



METRO TAC AGENDA

(Technical Advisory Committee to Metro JPA/Commission)

TO: Metro TAC Representatives

CC: Metro Directors (for information only)

DATE: Wednesday, March 20, 2024

TIME: 11:00 a.m. to 1:30 p.m.

LOCATION: Metro TAC is holding its March meeting virtually. An e-mail containing information on how to participate in the meeting will be distributed to the Metro TAC members e-mail list and approved San Diego City Staff by Monday, March 18, 2024 by 5:00 p.m. If you do not receive the e-mail, please contact Lori Peoples at lorimetrojpa@gmail.com PRIOR to the meeting date.

1. **ACTION:** Review and Approve MetroTAC Action Minutes for the Meeting of February 21, 2024 (**Attachment**)
2. **ACTION:** Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of a Second Amendment to the As-Needed Engineering Services Agreements with Kleinfelder, Inc. for Contract 3 (H187008) and HDR Engineering, Inc. for Contract 4 (H187009) (Orelia DeBraal) (**Attachment**)
3. **ACTION:** Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of Chemical Contracts with Carbon Activated Corporation, Kemira Water Solutions, Inc., and California Water Technologies (Craig Boyd)/David Bryant) (**Attachments**)
4. **ACTION:** Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of the Year-End FY2023 Financial Statements (Unaudited) (Lee Ann Jones-Santos/Karyn Keze) (**Attachment**)
5. **ACTION:** Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of the Mid-Year FY2024 Financials (Unaudited) (Lee Ann Jones-Santos/Karyn Keze) (**Attachment**)
6. **INFORMATION:** Pump Station 2 Emergency Project Status (Doug Campbell/Mike Rosenberg) (**Attachment**)

7. **PRESENTATION:** Public Utilities Department Fiscal Year 2025-2029 Five-Year Financial Outlook (Metro Only) (Adam Jones) (**Attachment**)
8. **UPDATE:** Metro Wastewater (General) (Standing Item) (Lisa Celaya)
 - a. General Update
 - b. Permit Renewal
9. **UPDATE:** Pure Water Program Update (Standing Item) (Amy Dorman/Doug Owen)
 - a. Quarterly Contractor's Report (**Attachment**)
10. **UPDATE:** Metro Wastewater Financial (Standing Item) (Adam Jones)
 - a. FY2025 Metro Budget Estimate Update
11. **UPDATE:** JPA Executive Director (Standing Item) (Karyn Keze) (**Attachment**)
12. **UPDATE:** Industrial Wastewater Control Committee (Standing Item) (Dexter Wilson)
13. **UPDATE:** Metro Commission/JPA Board Meeting Recap (Standing Item) (Alisa Nichols)
14. Review of Items to be Brought Forward to the Regular Metro Commission/Metro JPA Meeting (**April 4, 2024**)
15. Other Business of Metro TAC
16. Adjournment ([To the next Regular Meeting April 17, 2024](#))

MetroTAC 2024 Meeting Schedule

January 17	February 21	March 20
April 17	May 15	June 19
July 17	August 21	September 18
October 16	November 20	December 18

ATTACHMENT 1

Meeting Minutes of February 21, 2024



MetroTAC

(Technical Advisory Committee to Metro JPA/Commission)

ACTION MINUTES

DATE OF MEETING: February 21, 2024

TIME: 11:00 AM

LOCATION: Zoom Meeting held Online

MEETING ATTENDANCE:

Members Present

Michael Benoya, Chula Vista
Leon Firsht, Coronado
Joe Bride, Del Mar (absent)
Blake Behringer, El Cajon
Eric Minicilli, Imperial Beach
Joe Kuhn, La Mesa
Carley Cubberley, La Mesa
Izzy Murguia, Lemon Grove
Carmen Kasner, National City
Jeff Marchioro, Otay WD
Peejay Tubongbanua, Padre Dam MWD
Paul Clarke, Padre Dam MWD
Alisa Nichols, Poway
No Current Rep, County of San Diego

Staff/Consultants Present

Karyn Keze, the Keze Group
Scott Tulloch, NV5
Inc.
Dexter Wilson, Dexter Wilson Engineering
Kathleen Heitt, Dexter Wilson Engineering
Lee Ann Jones-Santos, Metro JPA Treasurer
Lori Anne Peoples, Metro JPA Board Secretary

Daphnie Munoz, Clifton Larson Allen LLP

San Diego City Staff/Consultants

Lisa Celaya, City of San Diego
Adam Jones, City of San Diego
Amy Dorman, City of San Diego
Doug Campbell, City of San Diego
Adam Webb, City of San Diego
Violet Renick, City of San Diego
David Bryant, City of San Diego
Ryan Kempster, City of San Diego
Peter Vroom, City of San Diego
Amy Latker, City of San Diego
Edgar Patino, City of San Diego
Stephanie Smith, City of San Diego

San Diego Consultants

Doug Owen, STANTEC
Benjamin Stewart, STANTEC

Paul Redvers Brown, Paul Redvers Brown,

MetroTAC Chair Alisa Nichols called the meeting to order and stated that since there were so many new members, she thought it would be a good idea to have everyone introduce themselves and share a bit of their work backgrounds. She then welcomed Edgar Patino from the City of San Diego back and he introduced himself. Next the Metro TAC members and JPA staff present introduced themselves followed by City of San Diego Staff.

Item 2 was heard at this time.

1. **ACTION: Review and Approve MetroTAC Action Minutes for the Meeting of January 17, 2024**

ACTION: Motion by Izzy Murguia, seconded by Blake Behringer, the Minutes be approved. Motion carried with Leon Firsht abstaining.

Item 2 was heard prior to Item 1.

2. **PRESENTATION: Metro JPA Reorganization Presentation of Unanimous Recommendations from the Metro Board of Directors Regarding JPA Organizational Structure**

General Counsel Ochoa provided an overview of her presentation attachments explaining each item and the background for the recommended changes.

a. **Organization Chart and Invoice Processing Options**

She presented the organization chart that was approved at the February meeting by the Metro Wastewater JPA Board of Directors. She then explained to those that are new that the Metro Commission and the Metro Wastewater Joint Powers Authority have the same board of directors. The distinction is the Metro Wastewater JPA is a separate legal entity formed by the Joint Powers Law and has its own ability to contract with and hire people. The mission of the Metro JPA is to act on behalf of the participating agencies in administering and enforcing the regional wastewater disposal agreement that the PAs have with the City of San Diego. San Diego has what is called the "ARA," or amended and restated agreement for regional wastewater disposal between San Diego and the 12 participating agencies. That agreement created the Metro Commission as a commission of the City of San Diego. That body is not a separate legal entity. It is solely a commission of the City of San Diego. There is plenty of language in the ARA that gives the Metro Commission certain rights and notices but the contract itself is between the City of San Diego and the PAs. Fast forward a few years and the Metro Commission decided to form a separate legal entity to make the Metro Commission a more formal body and that is the Metro Wastewater JPA. When people are appointed, their roles are both a Director of the Metro Wastewater JPA and a Commissioner of the Metro Commission. So, every action that is taken, is taken for both.

Regarding the organization, previously, everyone reported to the Metro JPA Board of Directors which the last TAC chair found to be a lot of work and overwhelming in combination with her regular job. When The Metro JPA was originally created it was not contemplated to be as much work as it has become serving as the overseer of the contract with San Diego, and now venturing into Pure Water it has become huge.

MetroTAC is an advisory committee only to Metro JPA. Their role is to review proposed contracts and projects, all important technical things and then make recommendations to their respective participating agencies and the Metro Commission. TAC is not a separate legal entity and is not created by the Metro Board of Directors or Metro Commission or the Metro JPA because if they were, they would have to comply with the Brown Act. This is a very important distinction and one of the reasons TAC is purple on the organization chart. The role of the TAC Chair is advisory only. Their important function is to continue to advise the Metro Commission and work with the Executive Director to prepare the items for the board meetings for the board review.

The Metro Board of Directors recently decided that they wanted to create a part-time executive director role which will be the chief executive of the organization overseeing contracts, supervising staff like the consultants, the board secretary, treasurer and basically the point person who directly reports to the Board of Directors. This eliminates a liability issue for the Board having so many direct reports which are not typical or contemplated by usual public agency structures. For example, public agencies usually have a general manager who reports to the board and everyone else works under that umbrella.

b. Organization Structure and Resumes

General Counsel Ochoa then placed the job descriptions on the screen, copies were provided in the agenda package, and noted that they are intended to be an important and helpful background for the organization. They tell the story she just told of how the Metro JPA came to be, reference the technical services provided by consultants, and the reorganization being done for metro which renames the previous administrative coordinator position with executive director. It notes that the executive director may also be combined with other positions such as that of the finance manager or an engineer or each could be a separate position. The decision of the Board at their February meeting was to make their current finance consultant the executive director as she was currently and previously serving in the administrative consultant role.

She noted the document provided an overview of the role of TAC, the new job description of the Executive Director position, as well as the Finance Consultant, Engineering Consultant, Board Secretary and Treasurer followed by the related positions (for information purposes only) of MetroTAC Chair and Vice Chair.

c. Metro JPA Invoice and Payment Policy

The invoice processing policy was not covered, but she stated the TAC members will see that there are processes set up for either scenario stated previously, where currently the executive director is also the financial consultant, or where the executive director and finance consultant are separate persons. This was displayed in the chart under 2a which showed the 2 scenarios that the Board had approved.

d. Fourth Amendment to Joint Exercise of Powers Agreement for the Metro Wastewater Joint Powers Authority to Amend Section 3.05 of the Joint Powers Agreement

Lastly, General Counsel Ochoa stated that she wanted to go over the treasurer role because it is related to the “true” reason for her presentation which pertains to the Fourth Amendment to the Joint Powers Agreement. Her ask to the MetroTAC members is for them to take the fourth amendment to their respective participating agencies and make sure that it gets passed by the end of June, so hopefully within the next 4 months. This amendment was also approved by the Metro Board at their last Board meeting. It is very straight forward and this way TAC members will have the answers to any questions regarding these changes so if anyone asks questions about why these changes are being proposed, they will have the answers.

The changes included updates in officers and employees of the organization. This included the revision in its entirety of Article III, Section 3.02 Treasurer and Auditor wherein

it is currently required that the JPA Treasurer be an employee of a PA which is limiting. The new definition allows for additional options per Government Code Sections 6505, 6505.5 and 6505.6. Karyn Keze explained that change provides the JPA with more flexibility in selecting someone for the position.

Also, Section 3.05 – Legal Advisor, eliminates the requirement for the JPA Attorney to be a member of one of the PAs by deleting that sentence. It now just states that they can appoint a legal advisor.

General Counsel Ochoa stated that this amendment would be sent out by the Board Secretary along with a memo this week to the JPA Directors, TAC members and City Clerks/Board Secretaries. She requested that they get the item placed on their agenda during the next month or two to have it approved and returned to the Board Secretary no later than June 30, 2024.

Carmen Kasner requested both the current and redline version be provided along with a memo explaining the changes.

3. UPDATE: Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of the Basic Financial Statements with Report on Audit by Independent Certified Public Accountants for the Two-Year Period Ended June 30, 2021

Karyn Keze stated that this was an action item not an update, as it needs to be moved forward to the next Metro JPA meeting. She noted that the JPA is legally required to have audits every 2 years, however they got behind during Covid and the following labor shortages in the accounting industry. She and Lee Ann are excited about the completion of this audit and with the completion of this audit the JPA is update on their reporting requirements. The FY 2022-2023 JPA Audits are in the works. She then introduced Daphnie Munoz, Principal with CLA.

Ms. Munoz provided an overview of the Audit, included in the agenda package. Her overview included A) Presentation: Communication with Those Charged with Governance; B) Governance Communication; C) Financial Statements for the Two-Year Period Ended June 30, 2021 and D) Internal Controls Communication. Ms. Munoz stated that upon completion of their audit, they had issued an unmodified opinion which is the highest form of opinion any entity can get. She also noted that they had issued a management letter and during the year had one material weakness but did not have any significant deficiencies nor did they have any other matter comments. There were some adjustments proposed that were corrected by management and there were no disagreements during the course of the audit.

Ms. Keze expressed her appreciation for the fast work of Daphnie and her partner Rob Perl.

ACTION: Motion by Carmen Kasner, second by MetroTAC Chair Alisa Nichols, to recommend approval to the Metro JPA/Commission of the basic financial statements with report on audit by Independent Certified Public Accountants for the Two-Year period ended June 30, 2021. Motion carried unanimously.

4. PRESENTATION: Functional Allocation Based (FAB) Cost Methodology: Inclusion of Brine as a Fixed/Variable Billing Parameter

Ben Stewart of STANTEC provided an overview of his presentation included in the agenda package.

He affirmed that this presentation was for information only.

5. ACTION: Second Amendment to the Sole Source Agreement with HDR Engineering, Inc. for Point Loma Wastewater Treatment Plant Coastal Erosion Monitoring Program Implementation

Doug Campbell from the City of San Diego, along with Craig Boyd and David Bryant, summarized a proposal to extend an agreement for coastal erosion monitoring and alternative road access evaluation with HDR. The amendment, increasing the contract by \$3,631,788 to a total of \$6,895,460, extends it to June 30, 2026. The Metro JPA will contribute \$1,198,490. Adam Jones noted that HDR's existing as-needed contract will preclude them from future bidding on this project due to San Diego's procurement rules. He confirmed that the contract cost was included in January's cash flow estimates to Metro JPA. San Diego staff emphasized their focus on securing federal or state grants for eligible projects, particularly highlighting this one as a priority, given the availability of new FEMA dollars related to loan programs.

ACTION: Motion by Izzy Murguia, seconded by Peejay Tubongbauna, to recommend approval of the second amendment to sole source agreement with HDR to the Metro JPA. Motion carried unanimously.

6. ACTION: Chemical Contracts Update – Peroxide Regenerated Iron Sulfide Control (PRI-SC) and Peroxide Regenerated Iron Chemically Enhanced Primary Treatment (PRI-CEPT) and Caustic Soda 50%

Doug Campbell, City of San Diego provided a brief verbal overview of his presentations included in the agenda package. There were two contracts included in the presentations: 1) 3rd Amendment with US Peroxide, LLC (dba USP Technologies) to provide Peroxide Regenerated Iron and Chemically Enhanced Primary Treatment Program (PRI-CEPT) for Odor Control at Multiple Facilities and 2) Contract with Univar Solutions for Caustic Soda 50% for Water Treatment Plants and Facilities.

Karyn Keze asked Mr. Campbell to include in the presentation to the JPA the precise locations where the caustic soda is utilized.

ACTION: Motion by Leon Firsht, seconded by Mike Benoza, to recommend the Metro JPA approve the contracts. Motion carried unanimously.

7. ACTION: First Amendment to the Agreement with Regents of the University of California, San Diego (UCSD) for the Scripps Institution of Oceanography (SIO) to Evaluate Anthropogenic Impacts on the San Diego Coastal Kelp Forest Ecosystem (2024-2029)

Ryan Kempster provided a brief verbal overview of his presentation included in the agenda package. The presentation included requested actions; information on the background and history of the program; primary goals; findings; budget; benefit to the city and project contacts.

ACTION: Motion by Izzy Murguia, seconded by Carmen Kasner, to recommend the Metro JPA approve the first amendment to agreement with Regents of the University of California San Diego. Motion carried unanimously.

8. UPDATE: Metro Wastewater (General) (Standing Item)

a. Spills update

Doug Campbell reported that on January 22nd, the region experienced a rare thousand-year rainstorm, resulting in an overwhelming flow that caused a spill into the Sweetwater River. In addition, large flows from Coronado exceeded the capacity of the City's system. The City promptly notified the regional board, conducted necessary monitoring and environmental assessments, and declared an emergency to bolster system readiness. Mr. Campbell provided an update regarding the status of projects at Pump Station 1. The City has welcomed Tim Carroll as the new Chief Plant Operator for the Pt. Loma System, who has been in the role for two months and will attend an upcoming TAC meeting to meet the group.

9. UPDATE: Pure Water Program Update (Standing Item)

Amy Dorman reported that the Stantec Phase 2 Contract was approved by the San Diego City Council on February 13th. The contract's 10-year duration necessitates a second reading, scheduled for next Tuesday's Council meeting. Regarding Phase 1 construction projects, the Morena pump station project faced delays due to dewatering conditions in 2022. The contractor addressed this by constructing a secant wall and is currently returning to the contract schedule for pump station construction. Challenges were encountered during pipeline construction, notably at the Interstate 805 crossing, where boulders hindered tunneling progress. However, modifications to the tunneling equipment are underway, and progress is expected soon. The Pure Water facility is progressing rapidly, with the administration building forecasted for completion this fall. Despite recent rains, the roof is installed, and equipment installation in the process building is ongoing. Recently, the City received an administrative draft of the Pt. Loma Permit, to which they submitted comments. Implementation dates in the permit align with those in the cooperative agreement with environmental stakeholders, with the addition of the Phase 2 demonstration facility operation start date, now extended to January 1, 2026, from June 30, 2025.

10. UPDATE: Metro Wastewater Financial (Standing Item)

Adam Jones, City of San Diego, stated that PUD had provided Metro Fiscal Year 2025 expenses on January 15th. PUD staff is in the process of addressing inquiries forwarded by Metro JPA staff regarding assumptions related to average flows for various agencies. Mr. Jones encouraged members to direct questions or comments to either the PUD or Metro JPA staff for aggregation and review.

Regarding recent heavy rainfall, Mr. Jones highlighted FEMA funding requests due to the federal government's disaster declaration, ensuring metro system impacts are included in claims. FY 2024 mid-year budget projections for the metro system are slightly below budget, though adjustments may be made post-storms. The City plans to submit claims to FEMA for reimbursement.

Mr. Jones also noted that all State Revolving Fund loan construction budgets for phase 1 are approved, enabling reimbursement submissions for construction expenses. This includes outstanding expenses, with these approvals expected to improve the construction cash flow. The City has secured short-term financing to manage cash flow and plans to issue revenue bonds in July 2025, estimated at \$200 to \$300 million for various projects.

11. UPDATE: JPA Financial (Standing Item)

Karyn Keze thanked Lee Ann Jones-Santos for her hard work on the FY 2020-2021 JPA audit and noted the upcoming financial focus of the next TAC meeting. Ms. Jones-Santos will be presenting Treasurer's Reports for the JPA's Fiscal Year Ending FY2023 and Mid-Year FY2024. Adam Jones will be presenting the Metro portion of the PUD's most recent Five-Year Financial Plan. PUD will be combining the FY2020 through FY2023 Exhibit E audits. Combining audits saves time and money due to adjustments for the Pure Water Program that need to be made in all four years. Ms. Keze emphasized the importance of the PA's maintaining individual financial reserve levels despite positive news on SRF loans due to the potential volatility of such a large construction program.

Peejay Tubongbanua asked about accessing San Diego audits and flow adjustments. Ms. Keze explained that costs, flows, and strengths are adjusted during audits and requested Peejay to email specific inquiries.

12. UPDATE: Integrated Regional Water Management Program Update

MetroTAC Chair, Alisa Nichols, noted that regional rack committee for IRWM was held on February the 7th; there was a presentation on stormwater harvesting and a very robust conversation related to the impacts on the environment, wastewater, and water operations. They discussed grant funding opportunities and the proposed Senate/Assembly bills for water bonds and that Thursday the 29th is the summit the San Diego Integrated Regional Water Management Summit being held in Balboa Park, if interested go to their website and register. They then discussed the goals of the committee and the advisory committee moving forward.

13. UPDATE: Industrial Wastewater Control Committee

Dexter Wilson provided an update on a recent meeting which discussed the general benefits of the pre-treatment program. He thanked participants and highlighted prior progress on Exhibit "X", the new rules for the industrial waste pretreatment program. Another meeting is expected to discuss and finalize amending Exhibit "Z" (administrative agreements) and justifying the program's benefits to non-industrial users.

14. UPDATE: Metro Commission/JPA Board Meeting Recap (Standing Item)

MetroTAC Chair Alisa Nichols stated that at the last meeting of the JPA they covered the items that had previously gone to TAC and the JPA reorganization which was given today by General Counsel Ochoa although in much more detail and they approved.

15. Review of Items to be Brought Forward to the Regular Metro Commission/Metro JPA Meeting (March 7, 2024)

Items 3, 5, 6, 7, 8, 9 and 10 will be moving forward to the JPA in March.

16. Other Business of Metro TAC

None.

17. Adjournment (To the next Regular MetroTAC Meeting March 20, 2024)

Chair Alisa Nichols adjourned the meeting at 1:15 p.m.

ATTACHMENT 2

**Second Amendment
to the As-Needed
Engineering Services
Agreements with
Kleinfelder, Inc. for
Contract 3 (H187008)
and HDR
Engineering, Inc. for
Contract 4 (H187009)**

Public Utilities Department

Second Amendment to the As-Needed Engineering Services Agreements with Kleinfelder, Inc. for Contract 3 (H187008) and HDR Engineering, Inc. for Contract 4 (H187009)

Metro Wastewater JPA Technical Advisory Committee Meeting
March 20, 2024

Orelia DeBraal, Assistant Director Technical Support Branch



Second Amendment Summary

ACTION: Increase Contract Capacity, Duration and Insurances*

- **Kleinfelder (H187008)**
 - *Increase Capacity by \$1,210,000*
 - *Extend Contract Expiration Date to April 8, 2027*
- **HDR Engineering (H187009)**
 - *Increase Capacity by \$1,880,000*
 - *Extend Contract Expiration Date to October 4, 2027*

*Contractors Pollution Liability Insurance and United States Longshore and Harbor (USL&H) Insurance

Second Amendment Summary

Metro Sewer Utility CIP - Fund 700009

Contract	Project	Scope	Amendment Details
Kleinfelder	Storm Water Diversion at SBWRP	<ul style="list-style-type: none">- Design of storm water diversion system (consent decree)- Bid and award support	Adding \$25k and 29 months
HDR	Storm Water Diversion at PLWWTP	<ul style="list-style-type: none">- Design of storm water diversion system (consent decree)- Bid and award support	Adding \$270k and 42 months
HDR	MBC Gas Detection System Replacement	<ul style="list-style-type: none">- Design of a gas detection system- Bid and award support- Construction support	Adding \$180k and 25 months



Questions?

ATTACHMENT 3

**Chemical Contracts
with Carbon
Activated
Corporation, Kemira
Water Solutions, Inc.,
and California Water
Technologies**

METRO JPA/TAC**Staff Report****Date: 03/20/24****Project Title:**

Chemical Contracts: Carbon Activated Corporation, Kemira Water Solutions, Inc., and California Water Technologies, LLC

Presenter(s) Name: Craig Boyd**Presenter(s) Title:** Deputy Director**Requested Action:**Carbon Activated Corporation

Metro JPA/Commission authorization to spend \$1,188,921.88 on a five-year contract (one year contract with four (4) one year options) for carbon tower odor removal and installation services at wastewater facilities.

\$1,188,921.88 is 33% of the total contract amount of \$3,602,793.59 for carbon tower odor removal and installation services over the five years at Wastewater Facilities.

Kemira Water Solutions, Inc.

Metro JPA /Commission authorization to spend \$7,639,500 on a five-year contract (one year contract with four (4) one year options) to purchase ferric chloride for the Public Utilities Water and Wastewater Treatment Plants.

\$7,639,500 is 33% of the total contract amount of \$23,150,000 to purchase ferric chloride over the five years at Wastewater Facilities.

California Water Technologies, LLC

Metro JPA/Commission authorization to spend \$7,007,220 on a five-year contract (one year contract with four (4) one year options) to purchase ferrous chloride for the Public Utilities Wastewater Treatment Plants.

\$7,007,220 is 33% of the total contract amount of \$21,234,000 to purchase ferrous chloride over the five years at Wastewater Facilities.

Recommendations:

Approve the Metro expenditure request and forward to the Metro Commission.

Metro TAC:	To be submitted for consideration
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IROC:	N/A
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Prior Actions: (Committee/Commission, Date, Result)	N/A
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Fiscal Impact:

Is this projected budgeted?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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Cost breakdown between Metro & Muni:	Funding will be distributed as follows:
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Carbon Activated Corporation: Metro \$3,602,793.59; Muni \$0

	Kemira Water Solutions: Metro \$23,150,000; Muni \$0 California Water Technologies: Metro \$21,234,000; Muni \$0
Fiscal impact to the Metro JPA:	Carbon Activated Corporation: 33% of Metro costs is \$1,188,921.88 Kemira Water Solutions: 33% of Metro costs is \$7,639,500 California Water Technologies: 33% of Metro costs is \$7,007,220
Capital Improvement Program:	
New Project?	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
Existing Project?	Yes <input type="checkbox"/> No <input type="checkbox"/> Upgrade/addition <input type="checkbox"/> Change <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
Previous TAC/JPA Action: N/A	
Additional/Future Action: Anticipated for City Council Environmental Committee Meeting in April 2024.	
City Council Action: Anticipated for May 2024.	
Background: <i>Provide background information on the need for the project</i>	
<p><u>Carbon Activated Corporation</u> The Public Utilities Department (PUD) employs carbon towers in odor removal systems at wastewater facilities citywide. These towers target odorous compounds like hydrogen sulfide and volatile organic compounds which occur naturally and require treatment upon entering wastewater facilities. Wastewater facilities utilize odor control systems regulated by the Air Pollution Control District (APCD), including activated carbon towers that adsorb hydrogen sulfide. Removal and replacement of activated carbon is necessary once the sulfur content threshold specified in each facility's APCD permit is reached. Failure to comply with the APCD Permit will result in a notice of violation and may result in fines. In order to reduce emissions to the atmosphere, air from the open spaces between the water level and top of the tank is routed via blowers to the carbon tower where the activated carbon will adsorb the compounds to eliminate odor.</p> <p>The carbon towers are located at the Point Loma Wastewater Treatment Plant, North City Water Reclamation Plant, South Bay Water Reclamation Plant, Metro Biosolids Center, Otay River Pump Station, Pump Station 2, and Grove Avenue Pump Station.</p> <p><u>Kemira Water Solutions</u> The Public Utilities Department Miramar, Alvarado, and Otay Water Treatment Plants and Point Loma Wastewater Treatment Plant require ferric chloride for water and wastewater. Ferric chloride is used to coagulate particles for sedimentation in the water and wastewater treatment processes. It is required to comply with Federal, State, and County regulations to ensure the health and safety of residents.</p>	

California Water Technologies

The Public Utilities Department, Wastewater Treatment and Disposal Division requires ferrous chloride at the Point Loma Wastewater Treatment Plant, Metropolitan Biosolids Center, and North City Water Reclamation Plant.

Ferrous chloride (FeCl_2) is a chemical used for hydrogen sulfide (H_2S) control in wastewater treatment plants. H_2S is a corrosive chemical which causes odor and is hazardous to human health. Control of H_2S concentrations in the wastewater treatment process is an environmental, safety, and regulatory requirement. Additionally, control of H_2S is important for preserving the wastewater system infrastructure.

Discussion: *Provide information on decisions made to advance the project*

These are operational and regulated items within the wastewater treatment process.

Bid Results: *If bidding was done provide bidding format and results*

Carbon Activated Corporation

An Invitation to Bid (ITB), 10090018-23-J, to procure carbon product removal and replacement for Public Utilities Department wastewater facilities was released on June 27, 2023. The Purchasing and Contracting Department received one responsive bid, which was from Carbon Activated Corporation and was issued a Notice of Intent to Award on November 1, 2023.

Kemira Water Solutions, Inc.

An Invitation to Bid, No. 10090062-24-M, to furnish the City of San Diego with ferric chloride, was issued on December 12, 2023, by the Purchasing and Contracting Department. They received two bidders and Kemira Water Solutions, Inc. was determined to be the lowest responsive bidder at \$1,197 per dry ton. This contract will be awarded in an amount not to exceed \$40,350,000 based on an initial bid price of \$1,197 per dry ton. The Notice of Intent to Award was sent on March 4, 2024.

California Water Technologies, LLC

An Invitation to Bid, No. 10090046-24-M, to furnish the City of San Diego with ferrous chloride, was issued on November 15, 2023, by the Purchasing and Contracting Department. They received three bidders and California Water Technologies, LLC was determined to be the lowest responsive bidder at \$1,223 per dry ton. This contract will be awarded in an amount not to exceed \$21,234,000 based on an initial bid price of \$1,223 per dry ton. The Notice of Intent to Award was sent on March 4, 2024.

Public Utilities Department

Chemical Contracts:

Carbon Activated Corporation
Kemira Water Solutions, Inc.
California Water Technologies, LLC

Metro TAC
March 20, 2024



Overview

1. Contract with Carbon Activated Corporation to provide carbon tower odor removal and installation services at Public Utilities Department Wastewater Facilities
2. Contract with Kemira Water Solutions, Inc. to purchase ferric chloride for the Public Utilities Department Water and Wastewater Treatment Plants
3. Contract with California Water Technologies, LLC to purchase ferrous chloride for the Public Utilities Department Wastewater Treatment Plants

Background

- Carbon towers target odorous compounds like hydrogen sulfide and volatile organic compounds which occur naturally and require treatment upon entering wastewater facilities
- Removal and replacement of activated carbon is necessary once the sulfur content threshold specified in each facility's APCD permit is reached
- In order to reduce emissions to the atmosphere, air from the open spaces between the water level and top of the tank is routed via blowers to the carbon tower where the activated carbon will adsorb the compounds to eliminate odor



Background

Carbon towers are located at the following facilities:

- Grove Avenue Pump Station
- Metro Biosolids Center
- North City Water Reclamation Plant
- Otay River Pump Station
- Point Loma Wastewater Treatment Plant
- Pump Station 2
- South Bay Water Reclamation Plant





Invitation to Bid Results

- Invitation to Bid (ITB) 10090018-23-J was issued on June 27, 2023
- Purchasing & Contracting Department received one responsive bid
- Notice of Intent to Award was sent on November 1, 2023



Contract

- Contract with Carbon Activated Corporation to provide carbon removal and installation at wastewater facilities
- Amount not to exceed \$3,602,793.59
- The Metro JPA amount is \$1,188,921.88, which is 33% of the total expenditures of \$3,602,793.59 over five years
- One (1) year contract with option to renew for four (4) additional one-year terms



Recommended Action

- Approve and forward to the Metro JPA/Metro Commission for consideration and approval

Background

- Ferric chloride is a chemical used to coagulate particles for sedimentation in the water and wastewater treatment processes
- The proper treatment of wastewater is required to comply with Federal, State and County regulations to ensure the health and safety of residents
- Ferric Chloride is used at Alvarado, Miramar, and Otay Water Treatment Plants and Point Loma Wastewater Treatment Plant





Invitation to Bid Results

- Invitation to Bid 10090062-24-M was issued on December 12, 2023
- Purchasing and Contracting Department received two responsive bids
- Kemira Water Solutions, Inc. was determined the lowest responsive bidder at \$1,197 per dry ton
- The Notice of Intent to Award was sent on March 4, 2024



Contract

- Contract with Kemira Water Solutions, Inc. to provide ferric chloride at Water and Wastewater Treatment Plants
- Amount not to exceed \$40,350,000 (Water and Wastewater)
- The Metro JPA amount is \$7,639,500, which is 33% of the total Metro Fund expenditures of \$23,150,000 over five years
- One (1) year contract with option to renew for four (4) additional one-year terms



Recommended Action

- Approve and forward to the Metro JPA/Metro Commission for consideration and approval



Background

- Ferrous chloride is a chemical used for hydrogen sulfide control in wastewater treatment plants
- Hydrogen sulfide is a corrosive chemical which causes odor, and is hazardous to human health
- Controlling the hydrogen sulfide concentrations in the wastewater treatment process is an environmental, safety, and regulatory requirement.
- Hydrogen sulfide control also helps preserve the wastewater system infrastructure

Background

- Ferrous chloride is used at Point Loma Wastewater Treatment Plant, Metropolitan Biosolids Center and North City Water Reclamation Plant





Invitation to Bid Results

- Invitation to Bid 10090046-24-M was issued on November 15, 2023
- Purchasing and Contracting Department received three responsive bids
- California Water Technologies, LLC was determined the lowest responsive bidder at \$1,223 per dry ton
- The Notice of Intent to Award was sent on March 4, 2024



Contract

- Contract with California Water Technologies, LLC to provide ferrous chloride at Wastewater Treatment Plants
- Contract amount not to exceed \$21,234,000
- The Metro JPA amount is \$7,007,220, which is 33% of the total Metro Fund expenditures of \$21,234,000 over five years
- One (1) year contract with option to renew for four (4) additional one-year terms



Recommended Action

- Approve and forward to the Metro JPA/Metro Commission for consideration and approval

Attachment 4

Year-End FY2023 Financial Statements



METRO WASTEWATER JOINT POWERS AUTHORITY STAFF REPORT

Item : 4

Date : March 15, 2024

To : Metro TAC Members

From : Karyn Keze, Executive Director/ Lee Ann Jones-Santos, Treasurer

Re: Metro Wastewater JPA Treasurer's Report for Year-End 2023

Attachment: Metro Wastewater JPA Treasurer's Report for Year-End 2023

The Metro Wastewater JPA Treasurer's Report for Year-End 2023 is attached to this staff report. Please note that the Treasurer's report was delayed due to the required participation and staff support of JPA's External Auditors in completing the FY20-21 Audit report, which was adopted by the Board of Directors at their February 2024 meeting.

This Treasurer's report is unaudited but will be included in the current FY22-23 JPA Audit, scheduled to be completed in April 2024. Below are several remarks regarding the Year-End Treasurer's report.

- **Financial Operations:** Despite completing the year within the overall budgeted amount, the JPA faces a challenge with a remaining cash balance over the required Operations Reserve of only \$36,633. Consequently, there were limited funds available to initiate funding for the Contingency Reserve, as approved during the FY2024 budget process by the Board of Directors. Discussion on formal funding for the Contingency Reserve is scheduled for the FY2025 budget process, given the stagnant cash position over the past year.

- **Consultant Activity:** The JPA experienced a demanding year for its financial and engineering consultants, primarily due to ongoing Second Amended Restated Agreement (SARA) negotiations with the City of San Diego and the Metro billing methodology update project (FAB system of charges). Despite two JPA consultants, The Keze Group and Dexter Wilson Engineering, showing a negative balance at FY 2023 year-end, it's important to note that these financial statements do not reflect approved change orders for these consultants which were approved in May 2023. Both firms operated within their amended approved contract limits for FY 2023.

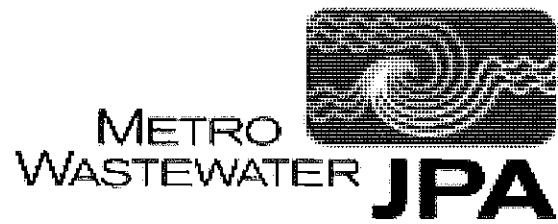
- **Board Secretary Duties:** Commencing in the last quarter of FY 2023, the Board Secretary's responsibilities expanded beyond their routine agenda and meeting

scope of work. Consequently, a thorough review and update of the Board Secretary's scope of work is slated for the FY2025 budget process as part of the JPA's reorganization efforts to address these changes in role and responsibilities.

- **Board of Directors Expenses:** FY 2023 saw an increase in Board of Directors Per Diem expenses, primarily due to the addition of Pure Water (SARA) AdHoc meetings that were not anticipated at budget time.

- **Legal Expenses:** Legal expenses for the JPA would have remained under budget were it not for unforeseen work associated with the Metro system sewer spill events. It's worth noting that this budget was set prior to the assumption of duties by our current general counsel.\

- **Website Updates:** A decision was made during the fiscal year not to pursue substantial updates or changes to the JPA's website, leading to the non-initiation of the website architecture contract. Instead, the JPA's current vendor, Granicus, with whom a four-year contract is in place, provided the requested services at no charge. However, an FY2024 bill from Granicus was received and paid in FY2023, creating an apparent overage in their contract. This payment was a pre-payment for their FY2024 hosting services, not indicative of a contractual breach.



Metro Wastewater Joint Powers Authority
Treasurer's Report
ending June 30, 2023

Metro Wastewater JPA
Treasurer's Report
ending June 30, 2023

Beginning Cash Balance at July 1, 2022	\$ 297,413
Operating Results	
Membership Dues & Interest Income	617,129
Expenses	<u>(677,792)</u>
Change in Net Position	(60,663)
Net change in Receivables & Payables	<u>(2,049)</u>
Cash used in Operations	<u>(62,712)</u>
Ending Cash Balance at June 30, 2023	<u><u>\$ 234,701</u></u>

Metro Wastewater JPA
Statement of Net Position

As of July 1, 2022 and June 30, 2023
Unaudited

	<u>July 1, 2022</u>	<u>June 30, 2023</u>	<u>\$ Change</u>
<u>ASSETS</u>			
Checking/Savings	\$ 297,413	\$ 234,701	\$ (62,712)
Accounts Receivable	11,412	15,427	4,015
Total Assets	<u>\$ 308,825</u>	<u>\$ 250,128</u>	<u>\$ (58,697)</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 2,044	\$ 4,010	\$ 1,966
Unearned Membership Billings	-	-	-
Total Liabilities	\$ -	\$ 4,010	\$ 1,966
<u>NET POSITION</u>			
Net Position at Beginning of Period	\$ 566,757	\$ 306,781	\$ (259,976)
Change in Net Position	(259,975)	(60,663)	199,312
Net Position at End of Period	\$ 306,782	\$ 246,118	\$ (60,664)
<u>TOTAL LIABILITIES & NET POSITION</u>	<u>\$ 308,826</u>	<u>\$ 250,128</u>	<u>\$ (58,698)</u>

<i>Net Position at 06/30/2023</i>	\$ 246,118
<i>FY '22 Required Reserve (4 months of Op Exp)</i>	<u>209,485</u>
<i>Over (under) required reserve</i>	\$ 36,633

Metro Wastewater JPA
Statement of Operations
Budget vs. Actual

ending June 30, 2023
Unaudited

	Actual	Budget	Over (Under) Budget
Income			
Membership Dues	\$ 584,245	\$ 584,245	\$ -
City of San Diego	\$ 32,587	\$ 44,210	(11,623)
Interest Income	297	-	297
Total Income	\$ 617,129	\$ 628,455	\$ (11,326)
Expense			
Administrative Assistant-LP	\$ 53,123	\$ 37,100	\$ 16,023
Bank Charges	72	200	(128)
Contingency	-	-	-
Dues & Subscriptions	-	-	-
Financial Services		-	
Audit Fees	-	12,000	(12,000)
Financial Consulting Support (Auditor)	-	2,500	(2,500)
Financial - The Keze Group	130,000	100,000	30,000
Treasurer - Padre Dam/El Cajon	11,259	30,000	(18,741)
JPA/TAC meeting expenses	1,917	5,000	(3,083)
Miscellaneous		250	(250)
Per Diem - Board	20,400	18,000	2,400
Printing, Postage, Supplies	-	860	(860)
Professional Services		-	
Engineering - Dexter Wilson	182,682	141,700	40,982
Engineering - NV5	28,720	30,000	(1,280)
Legal - Procopio (Pure Water/2nd ARA)	114,069	150,000	(35,931)
Legal - Procopio (General)	83,985	60,000	23,985
Legal - Procopio (SD Spill 2020 & 2023)	30,854	-	30,854
Legal - BB&K	1,561	-	1,561
Paul Redvers Brown, Inc.	12,760	24,900	(12,140)
Strategic Planning	-	-	-
Telephone, Software & Internet	-	2,140	(2,140)
Website Architecture Update	-	10,500	(10,500)
Website Maintenance & Hosting	6,390	3,305	3,085
Total Expense	\$ 677,792	\$ 628,455	\$ 49,337
Net Income (Loss)	\$ (60,663)	\$ -	\$ (60,663)

Metro Wastewater JPA
Statement of Cash Flows

ending June 30, 2023

Unaudited

OPERATING ACTIVITIES

Change in Net Position	\$ (60,663)
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**Adjustments to Reconcile Change in Net
Position to Net Cash Provided by Operations:**

Accounts Receivable	(4,015)
---------------------	---------

Accounts Payable	1,966
------------------	-------

Deferred Revenue	-
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Year ended June 30, 2023	(62,712)
---------------------------------	-----------------

Net cash increase (decrease) for period	297,413
------------------------------------------------	----------------

Cash at end of period	\$ 234,701
------------------------------	-------------------

Attachment 5

Mid-Year FY2024 Financials



METRO WASTEWATER JOINT POWERS AUTHORITY STAFF REPORT

Item : 5

Date : March 15, 2024

To : Metro TAC Members

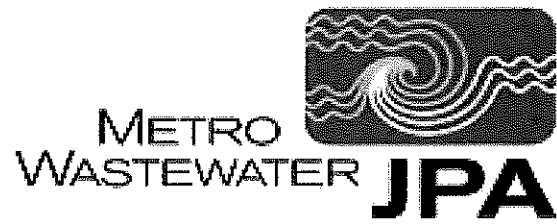
From : Karyn Keze, Executive Director/ Lee Ann Jones-Santos, Treasurer

Re: Metro Wastewater JPA Treasurer's Report for Mid-Year FY 2024

Attachment: Metro Wastewater JPA Treasurer's Report for Mid-Year FY 2024

The Metro Wastewater JPA Treasurer's Report for Mid-Year 2024 is attached to this staff report. This Treasurer's report is unaudited as it covers the financial operations of the JPA up to December 31, 2023, within the current fiscal year. Below are several remarks regarding the Mid-Year's Treasurer's report.

- **Financial Operations Update:** The financial operations of the JPA generally track with their designated budgets, with major consultants either slightly under budget or closely aligned. The majority of the items that are tracking higher than their budgeted amounts were discussed in the FY 2023 Year-End Treasurer's Report such as the Board Secretary and Board Member's Expenses. These aspects will be thoroughly reviewed during the FY2025 budget assessment.
- **Audit Expenditures:** The current auditor's contract was approved by the Board and implemented in August 2023, subsequent to the approval of the FY 2024 JPA budget in June 2023. The budgeted amount of \$12,000 does not reflect the actual approved audit contract amount of \$45,000, which encompasses audits for FY 2020-2021 and FY 2022-2023, aimed at bringing the JPA up to date with its audits. The Mid-Year expenditure of \$20,800 remains within the confines of the contract terms, considering the completion of the FY2020-2021 audit.
- **Cash Position:** Despite the Balance Sheet indicating excess cash of \$397,360 beyond the required Operations Reserve, it's anticipated that this entire amount will likely be necessary to cover operating expenses for the latter half of FY 2024. The Year-End Treasurer's report for FY 2023 highlights that deliberations on funding the JPA's Contingency Reserve will be undertaken during the FY2025 budget evaluation.



Metro Wastewater Joint Powers Authority
Treasurer's Report
ending December 31, 2023

Metro Wastewater JPA
Treasurer's Report
ending December 31, 2023

Beginning Cash Balance at July 1, 2023	\$ 263,174
Operating Results	
Membership Dues & Interest Income	734,784
Expenses	<u>(354,764)</u>
Change in Net Position	380,020
Net change in Receivables & Payables	<u>11,417</u>
Cash used in Operations	<u>391,437</u>
Ending Cash Balance at December 31, 2023	<u><u>\$ 654,611</u></u>

Metro Wastewater JPA
Statement of Net Position

As of July 1, 2023 and December 31, 2023
Unaudited

	<u>July 1, 2023</u>	<u>December 31, 2023</u>	<u>\$ Change</u>
<u>ASSETS</u>			
Checking/Savings	\$ 263,174	\$ 654,611	\$ 391,437
Accounts Receivable	<u>15,427</u>	<u>-</u>	<u>(15,427)</u>
Total Assets	<u><u>\$ 278,601</u></u>	<u><u>\$ 654,611</u></u>	<u><u>\$ 376,010</u></u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 4,010	\$ -	\$ (4,010)
Unearned Membership Billings	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (4,010)</u></u>
<u>NET POSITION</u>			
Net Position at Beginning of Period	\$ 306,781	\$ 274,591	\$ (32,190)
Change in Net Position	<u>(32,190)</u>	<u>380,020</u>	<u>412,210</u>
Net Position at End of Period	<u><u>\$ 274,591</u></u>	<u><u>\$ 654,611</u></u>	<u><u>\$ 380,020</u></u>
<u>TOTAL LIABILITIES & NET POSITION</u>	<u><u>\$ 278,601</u></u>	<u><u>\$ 654,611</u></u>	<u><u>\$ 376,010</u></u>

<i>Net Position at 06/30/2023</i>	\$ 654,611
<i>FY '22 Required Reserve (4 months of Op Exp)</i>	<u>257,252</u>
<i>Over (under) required reserve</i>	\$ 397,360

Metro Wastewater JPA
Statement of Operations
Budget vs. Actual

ending December 31, 2023
Unaudited

	Actual	Budget	Over (Under) Budget
Income			
Membership Dues	\$ 727,544	363,773	\$ 363,772
City of San Diego	6,770	7,368	(598)
Interest Income	470	-	470
Total Income	\$ 734,784	\$ 371,141	\$ 363,643
Expense			
Administrative Assistant-LP	\$ 25,630	18,550	\$ 7,080
Bank Charges	36	100	(64)
Contingency	-	-	-
Dues & Subscriptions	-	-	-
Financial Services		-	
Audit Fees	20,800	6,000	14,800
Financial Consulting Support (Auditor)	-	-	-
Financial - The Keze Group	70,179	75,000	(4,821)
Treasurer - Padre Dam/El Cajon	-	15,000	(15,000)
JPA/TAC meeting expenses	-	3,000	(3,000)
Miscellaneous	24	125	(101)
Per Diem - Board	12,648	12,500	148
Printing, Postage, Supplies	-	430	(430)
Professional Services		-	
Engineering - Dexter Wilson	94,627	100,000	(5,373)
Engineering - NV5	7,935	20,000	(12,065)
Legal - Procopio (Pure Water/2nd ARA)	81,292	75,000	6,292
Legal - Procopio (General)	29,774	30,000	(226)
Legal - Procopio (SD Spill 2020 & 2023)	9,519	15,000	(5,481)
Paul Redvers Brown, Inc.	1,160	12,450	(11,290)
Strategic Planning	-	-	-
Telephone, Software & Internet	1,141	1,070	71
Website Architecture Update	-	-	-
Website Maintenance & Hosting	-	1,653	(1,653)
Total Expense	\$ 354,764	\$ 385,878	\$ (31,113)
Net Income (Loss)	\$ 380,020	\$ (14,737)	\$ 394,757

Metro Wastewater JPA
Statement of Cash Flows
ending December 31, 2023
Unaudited

OPERATING ACTIVITIES

Change in Net Position	\$ 380,020
Adjustments to Reconcile Change in Net Position to Net Cash Provided by Operations:	
Accounts Receivable	15,427
Accounts Payable	(4,010)
Deferred Revenue	<u>-</u>
Year ended June 30, 2023	391,437
Net cash increase (decrease) for period	<u>263,174</u>
Cash at end of period	<u><u>\$ 654,611</u></u>

Attachment 6

Pump Station 2 Emergency Project Status

City of San Diego
Public Utilities Department

Metro TAC
Wastewater System: Pump Station 2
Emergency Repair Status

March 20, 2024

Presentation Topics

1. Background–Emergency Declaration Memo
2. Emergency Declaration Work Status
3. O&M Work Progress
4. Questions



Emergency Declaration Memorandum

- As a result of the January 22nd storm event, the City of San Diego initiated an emergency declaration for Pump Station 2 Repairs
- This emergency declaration will allow the timely completion of critical repairs to ensure the reliability of this pump station in future storm events.



The City of San Diego
MEMORANDUM

DATE: February 26, 2024
TO: Rania Amen, Director, Engineering & Capital Projects Department
FROM: Lisa M. Celaya, Executive Assistant Director, Public Utilities Department
SUBJECT: Emergency Declaration for Pump Station 2 Repair

This memorandum is being sent to request expedited Public Works contracting to conduct emergency repairs to Pump Station 2. Pump Station 2 is located at 4077 North Harbor Drive and is the City's largest and most critical wastewater pump station. Pump Station 2 conveys all flow to Point Loma Wastewater Treatment Plant, which treats the vast majority of wastewater generated in San Diego as well as neighboring cities and unincorporated communities. Emergency repairs are needed to maintain services essential to public health, safety, and welfare.

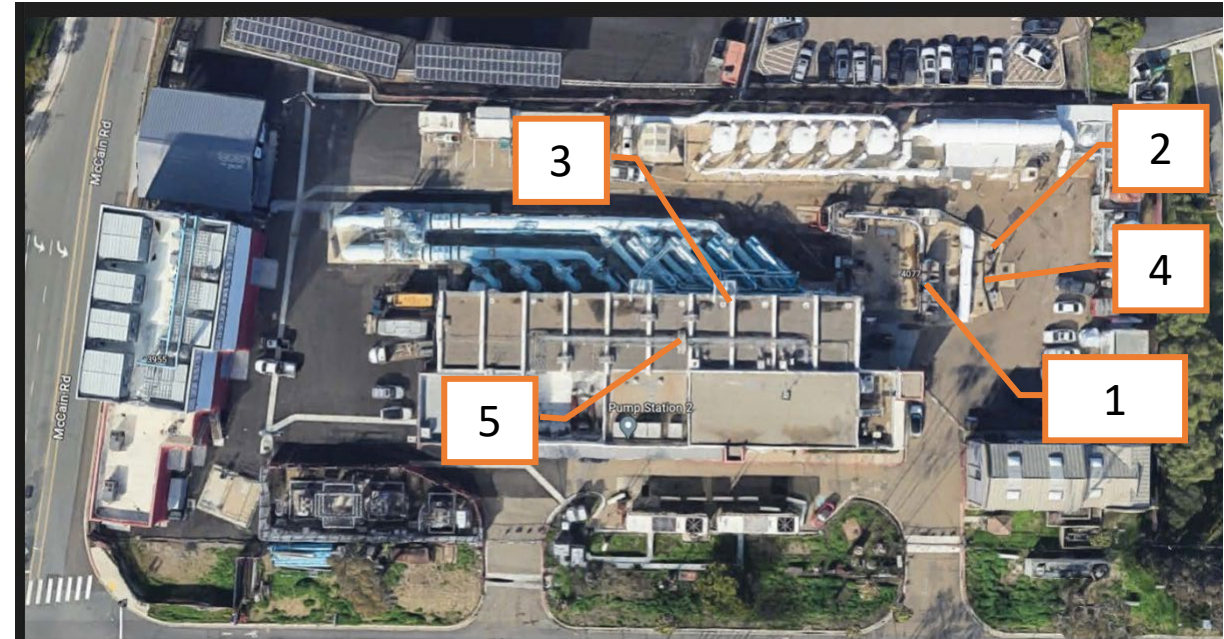
In order to provide effective wastewater conveyance and avoid sewer spills, especially given the unprecedented storms that are now occurring due to climate change, Pump Station 2 must have all 8 pumps and all screens and sluice gates in working order. Any lack of fully functional equipment in these categories will render the station unable to operate at full capacity and unable to convey anticipated future storm flows, resulting in sewer spills. Should Pump Station 2 not be able to process all incoming flow of the upcoming storm events, large wastewater discharges into the San Diego River, San Diego Bay, and into San Diego communities will inevitably occur.

Public Utilities Department management, engineering, and maintenance staff from the Wastewater Collection Division have identified the following list of urgent repairs which must be done at Pump Station 2 to ensure the station is able to convey storm flows.

1. Fabricate and install one replacement mechanical traveling screen.
 - a. Existing are Parkson traveling mechanical screens.
 - b. The in-service screens are damaged and are allowing debris ("rags") to clog the pumps, rendering them inoperable.
2. Remove and overhaul two mechanical traveling screens.
 - a. Overhaul two of five existing Parkson traveling mechanical screens.
 - b. The in-service screens are damaged and are allowing debris ("rags") to clog the pumps, rendering them inoperable.
3. Replace bypass channel screen ("trash rack")
 - a. The bypass channel screen has failed and has large holes in it.
 - b. The holes are letting large debris through. The debris collides with the pumps and is damaging them, as evidenced in recent storms.
4. Replace liquid rheostat cooling water recirculation lines.
 - a. Cooling water lines from the liquid rheostats to the cooling tower are clogged and reducing rheostat efficiency/pump speed

PS 2 Emergency Declaration Scope of Work

1. Mechanical Traveling Screens
2. Bypass Channel Bar Screen
3. Cone Valve 7 and Discharge valve (“knife gate”) 7
4. Bracket for Sluice Gate 1
5. Liquid Rheostat



PS 2 Emergency Declaration Timeline & Funding

Timeline: March 18th, 2024

- Site walk and scope of work overview with potential Contractor (TC Inc.)

Estimated Cost: \$2.5 million



Emergency Repair Items

1. Mechanical Traveling Screen

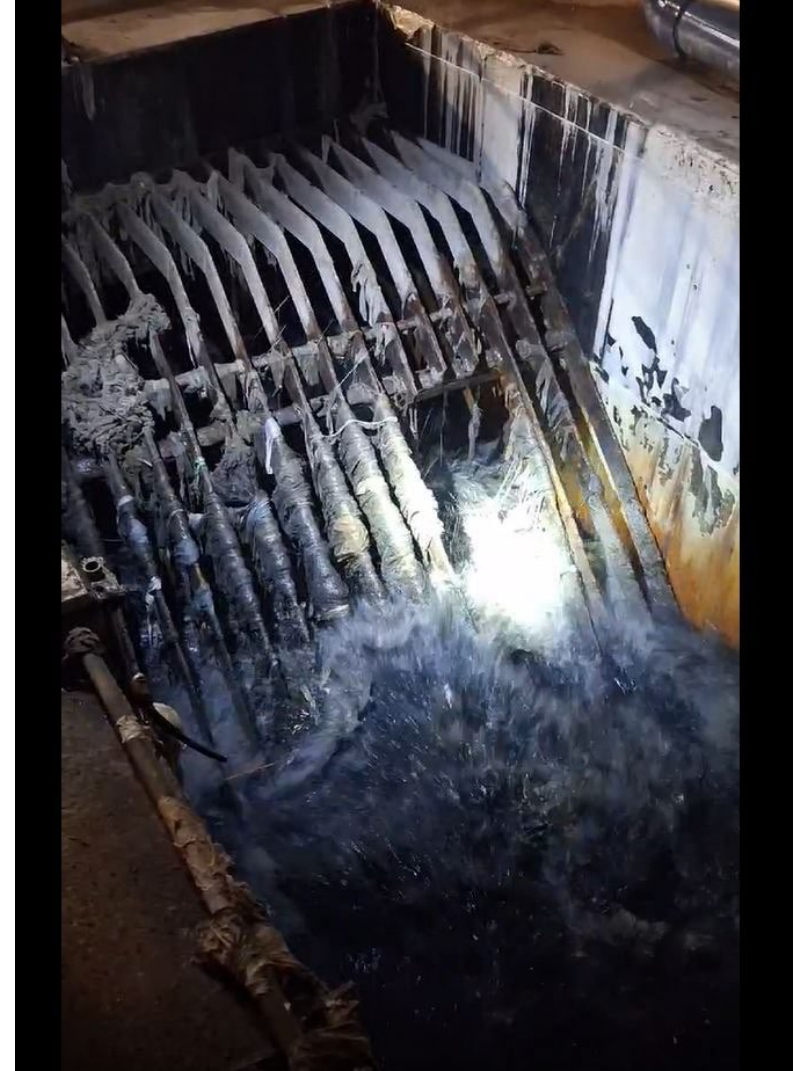
- a) Fabricate and install one replacement mechanical traveling screen (Parkson).
- b) Remove and overhaul two of five existing Parkson traveling mechanical screens.



Emergency Repair Items

2. Bypass Channel Bar Screen

- a) Remove and replace with new channel bar screen.



Emergency Repair Items

3. Cone Valve 7 and Discharge Gate Valve 7

- a) The cone valve and discharge gate valve on Pump 7 failed during the latest storms.
- b) Replace or overhaul cone valve and discharge gate valve 7.



Emergency Repair Items

4. Bracket for Sluice Gate 1

- a) Existing bracket is badly deteriorated and is at risk of immediate failure, which would render the sluice gate inoperable.
- b) Fabricate and install replacement bracket for Sluice Gate 1.



O&M Projects in Progress

1. Pump 2 Motor & Starter Evaluation
 - Evaluation by Contractor (IPS)
2. Cone Valve 5
 - Overhauled Valve by Contractor (UPS)
 - Received cone valve Mar 13th
3. Pump 3 Cone Valve Actuator
 - Overhaul by Contractor (Orion)



Recent Completed O&M Projects

1. Sluice Gate 2
 - a) Repaired sluice gate 2
 - b) Replaced sluice gate 2 actuator
2. Pumps 4, 6, and 8 Rotating Assemblies Replaced



Questions



Attachment 7

Public Utilities Department Fiscal Year 2025-2029 Five- Year Financial Outlook (Metro Only)

Public Utilities Department

Fiscal Year 2025-2029 Five-Year Financial Outlook

Metro TAC

Adam Jones, Deputy Director, Public Utilities

Overview

- Five-Year Financial Outlook
 - Identifies the system-wide revenue need for water and wastewater including operations, capital and financial metrics
- Public Utilities charges rates to provide services to our customers
 - Council authorized not to exceed values for rates through FY 2025
 - Rates are forecasted beyond FY 2025 and will require future City consideration



Impacts that Changed Forecast (Wastewater)

Negative Impacts

- Dependability of grant revenue
- Higher personnel, chemicals, borrowing and energy costs
- Continued increase in new capital project bids



Critical Strategic Adds – Wastewater (Metro)

- Pure Water Phase 1
- Pure Water Phase 2
- NPDES Regulatory Compliance



Metro O&M Costs

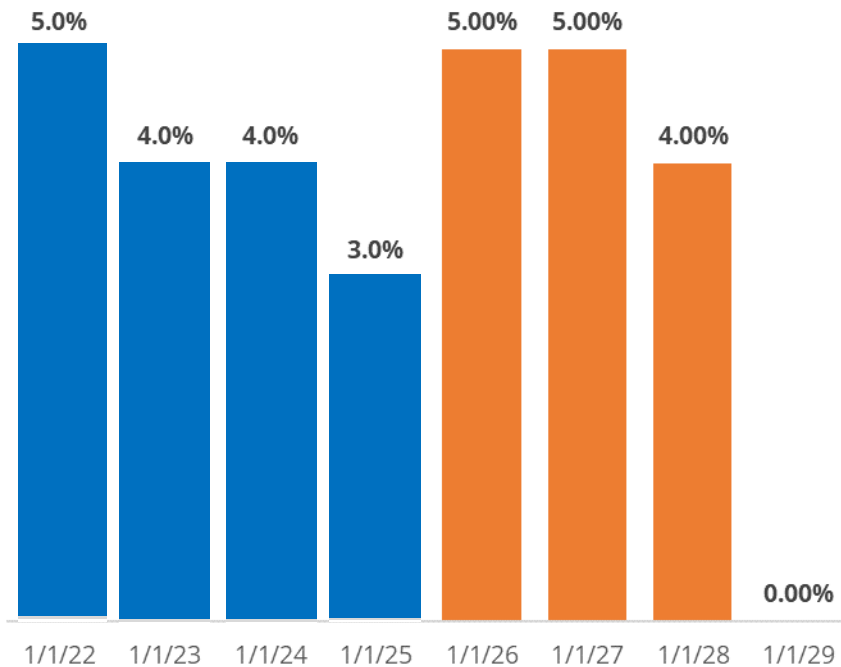
	<i>Budget</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>
Expenditure Description	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Personnel Cost	\$42,951,726	\$45,382,700	\$47,660,900	\$49,114,700	\$50,612,600	\$52,156,300
Fringe Benefits	\$24,438,213	\$25,464,600	\$26,483,200	\$27,013,000	\$27,553,100	\$28,104,200
Supplies	\$39,963,156	\$41,082,200	\$42,232,600	\$43,415,100	\$44,630,700	\$45,880,300
Contracts	\$65,499,371	\$63,865,100	\$66,625,400	\$68,491,000	\$70,408,800	\$72,380,300
IT Expenses	\$11,713,584	\$12,059,000	\$12,396,800	\$12,743,800	\$13,100,700	\$13,467,600
Energy & Utilities	\$28,547,446	\$27,174,800	\$28,611,100	\$29,641,100	\$30,708,100	\$31,813,700
Other	\$238,654	\$236,000	\$236,000	\$236,000	\$236,000	\$236,000
Capital Expenditures	\$3,461,799	\$3,461,800	\$3,461,800	\$3,461,800	\$3,461,800	\$3,461,800
Strategic Adds	\$0	\$2,799,723	\$3,022,451	\$3,656,021	\$2,844,920	\$2,993,589
Metro O&M Expenditures	\$216,813,949	\$221,525,923	\$230,730,251	\$237,772,521	\$243,556,720	\$250,493,789

Metro Capital Costs

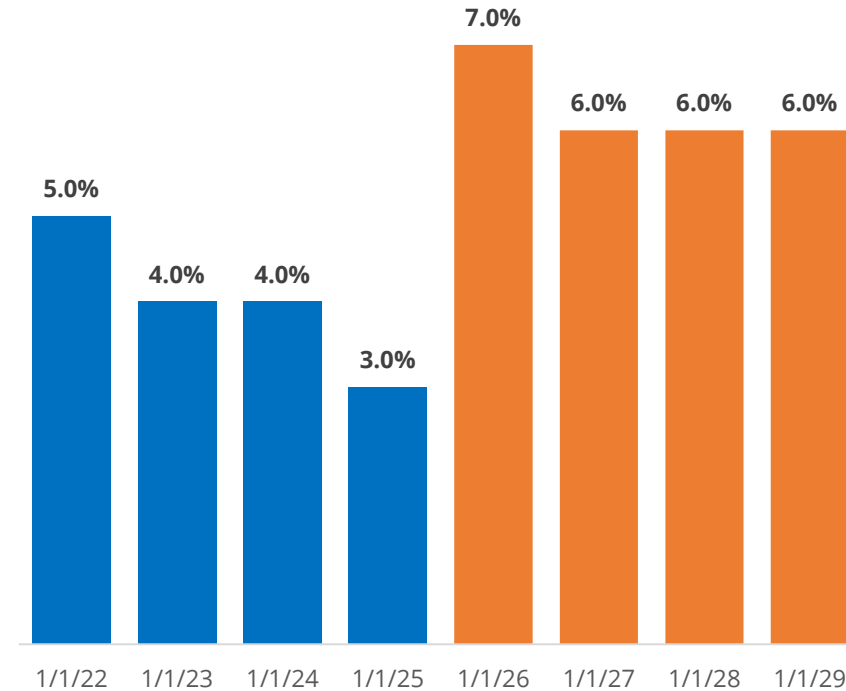
Asset Type	<i>Projection</i> FY 2025	<i>Projection</i> FY 2026	<i>Projection</i> FY 2027	<i>Projection</i> FY 2028	<i>Projection</i> FY 2029
Pure Water Phase 1	\$158,961,654	\$41,350,841	\$18,141,037	\$9,879,975	\$2,887,865
Sewer Treatment Plants	\$38,099,370	\$17,214,782	\$17,283,619	\$13,641,895	\$5,751,190
Large Sewer Pump Station	\$7,636,259	\$7,375,157	\$15,850,000	\$15,000,000	\$21,000,000
Pure Water Phase 2	\$7,035,210	\$2,201,998	\$1,875,210	\$6,982,679	\$14,328,658
Miscellaneous Projects	\$1,959,142	\$5,196,912	\$10,926,695	\$15,768,818	\$2,084,584
Trunk Sewers	\$363,491	\$-	\$4,416,447	\$20,351,514	\$2,838,717
Grand Total	\$214,055,125	\$73,339,689	\$68,493,007	\$81,624,882	\$48,891,013

City Wastewater Rate Forecast

Last Year



Current Outlook



Metro JPA Assumptions

- \$10 million revenue reduction from East County Roll off
 - \$85 million assumed in report vs \$95 million in 2025 estimate
- Continued use of short-term borrowing (revolver) to smooth Pure Water pay-go billing risks
 - Ensures long-term savings from low SRF interest (between .8 and 1.1%)
- Debt issuance between \$50 and \$100 million in greatly reducing Pay-go costs for FY 2025
- North City Recycled Water Revenues showing as income credits



Attachment 9

Pure Water Program Update Quarterly Contractor's Report

								Total Contract (Including Change Orders)			31-Dec-23	
Construction Package	Projected/Actual Bid Date	Projected/Actual Contractor Notice-To-Proceed	Contractor Substantial Completion ⁽³⁾	Percent Complete (G = F / E)	Updated Engineer's Estimate	Bid Award ⁽¹⁾ (A)	Change Orders ⁽²⁾ (B)	Water (C)	Wastewater (D)	Total Contract (E = A + B)	Paid to Date ⁽²⁾ (F)	Construction Company
Early Sitework	October 18, 2018	May 22, 2019	July 27, 2021	100%	\$16,403,300	\$16,403,300	\$1,184,211	\$4,546,855	\$13,040,656	\$17,587,511	\$17,587,511	Shimmick
NC Pure Water Facility & NC Pure Water Pump Station	August 7, 2020	April 19, 2021	February 26, 2025	60%	\$455,704,000	\$356,681,930	\$10,505,605	\$367,187,535	\$0	\$367,187,535	\$221,077,776	Shimmick
Morena Northern Alignment & Tunnels	August 17, 2020	June 14, 2021	August 30, 2024	43%	\$98,936,360	\$95,243,645	\$7,339,742	\$20,159,273	\$82,424,114	\$102,583,387	\$44,538,017	OHL USA, Inc
Morena Wastewater Pump Station	October 21, 2020	June 14, 2021	February 3, 2026	58%	\$109,700,000	\$110,386,350	\$20,528,115	\$58,674	\$130,855,792	\$130,914,465	\$75,855,951	Flat Iron West
NC Pure Water Pipeline and Dechlorination Facility & Subaqueous Pipeline	November 30, 2020	June 1, 2021	April 21, 2025	52%	\$138,010,000	\$123,456,027	-\$14,815,458	\$108,640,569	\$0	\$108,640,569	\$56,932,199	W.A. Rasic Construction Company, Inc.
NCWRP Expansion & PWF Influent Conveyance	December 16, 2020	August 4, 2021	April 16, 2026	35%	\$208,660,000	\$255,138,000	\$4,913,987	\$138,085,688	\$121,966,299	\$260,051,987	\$91,385,780	Kiewit Infrastructure West Co.
NC MBC Improvements	February 9, 2020	September 15, 2021	March 12, 2025	61%	\$40,384,677	\$40,086,690	\$2,586,469	\$0	\$42,673,159	\$42,673,159	\$25,994,199	PCL Construction, Inc.
NCWRP EQ Basins	May 11, 2021	December 6, 2021	December 5, 2023	19%	\$10,540,000	\$11,886,000	\$11,637	\$0	\$11,897,637	\$11,897,637	\$2,242,579	Kiewit Infrastructure West Co.
Morena Conveyance Southern & Middle	December 28, 2021	October 3, 2022	July 18, 2025	22%	\$115,954,829	\$129,753,895	\$317,035	\$28,511,002	\$101,559,928	\$130,070,930	\$28,776,151	Sukut Construction, LLC
Miramar Reservoir Pump Station Improvements	March 18, 2022	October 25, 2022	November 19, 2024	50%	\$10,253,000	\$12,692,000	\$169,449	\$12,861,449	\$0	\$12,861,449	\$6,488,930	Shimmick
Miramar Reservoir Automated In-Water Quality Monitoring System (AIWQMS)	February 23, 2021	October 15, 2021	October 15, 2026	54%	\$1,000,000	\$1,000,000	\$0	\$1,000,000	\$0	\$1,000,000	\$538,435	Soundnine Inc.
Penasquitos Pump Station Oxygenation System	September 2, 2022	February 21, 2023	January 3, 2024	10%	\$2,675,000	\$4,391,767	\$0	\$0	\$4,391,767	\$4,391,767	\$444,000	Blue Pacific Engineering & Construction
				48%	\$1,208,221,166	\$1,157,119,604	\$32,740,793	\$681,051,045	\$508,809,352	\$1,189,860,397	\$571,861,527	

1. Bid Award values are enterered when Notice-of-Intent to Award has been issued.
2. Change order and paid-to-date amounts through December 31, 2023.
3. Projected Substantial Completion is based on the current construction contract date, inclusive of any time-related change orders.

Attachment 11

JPA Executive Director



Monthly Executive Director's Report February 2024

During the month of February, the Executive Director and Team were engaged in several key initiatives:

1. **Implementation of New Per Diem Financial System and Policy:** Going forward, a sign-in sheet will be circulated for attendees to initial at the JPA Meeting. Additionally, under our new policy, individuals can now claim mileage from their residence or agency office. Please ensure that you fill in the mileage on the per diem sheet if appropriate. A reminder that those already receiving mileage reimbursement or a car allowance from their agency are not eligible to claim mileage to/from the JPA/Commission meeting.
2. **Initiation of FY2025 JPA Budget Planning:** The process for planning the FY2025 JPA budget has commenced with the distribution of a preliminary budget to the Metro TAC Chair. A formal budget schedule has been developed and will be sent to the Executive Team and Finance Committee after this meeting. Finance Committee meetings are slated for March to begin preliminary planning, with further review scheduled for April and May if needed. The objective is to adopt the JPA Budget by July 1, 2024. Key discussions will include the potential establishment of the JPA's contingency reserve and strategic planning (last conducted in 2022).
3. **Metro Wastewater JPA Pure Water (SARA) AdHoc Meeting 8:** Held on Thursday, February 22nd, this meeting covered discussions on Functional Allocated Billing (FAB) Debt Service and CIP Cost Allocation Revisions.
4. **SARA Negotiations Resumed:** Discussions with the City of San Diego have restarted since the last meeting held in July 2023. An agenda has been set for the next four meetings, with subsequent sessions scheduled every three weeks.
5. **Continuation of Financial Implementation Group (FIG) Meetings:** Regular bi-weekly meetings of the FIG have been ongoing, ensuring progress on SARA and Metro financial matters.
6. **Continuation of FAB Workgroup Meetings:** Ongoing bi-weekly meetings with the City of San Diego project team and Stantec consultants have been maintained to advance the Functional Allocated Billing project

Upcoming Month Preview:

1. **2024 JPA Website Update:** The Board Secretary and Executive Director will review and revise any necessary sections of the New Directors Manual during the annual update.
2. **Metro Wastewater JPA Pure Water (SARA) AdHoc Meeting 9:** Scheduled for Thursday, March 28th from 9:30-11:30 am, this meeting will focus on discussions regarding SARA Implementation.
3. **Commencement of FY2025 Budget Process:** The planning phase for the FY2025 JPA budget will begin with a meeting with the Finance Committee. The following is the draft FY2025 JPA Budget Schedule:

Date	Time	Agenda Topics	Type and Location of Meeting
Metro Wastewater JPA Finance Committee Regular Meetings:			
3/27/2024	10:00 AM	FY2025 Budget Planning	Hybrid subject to AB 2449 Requirements; City of San Diego MOC Conference room (to be assigned)
4/24/2024	10:00 AM	FY2025 Draft Budget	Hybrid subject to AB 2449 Requirements; City of San Diego MOC Conference room (to be assigned)
5/22/2024	10:00 AM	2nd Budget Meeting (If Needed)	Hybrid subject to AB 2449 Requirements; City of San Diego MOC Conference room (to be assigned)
Metro Wastewater JPA/Commission Regular Meetings:			
5/2/2024	Noon	Review & Potential Adoption of FY2025 JPA Budget	In-Person, City of San Diego MOC II Auditorium
6/6/2024	Noon	2nd Meeting (if Needed): Review & Potential Adoption of FY2025 JPA Budget	In-Person, City of San Diego MOC II Auditorium

4. **Expansion of Monthly Executive Director's Report:**

- *Engineering Updates:* Updates on engineering matters will be incorporated.
- *Inclusion in JPA/Commission Agenda:* The expanded report will be included in the agenda for the JPA/Commission meetings.