
Recycled Water	3,198,229	3,795,539	3,377,721	3,399,250	3,553,532
T-Mobile Cell Site Lease	28,933	33,718	34,730	34,730	34,730
Other Revenue	60,022	31,497	68,984	67,331	73,844
Interest on Wastewater Operations	88,431	52,543	96,355	26,402	68,437
Interest on Water Reclamation	202,779	561,885	435,510	522,790	302,662
Total Revenue Sources	\$ 14,489,720	\$ 15,480,796	\$ 16,066,296	\$ 16,280,138	\$ 17,323,243



REVENUE DETAIL

CITY OF ENCINITAS – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Wastewater Treatment	\$ 1,886,556	\$ 1,949,100	\$ 2,025,073	\$ 2,069,842	\$ 2,200,659
RSF CSD Contribution for 2017 Revenue Bonds	(31,861)	(31,861)	(31,871)	(31,871)	(31,817)
Del Mar Contribution for 2017 Revenue Bonds	(76,467)	(76,467)	(76,490)	(76,490)	(76,361)
Del Mar Wastewater Treatment Credit	30,000	30,000	30,000	30,000	30,000
T-Mobile Cell Tower Income	(16,368)	(17,365)	(17,365)	(17,365)	(17,365)
Total Wastewater Revenue	<u>\$ 1,791,859</u>	<u>\$ 1,853,406</u>	<u>\$ 1,929,347</u>	<u>\$ 1,974,117</u>	<u>\$ 2,105,116</u>
Laboratory Services	388,077	425,137	456,152	464,257	478,263
Ocean Outfall	62,430	57,291	65,513	66,942	81,871
Cardiff Sanitary Division Pump Stations	358,477	427,413	418,822	443,583	441,830
Encinitas Sanitary Division Pump Station	211,035	196,579	203,215	203,638	211,477
Encinitas Urban and Stormwater Services	59,530	60,178	64,395	66,467	71,546
2017 Revenue Bonds	669,088	669,288	669,038	669,038	668,163
Capital Projects - Wastewater	572,444	604,578	950,000	950,000	1,195,540
Capital Projects - Cardiff Sanitary Division Pump Stations	75,000	125,000	55,000	55,000	100,000
Capital Projects - Encinitas Sanitary Division Pump Stations	600,000	204,000	45,000	45,000	-
Total Revenue	<u>\$ 4,787,939</u>	<u>\$ 4,622,870</u>	<u>\$ 4,856,481</u>	<u>\$ 4,938,041</u>	<u>\$ 5,353,806</u>

CITY OF SOLANA BEACH – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Wastewater Treatment	\$ 1,420,946	\$ 1,479,687	\$ 1,543,978	\$ 1,567,764	\$ 1,664,992
RSF CSD Contribution for 2017 Revenue Bonds	(31,861)	(31,861)	(31,871)	(31,871)	(31,817)
Del Mar Contribution for 2017 Revenue Bonds	(76,467)	(76,467)	(76,490)	(76,490)	(76,361)
Del Mar Wastewater Treatment Credit	30,000	30,000	30,000	30,000	30,000
T-Mobile Cell Tower Income	(16,368)	(16,368)	(17,365)	(17,365)	(17,365)
Total Wastewater Revenue	<u>\$ 1,326,250</u>	<u>\$ 1,384,990</u>	<u>\$ 1,448,253</u>	<u>\$ 1,472,038</u>	<u>\$ 1,569,449</u>
Laboratory Services	294,832	324,138	347,784	353,964	364,098
Ocean Outfall	46,513	42,147	48,196	49,247	58,620
Solana Beach Pump Stations	497,930	496,131	537,224	545,503	562,879
Solana Beach Urban and Stormwater Services	15,261	14,612	13,168	13,336	13,685
Solana Beach Generator Maintenance Services	11,230	17,967	17,301	17,483	18,499
2017 Revenue Bonds	669,088	669,288	669,038	669,038	668,163
Capital Projects - Wastewater	572,444	604,578	950,000	950,000	1,195,542
Capital Projects - Pump Stations	-	26,000	-	-	50,000
Total Revenue	<u>\$ 3,433,547</u>	<u>\$ 3,579,851</u>	<u>\$ 4,030,964</u>	<u>\$ 4,070,609</u>	<u>\$ 4,500,935</u>

CITY OF DEL MAR – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Wastewater Treatment	\$ 572,039	\$ 573,926	\$ 615,354	\$ 628,958	\$ 668,369
Laboratory Services	118,110	129,185	138,610	141,073	145,255
Ocean Outfall	17,978	16,238	18,569	18,974	22,596
Del Mar Wastewater Treatment Credit*	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
Del Mar Pump Station	64,676	74,554	104,487	104,780	108,922
2017 Revenue Bonds	152,934	152,934	152,980	152,980	152,723
Capital Projects - Wastewater	156,066	164,806	258,935	258,935	325,976
Capital Projects - Pump Stations	-	25,000	-	-	-
Total Revenue	<u>\$ 1,021,804</u>	<u>\$ 1,076,643</u>	<u>\$ 1,228,935</u>	<u>\$ 1,245,700</u>	<u>\$ 1,363,842</u>

22ND DISTRICT AGRICULTURAL ASSOCIATION (DEL MAR FAIRGROUNDS) – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Del Mar Fairgrounds	\$ 168,356	\$ 166,151	\$ 181,920	\$ 192,020	\$ 190,596
Total Revenue	<u>\$ 168,356</u>	<u>\$ 166,151</u>	<u>\$ 181,920</u>	<u>\$ 192,020</u>	<u>\$ 190,596</u>

RANCHO SANTA FE COMMUNITY SERVICES DISTRICT – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Wastewater Treatment	\$ 269,532	\$ 250,441	\$ 268,518	\$ 274,454	\$ 307,137
Laboratory Services	55,651	56,372	60,484	61,559	66,749
Ocean Outfall	8,989	7,663	8,763	8,954	10,951
2017 Revenue Bonds	63,723	63,723	63,742	63,742	63,635
Capital Projects	65,026	68,668	107,905	107,905	135,824
Total Revenue	<u>\$ 462,921</u>	<u>\$ 446,866</u>	<u>\$ 509,411</u>	<u>\$ 516,613</u>	<u>\$ 584,295</u>



PROMOTING SUSTAINABILITY

As California faces cyclical droughts, local supplies of recycled water are more important than ever. In Cardiff, Ada Harris Elementary School saves money and conserves natural resources by using recycled water.

CITY OF ESCONDIDO – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Ocean Outfall	\$ 832,943	\$ 866,114	\$ 990,422	\$ 1,012,023	\$ 1,026,885
Capital Projects	79,020	115,369	118,530	118,530	118,530
Total Revenue	<u>\$ 911,963</u>	<u>\$ 981,482</u>	<u>\$ 1,108,951</u>	<u>\$ 1,130,552</u>	<u>\$ 1,145,415</u>

LABORATORY SERVICES – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Fairbanks Ranch	\$ 19,553	\$ 23,508	\$ 27,106	\$ 23,200	\$ 25,850
Rancho Santa Fe CSD	22,879	26,228	29,948	27,200	30,550
Santa Fe Valley	38,659	34,577	33,411	37,000	40,400
Whispering Palms	22,426	27,626	30,608	28,300	32,150
San Ysidro Border Patrol Facility	21,279	19,812	15,261	20,400	22,200
Total Revenue	<u>\$ 124,796</u>	<u>\$ 131,751</u>	<u>\$ 136,334</u>	<u>\$ 136,100</u>	<u>\$ 151,150</u>

RECYCLED WATER – REVENUE DETAIL

Revenue Source	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Santa Fe Irrigation District	\$ 900,693	\$ 1,150,793	\$ 1,195,342	\$ 1,195,342	\$ 1,333,497
San Dieguito Water District	723,830	783,175	803,244	873,440	973,954
Del Mar Fairgrounds	166,965	159,730	153,775	153,775	170,669
Encinitas Ranch Golf Authority	327,504	412,936	441,734	441,734	472,379
Olivenhain Municipal Water District	379,937	568,905	549,626	528,985	603,032
Total Customers	<u>\$ 2,498,929</u>	<u>\$ 3,075,539</u>	<u>\$ 3,143,721</u>	<u>\$ 3,193,275</u>	<u>\$ 3,553,532</u>
MWD/CWA Incentives*	699,300	720,000	234,000	205,975	-
Total Revenue	<u>\$ 3,198,229</u>	<u>\$ 3,795,539</u>	<u>\$ 3,377,721</u>	<u>\$ 3,399,250</u>	<u>\$ 3,553,532</u>

RECYCLED WATER NET REVENUE

Net Revenue over (under) Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Operating Revenue	\$ 3,198,229	\$ 3,795,539	\$ 3,377,721	\$ 3,399,250	\$ 3,553,532
Interest on Water Reclamation	202,779	561,885	435,510	522,790	302,662
Operating Expense	(2,433,318)	(2,594,387)	(2,655,611)	(2,724,060)	(2,806,295)
Debt Service	(964,069)	(981,641)	(984,043)	(984,043)	(983,298)
Net Recycled Water Revenue	<u>\$ 3,621</u>	<u>\$ 781,396</u>	<u>\$ 173,577</u>	<u>\$ 213,938</u>	<u>\$ 66,601</u>

OPERATING EXPENSE SUMMARY

SEJPA owns and operates the San Elijo Water Campus, San Elijo Recycled Water Utility and is a co-owner of the San Elijo Ocean Outfall. SEJPA also manages several related service programs to support the cities of Encinitas, Solana Beach, and Del Mar, as well as other local government agencies. Operational programs include:

- Wastewater Treatment
- Laboratory Services
- Ocean Outfall
- Cardiff Sanitary Division Pump Stations
- Encinitas Sanitary Division Pump Station
- City of Encinitas Urban & Stormwater Services
- City of Solana Beach Pump Stations
- City of Solana Beach Generator Services
- City of Del Mar Pump Station
- 22nd District Agricultural Association (Del Mar Fairgrounds)
- Leucadia Wastewater District (LWD) Technical Support Services
- Recycled Water

In providing these services, SEJPA seeks to accomplish its mission in an environmentally, socially, and fiscally responsible manner. Except for the Recycled Water program, each of the above programs is funded by the customer base that is served, and cost allocations are applied based on actual flows treated or level of effort provided. The Recycled Water Program is funded by water sales, grants, and incentive programs.

STAFF ALLOCATION

Budgeting for staff time is based on estimates of actual time required by each program. Below is a table showing the anticipated percentages of direct labor hours for each program in FY 2026-27.

Program	Adopted Staffing Allocation for FY 2026-27
Wastewater Treatment	34.2%
Recycled Water	17.6%
Laboratory Services	15.4%
Ocean Outfall	11.2%
Capital Programs	7.0%
City of Solana Beach Pump Stations	4.6%
Cardiff Sanitary Division Pump Stations	3.7%
Del Mar Fairgrounds	2.4%
Encinitas Sanitary Division Pump Stations	1.7%
City of Del Mar Pump Station	0.9%
City of Encinitas Urban & Stormwater Services	0.7%
Leucadia WD Technical Support Services	0.4%
Solana Beach Generator Services	0.1%
Total	100.0%

FY 2025-26 ESTIMATED ACTUAL EXPENSE – ALL PROGRAMS

Total cash funding requirements for operations are projected to finish the fiscal year \$185,212 or 1.7% under budget, with all 12 programs anticipated to close the year under budget.

Requested wastewater capital contributions from participating agencies remain unchanged from the Adopted FY 2025–26 budget, however recycled water capital project cash expenditures are projected to exceed the adopted budget. The increase in recycled water capital spending is being fully offset using funding made available through the reprioritization of other planned projects, resulting in no immediate net cash impact.

Debt service costs are projected to be on budget, and requested debt service contributions from program participants are also consistent with the adopted budget.

FY 2026-27 ADOPTED BUDGET – ALL PROGRAMS

The total FY 2026-27 adopted budget is \$18,531,430 including an \$11,717,007 operating budget, \$4,441,412 capital appropriations, and \$2,373,011 debt service. The operating budget has increased by \$512,357 or 4.6% from the prior year. The capital appropriations are for projects listed in the Capital Program section of this budget book and represent the second-year funding requirements of a three-year capital plan. The debt service budget will remain similar to the prior year’s budget.

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 4,643,946	\$ 5,531,620	\$ 5,713,178	\$ 5,740,026	\$ 6,091,960
Supplies and Services	5,166,520	4,941,487	5,306,260	5,240,195	5,412,617
Capital Outlay	130,185	-	-	-	-
Contingency	-	-	-	224,430	212,430
Total Operating Expense	<u>\$ 9,940,651</u>	<u>\$ 10,473,107</u>	<u>\$ 11,019,438</u>	<u>\$ 11,204,651</u>	<u>\$ 11,717,007</u>
Capital Appropriations	2,120,000	3,666,000	3,941,368	3,941,368	4,441,412
Total Operating and Capital Appropriations	<u>\$ 12,060,651</u>	<u>\$ 14,139,107</u>	<u>\$ 14,960,806</u>	<u>\$ 15,146,019</u>	<u>\$ 16,158,419</u>
Debt Service					
2017 Revenue Bonds	1,338,175	\$ 1,338,575	\$ 1,338,075	\$ 1,338,075	\$ 1,336,325
SDG&E Turbo Blower Loan	53,388	53,388	53,388	53,388	53,388
2023 Recycled Water Loan	778,982	778,497	779,039	779,039	778,895
Advanced Water Purification	148,153	148,154	148,154	148,154	148,153
SFID Pipeline Loan	31,134	46,980	46,500	46,500	45,900
Solana Beach Pipeline Loan	5,800	8,010	10,350	10,350	10,350
Total Debt Service	<u>\$ 2,355,632</u>	<u>\$ 2,373,604</u>	<u>\$ 2,375,506</u>	<u>\$ 2,375,506</u>	<u>\$ 2,373,011</u>
Total Expenses	<u>\$ 14,416,284</u>	<u>\$ 16,512,711</u>	<u>\$ 17,336,312</u>	<u>\$ 17,521,525</u>	<u>\$ 18,531,430</u>



BUILDING PARTNERSHIPS

Good neighbors make good partners. Across from the Water Campus, the Nature Collective and the County of San Diego manage the 800-acre San Elijo Lagoon Ecological Reserve. We share their commitment to protect the lagoon and ocean environments and are proud to be their partner in conservation and education.

OPERATING EXPENSE DETAIL – ALL PROGRAMS

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 3,240,145	\$ 3,724,515	\$ 3,821,654	\$ 3,882,491	\$ 4,084,698
Medicare Tax	47,049	52,974	58,451	58,450	60,839
State Unemployment Tax	4,957	5,561	3,933	3,956	3,873
Standby Pay	33,599	32,536	33,702	33,697	38,686
Overtime Pay	39,995	43,952	53,633	54,670	58,991
Dental/Vision	35,312	41,768	47,702	43,579	48,865
Employee Assistance Program	968	2,265	1,995	2,001	2,000
Life Insurance/Disability	25,206	32,216	40,960	35,432	39,563
Workers Comp. Insurance	54,621	54,326	75,778	49,828	70,765
Medical Insurance - Pers	435,524	574,656	581,640	628,806	674,194
Retirement Plan - CalPERS & PARS Trust	594,849	812,461	810,803	771,050	819,713
Deferred Comp-employer	110,138	127,943	152,935	152,357	161,438
Uniforms - Boots	4,156	4,305	8,069	8,099	7,875
Payroll Processing Fees	15,512	19,229	18,966	12,652	17,670
Other Personnel Costs	1,914	2,915	2,956	2,958	2,790
	\$ 4,643,946	\$ 5,531,620	\$ 5,713,178	\$ 5,740,026	\$ 6,091,960
Supplies and Services					
Advertising	\$ 7,202	\$ 2,188	\$ 2,738	\$ 4,655	\$ 4,655
Bank Service Charges	5,463	6,799	8,297	8,300	8,300
Board Expense	25,095	7,160	7,301	7,300	7,300
Dues & Memberships	34,121	47,758	48,807	32,136	49,968
Equipment Rental/Lease	14,059	9,189	12,013	12,000	12,000
Fees - Disposal	14,963	-	5,367	1,000	1,000
Fees - Permits	86,475	118,017	106,220	98,050	107,942
Fines	-	-	350	-	-
Fuel	24,262	20,550	22,980	20,938	24,468
Insurance - Liability	44,393	47,568	59,473	59,472	63,632
Insurance - Auto	2,751	2,777	2,700	4,042	4,042
Insurance - Property	123,620	134,587	144,032	143,998	165,637
Licenses	80,714	101,010	139,166	139,149	146,121
Minor Equip - Shop & Field	35,350	28,807	44,229	39,725	39,959
Miscellaneous	-	-	3,003	3,003	3,003
Postage/Shipping	4,257	4,292	6,552	5,291	6,549
Preemployment Screening	1,898	381	1,502	1,503	1,500
Printing	2,428	1,634	3,027	1,992	1,992
Rent	94,397	135,522	116,905	116,918	120,293
Repair Parts Expense	470,963	378,448	426,115	336,345	374,965
Seminars/Education	11,578	11,520	23,861	16,310	23,857
Services - Accounting	76,708	32,850	49,503	50,499	68,833
Services - Sediment Disposal	50,208	26,328	41,373	44,805	44,805
Services - Alarm	8,540	17,254	11,000	12,352	12,350
Services - Biosolids Hauling	242,603	233,272	221,760	264,464	246,327

Operating expense detail continued on next page.

Operating Expense Detail (Continued)

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Services - Engineering	\$ 80,845	\$ 53,147	\$ 141,002	\$ 207,000	\$ 177,000
Services - Fire Control	-	-	4,004	4,000	4,000
Services - Grease & Scum	17,857	23,614	27,031	17,808	23,614
Services - Grit & Screenings	17,407	14,135	27,049	30,050	30,050
Services - Janitorial	55,546	51,214	52,800	52,800	54,384
Services - Laboratory	60,790	53,970	61,392	57,401	59,207
Services - Landscape	87,875	92,096	80,009	80,006	80,010
Services - Legal	73,028	59,127	78,970	78,970	78,970
Services - Lobbying	14,625	26,000	-	24,000	-
Services - Maintenance	269,759	237,904	253,187	238,400	334,600
Services - Medical	4,670	2,279	6,644	6,625	6,649
Services - Other	42,755	14,820	1,624	1,626	1,626
Services - Professional	222,077	164,465	223,002	245,000	247,400
Services - Temp	212,985	118,083	126,240	86,683	96,268
Services - IT/GIS Support	93,940	90,302	87,843	87,844	90,568
Services - Contractors	94,655	90,013	116,867	111,870	111,870
Services - Testing	-	-	1,001	1,001	1,001
Services - Uniforms	9,413	12,501	14,328	10,988	14,756
Subscription	1,524	442	1,199	1,197	1,196
Subsistence - Meals	7,252	8,899	9,083	7,189	9,535
Subsistence - Travel/Rm & Bd	12,697	4,610	17,423	16,015	16,018
Supplies - Chem - Ferric Chloride	203,158	158,270	180,706	146,415	180,171
Supplies - Chem - Odor (Calcium Nitrate)	164,276	89,816	72,294	97,497	76,742
Supplies - Chem - Polymer	68,051	159,541	108,298	129,300	101,112
Supplies - Chem - Sodium Hypochlorite	142,436	224,050	228,669	229,302	186,511
Supplies - Chemicals	113,514	81,891	87,551	80,938	76,470
Supplies - IT Equipment	-	25,774	24,053	24,051	24,054
Supplies - Janitorial	4,390	3,547	3,985	5,000	5,000
Supplies - Lab	179,677	168,614	180,264	180,258	180,263
Supplies - Office	39,398	19,333	33,407	15,002	15,005
Supplies - Safety	20,510	28,107	28,708	23,837	23,835
Supplies - Shop & Field	55,182	37,651	46,759	46,742	46,761
Training	14,792	15,315	16,590	16,602	16,603
Training - Safety	5,127	4,875	10,623	10,621	10,621
Utilities - Gas & Electric	1,045,671	1,099,793	1,122,724	1,135,923	1,176,099
Utilities - Internet	11,783	25,853	27,982	26,003	27,982
Utilities - Telephone	38,916	50,205	43,017	39,492	43,015
Utilities - Trash	5,867	6,710	6,278	6,011	6,278
Utilities - Water	43,019	61,827	50,276	50,280	50,280
Utilities - Water (Suppl.)	29,442	19,186	22,361	24,429	24,429
Utilities - Solar Power	129,670	141,746	133,910	133,903	133,903
Vehicle Maintenance	9,895	33,852	38,834	27,867	29,263
	<u>\$ 5,166,520</u>	<u>\$ 4,941,487</u>	<u>\$ 5,306,260</u>	<u>\$ 5,240,195</u>	<u>\$ 5,412,617</u>
Capital Outlay	\$ 130,185	\$ -	\$ -	\$ -	\$ -
Contingency	-	-	-	224,430	212,430
Total Operating Expense	<u>\$ 9,940,651</u>	<u>\$ 10,473,107</u>	<u>\$ 11,019,438</u>	<u>\$ 11,204,651</u>	<u>\$ 11,717,007</u>

OPERATING EXPENSE BY PROGRAM

WASTEWATER TREATMENT

PROGRAM DESCRIPTION

Wastewater Treatment is the primary cost center for operation and maintenance activities at the San Elijo Water Campus. Activities currently include full secondary wastewater treatment for the cities of Encinitas, Solana Beach, and Del Mar, as well as the Rancho Santa Fe Community Services District, with the effluent being recycled or disposed to the ocean. Wastewater biosolids are treated and dewatered, then hauled by contractors to a privately-operated land application site in Arizona for beneficial reuse.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

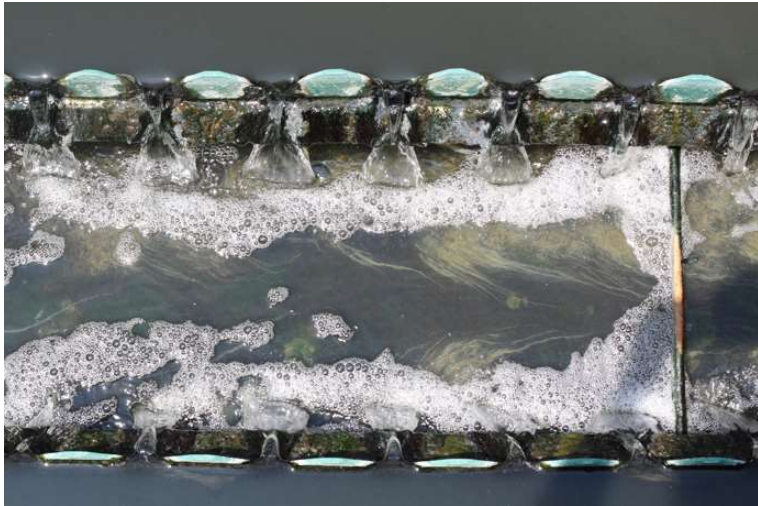
Actual operating expenses for the Wastewater Treatment program are expected to be under budget by \$28,219 or 0.3%. Personnel costs were basically flat; however, supplies and services are expected to be over budget by \$43,824, offset with available contingency of \$76,000.

FY 2026-27 ADOPTED EXPENSE BUDGET

The total FY 2026-27 adopted budget is \$8,937,630 including a \$4,851,505 operating budget, \$2,696,412 capital appropriations, and \$1,389,713 debt service. The operating budget is \$300,139 or 6.6% above the prior year’s budget. Personnel expenses are planned to increase by \$148,324 or 6.9%, reflecting continued efforts to attract and retain a high-quality workforce in a competitive labor market. The year-over-year increase also accounts for rising benefit and pension obligations. Supplies and Services are budgeted to increase by \$151,815 or 6.6% with increases in maintenance services due to higher digester cleaning costs and expanded engineering, professional, and SCADA services to support treatment efficiencies, and offset by savings in chemicals and biosolids hauling. The Contingency budget is set at \$76,000, consistent with last year’s funding level.

Wastewater Treatment Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 1,761,544	\$ 2,096,948	\$ 2,165,611	\$ 2,161,654	\$ 2,309,978
Supplies and Services	2,341,436	2,223,311	2,357,536	2,313,712	2,465,527
Capital Outlay	46,093	-	-	-	-
Contingency	-	-	-	76,000	76,000
Total Operating Expense	\$ 4,149,073	\$ 4,320,259	\$ 4,523,147	\$ 4,551,366	\$ 4,851,505
Capital Appropriations	1,225,000	1,265,000	2,110,368	2,110,368	2,696,412
Total Operating and Capital Appropriations	\$ 5,374,073	\$ 5,585,259	\$ 6,633,515	\$ 6,661,734	\$ 7,547,917
Debt Service					
SDG&E Turbo Blower Loan	\$ 53,388	\$ 53,388	\$ 53,388	\$ 53,388	\$ 53,388
2017 Revenue Bonds	1,338,175	1,338,575	1,338,075	1,338,075	1,336,325
Total Debt Service	\$ 1,391,563	\$ 1,391,963	\$ 1,391,463	\$ 1,391,463	\$ 1,389,713
Total Expenses	\$ 6,765,636	\$ 6,977,222	\$ 8,024,978	\$ 8,053,197	\$ 8,937,630



RECYCLING AND REUSING

At SEJPA, we recycle the majority of the wastewater we treat. That water serves as a reliable local water supply for our communities, strengthening resiliency and reducing dependency on imported water.

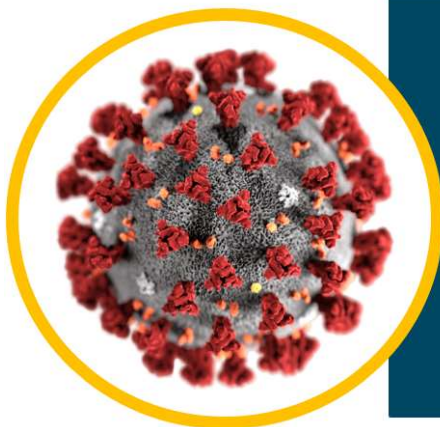
Wastewater Treatment Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 1,248,431	\$ 1,385,229	\$ 1,461,495	\$ 1,494,002	\$ 1,567,832
Medicare Tax	18,303	19,637	20,856	20,859	22,367
State Unemployment Tax	1,762	2,005	1,406	1,409	1,424
Standby Pay	14,091	14,200	14,932	14,929	17,000
Overtime Pay	14,012	16,011	14,978	20,912	22,646
Dental/Vision	12,689	14,778	17,892	15,551	17,965
Employee Assistance Program	393	803	812	812	824
Life Insurance/Disability	9,024	11,378	15,361	12,642	14,544
Workers Comp. Insurance	22,176	19,210	28,805	17,780	26,018
Medical Insurance - Pers	155,917	203,488	217,309	224,386	247,872
Retirement Plan - CalPERS & PARS Trust	214,647	351,769	305,344	275,146	301,371
Deferred Comp-employer	42,331	47,108	54,941	54,369	59,350
Uniforms - Boots	1,513	1,573	3,285	3,288	3,245
Payroll Processing Fees	5,582	8,747	7,139	4,512	6,496
Other Personnel Costs	674	1,013	1,056	1,057	1,024
	\$ 1,761,544	\$ 2,096,948	\$ 2,165,611	\$ 2,161,654	\$ 2,309,978
Supplies and Services					
Advertising	\$ 5,886	1,095	2,605	2,008	\$ 2,008
Bank Service Charges	5,338	5,369	8,297	8,300	8,300
Board Expense	24,970	6,380	3,647	3,650	3,650
Dues & Memberships	8,004	24,409	25,654	14,935	26,424
Equipment Rental/Lease	11,752	6,798	6,307	6,000	6,000
Fees - Disposal	5	-	1,000	1,000	1,000
Fees - Permits	41,586	57,436	44,997	42,000	46,347
Fuel	1,259	1,367	567	566	595
Insurance - Liability	18,024	19,312	23,641	23,640	25,293
Insurance - Auto	1,117	1,127	1,073	1,607	1,607
Insurance - Property	50,190	54,642	57,236	57,235	65,836
Licenses	26,847	43,904	55,311	55,308	58,079
Minor Equip - Shop & Field	29,597	23,937	30,197	30,194	30,194
Miscellaneous	-	-	3,003	3,003	3,003
Postage/Shipping	3,282	1,196	1,045	2,103	2,604
Preemployment Screening	682	149	601	598	597
Printing	1,162	413	791	792	792
Rent	580	614	520	518	518
Repair Parts Expense	262,270	186,374	220,729	186,118	191,702
Seminars/Education	3,733	3,141	9,684	6,483	9,484

Expense detail continued on next page.

Wastewater Treatment Operating Expense Detail (Continued)

Operating Expense	Actual 2023-24	Estimated Actual 2024-25	Estimated Actual 2024-25	Adopted Budget 2025-26	Adopted Budget 2025-26
Services - Accounting	38,323	16,425	26,001	26,002	36,851
Services - Sediment Disposal	25,025	2,836	18,594	20,600	20,600
Services - Alarm	3,087	4,788	2,086	4,910	4,910
Services - Biosolids Hauling	242,603	233,272	221,760	264,464	246,327
Services - Engineering	33,215	28,710	37,499	58,500	66,000
Services - Fire Control	-	-	3,003	3,000	3,000
Services - Grease & Scum	17,857	23,614	27,031	17,808	23,614
Services - Grit & Screenings	16,452	14,135	20,000	23,000	23,000
Services - Janitorial	27,773	25,607	26,404	26,400	27,192
Services - Laboratory (Outsource)	2,509	3,495	8,294	4,300	4,429
Services - Landscape	43,326	41,041	40,004	40,003	40,005
Services - Legal	42,980	30,557	39,480	39,483	39,483
Services - Maintenance	129,339	112,184	112,403	112,400	173,800
Services - Medical	1,672	868	2,632	2,634	2,641
Services - Other	169	13,372	308	309	309
Services - Professional	75,705	77,226	63,999	85,000	122,200
Services - Temp	74,688	54,489	68,558	47,982	39,909
Services - IT/GIS Support	36,227	35,191	34,915	34,916	35,998
Services - Contractors	46,757	-	44,999	55,000	55,000
Services - Testing	-	-	1,001	1,001	1,001
Services - Uniforms	3,877	5,071	5,798	4,366	5,866
Subscriptions	1,427	207	478	478	477
Subsistence - Meals	3,783	4,416	3,938	2,857	3,791
Subsistence - Travel/Rm & Bd	5,218	2,117	7,206	6,365	6,366
Supplies - Chem - Ferrous Chlo	203,158	158,270	180,706	146,415	180,171
Supplies - Chem - Odor	51,176	9,276	-	-	-
Supplies - Chem - Polymer	65,999	155,506	103,132	124,132	97,008
Supplies - Chem - Sodium Hypo	2,242	47,051	41,915	41,914	31,245
Supplies - Chemicals	15,668	5,714	18,227	12,239	17,098
Supplies - Janitorial	2,195	1,773	1,997	2,500	2,500
Supplies - Lab	25,100	32,148	32,964	32,964	32,964
Supplies - IT Equipment	-	18,896	9,556	9,559	9,560
Supplies - Office	22,818	7,128	18,926	5,962	5,963
Supplies - Safety	14,294	22,750	14,346	9,476	9,475
Supplies - Shop & Field	46,054	35,769	18,574	18,577	18,585
Training	6,006	5,879	6,601	6,598	6,599
Training - Safety	2,230	2,424	4,222	4,222	4,222
Utilities - Gas & Electric	383,361	391,874	431,930	426,828	436,000
Utilities - Internet	4,784	10,497	11,126	10,337	11,122
Utilities - Telephone	20,922	26,576	22,561	15,696	17,098
Utilities - Trash	2,382	2,452	2,484	2,389	2,495
Utilities - Water	26,428	26,530	30,498	30,500	30,500
Utilities - Water (Suppl.)	-	0	-	2,069	2,069
Utilities - Solar Power	72,525	69,111	72,422	72,421	72,421
Vehicle Maintenance	5,801	26,403	22,052	11,077	11,630
	\$ 2,341,436	\$ 2,223,311	\$ 2,357,536	\$ 2,313,712	\$ 2,465,527
Capital Outlay	\$ 46,093	\$ -	\$ -	\$ -	\$ -
Contingency	-	-	-	76,000	76,000
Total Operating Expense	\$ 4,149,073	\$ 4,320,259	\$ 4,523,147	\$ 4,551,366	\$ 4,851,505



WASTEWATER UNLOCKS HIDDEN HEALTH INSIGHTS

SEJPA is playing a role to advance cutting-edge science, working with industry partners who analyze wastewater to track a wide range of diseases, public health patterns, and overall human health trends. Known as “sewer surveillance” or “wastewater epidemiology,” this approach allows technicians to detect biological markers in wastewater and anticipate shifts in community health. Unlike traditional monitoring methods, wastewater analysis does not rely on patient reporting or access to clinical testing—offering a faster, more comprehensive snapshot of population health.

LABORATORY SERVICES

PROGRAM DESCRIPTION

The laboratory located at the San Elijo Water Campus provides analytical services for SEJPA Wastewater, Recycled Water, and Ocean Outfall Programs as well as to other entities through contract agreements. The FY 2026-27 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, and the San Ysidro Border Patrol Facility.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

Overall, Laboratory Services operating expenses are projected to be \$17,589 or 1.5% over budget. Personnel costs are expected to be \$33,888 or 3.9% under budget due to the use of temporary staffing, while supplies and services are projected to exceed budget by \$25,300 or 9.2% for the same reason, as those costs are recorded in that category. Budgeted contingency funds are not expected to be used.

FY 2026-27 ADOPTED BUDGET

The 2026-27 adopted budget is \$1,330,517 including a \$1,205,517 operating budget and \$125,000 in capital appropriations. The operating budget is \$48,565 or 4.2% higher than the prior year budgeted level. Personnel expenses will increase by \$30,909 or 3.5% to reflect increases in staffing and benefit costs. Supplies and Services will also increase by \$17,656 or 6.4% due to increases in permits, insurance, professional services, and other costs. Contingency funding has been set at \$9,000, consistent with last year's funding level.



Laboratory Services Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 648,045	\$ 827,607	\$ 839,199	\$ 873,087	\$ 903,996
Supplies and Services	323,474	238,976	300,165	274,865	292,521
Contingency	-	-	-	9,000	9,000
Total Operating Expense	\$ 972,314	\$ 1,066,583	\$ 1,139,363	\$ 1,156,952	\$ 1,205,517
Capital Appropriations	120,000	147,000	125,000	125,000	125,000
Total Operating and Capital Appropriations	\$ 1,092,314	\$ 1,213,583	\$ 1,264,363	\$ 1,281,952	\$ 1,330,517

Laboratory Services Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 425,376	\$ 553,859	\$ 549,079	\$ 549,239	\$ 580,222
Medicare Tax	6,125	7,889	10,440	10,441	10,075
State Unemployment Tax	994	1,005	708	707	641
Standby	795	880	1,013	1,011	1,161
Overtime Pay	5,343	4,194	6,916	6,919	6,516
Dental/Vision	5,898	6,959	7,342	7,785	8,092
Employee Assistance Program	165	377	329	330	308
Life Insurance/Disability	4,199	5,394	6,286	6,330	6,552
Workers Comp. Insurance	9,286	9,051	11,712	8,902	11,718
Medical Insurance - Pers	72,558	95,738	90,082	112,334	111,640
Retirement Plan - CalPERS & PARS Trust	98,989	118,494	123,319	137,745	135,737
Deferred Comp-employer	14,709	19,843	27,221	27,218	26,733
Uniforms - Boots	694	722	1,336	1,337	1,213
Payroll Processing Fees	2,583	2,708	2,885	2,261	2,926
Other Personnel Costs	332	494	531	528	462
	\$ 648,045	\$ 827,607	\$ 839,199	\$ 873,087	\$ 903,996
Supplies and Services					
Advertising	\$ 106	234	46	789	\$ 789
Equipment Rental/Lease	-	-	2	-	-
Dues & Memberships	1,590	1,817	1,510	618	1,556
Fees - Permits	5,489	12,226	12,226	10,000	12,593
Fuel	221	217	217	215	228
Insurance - Liability	7,547	8,086	9,898	9,898	10,591
Insurance - Auto	468	472	449	673	673
Insurance - Property	21,015	22,880	23,962	23,965	27,567
Licenses	6,211	11,913	23,157	23,159	24,319
Minor Equip - Shop & Field	1,327	1,174	2,821	2,819	2,819
Postage/Shipping	-	1,704	3,926	881	1,090
Preemployment Screening	316	64	252	250	250
Printing	341	789	1,370	332	332
Rent	243	257	201	204	204
Repair Parts Expense	4,490	12,813	3,601	3,601	3,601
Seminars/Education	3,812	5,675	3,396	2,714	3,971
Services - Accounting	95	-	-	1,000	1,000
Services - Janitorial	5,555	5,121	-	-	-
Services - Laboratory	49,334	37,540	41,400	41,401	42,643
Services - Legal	-	507	7,895	7,897	7,897
Services - Maintenance	5,012	2,462	10,403	10,400	10,000
Services - Alarm	-	-	2,058	2,056	2,056
Services - Medical	778	383	1,101	1,103	1,106
Services - Other	14	-	1,001	1,001	1,001
Services - Professional	7,550	-	1,001	1,000	3,500
Services - Temp	64,411	9,105	19,526	2,114	3,290
Services - Uniforms	1,600	2,124	2,426	1,828	2,456
Services - IT/GIS Support	14,684	14,547	14,619	14,620	15,073
Subscriptions	-	26	203	200	200
Subsistence - Meals	398	61	302	1,196	1,587
Subsistence - Travel/Rm & Bd	2,097	178	2,788	2,665	2,665
Supplies - Laboratory	98,350	65,339	66,953	66,952	66,953
Supplies - Chemicals	2,165	303	-	-	-
Supplies - IT Equipment	-	1,969	4,000	4,002	4,003
Supplies - Office	6,330	3,376	2,494	2,496	2,497
Supplies - Safety	1,207	1,152	3,965	3,968	3,967
Supplies - Shop & Field	43	54	7,777	7,779	7,782
Supplies - Janitorial	439	355	145	-	-
Training	2,515	2,784	2,765	2,763	2,763
Training - Safety	600	599	1,770	1,768	1,768
Utilities - Internet	2,003	4,395	4,657	4,328	4,657
Utilities - Telephone	3,589	5,110	3,828	6,572	7,159
Utilities - Trash	997	1,026	1,042	1,000	1,045
Vehicle Maintenance	532	138	4,641	4,638	4,870
	\$ 323,474	\$ 238,976	\$ 300,165	\$ 274,865	\$ 292,521
Capital Outlay	\$ 794	\$ -	\$ -	\$ -	\$ -
Contingency	-	-	-	9,000	9,000
Total Operating Expense	\$ 972,314	\$ 1,066,583	\$ 1,139,363	\$ 1,156,952	\$ 1,205,517

OCEAN OUTFALL

PROGRAM DESCRIPTION

This program is the cost center for all operation and maintenance services related to the Ocean Outfall system. These activities include effluent pump station operations and maintenance; ocean monitoring; sampling and testing; and outfall inspection. Outfall capacity is shared through an agreement between SEJPA and the City of Escondido; all operation and maintenance costs are shared based on actual usage (measured by discharged flows). Capital improvement project costs are shared based on leased/owned capacity (79% City of Escondido and 21% SEJPA).

FY 2025-26 ESTIMATED ACTUAL EXPENSE

Ocean Outfall's estimated operating expenses are expected to be under budget by \$24,678 or 1.9% due to reduced personnel expenses, offset by higher energy costs. Contingency funding is not expected to be used.

FY 2026-27 ADOPTED BUDGET

Total FY 2026-27 adopted budget is \$1,350,924 including a \$1,200,924 operating budget and \$150,000 in capital appropriations. The operating budget is \$44,783 or 3.9% more than the previous year. Personnel costs are expected to increase \$41,663 or 6.1% to reflect increased labor and benefit costs due to labor market pressures. Supplies and services are expected to remain virtually flat, increasing by \$3,120 or 0.7%, as savings in professional fees related to a biennial dive inspection of the outfall are offset by increases in temporary staffing, utilities, and industry organizations affecting the ocean outfall system. Contingency funding remains at \$25,000, consistent with last year's funding level



INSPECTING ASSETS

The San Elijo Ocean Outfall extends 8,000 feet from the shoreline at an end depth of 150 feet below sea level. In 2022, the Outfall Plume Tracking Study was completed. The resulting report confirmed historical findings that the aquatic life and environment are not being impacted by ocean discharge from San Elijo Ocean Outfall. Data showed the outfall was in excellent condition and marine life in the area was thriving.

Ocean Outfall Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 535,513	\$ 627,393	\$ 666,243	\$ 680,130	\$ 721,793
Supplies and Services	429,855	362,060	465,220	451,011	454,131
Capital Outlay	3,484	-	-	-	-
Contingency	-	-	-	25,000	25,000
Total Operating Expense	\$ 968,852	\$ 989,453	\$ 1,131,462	\$ 1,156,141	\$ 1,200,924
Capital Appropriations	100,000	146,000	150,000	150,000	150,000
Total Operating and Capital Appropriations	\$ 1,068,852	\$ 1,135,453	\$ 1,281,462	\$ 1,306,141	\$ 1,350,924

Ocean Outfall Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 371,824	\$ 427,568	\$ 442,490	\$ 456,287	\$ 481,370
Medicare Tax	5,388	6,070	7,085	7,084	7,327
State Unemployment Tax	589	646	479	480	466
Standby Pay	2,916	3,227	3,703	3,706	4,255
Overtime Pay	3,874	4,152	5,806	5,803	6,280
Dental/Vision	4,204	4,962	5,642	5,282	5,885
Employee Assistance Program	109	269	224	224	224
Life Insurance/Disability	2,994	3,814	4,858	4,294	4,765
Workers Comp. Insurance	6,172	6,454	8,878	6,039	8,522
Medical Insurance - Pers	51,740	68,269	69,024	76,213	81,193
Retirement Plan - CalPERS & PARS Trust	70,442	84,496	96,081	93,453	98,718
Deferred Comp-employer	12,721	14,682	18,464	18,466	19,442
Uniforms - Boots	491	504	905	907	882
Payroll Processing Fees	1,836	1,930	2,248	1,534	2,128
Other Personnel Costs	213	350	357	358	336
	\$ 535,513	\$ 627,393	\$ 666,243	\$ 680,130	\$ 721,793

Expense detail continued on next page.

OUR OCEAN COMMUNITIES

The communities we serve are where we live, work, and spend time with family and friends. They are also key economic drivers for the region. Protecting water quality supports local businesses, tourism, and coastal industries. Our work helps ensure clean, safe ocean waters for beachgoers, surfers, visitors, and others who enjoy the environment.



Ocean Outfall Operating Expense Detail (Continued)

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Supplies and Services					
Advertising	\$ 71	\$ 225	\$ 26	\$ 464	\$ 464
Board Expense	50	312	1,452	1,450	1,450
Bank Service Charges	-	22	-	-	-
Dues & Memberships	10,823	11,124	10,014	5,253	10,315
Equipment Rental/Lease	923	956	2,397	2,400	2,400
Fees - Permits	71	-	2,499	2,500	2,500
Fuel	1,445	1,470	1,022	1,285	1,073
Insurance - Liability	5,016	5,375	6,582	6,580	7,040
Insurance - Auto	311	314	299	447	447
Insurance - Property	13,969	15,208	15,933	15,930	18,324
Licenses	8,891	8,586	15,394	15,394	16,165
Postage/Shipping	351	295	180	585	725
Preemployment Screening	225	44	166	166	166
Printing	237	115	223	220	220
Rent	161	171	153	150	150
Repair Parts Expense	10,847	4,954	11,997	11,997	11,997
Seminars/Education	1,080	724	2,882	1,804	2,640
Minor Equip - Shop & Field	-	712	1,708	1,706	1,706
Services - Accounting	15,310	6,570	7,403	7,400	7,773
Services - Janitorial	5,555	5,121	10,559	10,560	10,877
Services - Landscape	17,331	20,135	16,002	16,001	16,002
Services - Laboratory	622	-	-	-	-
Services - Legal	5,835	9,115	7,901	7,899	7,899
Services - Maintenance	19,954	5,584	13,103	13,100	13,100
Services - Medical	555	264	731	733	735
Services - Other	17,524	1,424	14	16	16
Services - Professional	71,324	31,655	65,402	66,000	45,480
Services - IT/GIS Support	9,761	9,669	9,717	9,718	10,019
Services - Contractors	10,280	11,240	32,669	32,670	32,670
Services - Temp	29,037	21,795	14,869	14,635	20,899
Services - Uniforms	1,035	1,411	1,610	1,215	1,633
Services - Alarm	-	-	1,365	1,367	1,366
Subscriptions	39	75	133	133	133
Subsistence - Meals	1,096	1,749	1,489	795	1,055
Subsistence - Travel/Rm & Bd	1,639	762	1,853	1,772	1,772
Supplies - IT Equipment	-	1,309	2,663	2,660	2,661
Supplies - Janitorial	439	355	756	1,000	1,000
Supplies - Lab	43,701	59,588	66,952	66,951	66,952
Supplies - Office	2,505	2,656	3,466	1,659	1,660
Supplies - Safety	1,133	578	2,640	2,637	2,637
Supplies - Shop & Field	400	31	5,173	5,170	5,173
Training	1,672	1,701	1,834	1,837	1,837
Training - Safety	719	398	1,173	1,175	1,175
Utilities - Gas & Electric	90,746	87,657	89,779	81,301	86,756
Utilities - Internet	1,331	2,921	3,096	2,877	3,096
Utilities - Telephone	2,691	3,704	2,880	4,369	4,759
Utilities - Trash	663	682	694	665	695
Utilities - Water	870	-	1,799	1,800	1,800
Utilities - Solar Power	21,553	23,212	21,485	21,482	21,482
Vehicle Maintenance	65	92	3,083	3,083	3,237
	<u>\$ 429,855</u>	<u>\$ 362,060</u>	<u>\$ 465,220</u>	<u>\$ 451,011</u>	<u>\$ 454,131</u>
Capital Outlay	\$ 3,484	\$ -	\$ -	\$ -	\$ -
Contingency	-	-	-	25,000	25,000
Total Operating Expense	<u>\$ 968,852</u>	<u>\$ 989,453</u>	<u>\$ 1,131,462</u>	<u>\$ 1,156,141</u>	<u>\$ 1,200,924</u>



CARDIFF SANITARY DIVISION PUMP STATIONS

PROGRAM DESCRIPTION

Under this program, SEJPA provides pump station operation and maintenance services to the City of Encinitas' Cardiff Sanitary Division (CSD). These facilities include the Cardiff, Coast Highway, and Olivenhain Pump Stations. The costs incurred are borne solely by CSD.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

The CSD Pump Stations actual operating expenses are expected to be \$24,762 under budget, or 5.6%. Personnel costs are anticipated to be on budget, with savings \$18,248 in Supplies and Services. Contingency funding is not expected to be used.

FY 2026-27 ADOPTED BUDGET

Total FY 2026-27 adopted budget is \$541,831 including a \$441,831 operating budget and \$100,000 in capital appropriations. The change in the operating budget is relatively flat, with a minor decrease of \$1,753 or 0.4%. Increases to Personnel costs are offset by savings in Supplies and Service where the FY 2025-26 budget included engineering services costs for Arc Flash studies at the pump stations. Contingency funding is \$17,500, consistent with last year's funding level

Cardiff Sanitary Division Pump Stations Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 185,354	\$ 213,624	\$ 226,743	\$ 225,878	\$ 245,023
Supplies and Services	173,122	213,789	192,079	200,205	179,308
Contingency	-	-	-	17,500	17,500
Total Operating Expense	\$ 358,477	\$ 427,413	\$ 418,822	\$ 443,583	\$ 441,831
Capital Appropriations	75,000	125,000	55,000	55,000	100,000
Total Operating and Capital Appropriations	\$ 433,477	\$ 552,413	\$ 473,822	\$ 498,583	\$ 541,831
Cardiff Pump Station	\$ 129,207	\$ 162,165	\$ 159,362	\$ 165,730	\$ 180,085
Coast Blvd Pump Station	61,528	77,369	72,808	71,928	68,567
Olivenhain Pump Station	167,742	187,879	186,652	205,926	193,179
Total Operating Expense	\$ 358,477	\$ 427,413	\$ 418,822	\$ 443,583	\$ 441,831

Cardiff Sanitary Division Pump Stations Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 129,619	\$ 145,555	\$ 152,242	\$ 154,592	\$ 165,691
Medicare Tax	1,882	2,066	2,231	2,230	2,388
State Unemployment Tax	181	218	150	151	152
Standby Pay	1,392	1,540	1,733	1,736	1,992
Overtime Pay	1,349	1,891	2,082	2,085	2,408
Dental/Vision	1,410	1,666	1,881	1,663	1,918
Employee Assistance Program	38	90	70	71	73
Life Insurance/Disability	1,006	1,292	1,617	1,351	1,553
Workers Comp. Insurance	2,130	2,168	2,965	1,901	2,778
Medical Insurance - Pers	17,377	22,929	22,944	23,989	26,465
Retirement Plan - CalPERS & PARS Trust	23,747	28,379	31,869	29,415	32,177
Deferred Comp-employer	4,363	4,893	5,808	5,813	6,337
Uniforms - Boots	165	171	290	286	288
Payroll Processing Fees	621	648	743	482	694
Other Personnel Costs	74	118	119	113	109
	\$ 185,354	\$ 213,624	\$ 226,743	\$ 225,878	\$ 245,023
Supplies and Services					
Advertising	\$ 24	\$ 54	\$ 4	\$ 201	\$ 201
Dues & Memberships	129	27	93	-	-
Equipment Rental/Lease	-	-	(91)	-	-
Fees - Permits	2,173	3,638	2,801	2,800	2,800
Fine	-	-	350	-	-
Fuel	4,072	2,952	3,081	3,175	3,234
Insurance - Liability	1,731	1,855	2,277	2,270	2,429
Insurance - Auto	107	108	103	154	154
Insurance - Property	4,821	5,249	5,500	5,499	6,324
Licenses	4,620	2,776	5,312	5,312	5,580
Minor Equip - Shop & Field	-	-	1,365	1,365	1,365
Postage/Shipping	-	-	61	203	250
Preemployment Screening	76	15	61	58	58
Printing	80	40	82	76	76
Rent	56	59	52	51	51
Repair Parts Expense	10,577	26,670	32,425	17,990	27,458
Seminars/Education	326	247	780	624	911
Services - Alarm	1,496	7,844	1,191	471	471
Services - Engineering	-	-	21,000	21,000	-
Services - Maintenance	13,309	38,023	8,575	6,700	17,400
Services - Medical	186	90	257	253	254
Services - Other	3	-	-	-	-
Services - Professional	780	1,200	-	-	-
Services - IT/GIS Support	3,369	3,337	3,351	3,354	3,458
Services - Temp	357	-	-	-	-
Services - Uniforms	375	489	561	420	563
Subscriptions	-	6	49	46	46
Subsistence - Meals	91	14	281	275	364
Subsistence - Travel/Rm & Bd	354	41	639	611	612
Supplies - Chemicals	1,425	1,506	1,223	-	-
Supplies - Chem - Odor	45,263	33,753	30,456	55,654	34,949
Supplies - IT Equipment	-	452	918	918	918
Supplies - Janitorial	-	-	(21)	-	-
Supplies - Office	1,281	585	571	573	573
Supplies - Safety	278	571	907	910	910
Supplies - Shop & Field	1,195	12	1,781	1,785	1,786
Training	577	587	637	635	635
Training - Safety	138	138	408	406	406
Utilities - Gas & Electric	67,504	56,706	57,290	59,322	57,703
Utilities - Internet	460	1,008	1,069	993	1,069
Utilities - Telephone	1,911	2,268	2,076	1,508	1,643
Utilities - Trash	229	235	239	229	239
Utilities - Water	2,804	3,044	3,301	3,300	3,300
Vehicle Maintenance	946	1,461	1,064	1,064	1,117
	\$ 173,122	\$ 213,789	\$ 192,079	\$ 200,205	\$ 179,308
Contingency	\$ -	\$ -	\$ -	\$ 17,500.00	\$ 17,500
Total Operating Expense	\$ 358,477	\$ 427,413	\$ 418,822	\$ 443,583	\$ 441,831



ENCINITAS SANITARY DIVISION PUMP STATION

PROGRAM DESCRIPTION

Under this program, SEJPA provides pump station operation and maintenance services to the Encinitas Sanitary Division (ESD), for the Moonlight Beach Pump Station, located in the City of Encinitas. The costs incurred are borne solely by the ESD.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

It is anticipated that the ESD Pump Station operating expenses will end the year on budget, with increases in Personnel costs of \$6,793 and Supplies and Services of \$1,046 offset by available contingency funding.

FY 2026-27 ADOPTED BUDGET

For FY 2026-27, the adopted budget is \$211,476, solely made up of operating costs and no capital appropriations. Following the completion of the Moonlight Beach Pump Station Rehabilitation project in FY 2024-25 and some minor capital improvements in FY 2025-26. No additional capital appropriations are budgeted for the coming year. The ESD Pump Station operating budget is \$7,839 or 3.8% over the FY 2025-26 budget. Personnel expenses will increase by \$6,793 or 6.2% due to labor-related cost inflation and current work demands. Supplies and Services will increase by \$1,046 or 1.2%, with increases to maintenance and permit costs following the completion of the capital upgrade, offset by the removal of nonrecurring costs in FY 2025-26 for Arc Flash engineering study costs for the pump station. Contingency funding has been set at \$10,000, consistent with last year's funding level

Encinitas Sanitary Division Pump Station Expense Summary

	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Operating Expense					
Personnel	\$ 90,781	\$ 115,278	\$ 109,024	\$ 109,299	\$ 116,092
Supplies and Services	120,254	81,302	94,191	84,338	85,384
Contingency	-	-	-	10,000	10,000
Total Operating Expense	\$ 211,036	\$ 196,579	\$ 203,215	\$ 203,637	\$ 211,476
Capital Appropriations	600,000	204,000	45,000	45,000	-
Total Operating and Capital Appropriations	\$ 811,036	\$ 400,579	\$ 248,215	\$ 248,637	\$ 211,476

Encinitas Sanitary Division Pump Station Operating Expense Detail

	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Operating Expense					
Personnel					
Direct Salaries and Wages	\$ 63,861	\$ 81,852	\$ 73,670	\$ 74,784	\$ 78,479
Medicare Tax	931	1,170	1,084	1,081	1,132
State Unemployment Tax	88	107	70	73	72
Standby Pay	610	675	818	819	940
Overtime Pay	999	1,276	996	998	1,146
Dental/Vision	671	794	902	806	909
Employee Assistance Program	17	43	35	34	35
Life Insurance/Disability	479	615	779	655	736
Workers Comp. Insurance	983	1,032	1,425	921	1,317
Medical Insurance - Pers	8,275	10,918	10,463	11,627	12,548
Retirement Plan - CalPERS & PARS Trust	11,291	13,514	15,406	14,257	15,256
Deferred Comp-employer	2,169	2,836	2,819	2,817	3,005
Uniforms - Boots	78	81	139	138	136
Payroll Processing Fees	295	309	362	234	329
Other Personnel Costs	34	56	55	55	52
	<u>\$ 90,781</u>	<u>\$ 115,278</u>	<u>\$ 109,024</u>	<u>\$ 109,299</u>	<u>\$ 116,092</u>
Supplies and Services					
Advertising	\$ 11	\$ 125	\$ 2	\$ 88	\$ 88
Dues & Memberships	59	13	38	-	-
Equipment Rental/Lease	-	-	(42)	-	-
Fees - Permits	1,727	3,237	3,237	1,400	3,237
Fuel	1,639	1,582	1,418	1,463	1,489
Insurance - Liability	799	856	1,046	1,048	1,121
Insurance - Auto	50	50	48	71	71
Insurance - Property	2,225	2,423	2,536	2,537	2,919
Licenses	1,733	1,282	2,451	2,452	2,575
Postage/Shipping	-	528	748	93	115
Preemployment Screening	36	7	26	27	26
Printing	38	18	33	35	35
Rent	26	27	25	23	23
Repair Parts Expense	42,990	8,084	4,003	4,000	4,120
Seminars/Education	151	114	360	287	420
Training	266	271	294	293	293
Training - Safety	64	63	189	187	187
Minor Equip - Shop & Field	432	-	203	203	203
Services - Contractors	10,528	-	-	-	-
Services - Engineering	-	-	7,000	7,000	-
Services - Maintenance	2,661	7,751	13,761	4,900	10,000
Services - Uniforms	171	225	254	194	260
Services - Alarm	400	560	350	218	218
Services - Medical	89	42	120	117	117
Services - Professional	360	-	-	-	-
Services - Temp	165	-	-	-	-
Services - Other	1	-	-	-	-
Services - IT/GIS Support	1,555	1,540	1,550	1,548	1,596
Subscriptions	-	3	21	21	21
Subsistence - Meals	42	6	125	127	168
Subsistence - Travel/Rm & Bd	163	174	296	282	282
Supplies - Chem	68	-	-	-	-
Supplies - Chem - Odor	22	-	49	51	-
Supplies - IT Equipment	-	208	426	424	424
Supplies - Janitorial	-	-	(7)	-	-
Supplies - Office	382	270	265	264	264
Supplies - Shop & Field	84	84	826	824	824
Supplies - Safety	372	89	421	420	420
Utilities - Gas & Electric	49,513	49,708	50,100	51,990	51,990
Utilities - Internet	212	465	492	458	493
Utilities - Telephone	856	1,021	926	696	758
Utilities - Trash	106	109	109	106	111
Vehicle Maintenance	258	365	493	491	516
	<u>\$ 120,254</u>	<u>\$ 81,302</u>	<u>\$ 94,191</u>	<u>\$ 84,338</u>	<u>\$ 85,384</u>
Contingency	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000
Total Operating Expense	<u>\$ 211,036</u>	<u>\$ 196,579</u>	<u>\$ 203,215</u>	<u>\$ 203,637</u>	<u>\$ 211,476</u>



CITY OF ENCINITAS URBAN AND STORMWATER SERVICES

PROGRAM DESCRIPTION

Under this program, SEJPA provides stormwater operation and maintenance services to the City of Encinitas. These services include operating the Urban Runoff Treatment Facility, the Phoebe Stormwater Pump Station, and the Storm Drain Sediment Drying and Disposal Program. The Phoebe Stormwater Pump Station and Urban Runoff Treatment Facility provide services to the City of Encinitas Clean Water Program for the protection of local creek, beach, and lagoon water quality. Under the Storm Drain Sediment Drying and Disposal Program, Member Agencies deliver sediment to the San Elijo Water Campus, where the sediment is dewatered, dried, and disposed at a local landfill. This program is designed to comply with current stormwater best management practices and is intended to reduce the overall disposal cost associated with wet sediment. The costs incurred are borne solely by the City of Encinitas.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

The City of Encinitas facilities, which include the Phoebe Stormwater Pump Station, the Urban Runoff Treatment Facility, and the Storm Drain Sediment Drying and Disposal program, are anticipated to end the year \$2,071 or 3.1% below budget, with the budget savings comprised of unspent Contingency Funds.

FY 2026-27 ADOPTED BUDGET

The operating budget for these programs is \$71,544, which is \$5,078 or 7.6% above the prior fiscal year budget with \$2,010 Contingency funding designated for these programs, which is consistent with last year's funding level.

City of Encinitas Urban and Stormwater Services Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 36,628	\$ 40,646	\$ 42,026	\$ 41,907	\$ 45,387
Supplies and Services	22,904	19,531	22,369	22,549	24,147
Contingency	-	-	-	2,010	2,010
Total Operating Expense	<u>\$ 59,531</u>	<u>\$ 60,178</u>	<u>\$ 64,395</u>	<u>\$ 66,466</u>	<u>\$ 71,544</u>
Storm Drain Pump Stations	\$ 14,385	\$ 11,964	\$ 13,378	\$ 13,566	\$ 14,617
Urban Runoff Station	25,743	28,627	29,595	28,469	31,989
Storm Drain Sediment Drying	19,403	19,587	21,421	24,431	24,938
Total Operating Expense	<u>\$ 59,531</u>	<u>\$ 60,178</u>	<u>\$ 64,395</u>	<u>\$ 66,466</u>	<u>\$ 71,544</u>

City of Encinitas Urban and Stormwater Services Operating Expense Detail

	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Operating Expense					
Personnel					
Direct Salaries and Wages	\$ 26,426	\$ 28,242	\$ 28,335	\$ 28,819	\$ 30,934
Medicare Tax	382	399	417	412	439
State Unemployment Tax	33	39	31	28	28
Standby Pay	212	235	259	262	300
Overtime Pay	210	260	336	340	384
Dental/Vision	255	305	348	307	352
Employee Assistance Program	7	17	14	14	14
Life Insurance/Disability	184	236	293	251	285
Workers Comp. Insurance	382	397	545	352	510
Medical Insurance - Pers	3,179	4,195	4,256	4,440	4,862
Retirement Plan - CalPERS & PARS Trust	4,298	5,192	5,917	5,443	5,912
Deferred Comp-employer	901	959	1,075	1,075	1,165
Uniforms - Boots	30	31	48	53	53
Payroll Processing Fees	113	119	135	90	128
Other Personnel Costs	13	21	19	21	21
	<u>\$ 36,628</u>	<u>\$ 40,646</u>	<u>\$ 42,026</u>	<u>\$ 41,907</u>	<u>\$ 45,387</u>
Supplies and Services					
Advertising	\$ 4	\$ 10	\$ 1	\$ 31	\$ 31
Dues & Memberships	23	5	14	-	-
Equipment Rental/Lease	-	-	(14)	-	-
Fuel	635	496	545	568	572
Insurance - Liability	311	333	406	407	436
Insurance - Auto	19	19	19	28	28
Insurance - Property	865	942	993	987	1,135
Licenses	1,307	497	954	953	1,001
Minor Equip - Shop & Field	498	-	1,502	497	497
Postage/Shipping	-	-	12	36	45
Preemployment Screening	14	3	7	10	10
Printing	15	7	12	14	14
Rent	10	11	4	8	8
Repair Parts Expense	3,595	2,201	553	553	1,753
Seminars/Education	58	44	143	112	163
Services - Grit & Screenings	-	-	-	-	-
Services - Maintenance	17	5	305	300	300
Services - Medical	34	16	51	45	46
Services - Temp	64	-	-	-	-
Services - Other	1	-	-	-	-
Services - Professional	140	-	-	-	-
Services - Uniforms	65	87	98	76	101
Services - Sediment Disposal	13,426	13,150	14,033	15,450	15,450
Services - Alarm	-	-	84	84	84
Subscriptions	-	1	7	8	8
Subsistence - Meals	16	2	54	49	65
Subsistence - Travel/Rm & Bd	64	7	117	110	110
Supplies - IT Equipment	-	81	164	165	165
Supplies - Office	148	105	107	103	103
Supplies - Safety	50	34	161	163	163
Supplies - Shop & Field	-	-	322	321	321
Training	103	105	112	114	114
Training - Safety	24	25	75	73	73
Services - IT/GIS Support	605	599	603	602	621
Utilities - Internet	82	181	192	178	192
Utilities - Telephone	453	518	500	271	294
Utilities - Trash	41	42	46	42	43
Vehicle Maintenance	215	6	188	191	201
	<u>\$ 22,904</u>	<u>\$ 19,531</u>	<u>\$ 22,369</u>	<u>\$ 22,549</u>	<u>\$ 24,147</u>
Contingency	\$ -	\$ -	\$ -	\$ 2,010	\$ 2,010
Total Operating Expense	<u>\$ 59,531</u>	<u>\$ 60,178</u>	<u>\$ 64,395</u>	<u>\$ 66,466</u>	<u>\$ 71,544</u>



CITY OF SOLANA BEACH PUMP STATIONS

PROGRAM DESCRIPTION

Under this program, SEJPA provides pump station operation and maintenance services to the City of Solana Beach. These facilities include the Eden Gardens, Solana Beach, San Elijo Hills, and Fletcher Cove Pump Stations, Low Flow Diverters located at Fletcher Cove and Seascape Sur, as well as the Storm Drain Sediment Drying and Disposal Program. Under the Storm Drain Sediment Drying and Disposal program, Member Agencies deliver sediment to the San Elijo Water Campus, where the sediment is dewatered, dried, and disposed at a local landfill. This program is designed to comply with current stormwater best management practices and is intended to reduce the overall disposal cost associated with wet sediment. The costs incurred are paid by the City of Solana Beach.

FY 2025-26 ESTIMATED ACTUAL EXPENDITURES

The Solana Beach Pump Stations are expected to be below budget this year by \$8,447 or 1.5%. Personnel expenses are anticipated to be on budget with Supplies and Services costs forecasted to end the year over budget by \$10,877 or 4.4%, which is more than offset by available Contingency funds.

FY 2026-27 ADOPTED BUDGET

Overall, the Solana Beach Pump Stations operating budget is \$576,564, an increase of \$17,725 or 3.2% over the prior year. Personnel costs are projected to rise by \$16,564 or 5.6%, reflecting ongoing operations and maintenance as well as the implementation of a planned rebuild of one of the large pumps at Eden Gardens Pump Station. Supplies and Services show only a minor increase, as inspection-related costs and other increases are largely offset by the absence of one-time engineering services for Arc Flash studies included in the prior year budget. Contingency funding totals \$20,000, consistent with last year's funding level

City of Solana Beach Pump Stations Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 247,502	\$ 286,384	\$ 296,356	\$ 295,680	\$ 312,244
Supplies and Services	265,689	231,625	254,036	243,159	244,320
Contingency	-	-	-	20,000	20,000
Total Operating Expense	<u>\$ 513,191</u>	<u>\$ 518,010</u>	<u>\$ 550,392</u>	<u>\$ 558,839</u>	<u>\$ 576,564</u>
Capital Appropriations	-	26,000	-	-	50,000
Total Operating and Capital Appropriations	<u>\$ 513,191</u>	<u>\$ 544,010</u>	<u>\$ 550,392</u>	<u>\$ 558,839</u>	<u>\$ 626,564</u>
Eden Gardens Pump Station	\$ 175,108	\$ 168,266	\$ 178,637	\$ 183,056	\$ 189,546
Solana Beach Pump Station	205,645	219,174	226,656	233,007	244,018
San Elijo Hills Pump Station	84,858	77,128	90,477	92,900	90,329
Fletcher Cove Pump Station	23,976	30,002	31,725	26,925	28,713
Storm Drain Sediment Drying	15,261	14,612	13,168	13,336	13,685
Seascape Sur Low Flow Diverter	3,825	4,326	4,885	4,907	5,254
Fletcher Cove Low Flow Diverter	4,518	4,502	4,845	4,708	5,020
Total Operating Expense	<u>\$ 513,191</u>	<u>\$ 518,010</u>	<u>\$ 550,392</u>	<u>\$ 558,839</u>	<u>\$ 576,564</u>

City of Solana Beach Pump Stations Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 173,760	\$ 195,502	\$ 198,610	\$ 202,481	\$ 211,141
Medicare Tax	2,519	2,791	2,910	2,916	3,041
State Unemployment Tax	238	279	190	199	195
Standby Pay	1,827	2,021	2,262	2,261	2,596
Overtime Pay	1,721	3,439	2,719	2,712	3,079
Dental/Vision	1,864	2,197	2,476	2,174	2,444
Employee Assistance Program	51	119	91	92	92
Life Insurance/Disability	1,326	1,703	2,107	1,768	1,978
Workers Comp. Insurance	2,895	2,857	3,913	2,487	3,537
Medical Insurance - Pers	22,909	30,227	30,146	31,369	33,703
Retirement Plan - CalPERS & PARS Trust	31,381	37,411	41,840	38,466	40,978
Deferred Comp-employer	5,873	6,602	7,601	7,601	8,071
Uniforms - Boots	219	227	364	373	366
Payroll Processing Fees	819	855	983	633	883
Other Personnel Costs	101	156	142	148	140
	<u>\$ 247,502</u>	<u>\$ 286,384</u>	<u>\$ 296,356</u>	<u>\$ 295,680</u>	<u>\$ 312,244</u>

Expense detail continued on next page.

City of Solana Beach Pump Stations Operating Expense Detail (Continued)

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Supplies and Services					
Advertising	\$ 33	\$ 73	\$ 6	\$ 276	\$ 276
Dues & Memberships	175	37	114	-	-
Equipment Rental/Lease	-	-	(112)	-	-
Fees - Permits	4,034	7,056	5,315	4,200	5,315
Fuel	5,674	4,068	4,162	4,513	4,370
Insurance - Liability	2,353	2,521	3,081	3,085	3,300
Insurance - Auto	146	147	140	210	210
Insurance - Property	6,552	7,133	7,487	7,472	8,595
Licenses	5,160	3,773	7,230	7,220	7,582
Minor Equip - Shop & Field	-	-	203	203	203
Postage/Shipping	-	42	77	274	339
Preemployment Screening	100	20	76	77	76
Printing	107	54	99	103	103
Rent	76	80	60	71	71
Repair Parts Expense	32,138	25,113	19,083	20,888	21,759
Seminars/Education	443	335	1,064	846	1,236
Services - Sediment Disposal	11,307	10,342	8,229	8,240	8,240
Services - Alarm	1,360	1,931	1,141	641	641
Services - Grit & Screenings	265	-	3,150	3,150	3,150
Services - Maintenance	34,658	13,933	12,894	9,700	17,000
Services - Medical	246	120	351	342	347
Services - Other	4	-	-	-	-
Services - Professional	1,060	-	-	-	-
Services - Uniforms	512	664	749	571	765
Services - IT/GIS Support	4,578	4,535	4,561	4,558	4,700
Services - Temp	485	-	-	-	-
Services - Engineering	-	-	21,000	21,000	-
Subscriptions	0	8	63	62	62
Subsistence - Meals	124	19	376	373	494
Subsistence - Travel/Rm & Bd	481	97	872	832	832
Supplies - Chem - Odor (bioxide)	58,412	46,787	41,788	41,792	41,793
Supplies - IT Equipment	-	614	1,253	1,249	1,249
Supplies - Janitorial	-	-	(21)	-	-
Supplies - Office	1,126	795	784	780	780
Supplies - Safety	772	527	1,240	1,236	1,236
Supplies - Shop & Field	1,979	-	2,434	2,426	2,427
Training	784	798	854	861	861
Training - Safety	187	187	545	550	550
Utilities - Gas & Electric	84,479	92,296	95,552	88,002	98,030
Utilities - Internet	624	1,370	1,445	1,348	1,451
Utilities - Telephone	2,552	2,997	2,725	2,050	2,231
Utilities - Trash	311	320	338	313	326
Utilities - Water	1,665	1,817	2,198	2,200	2,200
Utilities - Solar Power	(40)	-	-	-	-
Vehicle Maintenance	766	1,016	1,433	1,445	1,520
	<u>\$ 265,689</u>	<u>\$ 231,625</u>	<u>\$ 254,036</u>	<u>\$ 243,159</u>	<u>\$ 244,320</u>
Contingency	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000
Total Operating Expense	<u>\$ 513,191</u>	<u>\$ 518,010</u>	<u>\$ 550,392</u>	<u>\$ 558,839</u>	<u>\$ 576,564</u>



CITY OF SOLANA BEACH GENERATOR MAINTENANCE SERVICES

PROGRAM DESCRIPTION

Under this program, SEJPA provides generator maintenance services to the City of Solana Beach. The generators are located at the Solana Beach City Hall and the Lomas Santa Fe Fire Station. The costs incurred are borne solely by the City of Solana Beach.

FY 2025-26 ESTIMATED ACTUAL EXPENDITURES

The Solana Beach Generator Maintenance Services are expected to be on budget, following the application of contingency of \$820, which is consistent with last year’s funding level.

FY 2025-26 ADOPTED BUDGET

The adopted budget is \$1,016 or 5.8% higher than the prior year with contingency available to cover minor unanticipated repairs as these generators age.

City of Solana Beach Generator Maintenance Services Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 8,013	\$ 9,468	\$ 8,801	\$ 8,631	\$ 9,335
Supplies and Services	3,215	8,499	8,499	8,032	8,344
Contingency	-	-	-	820	820
Total Operating Expense	<u>\$ 11,229</u>	<u>\$ 17,967</u>	<u>\$ 17,300</u>	<u>\$ 17,483</u>	<u>\$ 18,499</u>
SB City Hall Generator	\$ 6,443	\$ 6,326	\$ 8,100	\$ 8,711	\$ 9,221
SB Lomas SF Fire Generator	4,786	11,640	9,200	8,772	9,278
Total Operating Expense	<u>\$ 11,229</u>	<u>\$ 17,967</u>	<u>\$ 17,300</u>	<u>\$ 17,483</u>	<u>\$ 18,499</u>

City of Solana Beach Generator Maintenance Services Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 5,742	6,715	5,964	5,924	\$ 6,347
Medicare Tax	83	95	85	85	90
State Unemployment Tax	7	8	1	6	6
Standby Pay	48	53	60	60	68
Overtime Pay	46	57	79	74	84
Dental/Vision	57	67	72	64	72
Employee Assistance Program	2	4	-	2	2
Life Insurance/Disability	41	52	61	52	59
Workers Comp. Insurance	109	87	116	72	105
Medical Insurance - Pers	697	919	886	916	1,002
Retirement Plan - CalPERS & PARS Trust	952	1,138	1,219	1,123	1,219
Deferred Comp-employer	195	235	225	221	241
Uniforms - Boots	7	7	4	10	10
Payroll Processing Fees	25	26	28	18	26
Other Personnel Costs	4	5	1	4	4
	<u>\$ 8,013</u>	<u>\$ 9,468</u>	<u>\$ 8,801</u>	<u>\$ 8,631</u>	<u>\$ 9,335</u>
Supplies and Services					
Advertising	\$ 1	\$ 3	\$ 0	\$ 8	\$ 8
Alarm	-	-	28	24	24
Dues & Memberships	7	1	2	-	-
Fuel	416	142	149	156	156
Insurance - Liability	89	95	114	116	124
Insurance - Auto	6	6	5	8	8
Insurance - Property	247	269	288	282	324
Licenses	76	142	276	272	286
Postage/Shipping	-	-	1	10	12
Preemployment Screening	3	1	2	2	2
Printing	4	2	1	4	4
Rent	3	3	1	2	2
Repair Parts Expense	5	13	2,645	3,000	3,000
Seminars/Education	17	13	45	32	46
Training	30	30	28	32	32
Training - Safety	7	7	16	20	20
Services - Maintenance	1,890	6,444	4,243	3,400	3,600
Services - Uniforms	18	25	26	22	28
Services - Medical	7	4	16	12	14
Services - Professional	40	-	-	-	-
Services - Other	0	-	-	-	-
Services - Professional IT Support	173	171	170	172	178
Services - Temp	18	-	-	-	-
Subscriptions	-	0	-	2	2
Subsistence - Meals	5	1	16	14	18
Subsistence - Travel/Rm & Bd	18	2	33	32	32
Supplies - IT Equipment	-	23	49	48	48
Supplies - Office	42	30	37	30	30
Supplies - Shop & Field	-	-	98	92	92
Supplies - Safety	14	947	46	46	46
Utilities - Internet	24	52	51	50	54
Utilities - Telephone	47	60	47	78	84
Utilities - Trash	12	12	19	12	12
Utilities - Solar Power	(4)	-	-	-	-
Vehicle Maintenance	1	2	48	54	58
	<u>\$ 3,215</u>	<u>\$ 8,499</u>	<u>\$ 8,499</u>	<u>\$ 8,032</u>	<u>\$ 8,344</u>
Contingency	\$ -	\$ -	\$ -	\$ 820	\$ 820
Total Operating Expense	<u>\$ 11,228</u>	<u>\$ 17,967</u>	<u>\$ 17,300</u>	<u>\$ 17,483</u>	<u>\$ 18,499</u>



CITY OF DEL MAR PUMP STATION

PROGRAM DESCRIPTION

Under this program, SEJPA provides pump station operation and maintenance services that include daily pump station review, after-hours alarm monitoring and emergency response, equipment preventative maintenance, quarterly generator service, PLC programming, instrumentation calibration, wet well cleaning, and disposal of wastewater collection sediment for the City of Del Mar. Additional pump station services requested by the City of Del Mar are also captured through this program with cost reimbursement as provided for in the services agreement. Costs incurred through this program are borne solely by the City of Del Mar.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

The program is forecast to be on budget following the application of \$2,100 of Contingency funds to overages in Supplies and Services.

FY 2026-27 ADOPTED BUDGET

The adopted FY 2026–27 budget is \$108,922, an increase of \$4,142 or 4.0%. This reflects a \$5,997 or 10.7% increase in personnel costs and a \$1,855 or 4.0% decrease in Supplies and Services. The prior year budget included engineering costs for Arc Flash studies and capital HVAC work at the pump station, which are non-recurring. This year’s budget includes pump seal replacements and associated SEJPA personnel costs to complete this project, contributing to the increase in personnel. No capital appropriations are requested for Del Mar’s pump station, so the increase in operating costs is largely offset by the reduction in capital needs.

City of Del Mar Pump Station Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 46,635	\$ 58,125	\$ 56,441	\$ 55,808	\$ 61,805
Supplies and Services	18,040	19,703	48,045	46,872	45,017
Contingency	-	-	-	2,100	2,100
Total Operating Expense	<u>\$ 64,675</u>	<u>\$ 77,829</u>	<u>\$ 104,486</u>	<u>\$ 104,780</u>	<u>\$ 108,922</u>
Capital Appropriations	-	25,000	-	-	-
Total Operating and Capital Appropriations	<u>\$ 64,675</u>	<u>\$ 102,829</u>	<u>\$ 104,486</u>	<u>\$ 104,780</u>	<u>\$ 108,922</u>

City of Del Mar Pump Station Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 32,442	\$ 41,174	\$ 37,985	\$ 38,193	\$ 41,859
Medicare Tax	471	584	549	551	601
State Unemployment Tax	44	52	39	37	38
Standby Pay	331	367	440	438	503
Overtime Pay	559	386	521	518	588
Dental/Vision	348	409	468	411	483
Employee Assistance Program	14	22	14	17	18
Life Insurance/Disability	247	317	397	334	391
Workers Comp. Insurance	765	532	787	469	699
Medical Insurance - Pers	4,268	5,632	5,662	5,924	6,659
Retirement Plan - CalPERS & PARS Trust	5,848	6,970	7,864	7,264	8,096
Deferred Comp-employer	1,075	1,442	1,436	1,435	1,595
Uniforms - Boots	43	48	67	70	72
Payroll Processing Fees	153	160	183	119	175
Other Personnel Costs	28	30	28	28	28
	<u>\$ 46,635</u>	<u>\$ 58,125</u>	<u>\$ 56,441</u>	<u>\$ 55,808</u>	<u>\$ 61,805</u>
Supplies and Services					
Advertising	\$ 9	\$ 19	\$ 1	\$ 63	\$ 63
Equipment Rental/Lease	-	-	(35)	-	-
Dues & Memberships	46	10	34	-	-
Fees - Permits	3	-	-	-	-
Fuel	1,820	1,450	1,104	2,094	1,159
Insurance - Liability	622	666	818	815	872
Insurance - Auto	39	39	37	55	55
Insurance - Property	1,731	1,884	1,976	1,974	2,270
Licenses	1,571	992	1,906	1,907	2,003
Postage/Shipping	-	-	23	73	90
Preemployment Screening	19	5	21	21	21
Printing	23	14	30	27	27
Rent	20	21	16	16	16
Repair Parts Expense	3,429	2,782	5,027	2,997	3,087
Seminars/Education	117	89	277	224	327
Services - Engineering	-	-	7,000	7,000	-
Services - Sediment Disposal	450	-	518	515	515
Services - Alarm	-	-	168	169	169
Services - Grit & Screenings	690	-	3,899	3,900	3,900
Services - Maintenance	3,325	3,834	19,798	19,800	25,000
Services - IT/GIS Support	1,209	1,198	1,204	1,204	1,241
Services - Medical	46	27	94	91	91
Services - Professional	280	-	-	-	-
Services - Temp	128	-	-	-	-
Services - Other	1	-	-	-	-
Services - Uniforms	131	174	202	151	202
Subscriptions	-	2	14	16	16
Subsistence - Meals	33	5	101	99	131
Subsistence - Travel/Rm & Bd	127	15	230	219	220
Supplies - Chem	-	700	-	-	-
Supplies - IT Equipment	-	162	328	330	330
Supplies - Janitorial	-	-	(7)	-	-
Supplies - Office	297	210	206	206	206
Supplies - Safety	99	69	329	327	327
Supplies - Shop & Field	431	828	644	641	641
Training	207	482	231	228	228
Training - Safety	49	406	144	146	146
Minor Equip - Shop & Field	-	-	203	203	203
Utilities - Internet	165	362	384	356	384
Utilities - Telephone	632	1,059	649	541	590
Utilities - Trash	82	84	85	82	86
Utilities - Solar Power	(31)	-	-	-	-
Vehicle Maintenance	240	2,115	383	382	401
	<u>\$ 18,040</u>	<u>\$ 19,703</u>	<u>\$ 48,045</u>	<u>\$ 46,872</u>	<u>\$ 45,017</u>
Contingency	\$ -	\$ -	\$ -	\$ 2,100	\$ 2,100
Total Operating Expense	<u>\$ 64,675</u>	<u>\$ 77,829</u>	<u>\$ 104,486</u>	<u>\$ 104,780</u>	<u>\$ 108,922</u>



22ND DISTRICT AGRICULTURAL ASSOCIATION (DEL MAR FAIRGROUNDS)

PROGRAM DESCRIPTION

This program was developed to support the Del Mar Fairgrounds with their infield stormwater and urban runoff treatment system. SEJPA staff conduct weekly treatment system and pump station reviews, after-hours alarm monitoring and emergency response, equipment preventative maintenance, PLC programming, instrumentation calibration, and rotating drum filter maintenance. Any additional services requested by the Fairgrounds Staff are captured in this program. Costs incurred through this program are borne solely by the Del Mar Fairgrounds.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

This program is expected to end the year under budget by \$10,100 or 5.3%, following the application of contingency funds. Personnel costs are anticipated to be slightly over budget, with Supplies and Services ending the year on budget. The higher personnel and supplies/services costs are driven by additional repair parts and labor costs. These additional services requested by the Del Mar Fairgrounds were offset by funding received from the Association.

FY 2026-27 ADOPTED BUDGET

The adopted FY 2025–26 budget is \$190,596, a decrease of \$1,424 or 0.7% from the prior year. This reflects a \$7,068 or 4.6% increase in personnel costs due to wage inflation and increased level of effort, along with a \$3,508 or 13.2% increase in Supplies and Services for repair parts and related costs. Contingency funds have been reallocated across operating categories, as any unforeseen needs will be addressed through the Additional Services agreement with the Fairgrounds and billed separately. SEJPA is also in discussions with the Del Mar Fairgrounds regarding a potential Arc Flash study, estimated at \$18,000, which is not included in this budget and would be handled through the Additional Services agreement if authorized.

Del Mar Fairgrounds Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 138,949	\$ 153,561	\$ 155,028	\$ 153,356	\$ 160,424
Supplies and Services	29,407	23,288	26,892	26,664	30,172
Contingency	-	-	-	12,000	-
Total Operating Expense	<u>\$ 168,356</u>	<u>\$ 176,849</u>	<u>\$ 181,920</u>	<u>\$ 192,020</u>	<u>\$ 190,596</u>

Del Mar Fairgrounds Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 103,898	\$ 107,934	\$ 104,601	\$ 104,080	\$ 107,797
Medicare Tax	1,392	1,532	1,549	1,547	1,589
State Unemployment Tax	117	139	103	105	101
Standby Pay	954	1,056	1,013	1,011	1,161
Overtime Pay	835	1,088	1,462	1,462	1,617
Dental/Vision	873	1,111	1,261	1,153	1,276
Employee Assistance Program	-	60	49	49	49
Life Insurance/Disability	670	861	1,093	938	1,033
Workers Comp. Insurance	-	1,445	1,902	1,319	1,848
Medical Insurance - Pers	11,585	15,286	15,538	16,642	17,606
Retirement Plan - CalPERS & PARS Trust	14,878	18,919	21,647	20,407	21,406
Deferred Comp-employer	3,258	3,551	4,030	4,032	4,216
Uniforms - Boots	96	79	195	198	191
Payroll Processing Fees	400	427	506	335	461
Other Personnel Costs	(8)	72	81	78	73
	<u>\$ 138,949</u>	<u>\$ 153,561</u>	<u>\$ 155,028</u>	<u>\$ 153,356</u>	<u>\$ 160,424</u>
Supplies and Services					
Fuel	\$ 2,608	\$ 2,045	\$ 2,269	\$ 2,344	\$ 2,723
Insurance - Liability	-	-	1,011	1,011	1,082
Insurance - Auto	-	-	46	69	69
Insurance - Property	-	-	2,448	2,448	2,816
Licenses	(4)	-	2,366	2,366	2,484
Postage/Shipping	-	-	25	90	111
Preemployment Screening	49	3	25	26	26
Printing	33	-	33	34	34
Seminars/Education	-	-	348	277	406
Services - Alarm	2	-	210	210	210
Services - Laboratory	2,320	5,408	4,197	4,200	4,410
Services - Maintenance	-	-	198	200	100
Services - Medical	124	32	112	113	113
Services - IT/GIS Support	6,404	4,284	1,493	1,493	1,540
Services - Professional	-	-	-	-	-
Services - Uniforms	-	6	-	187	251
Subscriptions	-	-	21	20	20
Subsistence - Meals	-	-	125	122	162
Subsistence - Travel/Rm & Bd	-	-	287	272	272
Supplies - Chemicals	366	-	-	-	-
Supplies - IT Equipment	-	-	410	409	409
Supplies - Office	1	-	255	255	255
Supplies - Safety	-	-	406	405	405
Supplies - Shop & Field	-	-	798	795	795
Repair Parts Expense	17,502	10,759	6,723	5,997	7,802
Training	-	-	280	282	282
Training - Safety	-	-	182	181	181
Minor Equip - Shop & Field	-	752	1,169	1,169	1,403
Utilities - Internet	-	-	478	442	476
Utilities - Telephone	-	-	394	671	731
Utilities - Trash	-	-	107	102	107
Vehicle Maintenance	-	-	477	474	497
	<u>\$ 29,407</u>	<u>\$ 23,288</u>	<u>\$ 26,892</u>	<u>\$ 26,664</u>	<u>\$ 30,172</u>
Contingency	\$ -	\$ -	\$ -	\$ 12,000	\$ -
Total Operating Expense	<u>\$ 168,356</u>	<u>\$ 176,849</u>	<u>\$ 181,920</u>	<u>\$ 192,020</u>	<u>\$ 190,596</u>



LEUCADIA WASTEWATER DISTRICT (LWD) TECHNICAL SUPPORT SERVICES

PROGRAM DESCRIPTION

This program supports the Leucadia Wastewater District (LWD) with technical support and operation services for the Forest R. Gafner Water Reclamation Facility (Gafner Facility). Costs incurred through this program are borne solely by LWD.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

This program is expected to be on budget for FY 2025-26 in accordance with SEJPA and LWD’s agreement.

FY 2026-27 ADOPTED BUDGET

The adopted budget for FY 2026-27 is \$33,335, where 88.5% of the operating expenses come from personnel and the remaining 11.5% is allocated for permits, software, and other miscellaneous expenses.

Leucadia WD Technical Support Services Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 30,000	\$ 26,925	\$ 25,768	\$ 25,728	\$ 29,509
Supplies and Services	600	675	3,556	3,596	3,826
Total Operating Expense	<u>\$ 30,600</u>	<u>\$ 27,600</u>	<u>\$ 29,324</u>	<u>\$ 29,324</u>	<u>\$ 33,335</u>

Leucadia WD Technical Support Services Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 27,675	\$ 19,670	\$ 17,251	\$ 17,326	\$ 19,777
Medicare Tax	322	307	241	242	257
State Unemployment Tax	15	15	16	16	16
Standby Pay	159	176	728	725	973
Overtime Pay	1,029	164	277	364	695
Dental/Vision	-	175	192	180	206
Employee Assistance Program	-	8	7	8	8
Life Insurance/Disability	-	132	168	147	167
Workers Comp. Insurance	-	239	331	206	299
Medical Insurance - Pers	-	2,239	2,148	2,600	2,848
Retirement Plan - CalPERS & PARS Trust	-	3,070	3,651	3,189	3,463
Deferred Comp-employer	800	628	632	630	682
Uniforms - Boots	-	32	29	31	31
Payroll Processing Fees	-	57	88	52	75
Other Personnel Costs	-	13	10	12	12
	<u>\$ 30,000</u>	<u>\$ 26,925</u>	<u>\$ 25,768</u>	<u>\$ 25,728</u>	<u>\$ 29,509</u>
Supplies and Services					
Dues & Memberships	\$ -	\$ -	\$ -	\$ -	\$ -
Fees - Permits	600	675	497	500	500
Insurance - Liability	-	-	237	238	255
Insurance - Auto	-	-	11	16	16
Insurance - Property	-	-	579	576	663
Licenses	-	-	557	557	584
Postage/Shipping	-	-	10	21	26
Preemployment Screening	-	-	4	6	6
Printing	-	-	10	8	8
Seminars/Education	-	-	83	65	95
Services - Alarm	-	-	49	49	49
Services - IT/GIS Support	-	-	350	351	362
Services - Maintenance	-	-	101	100	100
Services - Medical	-	-	26	27	27
Services - Uniforms	-	-	59	44	59
Subscriptions	-	-	-	2	2
Subsistence - Meals	-	-	31	29	38
Subsistence - Travel/Rm & Bd	-	-	67	64	64
Supplies - IT Equipment	-	-	98	96	96
Supplies - Office	-	-	59	60	60
Supplies - Safety	-	-	92	95	95
Supplies - Shop & Field	-	-	189	187	187
Training	-	-	63	66	66
Training - Safety	-	-	45	42	42
Utilities - Internet	-	-	110	104	112
Utilities - Telephone	-	-	94	158	172
Utilities - Trash	-	-	24	24	25
Vehicle Maintenance	-	-	110	111	117
Total Operating Expense	<u>\$ 30,600</u>	<u>\$ 27,600</u>	<u>\$ 29,324</u>	<u>\$ 29,324</u>	<u>\$ 33,335</u>



RECYCLED WATER

PROGRAM DESCRIPTION

SEJPA owns and operates a recycled water utility which wholesales recycled water to Santa Fe Irrigation District (SFID), San Dieguito Water District (SDWD), City of Del Mar, and Olivenhain Municipal Water District (OMWD), and includes direct sale agreements with Encinitas Ranch Golf Authority (ERGA) and the Del Mar Fairgrounds. SEJPA financed, permitted, and constructed the recycled water utility, which became operational in September 2000. Since the addition of the Advanced Water Purification (AWP) system in 2013, SEJPA's Recycled Water program has the capacity to deliver up to 3 million gallons per day. Local customers that use the recycled water for landscape irrigation include the Encinitas Ranch Golf Course, Lomas Santa Fe Executive and Country Club Golf Courses, Magdalena Ecke Family YMCA, Del Mar Fairgrounds, Village Park greenbelt, local schools, parks, businesses, and street/freeway landscape. Industrial use customers include Scripps Hospital, the Del Mar Fairgrounds, and the San Elijo Water Campus. FY 2026-27 begins the 26th year of operation for the Recycled Water program.

FY 2025-26 ESTIMATED ACTUAL EXPENSE

Recycled Water program's estimated operating expenditures are projected to be under budget by \$68,448 or 2.5%, including unused budgeted contingency funds of \$50,000. Personnel costs are forecast to be over budget by \$13,070 or 1.2% due to greater than expected level of effort related to unanticipated repairs to the recycled water system in FY 2025-26. Supplies and Services are trending under budget by \$31,518 or 2.0% despite a \$40,000 unbudgeted repair cost associated with a leak in an onsite recycled water pipeline. Program savings were realized through lower than planned professional and engineering costs.

FY 2026-27 ADOPTED BUDGET

For FY 2026-27, the adopted budget is \$5,109,593 including a \$2,806,295 operating budget, \$1,320,000 in capital appropriations, and \$983,298 in required debt service costs. The Recycled Water operating budget increased by \$82,235 or 3.0%. Personnel costs have increased by \$67,506 or 6.1% due to labor-related cost inflation and projected work demands. Supplies and Services are estimated to increase by \$14,729 or 0.9% primarily due to savings on professional services including lobbying costs, consultants, and chemical costs. These savings are anticipated to be partially offset by increases in utility costs, repair part expenses, and engineering services. Contingency funding has been set at \$50,000, consistent with last year's funding level.

Recycled Water Expense Summary

Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel	\$ 914,980	\$ 1,075,660	\$ 1,121,938	\$ 1,108,868	\$ 1,176,374
Supplies and Services	1,438,524	1,518,727	1,533,673	1,565,192	1,579,921
Contingency	-	-	-	50,000	50,000
Total Operating Expense	\$ 2,433,318	\$ 2,594,387	\$ 2,655,611	\$ 2,724,060	\$ 2,806,295
Debt Service					
2023 Recycled Water Loan	\$ 778,982	\$ 778,497	\$ 779,039	\$ 779,039	\$ 778,895
Advanced Water Purification	148,153	148,154	148,154	148,154	148,153
SFID Pipeline Loan	31,134	46,980	46,500	46,500	45,900
Solana Beach Pipeline Loan	58,000	8,010	10,350	10,350	10,350
Total Debt Service	\$ 1,016,269	\$ 981,641	\$ 984,043	\$ 984,043	\$ 983,298
Total Operating Expenses Including Debt Service	\$ 3,449,588	\$ 3,576,028	\$ 3,639,654	\$ 3,708,103	\$ 3,789,593
Capital Appropriations	2,375,000	1,728,000	1,456,000	1,456,000	1,320,000
Total Operating and Capital Appropriations	\$ 5,824,588	\$ 5,304,028	\$ 5,095,654	\$ 5,164,103	\$ 5,109,593



EVERY DROP COUNTS

To help keep our communities green, SEJPA provides recycled water to schools, parks, businesses, homeowners associations, and golf courses for irrigation. This conserves local water supplies and limits our dependencies on imported water.

Recycled Water Net Revenue

Net Revenue over (under) Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Operating Revenue	\$ 3,198,229	\$ 3,795,539	\$ 3,377,721	\$ 3,399,250	\$ 3,553,532
Interest on Water Reclamation	202,779	561,885	435,510	522,790	302,662
Operating Expense	(2,433,318)	(2,594,387)	(2,655,611)	(2,724,060)	(2,806,295)
Debt Service	(964,069)	(981,641)	(984,043)	(984,043)	(983,298)
Net Recycled Water Revenue	\$ 3,621	\$ 781,396	\$ 173,577	\$ 213,938	\$ 66,601

Recycled Water Operating Expense Detail

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Personnel					
Direct Salaries and Wages	\$ 631,091	\$ 731,215	\$ 749,931	\$ 756,764	\$ 793,249
Medicare Tax	9,250	10,435	11,003	11,002	11,533
State Unemployment Tax	889	1,048	742	745	734
Standby Pay	10,264	8,107	6,742	6,739	7,737
Overtime Pay	10,018	11,034	17,462	12,483	13,548
Dental/Vision	7,044	8,345	9,227	8,203	9,263
Employee Assistance Program	172	453	350	348	353
Life Insurance/Disability	5,036	6,421	7,942	6,670	7,500
Workers Comp. Insurance	9,723	10,854	14,400	9,380	13,414
Medical Insurance - Pers	87,018	114,816	113,182	118,366	127,796
Retirement Plan - CalPERS & PARS Trust	118,376	143,107	156,647	145,142	155,380
Deferred Comp-employer	21,743	25,164	28,684	28,680	30,601
Uniforms - Boots	819	831	1,407	1,408	1,388
Payroll Processing Fees	3,087	3,243	3,665	2,382	3,349
Other Personnel Costs	450	586	556	556	529
	\$ 914,980	\$ 1,075,660	\$ 1,121,938	\$ 1,108,868	\$ 1,176,374



BEAUTIFYING COMMUNITIES

SEJPA's recycled water brings landscapes to life throughout Encinitas, Solana Beach, and Del Mar. The Coastal Rail Trail, irrigated with recycled water, wanders through colorful displays of drought-tolerant plants.

Expense detail continued on next page.

Recycled Water Operating Expense Detail (Continued)

Operating Expense	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Supplies and Services					
Board Expense	\$ 75	\$ 468	\$ 2,202	\$ 2,200	\$ 2,200
Advertising	1,056	349	47	727	727
Bank Service Charges	125	1,408	-	-	-
Dues & Memberships	13,265	9,641	11,333	11,330	11,673
Equipment Rental/Lease	1,384	1,435	3,601	3,600	3,600
Fees - Permits	30,790	34,423	34,648	34,650	34,650
Fuel	4,474	4,761	8,447	4,559	8,869
Insurance - Liability	7,902	8,467	10,362	10,364	11,089
Insurance - Auto	490	494	471	704	704
Insurance - Property	22,004	23,956	25,094	25,093	28,864
Licenses	24,302	27,144	24,249	24,249	25,463
Minor Equip - Shop & Field	3,496	2,231	4,858	1,366	1,366
Postage/Shipping	624	527	444	922	1,142
Preemployment Screening	378	70	261	262	262
Printing	388	181	344	347	347
Rent	93,224	134,279	115,873	115,875	119,250
Repair Parts Expense	83,119	98,686	119,330	79,204	98,686
Seminars/Education	1,841	1,140	4,800	2,842	4,158
Services - Accounting	22,981	9,855	16,099	16,097	23,209
Services - Landscape	27,218	30,270	24,003	24,002	24,003
Services - Alarm	2,195	2,130	2,270	2,153	2,152
Services - Engineering	47,630	24,437	47,503	92,500	111,000
Services - Janitorial	16,664	15,364	15,838	15,840	16,315
Services - Fire Control	-	-	1,001	1,000	1,000
Services - Laboratory	6,006	7,527	7,501	7,500	7,725
Services - Legal	24,213	18,948	23,694	23,691	23,691
Services - Lobbying	14,625	26,000	-	24,000	-
Services - Maintenance	59,592	47,684	57,403	57,400	64,200
Services - Medical	933	432	1,153	1,155	1,158
Services - Other	25,037	24	301	300	300
Services - Professional	64,839	54,385	92,600	93,000	76,220
Services - IT/GIS Support	15,375	15,231	15,309	15,308	15,782
Services - Contractors	27,090	62,693	39,199	24,200	24,200
Services - Temp	43,633	32,694	23,288	21,952	32,170
Services - Uniforms	1,629	2,226	2,544	1,914	2,572
Subscriptions	58	114	210	209	209
Subsistence - Meals	1,664	2,626	2,244	1,253	1,662
Subsistence - Travel/Rm & Bd	2,535	1,217	3,036	2,791	2,791
Supplies - Chem - Odor	9,402	-	-	-	-
Supplies - Chem - Polymer	2,052	4,035	5,166	5,168	4,104
Supplies - Chem - Sodium Hypo	140,194	177,000	186,754	187,388	155,267
Supplies - Chemicals	93,822	73,668	68,100	68,699	59,372
Supplies - IT Equipment	-	2,061	4,188	4,191	4,191
Supplies - Janitorial	1,317	1,064	1,144	1,500	1,500
Supplies - Lab	12,526	11,539	13,394	13,391	13,394
Supplies - Office	4,466	4,178	6,238	2,614	2,614
Supplies - Safety	2,291	1,390	4,156	4,154	4,154
Supplies - Shop & Field	4,996	872	8,144	8,145	8,148
Training	2,633	2,679	2,891	2,893	2,893
Training - Safety	1,109	628	1,854	1,851	1,851
Utilities - Gas & Electric	370,068	421,553	398,073	428,480	445,619
Utilities - Internet	2,097	4,602	4,882	4,532	4,876
Utilities - Telephone	5,262	6,893	6,335	6,882	7,496
Utilities - Water	11,252	30,436	12,480	12,480	12,480
Utilities - Water (Suppl.)	29,442	19,186	22,361	22,360	22,360
Utilities - Trash	1,044	1,747	1,091	1,047	1,094
Utilities - Solar Power	35,668	49,423	40,003	40,000	40,000
Vehicle Maintenance	1,070	2,256	4,861	4,857	5,099
	<u>\$ 1,438,524</u>	<u>\$ 1,518,727</u>	<u>\$ 1,533,673</u>	<u>\$ 1,565,192</u>	<u>\$ 1,579,921</u>
Capital Outlay	\$ 79,814	\$ -	\$ -	\$ -	\$ -
Contingency	-	-	-	50,000	50,000
Total Operating Expense	<u>\$ 2,433,318</u>	<u>\$ 2,594,387</u>	<u>\$ 2,655,611</u>	<u>\$ 2,724,060</u>	<u>\$ 2,806,295</u>

Environmental Stewardship

Strong Permit Compliance

Community Investments

Safety and Reliability

Sustainable Resource Management

CAPITAL PROGRAMS

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

SEJPA is responsible for maintaining permit compliance with regulatory agencies and legal agreements with customers to provide wastewater, recycled water, and clean water services. SEJPA's Capital Improvement Program (CIP) prioritizes environmental protection, fiscal responsibility, and community benefits including the safety of our staff and the public when developing and prioritizing agency infrastructure needs. We strive to replace aging assets prior to failure or significant declines in service performance and invest in energy efficiency and sustainable practices. Proactive asset management and capital improvement planning guide our capital program implementation.

SEJPA is nearing completion on the 2023-25 Capital Plan consisting of five prioritized projects represented in the table below. Four of the projects (indicated with asterisks) have been completed. The Wanket Tank Refurbishment Project experienced unexpected tank leaks, delaying completion and requiring approximately \$1 million in additional funding, as approved by SEJPA's Board for FY 2025–26. The project is now expected to be completed by June 2026. These projects, including the additional \$1 million for the Wanket Tank leak repairs, are fully funded from prior year appropriations, and as a result, no new funds are being requested for these projects in FY 2026-27.

2023-25 Capital Plan

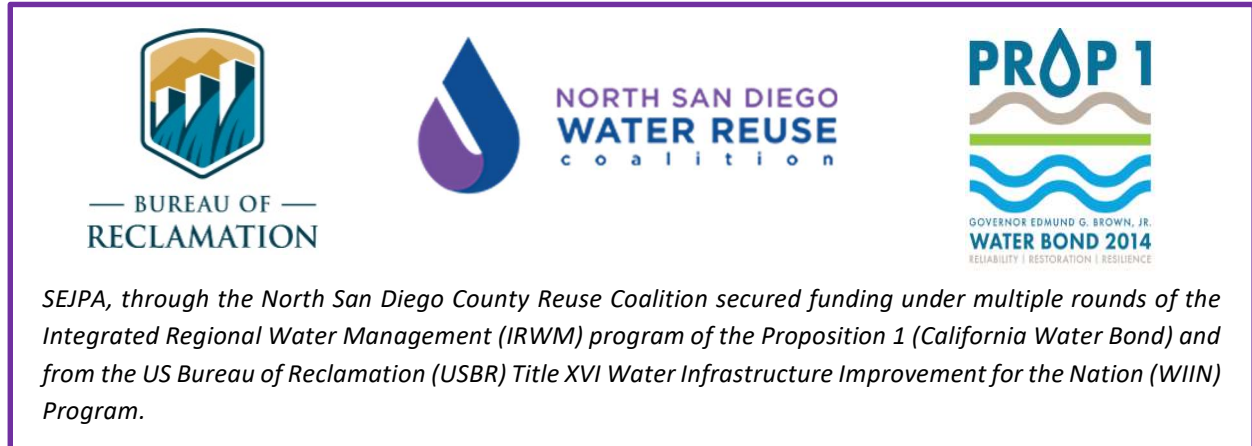
2023-2025 Capital Plan	Budget		Program	Status (Completion Date)
Phase 3 Project	\$	12.2 million		
* Biosolids Dewatering and MS-2 Replacement	\$	12.2 million	WW	Complete (October 2025)
Phase 4 Projects	\$	9.8 million		
Wanket Tank Refurbishment	\$	4.2 million	RW	In Progress (June 2026)
* Wanket Recycled Water Pipeline	\$	1.6 million	RW	Complete (February 2025)
* Moonlight Beach PS Modifications	\$	2.3 million	ESD	Complete (March 2025)
* Stormwater Capture & Reuse	\$	1.7 million	RW/WW	Complete (September 2025)
TOTAL 2023-2025 Capital Plan	\$	22.0 million		

* Project Completed in FY25-26

CAPITAL PROGRAM FUNDING SUMMARY

The Capital Program is funded through a combination of sources with costs allocated to programs based on infrastructure benefits and in accordance with the capacity share owned/leased by contributing agencies. Funding sources include:

- Annual capital contributions from customer agencies for shared facilities, proportional to agency ownership or lessee responsibility (i.e., Wastewater Program, Ocean Outfall Program, Laboratory Program);
- Annual capital contributions by specific customer agencies for special projects undertaken by SEJPA (i.e., Pump Station upgrades);
- Recycled Water Revenues (recycled water sales and incentive programs) that contribute to the recycled water reserve fund, a portion of which is designated for recycled water capital improvements;
- Financing strategies including bond measures and private loans; and
- Grants from State of California and the United States Federal Government.



For ongoing projects, SEJPA has been awarded multiple state and federal grants totaling up to \$3.6 million to fund the Preliminary Treatment Project (a.k.a. Headworks Improvements), Stormwater Capture & Reuse, and the Wanket Reservoir Refurbishment and Pipeline. This past year, SEJPA also received approval from USBR to request available grant funding under the Title XVI WIIN program for recycled water conservation and production benefits provided by the recently completed Biosolids Dewatering Project. The deferred Biological Treatment Improvements project and other recycled water projects remain eligible for future rounds of grant funding.

CAPITAL PROGRAM PLANNING

SEJPA is nearing completion of an update to its Facility Plan, which will establish the technical basis for capital program priorities through 2035 at the San Elijo Water Campus and remote facilities. The Facility Plan has evaluated system-wide infrastructure needs with emphasis on:

- **Asset Renewal:** Rehabilitation and replacement of aging mechanical, electrical, and structural systems, along with deployment of advanced SCADA, automation, and control technologies to enhance process performance, energy efficiency, and system reliability.
- **Mission-Critical Facilities:** Modernization of laboratory and maintenance facilities to strengthen operational readiness, regulatory compliance, and workforce effectiveness. Improvements include consolidated warehousing, improved inventory control, modern tools, and ergonomic workspaces.
- **Resiliency and Sustainability:** Hardening of facilities against wildfire and severe weather, expansion of renewable energy (solar and biogas), and upgrades to treatment and recycled water systems to improve reliability, maximize resource recovery, and reduce environmental impact.
- **Regulatory Compliance:** Infrastructure and process upgrades necessary to maintain compliance with evolving water, air, and biosolids regulations.

Near-term Water Campus needs, through FYE 2028, have been confirmed through the Facility Plan development and are described in the following sections. Project needs beyond FYE 2028 will be funded through future capital budget appropriations.

CAPITAL PROGRAM PROJECT APPROPRIATION SUMMARY

The Capital Program is organized by SEJPA service programs, as expenses are incurred through those programs and the respective member and customer agencies fund the capital projects. Details of the capital projects are presented in the following subsections. Where a project benefits multiple programs, costs are allocated based on relative benefit. Within a program, capital costs are shared proportionally based on capacity ownership or leased capacity. Below is a table listing the appropriations for FY 2026-27.

Program	Fiscal Year 2023-24	Fiscal Year 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Wastewater Treatment	\$ 1,225,000	\$ 1,265,000	\$ 2,110,368	\$ 2,110,368	\$ 2,696,412
Laboratory Services	120,000	147,000	125,000	125,000	125,000
Ocean Outfall	100,000	146,000	150,000	150,000	150,000
Cardiff Sanitary Division Pump Stations	75,000	125,000	55,000	55,000	100,000
Encinitas Sanitary Division Pump Station	600,000	204,000	45,000	45,000	-
City of Solana Beach Pump Stations	-	26,000	-	-	50,000
City of Del Mar Pump Station	-	25,000	-	-	-
Recycled Water	2,375,000	1,728,000	1,456,000	1,456,000	1,320,000
Total Capital Appropriations	<u>\$ 4,495,000</u>	<u>\$ 3,666,000</u>	<u>\$ 3,941,368</u>	<u>\$ 3,941,368</u>	<u>\$ 4,441,412</u>

NEAR-TERM CAPITAL NEEDS FOR WASTEWATER PROGRAM

Through the Facility Plan development process, SEJPA identified near-term capital needs totaling approximately \$8.25 million and established a capital funding projection for Fiscal Years Ending 2026 through 2028 to meet these needs. The following table describes the identified wastewater infrastructure needs and presents budgetary estimates of the near-term wastewater capital needs at the San Elijo Water Campus.

Wastewater Capital Infrastructure Needs

Project Need by Plant Area Through FYE 28	Est. Cost
Headworks: Safety Improvements on concrete channels; grit and screening building improvements; replace two grit classifiers	\$ 555,000
Primary Sedimentation & Flow Equalization: Primary Sedimentation basin concrete tank and equipment refurbishment; mechanical/piping rehab at flow equalization pump station	1,010,000
Aeration Basin and Effluent Pump Station: Effluent pump station rehabilitation; replacement of RAS pumps; Blower Building rehabilitation*	1,776,970
Secondary Sedimentation: Clarifier launder replacement; electrical system replacement	1,260,000
Sludge Digestion: Replacement of heating system; Digester No. 2 concrete and floating cover rehabilitation	2,780,000
Odor Control Facilities: ORF 1 recirculation pump replacement	60,000
Campus Wide: SCADA 3.0 (Total project est'd \$1.6 million; wastewater cost allocation)	805,000
TOTAL	\$ 8,246,970

*The estimated cost for the Aeration Basin and Effluent Pump Station work included above only represents the anticipated funding available through FYE 2028. Additional funds may be needed beginning in FYE 2029 for project completion

In discussions with wastewater-member agencies, projects to address these capital needs will be funded on a PayGo basis using wastewater capital cash contributions over the next three years. Wastewater capital contributions are shared by the wastewater member agencies and lessee(s), in accordance with owned or leased capacity, respectively: City of Encinitas’ Cardiff Sanitary Division (JPA Member, 41.9%), Solana Beach Sanitary Division (JPA Member, 41.9%), City of Del Mar (Lessee, 11.4%), and Rancho Santa Fe Community Services District (Lessee, 4.8%). The following table presents the projected wastewater capital funding by member agency and lessee over the next three fiscal years.

Wastewater Capital Program funding by Owner & Lessee

Fiscal Year Ending*	Encinitas 41.9%	Solana Beach 41.9%	Del Mar 11.4%	Rancho Santa Fe CSD 4.8%	Total 100.0%
FYE 2026	\$ 884,414	\$ 884,414	\$ 241,088	\$ 100,452	\$ 2,110,368
FYE 2027	1,129,925	1,129,925	308,161	128,401	2,696,412
FYE 2028	1,441,603	1,441,603	393,165	163,819	3,440,190
Total	\$ 3,455,942	\$ 3,455,942	\$ 942,414	\$ 392,672	\$ 8,246,970

* This Budget adopts capital contributions for FYE 27 only, FYE28 are projections based on known capital program needs, subject to revision in subsequent budget years as necessary to meet capital program costs under a Pay-Go methodology.

LABORATORY SERVICES PROJECT APPROPRIATION DETAIL

Capital Project	Fiscal Year 2023-24	Fiscal Year 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Laboratory Remodel	\$ 120,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Facility Plan Update	-	22,000	-	-	-
Total Capital Appropriations	\$ 120,000	\$ 147,000	\$ 125,000	\$ 125,000	\$ 125,000

The current laboratory casework has been in use for more than 30 years and is exhibiting signs of corrosion and deterioration. Although the building code has no significant requirements on corroding surfaces, the laboratory casework, counters, furniture, and ventilation equipment have been recommended for replacement due to age and increased maintenance requirements. In preparation for a laboratory remodeling project, in FY 2022-23 SEJPA began collecting capital appropriation contributions for a forthcoming laboratory refurbishment project. From FY 2022-23 through FY 2025-26, SEJPA has cumulatively collected installments totaling \$490,000 to date. For FY 2026-27, SEJPA is budgeting for a fifth installment of \$125,000. This past year, SEJPA retained an architect to perform a condition assessment, assess workspace and ergonomic needs, and to develop a scope and budget for the Project; recommendations will be incorporated into the 2025 Facility Plan.

OCEAN OUTFALL PROJECT APPROPRIATION DETAIL

Capital Project	Fiscal Year 2023-24	Fiscal Year 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Outfall Reserve	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Escondido Vault Rehabilitation	50,000	50,000	100,000	100,000	100,000
Facility Plan Update	-	46,000	-	-	-
Total Capital Appropriations	\$ 100,000	\$ 146,000	\$ 150,000	\$ 150,000	\$ 150,000

OUTFALL RESERVE

The San Elijo Ocean Outfall system is critical regional infrastructure that serves SEJPA and the City of Escondido. This infrastructure includes pressure regulating and isolation valves, ocean discharge pumps, flow measuring meters, 2,600 feet of land outfall pipeline, 8,000 feet of ocean outfall pipe, system automation and monitoring components, and support structures and rock ballast that hold the outfall stationary on the ocean floor. The outfall conveys an average of approximately 10 million gallons per day (MGD) with peak flows during storm events of up to 25.5 MGD. The Outfall Reserve is a capital reserve account dedicated for repair and replacement activities associated with the San Elijo Ocean Outfall system. Due to ocean currents and sand movement on the ocean floor, the rock ballast that protects the outfall can be expected to require periodic replenishment. Re-ballasting and was completed most recently in 2006 – a comparable scope is anticipated to cost in excess of \$4 million today (in 2026 dollars). SEJPA completed an inspection of the outfall in 2025 that found the ballast rock was adequately supporting the outfall; however, ballast rock can be affected by a single significant ocean swell. The Outfall Reserve balance totals approximately \$1.9 million. Collecting reserve funding over time builds up funds required to complete the work when it becomes necessary while smoothing the cost impact to rate payers.

ESCONDIDO VAULT REHABILITATION PROJECT

As part of the Ocean Outfall system, SEJPA operates and maintains flow metering and water quality monitoring equipment inside a below-ground, concrete structure on Manchester Avenue near the Water Campus driveway. The vault was initially installed in 1974 and modified in 1999 to include a bypass pipe and secondary flow meter. The original valve vault, pipeline, valves and flow meter are nearing the end of their service life. SEJPA evaluated the condition of the vault and equipment through the 2025 Facility Plan with a recommended project to replace old and outdated equipment within the vault. SEJPA received \$350,000 in capital contributions for this project in prior fiscal years and is budgeting another annual installment of \$100,000 in FY 2026-27 to advance the engineering and prepare for project implementation.

CARDIFF SANITARY DIVISION PUMP STATIONS APPROPRIATION DETAIL

Capital Project	Fiscal Year 2023-24	Fiscal Year 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Olivenhain Pump Station Upgrade	\$ -	\$ -	\$ 55,000	\$ 55,000	\$ 100,000
Olivenhain Inlet Gate Replacement	75,000	100,000	-	-	-
Facility Plan Update	-	25,000	-	-	-
Total Capital Appropriations	<u>\$ 75,000</u>	<u>\$ 125,000</u>	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ 100,000</u>

The Cardiff Sanitary Division owns three pump stations: Olivenhain Pump Station, the Cardiff Pump Station, and Coast Pump Station. Capital infrastructure needs at these pump stations are being evaluated through the ongoing Facility Plan, with electrical upgrades at the Cardiff Pump Station and generator and electrical upgrades at the Olivenhain Pump Station emerging as high priorities. The City of Encinitas is developing plans for a phased refurbishment and upgrade to the Cardiff Pump Station. SEJPA previously collected \$230,000 for identified needs at the Olivenhain Pump Station. SEJPA will be advancing the design of the generator replacement project in FY 2026-27. The balance of funds for implementation of these projects will be collected in future budgets for project implementation.

ENCINITAS SANITARY DIVISION PUMP STATION APPROPRIATION DETAIL

Capital Project	Fiscal Year 2023-24	Fiscal Year 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Moonlight Beach Pump Station Rehabilitation	\$ 600,000	\$ 200,000	\$ 45,000	\$ 45,000	\$ -
Facility Plan Update	-	4,000	-	-	-
Total Capital Appropriations	<u>\$ 600,000</u>	<u>\$ 204,000</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>	<u>\$ -</u>

MOONLIGHT BEACH PUMP STATION REHABILITATION

SEJPA recently led a major upgrade to the Moonlight Beach Pump Station. The \$2.3 million project was fully funded by the City of Encinitas through FY 2024–25 and was completed under budget in Spring 2025. Following completion of the upgrade, SEJPA conferred with the City of Encinitas, determining the best use of remaining capital funds would be to address follow-on asset management efforts. Identified asset management needs included the replacement of corroded ventilation system components that provide fresh air necessary to declassify the space in accordance with National Fire Protection Association (NFPA) Standard 820, refurbishment of generator enclosure panels that provide sound attenuation and equipment protection/security, and application of protective coatings to ancillary components exposed to aggressive wastewater and marine environment. The ventilation work was completed in FY 2025-26, and the generator and coating repair work is planned for FY 2026-27; no additional funding is budgeted at this time.



INVESTING IN ENVIRONMENTAL STEWARDSHIP

At SEJPA, we are unwavering in our commitment to environmental stewardship, recognizing the vital role we play in preserving the safety and splendor of our coastal environment. Our responsibility reaches beyond the present moment, extending to the future, as we strive to ensure that generations to come can continue to live, thrive, and enjoy the beauty of our surrounding communities through the investments we make today.

CITY OF SOLANA BEACH PUMP STATIONS PROJECT APPROPRIATION DETAIL

Capital Project	Fiscal Year 2023-24	Fiscal Year 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Eden Gardens Pump Station Generator Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Facility Plan Update	-	26,000	-	-	-
Total Capital Appropriations	<u>\$ -</u>	<u>\$ 26,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>

The FY 2026–27 Capital Budget includes \$50,000 for the planned rebuild of a standby pump and replacement of Pump #1 at the Eden Gardens Pump Station. Following installation, the removed pump will be rehabilitated in FY 2027–28 and retained as a ready spare, reducing operational risk and minimizing the need for costly temporary bypass pumping during maintenance or equipment failure.

RECYCLED WATER PROJECT APPROPRIATION DETAIL

Working collaboratively with its water district partners, SEJPA plans and delivers recycled water infrastructure improvements to maintain service reliability, improve operational efficiency, and enhance system capabilities.

SEJPA's 2023–25 Capital Plan includes several major recycled water projects, with total appropriations of approximately \$8 million. Grant funding of approximately \$3.6 million has reduced program costs, and a \$10 million loan secured in March 2023 provides additional flexibility to manage cash flow. In September 2025, SEJPA completed a cost-of-service study and adopted a recycled water rate structure through calendar year 2029. The capital plan supported by this rate structure focuses primarily on asset management initiatives through 2028, estimated at \$3 million.

The following Treatment, Conveyance, and Storage projects are currently in progress and are anticipated to be completed by 2028.

WANKET TANK REFURBISHMENT AND RECYCLED WATER PIPELINE

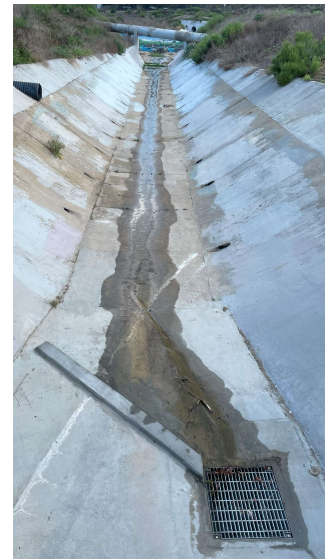
This project will convert the Wanket Tank, an existing 3-million-gallon pre-stressed concrete potable water tank that has been out of service for about a decade, into a recycled water storage tank. The Wanket Tank, constructed in 1975, was originally constructed and jointly owned by Olivenhain Municipal Water District (OMWD) and San Dieguito Water District (SDWD) and is no longer used for potable water service. SEJPA has since secured ownership rights to the tank from OMWD and SDWD. The project rehabilitated and retrofitted the concrete reservoir, disconnected the tank from potable water pipelines, and constructed a new recycled water pipeline (pictured, right) to connect the tank to the existing recycled water system at Quail Gardens Drive. This project will substantially increase recycled water storage, improving service reliability, operational efficiency, and water pressure for customers. The construction phase is anticipated to be completed by Summer 2026, with improvements to address unanticipated leaks in the concrete floor and inlet/outlet piping.



A total budget of \$5.8 million has been appropriated for the pipeline and tank refurbishment projects that are fully funded through the recycled water program. The project(s) have qualified for up to \$2 million in state and federal grant funding.

STORMWATER CAPTURE AND REUSE

The SEJPA Stormwater Capture and Reuse project (low-flow diversion pictured, right) is intended to reduce pollution to the San Elijo Lagoon and Pacific Ocean and capture stormwater to augment supply to the recycled water system. The project will also improve site drainage to manage runoff and align with industrial stormwater permit requirements. The project scope includes infrastructure to divert stormwater from the Regional Stormwater Channel and direct onsite drainage to a desilting basin and associated conveyance to capture and recycle approximately 6 million gallons per year. A total budget of \$1.71 million has been appropriated for this capital project. The project will receive significant grant funding of up to \$1.5 million to offset project costs, with the remainder funded equally by the recycled water and wastewater programs. This project includes elements not completed with the Water Campus Improvement project and was completed in Summer 2025. No further capital appropriations are budgeted.



LOMAS SANTA FE BOOSTER PUMP STATION

The Lomas Santa Fe Booster Pump Station provides recycled water service to large customers within the Solana Beach service area. The facility, constructed in 2000 with a peak capacity of 3,000 gallons per minute, has been identified through recent condition assessments and operational experience as a priority for rehabilitation and upgrades.

SEJPA is developing a phased capital project to replace aging controls and electrical systems and to rehabilitate or replace key pumping and mechanical components. The adopted recycled water rate structure anticipates approximately \$750,000 for this work.

RECYCLED WATER VALVE REPLACEMENTS

The recycled water distribution system, originally constructed in the early 2000s, includes pipelines located primarily within public rights-of-way. Mainline and air release valves are critical for isolating pipelines during maintenance and protecting the system from air accumulation during operation.

Approximately 35 valves have been identified as being at or near the end of their service life and are no longer reliably operable. To address these needs, SEJPA is developing a phased valve replacement program totaling approximately \$420,000, with design underway for the highest priority locations targeted for replacement over the next year.

TREATMENT PLANT ASSET REPLACEMENTS

As the recycled water treatment facilities age, individual asset replacements are completed and capitalized in accordance with SEJPA policy. In the near term, this includes replacement of two microfiltration feed pumps, chemical tank(s), and obsolete process control and electrical equipment.

WATER CAMPUS FIRE RISK REDUCTION PROGRAM

SEJPA is initiating a phased, multi-year program to reduce fire risk within the designated Open Space areas surrounding the Water Campus. A vegetation survey completed in conjunction with the Facility Plan identified areas of non-native and invasive vegetation, as well as accumulated dead and dry plant material, recommended for removal. The program will focus on targeted removal of invasive species and hazardous vegetation, followed by re-establishment of native, drought-tolerant habitats along exposed slope areas.

This program will reduce fire risk exposure to SEJPA facilities and adjacent properties, while also supporting SEJPA's ongoing obligations to manage Open Space areas in accordance with local and state fire management policies and environmental stewardship objectives. Work will be implemented in phases over multiple years to align with available funding and maintenance resources.

CAPITAL PROGRAM DELIVERY COSTS

San Elijo typically contracts out professional services for project delivery including design (engineers and architects), and consultant construction management and inspection. These soft costs can typically range from 20 to 35%, depending on project complexity and duration. Project development, planning, administration and management over the project delivery life cycle requires dedicated attention from SEJPA's management, engineering, O&M, and administrative team members. SEJPA typically budgets staff time at 10 to 15% of the total project cost which for FY 2026-27 equates to approximately \$570,000.

DEBT SERVICE

WASTEWATER TREATMENT DEBT SERVICE AND INFRASTRUCTURE CREDITS

2017 CLEAN WATER REVENUE BONDS

SEJPA issued revenue bonds in July 2017 to fund a series of wastewater, ocean outfall, and recycled water projects. The bond included a face value of \$22.115 million, plus a premium less expense of \$1.797 million netting \$23.912 million received with a true interest cost of 3.39% over 30 years. The FY 2025-26 payments will include both interest and principal: \$388,163 interest and \$280,000 principal for each Member Agency. The estimated balance as of June 30, 2026, will be \$18,760,000. The scheduled payoff date is March 2047.

SAN DIEGO GAS & ELECTRIC TURBO BLOWER LOAN

In July 2017, SEJPA and San Diego Gas & Electric (SDG&E) entered into an On-Bill Financing Loan Agreement to fund the Blower Replacement Project. This project replaced three 125-hp multi-stage centrifugal blowers that were installed in 1991 with substantially more efficient turbo blowers. This replacement project resulted in a \$533,883 loan from SDG&E with 120 monthly payments of \$4,449 with no interest. The resulting annual cost savings from the installation of more energy-efficient equipment roughly equals the annual finance expense. The estimated balance as of June 30, 2026, will be \$71,185. The scheduled payoff date is October 2027.

DEL MAR WASTEWATER INFRASTRUCTURE CREDIT

Although not reflected as debt of SEJPA, in July 2014, SEJPA and the City of Del Mar entered into an agreement to connect the City of Del Mar to SEJPA’s water reclamation facilities. The project entailed connecting Del Mar’s 21st Street wastewater pump station to the Cedros trunk sewer, which would allow Del Mar’s wastewater to flow to SEJPA’s water campus for treatment and recycling. The costs of constructing a connecting pipeline of approximately 6,200 linear feet, including manholes and valves, totaled \$1,623,370 when completed in 2016. Per the agreement with Del Mar, who funded the project, SEJPA agreed to provide Del Mar a credit pool against future wastewater O&M costs in the amount of two-thirds the total project costs. The two-thirds credit amount is representative of the City of Encinitas and Solana Beach’s respective one-third share of the costs between the City of Encinitas, City of Solana Beach, and the City of Del Mar. The total amount of future credits equaled \$1,082,247, to be offset each year in an amount not to exceed \$60,000 per year. As of June 30, 2026, the remaining available credits to Del Mar will total \$580,564. It is anticipated that the credits will be fully utilized in fiscal year ending 2036.



ENCOURAGING RESOURCE RECOVERY

SEJPA is turning waste into wins. By focusing on resource recovery, we reduce climate impact while creating real financial value. Solar power keeps the Water Campus running cleaner, and public EV charging helps drive a lower-emission future. Smarter use of resources means less waste, lower costs, and a stronger bottom line—all while supporting our climate goals.

RECYCLED WATER DEBT SERVICE

2023 RECYCLED WATER LOAN

In May 2023, SEJPA secured a private placement loan in the amount of \$10,120,000 to fund Recycled Water Capital Improvements. The loan has a 4.58% fixed interest rate for a term of 20 years with annual payments ranging from \$778,028 to \$779,039. Debt service for FY 2026-27 on the loan includes interest of \$413,895 and principal repayments of \$365,000 and will be paid through recycled water rates. The estimated balance as of June 30, 2026, will be \$9,128,000. The scheduled payoff date is June 2043.

ADVANCED WATER PURIFICATION LOAN

In November 2011, SEJPA received a private placement loan for the construction of the Advanced Water Purification Facility in the amount of \$2 million at a fixed interest rate of 4.15%. Annual payments of \$148,154 began in 2011 and will continue for 20 years until 2031. Debt service for FY 2026-27 on the loan includes interest of \$28,732 and principal repayments of \$119,421. The outstanding principal balance on June 30, 2026, is estimated to be \$721,893.

SFID PIPELINE LOAN

In 2013, SEJPA entered into an agreement with the Santa Fe Irrigation District to purchase a recycled water distribution pipeline for \$526,149 with an initial down payment of \$50,000 and annual interest between 1.0% and 2.5% based on the Local Agency Investment Fund (LAIF) rate. The repayment schedule is \$450 per acre foot of water delivered through the pipeline. The outstanding principal balance as of June 30, 2026, is estimated to be \$162,203. The budgeted payment amount is based on 90 acre-feet delivered through the pipeline in FY 2026-27.

SOLANA BEACH PIPELINE LOAN

In 2020, SEJPA entered into an agreement with the City of Solana Beach to purchase a recycled water distribution pipeline for \$1,191,652 with no annual interest and \$478,319 of the reimbursement through water sales. Other sources of funds for reimbursement will be a combination of the cash value of services to be provided by SEJPA and actual grants received. In FY 2022-23, \$600,000 of grant funding was reimbursed to Solana Beach. The repayment schedule is \$450 per acre foot of water delivered through the pipeline. The outstanding principal balance as of June 30, 2026, is estimated to be \$392,234. The budgeted payment amount is based on an expected 23 acre-feet delivered through the pipeline in FY 2026-27.

DEBT SERVICE SUMMARY

	Actual 2023-24	Actual 2024-25	Estimated Actual 2025-26	Adopted Budget 2025-26	Adopted Budget 2026-27
Wastewater Debt Service					
2017 Clean Water Revenue Bonds					
Principal	\$ 490,000	\$ 510,000	\$ 535,000	\$ 535,000	\$ 560,000
Interest	848,175	828,575	803,075	803,075	776,325
Total Debt Service	<u>\$ 1,338,175</u>	<u>\$ 1,338,575</u>	<u>\$ 1,338,075</u>	<u>\$ 1,338,075</u>	<u>\$ 1,336,325</u>
SDG&E Turbo Blower Loan					
Principal	\$ 53,388	\$ 53,388	\$ 53,388	\$ 53,388	\$ 53,388
Interest	-	-	-	-	-
Total Loan Payment	<u>\$ 53,388</u>	<u>\$ 53,388</u>	<u>\$ 53,388</u>	<u>\$ 53,388</u>	<u>\$ 53,388</u>
Total Wastewater Debt Service					
Principal	\$ 543,388	\$ 563,388	\$ 588,388	\$ 588,388	\$ 613,388
Interest	848,175	828,575	803,075	803,075	776,325
Total Debt Service	<u>\$ 1,391,563</u>	<u>\$ 1,391,963</u>	<u>\$ 1,391,463</u>	<u>\$ 1,391,463</u>	<u>\$ 1,389,713</u>
Recycled Water Debt Service					
2023 Recycled Water Loan					
Principal	\$ 310,000	\$ 333,000	\$ 349,000	\$ 349,000	\$ 365,000
Interest	468,982	445,497	430,039	430,039	413,895
Total Debt Service	<u>\$ 778,982</u>	<u>\$ 778,497</u>	<u>\$ 779,039</u>	<u>\$ 779,039</u>	<u>\$ 778,895</u>
Advanced Water Purification Loan					
Principal	\$ 105,576	\$ 110,003	\$ 114,615	\$ 114,615	\$ 119,421
Interest	42,577	38,151	33,539	33,539	28,732
Total Debt Service	<u>\$ 148,153</u>	<u>\$ 148,154</u>	<u>\$ 148,154</u>	<u>\$ 148,154</u>	<u>\$ 148,153</u>
SFID Pipeline Loan					
Principal	\$ 24,790	\$ 41,569	\$ 40,500	\$ 40,500	\$ 40,500
Interest	6,344	5,411	6,000	6,000	5,400
Total Debt Service	<u>\$ 31,134</u>	<u>\$ 46,980</u>	<u>\$ 46,500</u>	<u>\$ 46,500</u>	<u>\$ 45,900</u>
Solana Beach Pipeline Loan					
Principal	\$ 5,800	\$ 8,010	\$ 10,350	\$ 10,350	\$ 10,350
Interest	-	-	-	-	-
Total Debt Service	<u>\$ 5,800</u>	<u>\$ 8,010</u>	<u>\$ 10,350</u>	<u>\$ 10,350</u>	<u>\$ 10,350</u>
Total Water Reclamation Debt Service					
Principal	\$ 446,166	\$ 492,582	\$ 514,465	\$ 514,465	\$ 535,271
Interest	517,904	489,059	469,578	469,578	448,027
Total Debt Service	<u>\$ 964,069</u>	<u>\$ 981,641</u>	<u>\$ 984,043</u>	<u>\$ 984,043</u>	<u>\$ 983,298</u>
Total Debt Service					
Total All Debt Service					
Principal	\$ 989,554	\$ 1,055,970	\$ 1,102,853	\$ 1,102,853	\$ 1,148,659
Interest	1,366,079	1,317,634	1,272,653	1,272,653	1,224,352
Total Debt Service	<u>\$ 2,355,632</u>	<u>\$ 2,373,604</u>	<u>\$ 2,375,506</u>	<u>\$ 2,375,506</u>	<u>\$ 2,373,011</u>

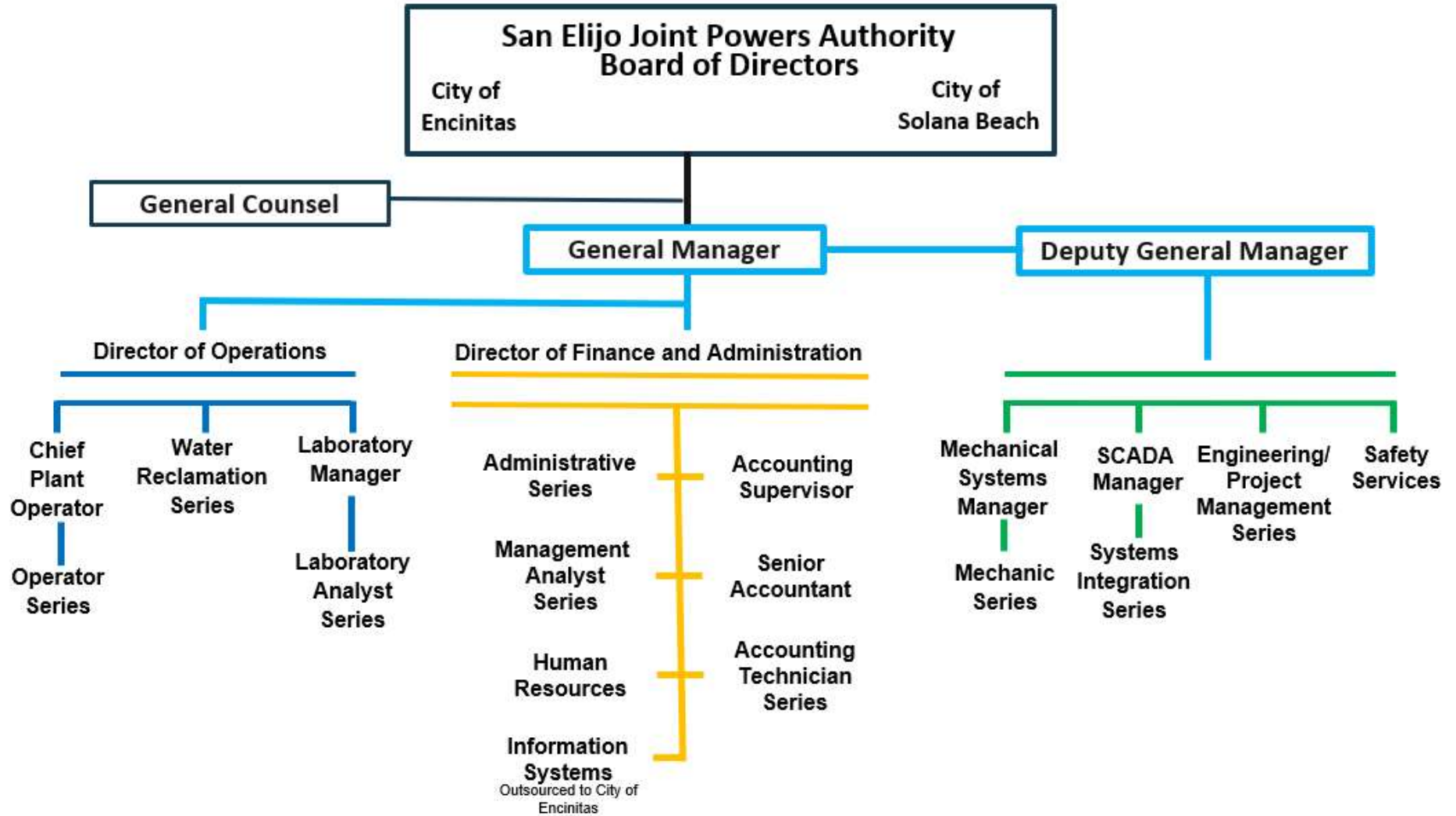
CLASSIFICATION AND SALARY SCHEDULE

SAN ELIJO JOINT POWERS AUTHORITY
 FY 2026-27 CLASSIFICATION AND SALARY SCHEDULE
 As of July 1, 2026

Position	Base Salary			
	Monthly		Annual	
	Minimum	Maximum	Minimum	Maximum
Accounting Series				
<i>Accounting Technician I</i>	\$4,993	\$6,740	\$59,913	\$80,882
<i>Accounting Technician II</i>	5,910	7,979	70,920	95,742
<i>Senior Accountant</i>	7,443	10,049	89,321	120,583
<i>Accounting Supervisor</i>	8,757	11,822	105,083	141,862
Administrative Series				
<i>Administrative Coordinator</i>	7,007	9,460	84,087	113,518
Deputy General Manager	21,250	21,250	255,000	255,000
Director of Operations	15,306	20,663	183,667	247,950
Director of Finance/Administration	15,306	20,663	183,667	247,950
Director of Infrastructure and Sustainability	15,306	20,663	183,667	247,950
Management / HR Analyst Series				
<i>Analyst</i>	6,835	9,227	82,018	110,724
<i>Senior Analyst</i>	8,041	10,855	96,492	130,264
General Manager (Board Approved Contract)	25,917	25,917	311,000	311,000
Laboratory Series				
<i>Laboratory Analyst I</i>	6,247	8,433	74,963	101,200
<i>Laboratory Analyst II</i>	7,194	9,712	86,330	116,546
<i>Senior Laboratory Analyst</i>	8,185	11,050	98,221	132,598
<i>Laboratory Manager</i>	11,005	14,856	132,056	178,275
Mechanic Series				
<i>Mechanic-In-Training</i>	5,261	7,102	63,130	85,226
<i>Mechanic I</i>	6,112	8,252	73,348	99,020
<i>Mechanic II</i>	7,017	9,473	84,201	113,672
<i>Lead Mechanic</i>	8,185	11,050	98,221	132,598
<i>Mechanical Systems Supervisor</i>	9,057	12,227	108,688	146,729
<i>Mechanical Systems Manager</i>	11,005	14,856	132,056	178,275
Engineering/Project Management Series*				
<i>Project Engineer</i>	6,480	8,748	77,762	104,979
<i>Associate Engineer/Project Manager</i>	8,959	12,094	107,506	145,133
<i>Principal Engineer/Senior Project Manager</i>	11,818	15,954	141,815	191,450
Recycled Water Distribution Series				
<i>Recycled Water Supervisor</i>	7,654	10,333	91,853	124,001
Systems Integration Series				
<i>Systems Integration Technician I</i>	6,112	8,252	73,348	99,020
<i>Systems Integration Technician II</i>	7,017	9,473	84,201	113,672
<i>SCADA Manager</i>	11,818	15,954	141,815	191,450
Wastewater Treatment Operator Series				
<i>Operator-In-Training</i>	5,261	7,102	63,130	85,226
<i>Operator I</i>	6,112	8,252	73,348	99,020
<i>Operator II</i>	7,017	9,473	84,201	113,672
<i>Lead Operator</i>	8,185	11,050	98,221	132,598
<i>Operations Supervisor</i>	9,057	12,227	108,688	146,729
<i>Chief Plant Operator</i>	11,005	14,856	132,056	178,275

Base salary minimums and maximums are based on full-time employment.

ORGANIZATIONAL CHART



SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: ADOPTION OF SALARY AND BENEFIT RESOLUTION 2026-03

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2026-03, Resolution Adopting the San Elijo Joint Powers Authority Salary and Benefits for Fiscal Years 2026-27, 2027-28, 2028-29, with an Option for 2029-30;
2. Authorize General Manager to issue one-time recognition payment in the amount of \$2,000 to each employee in good standing. Payable prior to June 30, 2026; and
3. Discuss and take action as appropriate.

BACKGROUND

San Elijo Joint Powers Authority (SEJPA) and its employees are currently operating under a 4-year labor agreement, extended for the fourth year in November 2024 via Resolution No. 2025-02. The current Resolution expires June 30, 2026. SEJPA employees are a non-represented workforce with informal employee representation. Management and employees share a commitment to maintaining a collaborative working relationship and open communication in developing a new multi-year Salary and Benefits Resolution.

DISCUSSION

The General Manager serves as the Board's representative in employee compensation and labor-related matters. The General Manager, with support from the Deputy General Manager, conducted several meetings with employees during March and April 2026 to review SEJPA's compensation package and discuss development of a new Salary and Benefits Resolution.

Discussions focused on maintaining a competitive compensation package while remaining within the Agency's long-term financial objectives. The conversations were positive and productive, and the proposal is aligned with these goals. In summary, staff is requesting a labor agreement, structured similar to past agreements, with the following adjustments:

- **Term of Agreement:** 3 years + 1 year (optional) subject to mutual agreement by the Employees and the Board
- **Cost of Living Adjustment (COLA):** for all staff not already at top of their classification salary range and excluding the General Manager:
 - July 1, 2026 – 4%
 - July 1, 2027 – 3%
 - July 1, 2028 – 3%
 - July 1, 2029 – 3% (Optional year)

NOTE: SEJPA's Classification and Salary Schedule was updated through a Classification and Compensation Study and approved by the Board in regular meeting April 21, 2026, adopting pay ranges for FY 2026-27. With Resolution 2026-01, the salary ranges would adjust at 3% annually on July 1, 2027, July 1, 2028, and July 1, 2029, respectively.

- **Deferred Compensation:** Increase SEJPA's 401(a) employer contribution to match employee voluntary participation (1:1) as follows:
 - Years 0 – 6: up to 4% of annual base salary (Unchanged)
 - Years 6 – 12: +1% employer match (5% of annual base salary)
 - Years 12 +: +1% employer match (6% of annual base salary)
- **Other Pay Adjustments:**
 - Holiday Standby Pay: Increase from 2 to 4 hours for 11 fixed holidays
 - Holiday Premium Pay: Increase from 1.5x to 2.0x for Thanksgiving and Christmas holidays only.
- **Education Reimbursement:** Increase from \$2,300 to \$2,600 annually.
- **Vacation Leave Maximum Accumulation:** Change maximum accrual cap to 400 hours for all employees, except the General Manager.

Employees also requested, and management supports, the addition of a Roth (post-tax) 457(b) deferred compensation option. This enhancement will be incorporated into the Employee Handbook.

In recognition of employee contributions and organizational performance during the term of the current agreement, management recommends a one-time, non-pensionable recognition payment of \$2,000 for each employee in good standing as of the date of Board approval. The payment would be issued prior to June 30, 2026.

Employees voted unanimously in favor of the proposed Salary and Benefits Resolution on May 6, 2026. The proposal is now presented to the Board for consideration through adoption of Resolution No. 2026-03.

FINANCIAL IMPACT

The employee expenses resulting from Resolution No. 2026-01 have been accounted for in the Fiscal Year 2026-27 Budget that the Board will be considering for adoption on June 16, 2026. The financial impacts in future years will be incorporated into the respective annual budget processes. The estimated cost of the one-time recognition payment is \$60,000 and will be funded through unspent labor budget appropriations in FY 2025–26, which are currently trending below budget due to staff vacancies.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Adopt Resolution No. 2026-03, Resolution Adopting the San Elijo Joint Powers Authority Salary and Benefits for Fiscal Years 2026-27, 2027-28, 2028-29, with an Option for 2029-30;
2. Authorize General Manager to issue one-time recognition payment in the amount of \$2,000 to each employee in good standing. Payable prior to June 30, 2026; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager

Attachment 1: Resolution No. 2026-03, Resolution Adopting the San Elijo Joint Powers Authority Salary and Benefits for Fiscal Years 2026-27, 2027-28, 2028-29, with an Option for 2029-30

RESOLUTION NO. 2026-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN ELIJO JOINT POWERS AUTHORITY
ADOPTING SALARY AND BENEFITS
FOR FISCAL YEARS 2026-27, 2027-28, 2028-29, WITH AN OPTION FOR 2029-30**

WHEREAS, San Elijo Joint Powers Authority (SEJPA), which provides direct employment of SEJPA employees, desires to meet in an informal input process with SEJPA employees (Employees) regarding the wages, benefits, and certain other terms and conditions of employment;

WHEREAS, the Board of Directors has appointed the General Manager to act as a Labor Relations committee;

WHEREAS, the General Manager and the SEJPA Board of Directors have reviewed salary and benefit data of comparable service agencies;

WHEREAS, the General Manager has met with the Employees regarding compensation and benefits;

WHEREAS, the Employees are a valuable and important part of SEJPA and have had the opportunity to meet in the informal input process with the designated SEJPA representative, the General Manager, on compensation, benefits, and other terms and conditions of employment;

NOW THEREFORE, be it resolved by the Board of Directors of SEJPA that the salary, benefits, and other terms and conditions of employment for the Employees set forth below are hereby adopted and established as those of the SEJPA. The San Elijo Joint Powers Authority Employee Handbook may be updated as deemed necessary by the General Manager to incorporate these provisions.

SECTION I GENERAL

The provisions of this resolution shall commence on July 1, 2026 and terminate on June 30, 2029, with FY 2029-30 being an option year in which employees may vote, by majority, to opt in or opt out, with any such decision subject to final approval by the Board. If a new resolution is not in place by July 1, 2030, the provisions of this resolution will continue with all salary and benefit allowances frozen at the Fiscal Year 2029-30 limits. For Section II, F, the process for determining benefit limits remains the same until a new resolution is in place.

SECTION II BENEFITS

A. Vacation Leave

Employees accrue vacation leave as follows:

Vacation Increment	Hours of Vacation Leave	Bi-Weekly Accrual Rate	Maximum Accumulation
0-5 years	104	4.00 hours	400 hours
5-10 years	128	4.92 hours	400 hours
10-15 years	153	5.89 hours	400 hours
15+ years	185	7.12 hours	400 hours

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Vacation leave for part-time employees is prorated based on the number of hours worked, e.g. an employee who works 30 hours per week would accrue vacation leave at a rate of 75 percent of that rate at which a regular full-time employee accrues vacation leave. Vacation accrues on an as-worked basis. Vacation does not accrue during any unpaid leave of absence.

Employees may accrue vacation leave up to a maximum of 400 hours (the "Maximum Accumulation"). Once an employee reaches the Maximum Accumulation, further accrual will cease until the accrued vacation leave balance drops under the Maximum Accumulation, at which point accrual will recommence.

Accrued, Unused Vacation Payout upon Separation of Employment

Upon separation of employment with the SEJPA, accrued vacation benefits that have not been used or cashed out will be paid to the employee in accordance with applicable law.

Conversion of Accrued, Unused Vacation Leave to Cash

Annually, on December 1st of each year, an employee may elect to cash-out vacation hours in excess of 72 hours, provided that the employee has used at least 72 hours of vacation time within the previous 12 months. The maximum allowable hours to be cashed-out annually is limited to an amount equal to the employee's one-year accrual rate at the time the vacation is cashed out. For example, an employee with who has worked for SEJPA for 0 to 5 years is permitted to cash out a maximum of 104 hours annually, provided the employee has used at least 72 vacation hours during the 12 months preceding December 1. The pay rate will be the employee's applicable hourly wage at the time each cash-out payment is made. Cash-out will be paid on a quarterly basis by the last payday of April, July, October, and January. If an employee's employment is terminated prior to receiving all of the employee's quarterly cash-out payments, the employee will be paid all remaining accrued, unused vacation at the time the employee receives his or her final pay. The election to cash-out vacation hours may not be revoked or modified.

B. Holidays

Full-time employees of San Elijo Joint Powers Authority (SEJPA) are eligible to receive up to 117 paid holiday hours each fiscal year (nine (9) hours per holiday for each of the 11 fixed holidays identified below and 2 floating holidays). The process for the grant of Floating Holiday hours is described below.

Fixed holidays include:

1. New Year's Day, January 1
2. Martin Luther King, Jr., Third Monday in January
3. President's Day, Third Monday in February
4. Memorial Day, Last Monday in May
5. Independence Day, July 4
6. Labor Day, First Monday in September
7. Veteran's Day, November 11
8. Thanksgiving Day, Fourth Thursday in November
9. Day after Thanksgiving
10. Christmas Day, December 25
11. Juneteenth, June 19

Fixed holiday hours accrue and become available for entry on the employee's timecard on the observed holiday. If an employee is required to work on the holiday, the holiday hours must be reflected on their timesheet. Actual time worked on a holiday shall be compensated at the applicable overtime rate, or may be taken as compensatory time, at the employee's election. If a holiday falls on an employee's regularly scheduled day off, the employee's holiday hours shall be banked and may be used at a later date at the employee's discretion. Floating holiday hours (18) will become available during the first pay period in July of each fiscal year. Full-time employees hired after the start of the fiscal year but prior to January 1 will receive a prorated amount of 9 hours on their first day of employment and 9 hours on

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January 1. Full-time employees hired after January 1 will receive a prorated amount of 9 hours on their first day of employment. Holiday hours will accrue up to a maximum of 234 hours of holiday time. Unused holiday hours will be paid out upon termination of employment.

Holiday hours and Floating Holidays for part-time employees are prorated based on the number of scheduled hours to be worked, as outlined in their offer letter. For example, an employee scheduled to work 30 hours per week would accrue holiday hours at a rate of 75 percent (75%) of that rate at which a regular full-time employee accrues holiday hours.

C. Paid Sick Leave

Eligible Employees

All employees (including part-time and temporary) who work for SEJPA are eligible to accrue Paid Sick Leave ("PSL") beginning on the first day of employment under the accrual rate and cap set forth in this policy.

Permitted Use

Eligible employees may use their accrued PSL to take paid time off for the diagnosis, care, or treatment of an existing health condition of (or preventive care for) the employee or the employee's family member.

For purposes of this policy, "family member" means a child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling of the employee or a designated person. "Child" means a biological child, a foster child, an adopted child, a step-child, a child of a registered domestic

partner, a legal ward, or a child of a person standing in loco parentis. "Parent" means a biological, foster, or adoptive parent, a step-parent, or a legal guardian of the employee or the employee's spouse or registered domestic partner. "Spouse" means a legal spouse, as defined by California law. Designated person means a person identified by the employee at the time the employee requests paid sick days. Only one individual may be a "designated person" per 12-month period.

Employees may also use their PSL to take time off from work for reasons related to a qualifying act of violence.

Accrual Rate, Maximum, and Carryover

Upon commencement of employment, and annually in the first pay period of January each subsequent year, all full-time and part-time employees will be granted a "block grant" of 48 hours of Sick Leave. This block grant will satisfy California sick leave requirements for both full- and part-time employees. Sick leave will also accrue monthly. Eligible full-time employees will accrue PSL at a rate of four hours per month accumulated on a bi-weekly basis. Part-time employees will accrue at the same rate, but on a prorated basis. Accrual for non-exempt, part-time employees will be calculated based on actual hours worked. PSL accrues on an as- worked basis and does not accrue during an unpaid leave of absence.

There is a cap on PSL accrual. PSL accrues up to a maximum of 1,000 hours after which accrual ceases until the balance of maximum accrued hours falls below the cap. In such a case, no PSL will be earned for the period in which the employee's PSL was at the maximum. Accrued but unused PSL will carry over from year to year, subject to this maximum accrual.

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Limits on Use and Cashing Out

If an employee absents himself or herself from work for part or all of a workday for a reason covered by this policy, he or she will be required to use accrued PSL to make up for the absence based on the total hours of the absent shift. If while on vacation, an employee becomes ill, he/she may have the period of illness charged to his/her accumulated sick leave instead of vacation. Exempt employees may take sick leave in increments of 2 hours. Non-exempt employees may take sick leave in increments of 30 minutes or more.

Employees who have accumulated more than 176 hours of sick leave may elect to be paid for any sick leave in excess of 176 hours provided an election is made prior to December 15th each year for payment in the following year. The pay rate will be 50 percent (50%) of the employee's hourly wage at the time of the cash-out.

Notification

The employee must provide reasonable advance notification, orally or in writing, of the need to use PSL, if foreseeable. If the need to use PSL is not foreseeable, the employee must provide notice as soon as practicable.

Termination

Employees who are not terminated for cause and have given SEJPA 14 calendar days (beginning on the date the notice is received by SEJPA) written notice shall be paid for 50 percent of their accumulated sick leave. Sick leave pay will be calculated based on the employee's regular rate of pay at the time of the cash-out.

All other employees who do not meet the conditions above will not receive pay in lieu of accrued but unused PSL. Accrued but unused PSL will not be paid out upon termination for cause or where the employee has failed to provide 14 days' notice of termination.

Employees returning to SEJPA within 12 months of separation of employment will have their forfeited sick leave reinstated to their prior balance and may use accrued sick leave upon the first day of work. Employees returning to SEJPA more than 12 months after separation of employment will be treated as a new employee for purposes of sick leave.

Retaliation

SEJPA prohibits discrimination or retaliation against employees for using their PSL.

D. Bereavement Leave

Employees may receive 3 days off with pay and two days off without pay for bereavement of an individual who is a member of the employee's immediate family. Immediate family member is defined as:

Spouse	Mother/Father-in-Law
Child/Adopted Child*	Daughter/Son-in-Law
Stepchild	Grandparent
Sibling	Niece/Nephew
Parent**	Sister/Brother-in-Law
Stepparent	Registered Domestic Partner
Grandchild	Child of Registered Domestic Partner
Aunt/Uncle	Persons who have raised the employee

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*"Child" means a biological, adopted, or foster child, a stepchild, a legal ward, a child of a domestic partner, or a person to whom the employee stands in loco parentis.

***"Parent" means a biological, foster, or adoptive parent, a parent-in-law, a stepparent, a legal guardian, or other person who stood in loco parentis to the employee when the employee was a child.

Employees may receive one paid full day off to attend the funeral of a relative who is not a member of the employee's immediate family. SEJPA may, at SEJPA's discretion, request documentation (i.e. a copy of the death certificate) to certify the need for such leave.

Upon SEJPA's discretion and request, employees must provide documentation of the death of the family member within 30 days of the first day of the leave. "Documentation" may include, but is not limited to, a death certificate, a published obituary, or written verification of death, burial, or memorial services from a mortuary, funeral home, burial society, crematorium, religious institution, or governmental agency.

E. Administrative Leave

Exempt employees are exempt from overtime provisions of the Fair Labor Standards Act. In lieu of compensating overtime, these employees shall be entitled to take up to 45 hours of administrative leave annually, awarded as a block grant on July 1st each fiscal year. This leave must be taken in increments of not less than four and one half (4.5) hours. This leave may be accrued up to a maximum of 90 hours. Unused administrative leave will be paid out upon termination of employment in accordance with applicable law.

F. Health, Dental Insurance, and Vision Care Plan

Employees and their dependents are provided a group dental and vision care plan; the employer's contribution for premiums for vision and dental plans shall be an amount each year that is 95% of the average of the plans being offered, at the appropriate tier (single, double and family). Eligibility for dental and vision insurance will begin the first of the month following employment. If there is a conflict between this Agreement and the applicable plan document, the plan document shall apply.

Employees and their dependents are provided with group health insurance coverage under the CalPERS PEMCHA program. Effective July 1, 2026, the employer's contribution for each employee shall be an amount each year that is 95% of the average of all health plans CalPERS makes available to SEJPA, excluding the CalPERS Care Plan, at the appropriate tier (single, double and family). The employee shall pay for any premium cost for coverage that exceeds SEJPA contribution. Eligibility for health coverage will begin the first of the month following employment.

Employees who meet the applicable eligibility requirements established by SEJPA, in accordance with applicable law, shall be provided health, dental and vision insurance for themselves and their dependents, upon request. Flexible contributions allocated to part-time employees are prorated based on the number of hours worked, i.e. an employee who works 30 hours per week would receive 75 percent of the maximum annual contribution.

In lieu of health insurance coverage, eligible employees may elect to receive compensation of 25 percent (25%) of the single employee benefit in addition to their regular pay. Employees must show current proof of health insurance coverage under another plan outside of SEJPA and may be required to periodically show proof upon request. Requests for compensation in lieu of health insurance coverage should be in writing and are subject to review and approval of the General Manager.

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Employees hired before July 1, 2008, shall receive a minimum annual contribution of \$8,870 with maximum cash out of \$6,530.

G. Health Care Reimbursement

Employees shall be able to designate dollars for eligible medical, dental, and vision reimbursement. Employees may supplement Plan contributions with tax-exempt dollars through voluntary payroll deduction. Each employee shall assume responsibility for any income tax obligations resulting from participation in the health care reimbursement program.

H. Dependent Care Reimbursement

Employees shall be able to designate dollars for eligible dependent care reimbursement. Employees may supplement Plan contributions with tax-exempt dollars through voluntary payroll deduction. Each employee shall assume responsibility for any income tax obligations resulting from participation in the dependent care reimbursement program.

I. Life and Disability Insurance

SEJPA provides its employees life insurance equal to the employee's annual salary. Each employee shall assume responsibility for any income tax obligations resulting from the payment of insurance premiums.

SEJPA provides its employees short-term and long-term disability insurances. Each employee shall assume responsibility for any income tax obligations resulting from the payment of insurance premiums and disability compensation received from the disability insurance provider.

J. Retirement

For all employees hired prior to July 1, 2012, SEJPA shall participate in the California Public Employees' Retirement System (CalPERS) program, with a benefit formula of 2.5% at 55 Full Formula. Retirement benefits for members eligible under this program will be calculated using a One-Year Final Compensation base for employees participating in this program, effective July 1, 2008. Effective the first pay date of each fiscal year, employees under this program are required to pay the full employee portion as defined or set forth by CalPERS, which as of July 1, 2026, is 8.00%.

For all employees hired after June 30, 2012, but before January 1, 2013, including previously enrolled CalPERS Classic Employees, with less than a six month break in service, SEJPA shall participate in the California Public Employees' Retirement System (CalPERS) program, with a benefit formula of 2.0% at 60 Full Formula. Retirement benefits for members eligible under this program will be calculated using a Three Year Average Final Compensation base for employees participating in this program. Effective the first pay date of each fiscal year, employees under this program are required to pay the full employee portion as defined or set forth by CalPERS, which as of July 1, 2026, is 7.00%.

For all employees hired after January 1, 2013, including previous CalPERS Classic Employees with a break in service of more than six months, SEJPA shall participate in the California Public Employees' Retirement System (CalPERS) program, with a benefit formula of 2.0% at 62 Full Formula, subject to the California Public Employees' Pension Reform Act of 2013 ("PEPRA"). Retirement benefits for members eligible under this program will be calculated using a Three Year Average Final Compensation base. Employees under this program are required to pay the full employee portion as defined or set forth by CalPERS, which as of July 1, 2026, is 7.75%.

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K. Deferred Compensation Plan

SEJPA will provide employees with the voluntarily opportunity to participate in SEJPA-sponsored deferred compensation plans. There will be both a pre-tax deferral plan (Traditional), as well as a post-tax deferral plan (ROTH) available to qualifying employees.

Where an employee voluntarily participates in SEJPA's deferred compensation plan, SEJPA shall match the employee's contributions into a deferred compensation plan on an equal basis up to the applicable percentage of the employee's annual base salary, as determined by the employee's years of service. Employees with less than six (6.00) years of service shall be eligible for an employer matching contribution of up to four percent (4%) of annual base salary. Employees with six (6.00) through 11.99 years of service shall be eligible for an employer matching contribution of up to five percent (5%) of annual base salary. Employees with 12.00 or more years of service shall be eligible for an employer matching contribution of up to six percent (6%) of annual base salary.

L. Uniforms and Safety Equipment

SEJPA shall provide all laboratory, operations and maintenance employees (and any other employee classification as deemed appropriate) with necessary personal protective equipment as required for their duties, including but not limited to uniforms. SEJPA shall provide employees, upon date of hire and yearly thereafter, up to a maximum amount of \$225.00 to purchase safety shoes/boots required of their position. If an employee damages their boots performing work duties, the General Manager has authority to approve reimbursement of replacement boots.

SEJPA shall provide employees up to \$335.00 each fiscal year for the purchase of SEJPA-approved prescription safety glasses.

In certain circumstances, the General Manager also has authority to approve a uniform and safety equipment allowance beyond the maximum amount.

M. Tuition Reimbursement

SEJPA will reimburse employees for certain educational expenses incurred by employees in connection with the employee's successful completion of educational courses approved in advance by SEJPA which are complementary to the employee's career growth and development at SEJPA under the terms set forth in the Employee Handbook. Employees may be reimbursed up to a maximum of \$2,600 per employee per fiscal year.

N. Health and Wellness Reimbursement

Beginning in July of each fiscal year, each employee is eligible for a reimbursement of up to \$120 per year for purchases related to health and wellness, as approved in advance by SEJPA.

O. Work from Home

Eligible employees with approval of their respective director may be allowed up to two (2) days per week to work from home. Employees approved to work from home are required to be available for calls and meetings during scheduled work shift.

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P. Electric Vehicle Charging

Electric vehicle charging shall be offered to employees without a fee at designated charging stations.

SECTION III. COMPENSATION

A. Employee Compensation

Employees, except the General Manager, shall receive compensation in accordance with the adjusted ranges in the Classification and Compensation Schedule.

B. Salary Adjustments

Effective the first pay date in July 2026, 2027, 2028, and 2029, the Classification and Compensation Schedule for all personnel classifications shall be increased as follows:

Year	Cost of Living Adjustment (COLA)*
July 1, 2026	4.0%
July 1, 2027	3.0%
July 1, 2028	3.0%
July 1, 2029**	3.0%

* Salary schedule adjustment shall apply to all SEJPA labor classifications except for the General Manager position.

** Option year that Board/employees can vote to opt out of with majority vote by July 31, 2028.

Employees shall be provided a performance review, typically on an annual basis. Employees that are not at the top of their classification salary range shall receive consideration of a merit pay increase. At the discretion of the General Manager, in addition to or in lieu of the merit increase, an employee may receive an incentive award, which is based on an employee's outstanding performance, as evaluated against the achievements of their annual goals. Incentive payouts are one-time payments. No employee shall be awarded incentive compensation in an amount greater than five percent (5%) of that employee's base salary.

The Classification and Compensation Schedule for Fiscal Year 2026-27 is shown in Exhibit A.

SEJPA and its employees acknowledge and agree that during the term of this agreement SEJPA may implement decisions within its discretion related to implementation of its on-going assessment of the competitiveness of SEJPA. This means that job positions, classifications, and their respective job descriptions may be revised, added, or deleted; work and shift hours may be revised; new or revised automation; and new or revised procedures may be implemented. SEJPA invites employees to provide input on these decisions if they result in a modification of any express provision of SEJPA's policies and procedures.

C. Working Out of Position Specification

Occasionally, an employee is required by the General Manager to assume an "acting" position that is outside his/her job specification. This policy is intended to provide the employee with additional compensation based upon the newly assumed duties.

An employee designated as "acting" by the General Manager, will assume the acting title and associated base salary for the position that he/she is assuming. This title and compensation will continue throughout the duration of the acting period. The General Manager can designate a rate of pay within

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the range of the assumed position. Under no circumstance will the employee's increased salary exceed the top of the assumed position range.

The needs of SEJPA will prevail in determining the length of time for which the employee assumes the acting position. This provision does not apply to the General Manager.

D. Shift Differential

SEJPA shall pay non-exempt operations and maintenance employees a shift differential of \$1.50 per hour in addition to their base rate of pay for hours assigned to a work shift other than the day shift.

E. Standby Duty

Non-exempt operations and maintenance employees are required to be on standby to respond to emergency situations as assigned by SEPJA. Standby duty is typically assigned for a two-week period. Employees on standby work their regularly assigned shifts and remain on call in case of emergencies during non-working time, including weekends, for the remainder of the time during the two-week period. Non-exempt employees on standby are compensated at two (2.00) hours at their regular hourly rate of pay per day. Non-exempt employees on standby on one of the 11 observed fixed SEJPA holidays will be compensated at four (4.00) hours at their regular hourly rate of pay per day.

F. Call-Back

1. Employees Not on Standby

SEJPA shall compensate, at the rate of one and one-half their regular rate of pay, non-exempt employees who are unexpectedly ordered to report back to duty to perform necessary work following completion of the non-exempt employee's workweek or work-shift and their departure from the site. Non-exempt employees called back under this condition shall receive a minimum of two hours compensation. Call-backs on holidays, weekdays or weekends after midnight and before the start of the non-exempt employee's regular shift are compensated at a rate of two times the non-exempt employee's regular hourly rate.

2. Employees on Standby

SEJPA shall compensate, at the rate of one and one-half their regular rate of pay, non-exempt employees on standby who are ordered to report to duty to perform necessary work following completion of the non-exempt employee's scheduled workweek or work-shift and their departure from the site. Non-exempt employees on standby called back under this condition shall receive a minimum of two hours compensation. In the event there are multiple call-backs during the same workday, non-exempt employees shall be paid for the time actually worked or two hours, whichever is greater. Call-backs on holidays, weekdays or weekends after midnight and before the start of the non-exempt employee's regular shift are compensated at a rate of two times the non-exempt employee's regular hourly rate.

Employees on standby have up to 45 minutes to respond to calls and may respond remotely to the extent feasible.

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Following are examples of calculation of call-back pay for employees on standby:

- Example 1: Employee working a 9/80 schedule works their regular 9-hour shift. After leaving work but before midnight, the employee receives a call at home for system alarms.
 - Employee shall be compensated at a rate of one and one-half the employee's regular rate of pay for time worked, including travel time if required to return to the works site, or two hours, whichever is greater.
- Example 2: Employee working a 9/80 schedule works their regular 9-hour shift. After midnight the following day but before the start of their next regular shift, the employee receives a call at home for system alarms.
 - Employee shall be compensated at a rate of double the employee's regular rate of pay for time worked, including travel time if required to return to the works site, or two hours, whichever is greater.
- Example 3: Employee working a 9/80 schedule works their regular 9-hour shift. After leaving work but before midnight, the employee receives calls at home for system alarms. The employee receives a second call after midnight but before the start of their next scheduled shift.
 - Employee shall be compensated at a rate of one and one-half the employee's regular rate of pay for time worked, including travel time if required to return to the works site, or two hours, whichever is greater for the first call before midnight and double time for time worked, including travel time if required to return to the works site, for the second call after midnight.
- Example 4: Employee working a 9/80 schedule works their regular 9-hour shift. After midnight the following day but within 2 hours before the start of their next regular shift, the employee receives a call at home for system alarms.
 - Employee shall be compensated a fixed charge equal to two (2) hours at a rate of double the employee's regular rate of pay for time worked. Time continuing into the Employee's normal work day will be paid at the employee's regular hourly rate.

G. Holiday Pay

Pay for scheduled shifts on Thanksgiving Day and Christmas Day, with dates as defined in Section II (B), will be compensated at a rate of two times the non-exempt employee's regular hourly rate.

H. Meal Allowance

SEJPA shall reimburse non-exempt employees a maximum of \$12.00 per meal for food and non-alcoholic beverages when the non-exempt employee is unexpectedly ordered to work due to an emergency for at least two hours overtime beyond the standard work shift.

I. Incentive Program

The Employee Recognition Program is designed to provide an opportunity for SEJPA to recognize dedicated and loyal employees who contribute to its success.

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1. Professional and Technical Achievement

Recognizes employees for their individual accomplishments in the area of work-related professional development such as education or technical certification or recognition by a work-related professional organization, payable within 45 days of receiving certification or education and providing proof of completion of the qualifying certification or education.

Industry Awards and Professional Certifications - \$500.00

Associate's Degree - \$1,000.00, Bachelor's Degree - \$1,500.00, Master's Degree - \$2,000.00

2. Organizational Performance Achievements

Recognizes employees for SEJPA accomplishments related to environmental performance, safety and industry recognition.

Environmental Performance

- Region 9 Regional Water Quality Control Board Performance
 - No more than 5 violations of NPDES requirements - \$250.00
 - 100% compliance with NPDES requirements - \$1,000.00
 - 100% compliance with NPDES requirements for 5 consecutive years - \$2,000.00
- Environmental Performance at Pump Stations
 - No reportable spills from pump stations - \$250.00
- Period of Performance
 - The period of performance will be January 1 to December 31, of each year, payable in January of the following year.

Safety Program – Provides incentive funding to all employees up to \$1,000.00 per employee per year that successfully perform safety inspections, safety presentations, develop corrective actions, demonstrate understanding of SEJPA's illness and Injury Prevention Plan, and safety online training as prescribed in the SEJPA Safety Program.

Industry Awards – Industry organizations may include, but not limited to, American Society of Civil Engineers (ASCE), California Water Environment Association (CWEA), WaterReuse, California Association of Sanitary Agencies (CASA), California Sanitary Risk Management Authority (CSRMA), and Water Environment Federation (WEF), payable within 60 days of receiving award and providing proof of receipt of award.

- Local Award – 1st place - \$150.00
- State Award – Honorable Mention, Second, or Third Place - \$200.00, First Place - \$300.00

All organizational awards apply to each, and every employee employed on the date of award. Full-time employees hired during the award year will receive a prorated award bonus provided they remain an employee on the date of the award. For example, an employee employed for only six (6) months of the award year will receive 50% of the applicable award bonus. Provided they remain an employee on the date of the award, part-time employees will receive a prorated award bonus based on the number of hours worked during the preceding 12 months, e.g. an employee who works 30 hours per week would be paid 75 percent of the designated amount paid to a regular full-time employee. Any single project or program may qualify for up to three industry awards in any one fiscal year period. For example, a capital

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project may achieve award recognition by four different organizations; however, the total award bonus will be limited to three.

Terms and Conditions of Employment

All other terms and conditions of employment are specified in the SEJPA's Employee Handbook.

Competitiveness Assessment Decision

The SEJPA will perform a Classification and Compensation Study and present recommendations to the SEJPA Board of Directors prior to the end of this contract.

PASSED AND AMENDED this 16th day of June 2026, by the following vote:

AYES:	Board Members:
NOES:	Board Members:
ABSENT:	Board Members:
ABSTAIN:	Board Members:

Luke Shaffer, Chairperson
SEJPA Board of Directors

ATTEST:

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

SAN ELIJO JOINT POWERS AUTHORITY
MEMORANDUM

June 16, 2026

TO: Board of Directors
San Elijo Joint Powers Authority

FROM: General Manager

SUBJECT: CAPITAL GRANT UPDATE

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the use of grant proceeds associated with the Recycled Water Conservation and Production Upgrade Project to fund the Recycled Water Utility for recycled water pipeline replacement costs;
2. Direct that grant proceeds, after reimbursement of eligible recycled water pipeline replacement costs, be allocated equally between the Wastewater and the Recycled Water capital programs; and
3. Discuss and take action as appropriate.

BACKGROUND

The San Elijo Joint Powers Authority (SEJPA) is a member of the North San Diego Water Reuse Coalition (Coalition), a partnership of nine public agencies dedicated to expanding regional recycled water resources. Through the Coalition, member agencies pursue state and federal grant funding to support water reuse and conservation projects.

The Coalition has secured approximately \$24 million through the U.S. Bureau of Reclamation's Title XVI Water Reclamation and Reuse Program, of which approximately \$3.75 million has been allocated to SEJPA.

DISCUSSION

SEJPA originally intended to apply a portion of the grant funding to the Biological Treatment Improvement Project. However, as project costs increased and schedules evolved, implementation was deferred, creating a significant risk of forfeiting the grant due to federal timeline requirements.

Rather than relinquish the award, staff evaluated alternatives that could satisfy the objectives of the Title XVI Program while preserving eligibility for reimbursement. Staff identified the recently completed Recycled Water Conservation and Production Upgrade Project (Conservation Project) as an alternative due to its measurable water conservation benefits, that replaced aging belt press technology with high-efficiency centrifuges that reduce water consumption by approximately 54 acre-feet (17.6 million gallons) annually.

Working with the Bureau of Reclamation, staff successfully demonstrated that the project met the intent and objectives of the Title XVI Program. Following approval of the revised approach, staff reconstructed project expenditures and supporting documentation to satisfy federal reimbursement requirements, which required approximately \$50,000 in specialized accounting support.

To date, SEJPA has received more than \$1.6 million in grant funding on the Conservation Project and continues to pursue additional eligible cost reimbursements. This effort transformed a potentially lost funding opportunity into a significant financial benefit for SEJPA and its ratepayers while preserving access to federal funding that otherwise may have been forfeited.

This successful grant pursuit reflects contributions from both the Wastewater and Recycled Water Utilities. The Wastewater Utility delivered the project that generated the reimbursement, while the Recycled Water Utility has funded more than 15 years of grant development, legislative outreach, stakeholder engagement, and regional water reuse initiatives that helped establish and sustain the funding opportunity through the Title XVI Program.

FISCAL IMPACT

Staff recommends that recovered grant proceeds on the Conservation Project first be used to fund the replacement of a recycled water pipeline that has experienced several corrosion-related failures requiring emergency repairs in recent years. As a result, the project has been elevated in priority within SEJPA's capital improvement program. The pipeline replacement project presented to the Board in May 2026 is currently in the conceptual phase, with preliminary planning-level cost estimates of approximately \$1.2 million. Any remaining proceeds would be allocated equally between the Recycled Water and Wastewater capital programs to support future infrastructure investments. Staff's recommended allocation recognizes both the Wastewater Utility's role in delivering the project that generated the reimbursement and the Recycled Water Utility's long-standing investment in developing and maintaining funding opportunities through the Title XVI Program.

RECOMMENDATION

It is therefore recommended that the Board of Directors:

1. Authorize the use of grant proceeds associated with the Recycled Water Conservation and Production Upgrade Project to fund the Recycled Water Utility for recycled water pipeline replacement costs;
2. Direct that grant proceeds, after reimbursement of eligible recycled water pipeline replacement costs, be allocated equally between the Wastewater and the Recycled Water capital programs; and
3. Discuss and take action as appropriate.

Respectfully submitted,



Michael T. Thornton, P.E.
General Manager