



**Regular Meeting of the  
Metro Wastewater JPA/Metro Commission**

**AGENDA**

**Thursday, April 4, 2024 - 12:00 p.m.**

**9192 Topaz Way (PUD MOC II) Auditorium, San Diego, CA**

*"The Metro JPA's mission is to create an equitable partnership with the San Diego City Council and Mayor on regional wastewater issues. Through stakeholder collaboration, open dialogue, and data analysis, the partnership seeks to ensure fair rates for participating agencies, concern for the environment, and regionally balanced decisions."*

**NOTE: ANY MEMBER OF THE PUBLIC MAY ADDRESS THE METRO WASTEWATER JPA/COMMISSION ON ANY AGENDA ITEM. PLEASE COMPLETE A SPEAKER SLIP AND SUBMIT IT TO THE BOARD SECRETARY PRIOR TO THE START OF THE MEETING, IF POSSIBLE, OR IN ADVANCE OF THE SPECIFIC ITEM BEING CALLED. COMMENTS ARE LIMITED TO THREE (3) MINUTES PER INDIVIDUAL**

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1. **ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **PUBLIC COMMENT:** *Persons speaking during Public Comment may address the Metro Wastewater JPA/Metro Commission on any subject matter within the jurisdiction of the Metro Wastewater JPA/Metro Commission that is not listed as an agenda item. Comments are limited to three (3) minutes.*
4. **ACTION:** Approval of Agenda
5. **ACTION:** Consideration and Possible Action to Approve the Minutes of **MARCH 7, 2024 (Attachment)**
6. **ACTION:** Consideration and Possible Action to Approve the Appointment of a New Metro JPA Finance Committee Member (Chair Jones)
7. **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)**

8. **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) (**Attachment**)
9. **ACTION:** Consideration and Possible Action to Recommend Approval of the Second Amendment to the Agreement for Professional Services Between Metro Wastewater Joint Powers Authority and the Keze Group (Adriana Ochoa) (**Attachments**)
10. **ACTION:** Consideration and Possible Action to Recommend Approval of the Resolution of Metro Wastewater Joint Powers Authority Adopting an Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974 (Adriana Ochoa) (**Attachments**)
11. **ACTION:** Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of the Metro Wastewater JPA Treasurer's Report - Year-End FY 2023 Financial Statements (Unaudited) (Lee Ann Jones-Santos/Karyn Keze) (**Attachment**)
12. **ACTION:** Consideration and Possible Action to Recommend Approval to the Metro JPA/Commission of the Metro Wastewater JPA Treasurer's Report - Mid-Year FY 2024 Financials (Unaudited) (Lee Ann Jones-Santos/Karyn Keze) (**Attachment**)
13. **PRESENTATION:** Public Utilities Department Fiscal Year 2025-2029 Five-Year Financial Outlook (Metro Only) (Adam Jones) (**Attachment**)
14. **INFORMATION:** Pump Station 2 Emergency Project Status (Doug Campbell/Mike Rosenberg) (**Attachment**)
15. **UPDATE:** Metro Wastewater (General) (Standing Item) (Lisa Celaya)
  - a. General Update
  - b. Permit Renewal
16. **UPDATE:** Pure Water Program Update (Standing Item) (Amy Dorman/Doug Owen)
  - a. Quarterly Contractor's Report (**Attachment**)
17. **UPDATE:** Metro Wastewater Financial (Standing Item) (Adam Jones)
18. **UPDATE:** MetroTAC (Standing Item) (Alicia Nichols)
19. **REPORT:** Executive Director Report (Standing Item) (Karyn Keze) (**Attachment**)
20. **REPORT:** Finance Committee (Standing Item) (Director De Hoff)
21. **REPORT:** General Counsel (Standing Item) (Adriana Ochoa)
22. **PROPOSED AGENDA ITEMS** for Next Metro JPA/Commission Meeting **May 2, 2024**
23. **METRO JPA DIRECTORS/COMMISSIONERS COMMENTS**
24. **ADJOURNMENT**

NOTE: The Metro Wastewater JPA and/or Commission may take action on any item listed in this Agenda whether or not it is listed "For Action."

Materials provided to the Metro JPA/Metro Commission related to any open-session item on this agenda are available for public review at our website: <https://www.metrojpa.org>

***In compliance with the AMERICANS WITH DISABILITIES ACT***

Persons with disabilities that require modifications or accommodations, please *contact General Counsel Adriana Ochoa at [adriana.ochoa@procopio.com](mailto:adriana.ochoa@procopio.com)* by no later than two hours prior to the meeting to request reasonable modifications or accommodations consistent with the Americans with Disabilities Act and Metro JPA/Commission shall promptly work with you to resolve the matter in favor of accessibility.

**Metro JPA 2024 Meeting Schedule**

January 4, 2024	February 1, 2024	March 7, 2024
April 4, 2024	May 2, 2024	June 6, 2024
July 4, 2024	August 1, 2024	September 5, 2024
October 3, 2024	November 7, 2024	December 5, 2024

# **Attachment 5**

## **Minutes of the Regular Meeting of March 7, 2024**



**Minutes of the Regular Meeting  
of the Metro Wastewater JPA  
and Metro Commission**

**9192 Topaz Way (PUD MOC II) Auditorium, San Diego, CA**

**March 7, 2024**

**Minutes**

Chair Jones called the meeting to order at 12:03 p.m. A quorum of the Metro JPA/Commission was declared, and the following representatives were present:

**1. ROLL CALL**

<b><u>Agencies</u></b>	<b><u>Representatives</u></b>	<b><u>Alternate</u></b>
City of Chula Vista	Jose Preciado	
City of Coronado	John Duncan	
City of Del Mar	Dwight Worden (absent)	
City of El Cajon	Gary Kendrick	
City of Imperial Beach	Mitch McKay	
City of La Mesa	Bill Baber (absent)	
Lemon Grove San District	Jerry Jones	
City of National City	Ditas Yamane (absent)	
City of Poway	Peter De Hoff	
County of San Diego	Joel Anderson	
Otay Water District	Mark Robak (absent)	
Padre Dam MWD	Karen Jassoy (absent)	
San Diego County	Joel Anderson (absent)	Gregory Kazmer

Others present: Metro JPA General Counsel Adriana Ochoa - Procopio; Metro JPA/Commission Board Secretary Lori Anne Peoples; Alisa Nichols – City of Poway, MetroTAC Chair; None – City of Coronado; Blake Behringer - City of El Cajon; Eric Minicilli – City of Imperial Beach; Joe Kuhn – City of La Mesa; Izzy Murguia – Lemon Grove Sanitation District; Carmen Kasner – City of National City; Beth Gentry – Otay Water District; PeeJay Tubongbauna – Padre Dam Municipal Water District; Alisa Nichols – City of Poway; Lisa Celaya, Adam Jones, Edgar Patino, Doug Campbell, David Bryant, Ryan Kempster, Doug Owen (SD Consultant) - City of San Diego Staff; None – County of San Diego; Metro JPA Staff: Lee Ann Jones-Santos, JPA Treasurer, Karyn Keze, Executive Director, The Keze Group, LLC.; Scott Tulloch – NV5; Kathleen Heitt, Dexter Wilson Engineering. Daphnie Munoz (Auditor – Clifton Larson Allen LLC), Paul Redvers Brown (Consultant/Facilitator – Paul Redvers Brown Inc.)

Chair Jones noted that the new procedure for Per Diems requires all Directors to sign in on the sheet provided by the Secretary which will be routed around the dais. He requested they please sign and pass it along.

2. **PLEDGE OF ALLEGIANCE TO THE FLAG**

Vice Chair De Hoff, City of Poway, led the pledge.

3. **PUBLIC COMMENT**

None.

4. **ACTION: APPROVAL OF AGENDA**

Chair Jones requested that Item 12B be moved down to just prior to adjournment.

General Counsel Ochoa stated that action was not required.

Director Preciado arrived.

5. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE REGULAR MEETING OF February 1, 2024**

**ACTION:** Motion by Alternate Director Kazmer, seconded by Director De Hoff, to approve the Minutes as submitted. Motion carried as follows:

AYES: Preciado, Duncan, Kendrick, McKay, Jones, Robak, Jassoy, De Hoff, Kazmer

NAYS: None

ABSTAIN: None

ABSENT: Worden, Baber, Yamane

6. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE FINANCIAL STATEMENTS WITH REPORT ON AUDIT BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS FOR THE TWO-YEAR PERIOD ENDED JUNE 30, 2021**

Ms. Keze introduced Ms. Daphne Munoz from CLA, who in conjunction with Rob Pearl served as the audit team for the JPA's FY 2020-21 audit, expressing gratitude for their swift completion of the task. She expressed satisfaction with the successful completion of the audit, which ensures the JPA is up to date with its reporting obligations. Looking ahead, preparations for the FY 2022-2023 JPA Audit are underway and it will commence shortly.

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 adjustments proposed that were corrected by management and there were no disagreements during the course of the audit.

**ACTION:** Motion by Director Jassoy, seconded by Director Kendrick, to approve the Financial Statements for the Two-Year Period Ended June 30, 2021. Motion carried as follows:

AYES: Preciado, Duncan, Kendrick, McKay, Jones, Robak, Jassoy, De Hoff, Kazmer

NAYS: None

ABSTAIN: None

ABSENT: Worden, Baber, Yamane

**7. PRESENTATION: GOALS OF THE SECOND AMENDED AND RESTATED AGREEMENT (SARA)**

Karyn Keze introduced the item noting that the negotiations with the City of San Diego on the SARA started back on April 1, 2021. Ms. Keze stated that a rewrite to the document to consolidate and organize the sections was also being performed. She then introduced Paul Brown, facilitator between the JPA and the City of San Diego with Paul Redvers Brown Inc., who provided a brief overview of his PowerPoint presentation included in the agenda package.

Director Jassoy stated she would be submitting a letter from her agency with questions and comments pertaining to number 2. Ms. Keze stated that this was just a presentation and she would welcome their letter and any others so that they can be addressed. Alternate Director Kazmer requested someone from the East County be included on the negotiating team. Ms. Keze noted that they were almost done and that the negotiating team runs parallel to the JPA's Pure Water Ad Hoc Committee. Chair Jones interjected that he made sure since the beginning of this process that there was representation from East County and noted that the Ad Hoc Committee included Director Kendrick and MetroTAC Vice Chair Behringer, both of El Cajon.

Director Preciado stated that he sits on the Ad Hoc Committee as Chula Vista is the largest user and wanted to ensure everyone that all their rights were being protected. Furthermore, he expressed support for the cohesive partnership and appreciated the language updates and rate setting updates from 1998. Ms. Keze expressed appreciation, from a staff perspective, for the hard work of the Ad Hoc Committee. Vice Chair De Hoff concurred and stated appreciation for the ability to make minor changes without having to reopen the entire document. Director Duncan stated he was on the Ad Hoc as well and felt the committee has done an excellent job on their mission and provided a couple housekeeping corrections to the minutes and Executive Director's report. Director Preciado stated that the JPA PAs work together with the City of San Diego was remarkable in terms of governance and decision making and thus he felt it very appropriate to get to new agreements with what our shared and individual costs are, and that many of the costs may be related to the ability to operate. This has an important value that PAs have been investing in over time. Lastly, when the PAs can get together to discuss all these elements together, they will see things have been flowing in the right direction in terms of paying the fair share of costs and could streamline the processes when new decisions need to be made.

**8. PRESENTATION: WASTEWATER SYSTEM PLANNING AND OPERATION**

Lisa Celaya, City of San Diego, provided a brief overview of her PowerPoint presentation included in the agenda package and noted this was the same presentation San Diego staff had made to the Regional Board back in November of 2023.

At 1:28 p.m. Director Preciado left the meeting.

9. **ACTION: SECOND AMENDMENT TO THE SOLE SOURCE AGREEMENT WITH HDR ENGINEERING, INC. FOR POINT LOMA WASTEWATER TREATMENT PLANT COASTAL EROSION MONITORING PROGRAM IMPLEMENTATION**

David Campbell, City of San Diego provided a brief verbal overview of his PowerPoint presentation included in the agenda package, noting the second amendment extends the contract term to June 30, 2026, which allows staff time to look at alternative options.

**ACTION:** Motion by Director Kazmer, seconded by Vice Chair De Hoff, to approve the Second Amendment to Sole Source Agreement with HDR Engineering, Inc. for the Point Loma Wastewater Treatment Plant Coastal Erosion Monitoring Program

AYES: Duncan, Kendrick, McKay, Jones, Robak, Jassoy, De Hoff, Kazmer

NAYS: None

ABSTAIN: None

ABSENT: Preciado, Worden, Baber, Yamane

10. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE A CHEMICAL CONTRACTS UPDATE – PEROXIDE REGENERATED IRON SULFIDE CONTROL (PRI-SC) AND PEROXIDE REGENERATED CHEMICALLY ENHANCED PRIMARY TREATMENT (PRI-CEPT) AND CAUSTIC SODA 50%**

David Campbell provided a brief verbal overview of his PowerPoint presentation.

**ACTION:** Motion by Vice Chair De Hoff, seconded by Alternate Director Kazmer, to approve the Authorization of Chemical Contracts Updates to Peroxide Regenerated Iron Sulfide Control; Peroxide Regenerated Chemically Enhanced Primary Treatment and Caustic Soda 50%

AYES: Duncan, Kendrick, McKay, Jones, Robak, Jassoy, De Hoff, Kazmer

NAYS: None

ABSTAIN: None

ABSENT: Preciado, Worden, Baber, Yamane

11. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE A 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 and Amy Latker, City of San Diego, provided a brief verbal overview of their PowerPoint presentation included in the agenda package.

**ACTION:** Motion by Director Duncan, seconded by Alternate Director Kazmer, to approve the First Amendment to Agreement with Regents of the University of California, San Diego (UCSD) for the Scripps Institution of Oceanography to Evaluate Anthropogenic Impacts on the San Diego Coastal Kelp Forest Ecosystem (2024-2029)



AYES: Duncan, Kendrick, McKay, Jones, Robak, Jassoy, De Hoff, Kazmer  
NAYS: None  
ABSTAIN: None  
ABSENT: Preciado, Worden, Baber, Yamane

**Due to the time, Chair Jones requested items 14-17 be skipped and Item 13 be heard at this time with Item 12 following thereafter.**

**This was heard after Item 13.**

**12. UPDATE: METRO WASTEWATER (General) (Standing Item)**

- a. Spill(s) Update
- b. Permit Renewal

Lisa Celaya, City of San Diego, provided a brief verbal update on the permit renewal. Ms. Celaya noted that the Regional Board officially released the draft NPDES permit recently. This is a 5-year permit that the City submitted in 2022 but the next 5 years do not start until approved by the Regional Board (RB) and Environmental Protection Agency (EPA). The tentative order was issued March 1 for public comments and comments are due April 1<sup>st</sup> and Public Hearing will take place on March 13th. The RB and EPA will provide an overview and tentatively adopt it on June 12<sup>th</sup> at their board meeting.

**13. UPDATE: PURE WATER PROGRAM (Standing Item)**

- a. General Update

Doug Owen provided a brief verbal update of the construction projects in the works.

**Item 12 was heard here.**

**14. UPDATE: FINANCIAL (Standing Item)**

Not heard.

**15. UPDATE: METROTAC REPORT (Standing Item)**

Not heard.

**16. REPORT: AD HOC COMMITTEE ON SECOND AMENDED AND RESTATED AGREEMENT (SARA) (Standing Item)**

Not heard.

**17. REPORT: FINANCE COMMITTEE (Standing Item)**

Not heard.

**18. REPORT: GENERAL COUNSEL (Standing Item)**

General Counsel Ochoa provided a friendly reminder that the transmittal memo went out with the 4<sup>th</sup> Amendment and requested each respective Director make ensure whomever puts items on their agendas, they follow up to make sure it is signed and returned by June 1, 2023.

19. **PROPOSED AGENDA ITEMS: FOR THE NEXT METRO JPA/COMMISSION MEETING April 4, 2024 AND/OR DIRECTORS/COMMISSIONERS COMMENTS**

Director Robak stated that the Water Conservation Garden would be open Friday and Saturday and they are having a “Tomato Mania” and encouraged anyone who likes tomatoes or wants seeds to come join the fun.

20. **ADJOURNMENT**

Chair Jones declared the meeting adjourned at 2:26 pm.

# **Attachment 6**

**Second Amendment to the  
As-Needed Engineering  
Services Agreement 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  
April 4, 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
<b>Kleinfelder</b>	Storm Water Diversion at SBWRP	<ul style="list-style-type: none"><li>- Design of storm water diversion system (consent decree)</li><li>- Bid and award support</li></ul>	Adding \$25k and 29 months
<b>HDR</b>	Storm Water Diversion at PLWWTP	<ul style="list-style-type: none"><li>- Design of storm water diversion system (consent decree)</li><li>- Bid and award support</li></ul>	Adding \$270k and 42 months
<b>HDR</b>	MBC Gas Detection System Replacement	<ul style="list-style-type: none"><li>- Design of a gas detection system</li><li>- Bid and award support</li><li>- Construction support</li></ul>	Adding \$180k and 25 months



# Questions?

# **Attachment 8**

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



**METRO JPA/TAC**  
**Staff Report**  
**Date: 04/24/24**

**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
IROC:	N/A
Prior Actions: (Committee/Commission, Date, Result)	N/A

**Fiscal Impact:**

Is this projected budgeted?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Cost breakdown between Metro & Muni:	Funding will be distributed as follows:  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
<b>Capital Improvement Program:</b>	
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"/>
<b>Previous TAC/JPA Action:</b> N/A	
<b>Additional/Future Action:</b> Anticipated for City Council Environmental Committee Meeting in April 2024.	
<b>City Council Action:</b> Anticipated for May 2024.	
<b>Background:</b> <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 ( $\text{FeCl}_2$ ) is a chemical used for hydrogen sulfide ( $\text{H}_2\text{S}$ ) control in wastewater treatment plants.  $\text{H}_2\text{S}$  is a corrosive chemical which causes odor and is hazardous to human health. Control of  $\text{H}_2\text{S}$  concentrations in the wastewater treatment process is an environmental, safety, and regulatory requirement. Additionally, control of  $\text{H}_2\text{S}$  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 JPA/Metro Commission  
April 4, 2024

# Overview

1. Contract with Carbon Activated Corporation to provide carbon 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

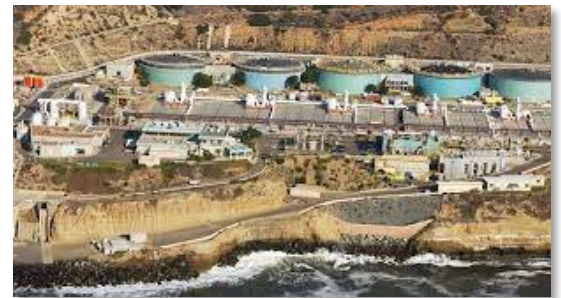
- Carbon towers target odorous compounds such as hydrogen sulfide
- Activated carbon in the towers adsorb the compounds to eliminate odor
- Removal and replacement of activated carbon is necessary once the sulfur content threshold specified in each facility's Air Pollution Control District permit is reached



# Background

Carbon towers are located at the following facilities:

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



# Invitation to Bid Results

- Invitation to Bid 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 the Metro expenditure

# Background

- Ferric chloride is a chemical used to coagulate particles for sedimentation in the wastewater treatment processes
- The proper treatment of wastewater is required to comply with Federal, State, and local regulations
- Ferric chloride is used at the Point Loma Wastewater Treatment Plant



# Invitation to Bid Results

- Invitation to Bid was issued on December 12, 2023
- The Purchasing and Contracting Department received two responsive bids
- Kemira Water Solutions, Inc. was the lowest responsive bidder at \$1,197 per dry ton, which is 14% less than the second bidder's pricing at \$1,399 per dry ton
- The Notice of Intent to Award was sent on March 4, 2024



# Contract

- Contract with Kemira Water Solutions, Inc. to purchase ferric chloride for Wastewater Treatment Plants
- 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 the Metro expenditure

# Background

- Ferrous chloride is a chemical used for hydrogen sulfide control in wastewater treatment plants
- Hydrogen sulfide is a corrosive chemical that 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 the Point Loma Wastewater Treatment Plant, Metropolitan Biosolids Center, and North City Water Reclamation Plant





# Invitation to Bid Results

- Invitation to Bid was issued on November 15, 2023
- The Purchasing and Contracting Department received three responsive bids
- California Water Technologies, LLC was the lowest responsive bidder at \$1,223 per dry ton, which is 4% less than the second bidder's pricing at \$1,272 per dry ton. It is also lower than a bid awarded by the City of Los Angeles for \$1,398 per dry ton.
- The Notice of Intent to Award was sent on March 4, 2024

# Contract

- Contract with California Water Technologies, LLC to purchase ferrous chloride for 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 the Metro expenditure

# **Attachment 9**

## **Second Amendment to Professional Services Between Metro Wastewater Joint Powers Authority and the Keze Group**

**SECOND AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND THE KEZE GROUP**

This Second Amendment (“**Second Amendment**”) to the Agreement for Professional Services Between Metro Wastewater Joint Powers Authority and The Keze Group LLC, dated July 1, 2022 (“**Agreement**”) is made and entered into this 4th day of April, 2024 by and between the parties to that Agreement, the Metro Wastewater Joint Powers Authority, existing and organized pursuant to the provisions of Government Code section 6500 *et seq.* (“**Metro JPA**”), on the one hand, and The Keze Group LLC (“**Consultant**”), on the other hand. Metro JPA and Consultant are sometimes referred to individually as “**Party**” and collectively as “**Parties.**”

**RECITALS**

A. WHEREAS, Metro JPA and Consultant entered into the Agreement in order for Consultant to provide duly licensed and qualified As-needed Technical, Financial, and Administrative Support Services to Metro JPA;

B. WHEREAS, Sections 3 and 21 of the Agreement state that the Agreement may be modified by an Amendment executed by both Parties, and the Parties previously amended the Agreement on May 16, 2023;

C. WHEREAS, on March 7, 2024, the Metro JPA Board of Directors did approve of the creation of an Executive Director position, which position would replace and eliminate the role of Administrative Coordinator;

D. WHEREAS, on March 7, 2024, the Metro JPA Board of Directors did approve of the appointment of Karyn Keze, previously the Administrative Coordinator, to the role of Executive Director;

E. WHEREAS, Metro JPA and Consultant mutually desire to amend the Agreement to modify the scope of work and increase the monthly budget amounts under the Agreement, thereby increasing the Metro JPA Fiscal Year 23-24 through 24-25 budgets as described below; and,

F. WHEREAS, Metro JPA and Consultant mutually desire to amend the Agreement consistent with the appointment of Karyn Keze to the role of Executive Director, as described below.

NOW THEREFORE, in consideration of the mutual obligations of the Parties herein expressed, Metro JPA and Consultant agree to amend the Agreement as follows:

## AMENDMENT TO AGREEMENT

1. Scope and Powers of Executive Director: The Executive Director is responsible for the oversight, management and monitoring of Metro JPA's strategic goals, policies and budgets. The Executive Director leads the Executive Team and supervises all consultants to ensure contractual obligations, including those under the Metro Agreement, are diligently met and on budget. The Executive Director is responsible for shaping the work environment, setting strategy, allocating resources, developing and building the organization, overseeing City of San Diego operations of the Metro system, and direct communications with the Board of Directors of the Metro JPA. Additional responsibilities include planning events, handling expenses, overseeing the Metro JPA's budget process, and providing strategic direction of the organization. The Executive Director coordinates Metro JPA, TAC, and Ad Hoc meetings, in conjunction with the Board Secretary, s/he prepares agendas for meetings, updates the Metro JPA website as needed, and attends meetings as required. The Executive Director is authorized to exercise his or her discretion prudently in making management and contractual decisions on behalf of the Metro JPA in amounts that impact Metro JPA's budget by ten thousand dollars (\$10,000) or less, subject to prior consultation with the JPA Board Chair. The Executive Director position is contemplated to be a part-time position with a maximum obligation of 30 hours per month dedicated to Metro JPA Executive Director responsibilities.

2. Amendment to Role and Scope of Consultant. The Metro JPA hereby appoints Consultant, specifically Karyn Keze, to serve as the Metro JPA Executive Director, and with this appointment conveys to Consultant the duties, powers, and responsibilities set forth in paragraph 1 above. Consultant shall perform the duties of Executive Director in addition to the duties and obligations otherwise set forth in the Agreement, as amended. All references in the Agreement to Consultant as "Administrative Services Manager" shall henceforth be understood by Parties to convey the role of "Executive Director."

3. Term. Consultant's tenure as Executive Director shall commence on March 7, 2024 and shall end on June 30, 2025 unless otherwise directed by the Metro JPA. Consultant's position as As-Needed Technical, Financial, and Administrative Support services shall continue through the end of fiscal year 2025-2026 as set forth in the July 1, 2022 Agreement between the Metro JPA and the Keze Group.

4. Amendment to Budgeted Compensation. Section 2 of the Agreement, as amended, is hereby deleted and replaced in its entirety with the following:

2. Compensation.

- (a) Subject to paragraph 2(b) below, Metro JPA shall pay for Consultant's services in accordance with the Schedule of Charges set forth in Exhibit "B" to the Agreement, as revised by the following: Exhibit B is hereby amended to increase the Fiscal Year (July 1 – June 30) 2023-2024 budget amount by \$18,000, from a ceiling of \$150,000 to an amended ceiling of \$168,000. In other words, the total amount of compensation

Metro shall pay Consultant for services rendered under this Agreement for Fiscal Year 23-24 shall not exceed \$168,000.

- (b) Exhibit B is further amended to reflect that (i) for Fiscal Year 24-25, the total amount of compensation Metro shall pay Consultant for services rendered under this Agreement shall not exceed \$168,000 per Fiscal Year, and (ii) for Fiscal Year 25-26, the total amount of compensation Metro shall pay Consultant for services rendered under this Agreement shall not exceed \$150,000, unless otherwise determined by the Metro JPA Board of Directors. Periodic payments shall be made within thirty (30) days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

5. Incorporation and Superiority. This Amendment is intended to be made a part of and is hereby incorporated into the terms of the Agreement. In all other respects, except only as specifically modified above, the Agreement is reaffirmed, remains in full force and effect, and is enforceable in accordance with its respective terms. In the event of any conflict or inconsistency between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall prevail.

6. Incorporation by Reference. The Recitals set forth in Sections A through F above are hereby incorporated into this Amendment by reference.

IN WITNESS HEREOF, BY SIGNING BELOW THE PARTIES HERETO VOLUNTARILY ENTER INTO THIS AMENDMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.

**METRO WASTEWATER JOINT POWERS AUTHORITY**

By: \_\_\_\_\_  
Chairperson

Date: \_\_\_\_\_

**THE KEZE GROUP LLC**

By: \_\_\_\_\_  
Karyn L. Keze

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Adriana R. Ochoa  
Procopio, Cory, Hargreaves & Savitch LLP  
General Counsel for Metro JPA

**AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND THE KEZE GROUP**

This agreement ("Agreement") is made and entered into as of July 1, 2022, by and between the METRO WASTEWATER JOINT POWERS AUTHORITY (hereinafter referred to as the "Metro JPA"), a joint powers authority organized and operating pursuant to California Government Code section 6500 *et seq.*, and The Keze Group LLC (hereinafter referred to as "Consultant"). Metro JPA and Consultant are sometimes referred to individually as "Party" and collectively as "Parties."

**RECITALS**

A. Metro JPA is a public agency of the State of California and is in need of professional services for the following project: As-needed Technical, Financial, and Administrative Support services from fiscal year 2022-2023 through fiscal year 2025-2026 as set forth in more detail herein.

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The Parties desire by this Agreement to establish the terms for Metro JPA to retain Consultant to provide the services described herein.

**AGREEMENT**

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. **Services.**

Consultant shall provide Metro JPA with the services described in the Scope of Services attached hereto as Exhibit "A" and incorporated herein ("Services").

At such time that Metro JPA determines to have Consultant perform Services under Part II of Exhibit A, Metro JPA will issue a purchase order, notice to proceed, or other written authorization (which may be by email) to perform specified work. The written authorization will identify the specific work to be performed ("Requested Work"), may include a not-to-exceed cap or other monetary cap on Requested Work authorized by that authorization, and may include a time by which the Requested Work shall be completed. If Consultant agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within seven days, then Consultant will have agreed to perform the Requested Work on the terms set forth in the written authorization, this Agreement and its Exhibits. Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until Consultant has received a purchase order, notice to proceed, or other written authorization to perform work from the Metro TAC Chair.



2. Compensation.

a. Subject to paragraph 2(b) below, Metro JPA shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit "B," and incorporated herein.

b. In no event shall the total amount paid for services rendered by Consultant pursuant to Exhibit "A" exceed \$100,000 during any fiscal year (July 1 – June 30) or \$400,000.00 aggregate without the written approval of Metro JPA. Periodic payments shall be made within thirty (30) days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the Metro JPA, and informal consultations with the other Party indicate that a change is warranted, it shall be processed by the Metro JPA in the following manner: a letter outlining the changes shall be forwarded to the Metro JPA by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the Metro JPA and executed by both Parties before performance of such services, or the Metro JPA will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. Substitution of Key Personnel.

Consultant has represented to Metro JPA that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence and experience upon written approval of Metro JPA. In the event that Metro JPA and Consultant cannot agree as to the substitution of key personnel, Metro JPA shall be entitled to terminate this Agreement for cause, pursuant to provisions of Section 15 of this Agreement. The key personnel for performance of this Agreement are as follows: **Karyn Keze.**

5. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement period and for four (4) years from the date of final payment under the Agreement for inspection by Metro JPA. Consultant shall obtain the written consent of Metro JPA prior to destroying any such records or any work product prepared by Consultant as a result of the Services provided under this Agreement.

6. Time of Performance; Term.

Consultant shall commence and perform the Services in a prompt and timely manner and shall commence performance beginning upon Metro JPA's issuance of written authorization pursuant to Section 1 of this Agreement. This Agreement shall terminate on June 30, 2026, unless otherwise extended by a written amendment signed by both Parties or otherwise earlier terminated pursuant to Article 15 of this Agreement.

7. Delays in Performance.

Neither Metro JPA nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; and sabotage or judicial restraint.

Should such circumstances occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

8. Compliance with Law.

Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.

9. Standard of Care.

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

10. Assignment and Subconsultant.

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the Metro JPA, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

11. Independent Consultant.

Consultant is retained as an independent contractor and is not an employee of Metro JPA. No employee or agent of Consultant shall become an employee of Metro JPA. The work to be performed shall be in accordance with the work described in Exhibit "A," subject to such directions and amendments from Metro JPA as herein provided.

12. Insurance.

a. Commercial General Liability.

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to Metro JPA.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Broad Form Property Damage
- (9) Independent Consultants Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (A) contractual liability; (B) cross liability exclusion for claims or suits by one insured against another; or (C) products/completed operations liability; or (D) contain any other exclusion(s) contrary to the terms or purposes of this Agreement.

(v) The policy shall give Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Metro JPA, and provided that such deductibles shall not apply to Metro JPA as an additional insured.

b. Automobile Liability.

(i) At all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the Metro JPA.

(ii) Coverage for Automobile Liability Insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) Subject to written approval by Metro JPA, the automobile liability program may utilize deductibles, but not a self-insured retention, provided that such deductibles shall not apply to Metro JPA as an additional insured.

(iv) The policy shall give Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers additional insureds status.

c. Workers' Compensation/Employer's Liability.

(i) Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

d. Minimum Policy Limits Required

(i) The following insurance limits are required for the Agreement:

Combined Single Limit

Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$500,000 per occurrence for bodily injury and property damage
Workers' Compensation	Statutory
Employer's Liability (if applicable)	\$1,000,000 per occurrence

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirement of specific coverage or minimum limits contained in this section are not intended as a limitation on coverage, limits or any other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required.

Prior to execution of the Agreement, the Consultant shall file with the Metro JPA evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with all required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required.

(i) Consultant shall provide Metro JPA at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s), including the General Liability Additional Insured Endorsement, to Metro JPA at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) [Intentionally left blank.]

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage and automobile liability coverage, shall contain or be endorsed to waiver of subrogation in favor of Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against Metro JPA, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to Metro JPA and shall not preclude Metro JPA from taking such other actions available to Metro JPA under other provisions of the Agreement or law.

h. Qualifying Insurers.

(i) All policies required shall be issued by acceptable insurance companies, as determined by the Metro JPA, which satisfy the following minimum requirements:

(ii) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

i. Additional Insurance Provisions.

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by Metro JPA, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, Metro JPA has the right but not the duty to obtain the insurance it deems necessary and any premium paid by Metro JPA will be promptly reimbursed by Consultant or Metro JPA will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, Metro JPA may cancel this Agreement.

(iii) Metro JPA may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither Metro JPA nor any of its officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

j. Subconsultant Insurance Requirements. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to Metro JPA that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name Metro JPA as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, Metro JPA may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

13. Indemnification.

To the fullest extent permitted by law, Consultant shall defend (with counsel of Metro JPA's choosing), indemnify and hold Metro JPA, its Board, members of the Board, employees, and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors,

consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Metro JPA, its Board, members of the Board, employees, or authorized volunteers.

14. Laws, Venue, and Attorneys' Fees.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the Parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, as determined by the court.

15. Termination or Abandonment.

a. Metro JPA has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days' written notice to Consultant. In such event, Metro JPA shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. Metro JPA shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by Metro JPA and Consultant of the portion of such task completed but not paid prior to said termination. Metro JPA shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to Metro JPA only in the event of substantial failure by Metro JPA to perform in accordance with the terms of this Agreement through no fault of Consultant.

16. Documents.

Except as otherwise provided in Section 15, above, all original field notes, written reports, Drawings and Specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of Metro JPA.

17. Organization.

Consultant shall designate an individual from The Keze Group as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of Metro JPA.

18. Notice.

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

<b>METRO JPA:</b>	<b>CONSULTANT:</b>
Metro Wastewater JPA P.O. Box 1072 National City, CA 91951 <b>Attn:</b> Metro TAC Chair	The Keze Group, LLC 1801 E 51st Street, Suite 365, Unit 522 Austin, TX 78723 <b>Attn:</b> Karyn Keze

and shall be effective upon receipt thereof.

19. Third Party Rights.

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Metro JPA and the Consultant.

20. Severability.

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

21. Integration.

This Agreement represents the entire understanding of Metro JPA and Consultant as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

22. Annual Updates; Consultant's Continuing Obligations to Provide Documents.


During the term of this Agreement, Consultant shall annually, no later than March 31 of each calendar year, provide Metro JPA with (1) proposed tasks for the upcoming fiscal year (July 1 of each calendar year to June 30 of the following calendar year [a "Fiscal Year"]) consistent with the Scope of Work in Exhibit A, (2) updated insurance certificates, endorsements, and other documents required under this Agreement (including, but not limited to, any and all documents evidencing compliance with Section 12 of this Agreement), and (3) an updated Schedule of Charges consistent with the annual increase authorized in Exhibit "B," if any.

SIGNATURES ON FOLLOWING PAGE(S)



IN WITNESS WHEREOF, the Parties have executed this Professional Services Agreement as of the date first written above.

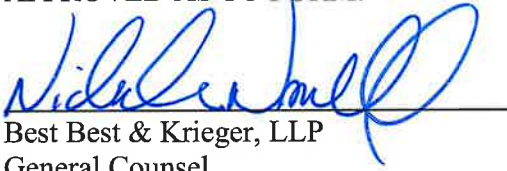
**METRO WASTEWATER JPA:**

By:   
Jerry Jones  
Chair

**THE KEZE GROUP, LLC:**

By:   
Karyn Keze

APPROVED AS TO FORM:

  
Best Best & Krieger, LLP  
General Counsel  
METRO WASTEWATER JPA

## **EXHIBIT “A”**

### **Scope of Services**

The purpose of this As-Needed Consulting Contract for the Metro Wastewater JPA is to provide technical and financial support to the Participating Agencies (“PAs”) in meeting their objectives of fair rates, equitable cost sharing, and program validation. The intention of the As-Needed Contract is to provide review and oversight of the San Diego Metropolitan Sewer System (Metro System) Fiscal Programs (Metro O&M, Metro CIP, and Pure Water Phase I and II) with a minimum of duplication by the PAs. By combining the efforts of the PAs into a central focal point, our goal is to assist in increasing the responsiveness of the group to key issues of concern, ensure coverage at key meetings, centralize data collection, minimize duplication of efforts by the PAs, and reduce the costs of both Metro TAC/JPA efforts, as well as the overall costs of the Metro System and Pure Water Programs.

Starting with FY 2023 the JPA is establishing a four-year contractual cycle for their consultant contracts and thus the services contained in this scope-of-services covers only the anticipated annual routine services provided during that time. Special services will be provided on an as-needed basis, at the request of the JPA Metro TAC Chair or JPA Chair, and a budget established based on required hours and the hourly rate as set forth in Exhibit B at the time the services are requested.

#### **I. SCOPE OF SERVICES**

The effort by The Keze Group, LLC (TKG) will be divided into six major categories, one each for: routine JPA services; participation in the annual “Exhibit E” audit; oversight of the Public Utilities Department (PUD) annual O&M and CIP budget preparation and cost allocations to the PA’s, and five-year forecast; review of PUD’s rate case(s); Pure Water Program support; and Metro TAC and JPA technical staff support.

##### **A. Routine Services**

The routine services will include the following tasks:

1. Attendance at and assistance in preparation of agendas for Metro TAC meetings.
2. Attendance at and assistance in preparation of agendas for the Metro JPA meetings.
3. Attendance at and assistance in preparation of agendas for the Metro JPA Finance Committee meetings.
4. Attendance at planning/work meetings with Public Utilities Department (PUD) staff.
5. Meetings with Metro TAC Chair, Vice-Chair, and other JPA officials and staff

B. Routine Annual Audit Review – Public Utilities Department (PUD), Wastewater Operations Branch, Exhibit E Audit Review

1. Review and negotiate the auditors Scope of Work.
2. Attend Entrance and Exit Conferences with the Auditors.
3. Select operating, CIP, and non-operating revenue audit samples.
4. Attend/call in to Interim work meetings with the Auditors (maximum of 5 per audit).
5. Review all audit samples for contract compliance and accounting accuracy.
6. Review the annual general services cost allocation.
7. Review output for any special projects (In the past years this has included the tracking and reconciliation of Pure Water Program (PWP) task orders and construction project final bid costs to revise their original cost allocation and ensure that only appropriate Metro costs have/had been charged to the PAs). During the years covered by this Contract each year every PWP contract or task order, (either CIP or O&M) will be reviewed to insure that only correct Metro cost allocations are being utilized and that the PA's are not paying for Muni or Water costs.
8. Review South Bay and North City recycled water sales and incentives to ensure that appropriate revenues are credited to the PAs. Review other income credits to insure those non-operating revenues are credited to the PAs.
9. Review the draft and final audit numbers and sample test results. Review the administrative protocol calculations to insure proper allocation of revenues and expenses to the PAs. Prepare list of questions and work on resolution of issues regarding samples.
10. Present the results to the Metro TAC , Metro Finance Committee, and Metro Wastewater JPA.
11. Monitor closeout process to insure timely payment of refunds (if any) and the accuracy of any additional billings' (if any) to PAs.

C. Annual Routine Review of City of San Diego's Metro Wastewater Budgets

1. Line-item review of the proposed CIP projects to verify that they are a part of the Wastewater Agreement. Provide a preliminary review of the O&M costs to identify areas of concern for the PAs.
2. Identify budget items that show major deviation from previous years and discuss these deviations with PUD staff.

3. Attend meetings with the City of San Diego PUD staff to identify the nature and magnitude of the budget items.
  4. Ensure that costs are being correctly allocated to each PA based upon the Amended Restated Agreement's (ARA) Exhibits and any successor Agreements. Provide updates on budget issues to the Metro TAC, the Finance Committee, and the Metro Wastewater JPA meetings.
  5. Review January budget estimates for contractual compliance and implementation of quarterly billings to the PAs.
  6. In conjunction with the PUD staff, prepare five-year budget projections.
- D. Participation in PUD's Rate Cases – This task covers both the current (FY 2023 – FY 2024) update to the Strength Based Billing Methodology that is used to allocate annual costs to the PAs by Stantec as well as San Diego's own municipal rate cases for water, wastewater, and recycled water during the Contract period of FY 2025 and FY2026.
- E. Pure Water Program Support – This task includes 20 hours per month to cover the projects and meetings required to facilitate conclusion and adoption of the 2nd ARA and of assistance in financial oversight of Phase I and II of the Pure Water Program including cost reconciliations of project costs. Envisioned subtasks include revisions to the existing ARA's financial sections which include the "parking lot" items; and continued cost allocation monitoring and updates of all Pure Water purchase/task orders for both O&M and capital projects.
- F. Metro TAC and JPA Staff Support – This task includes 12 hours per month for financial analysis and consulting in support of varied Metro TAC Work Plan and JPA non-Pure Water projects. TKG will support, as needed, the items contained in the Metro TAC Work Plan. Some anticipated work tasks include the annual update of the remaining debt service associated with existing Metro Clean Water facilities, monthly update of TAC Work Plan, facilitation of the annual JPA budget and retro cost adjustments, and annual monitoring of the operations Protocol to insure proper reserve levels and interest allocations to the PAs.

## **II. ADDITIONAL SERVICES AS REQUESTED**

- A. Review of ongoing background material not envisioned.
- B. Prepare for and attend additional meetings beyond what is included in Section I.
- C. Provide additional follow-up on the additional items identified.
- D. Provide additional technical support on specific projects as directed by the Metro TAC, Finance Committee, and Metro JPA Chair.
- E. Provide technical support, as requested, to fulfill other Metro JPA objectives.



## **EXHIBIT “B”**

### **Schedule of Charges**

The described scope of services for FY 2023 up to and including FY 2026 will be performed on a time and materials basis with a not to exceed budget of \$100,000 for each of the four years or \$400,000 aggregate. The estimated hours for FY 2023 are summarized in Attachment A to this Schedule of Charges. The hourly billing rate remains unchanged at \$160 for FY 2023 but may increase each July 1 based on the increase (if any) in the most recent San Diego Consumer Price Index - All Urban Consumers.

## Attachment A to Schedule of Charges

### Attachment A

#### Metro JPA Draft Contract FYE 2023 to FY 2026

#### Summary of Hours and Costs by Tasks

Task	Description	FY23 Proposed Budget		
		Budget Hours	Hourly Rate	Budget Amount
1	Routine Meetings	75	\$ 160.00	\$ 12,000
2	Exhibit E Audit Review	100	\$ 160.00	\$ 16,000
3	Review of PUD Budget	30	\$ 160.00	\$ 4,800
4	ARA SBB/SD Rate Cases	40	\$ 160.00	\$ 6,400
5	Pure Water Program Cost Allocation	236	\$ 160.00	\$ 37,760
6	Metro TAC & JPA Staff Support	144	\$ 160.00	\$ 23,040
	Direct Expense			
	<b>TOTAL</b>	<b>625</b>		<b>\$100,000</b>

## **EXHIBIT “C”**

### **Insurance Certificates**

Insurance documentation is included on the following pages.





# CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)  
06/15/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b>  Ren Haynes Agency 1106 Clayton Ln Ste 216e  Austin TX 78723-1086	<b>CONTACT</b> NAME: Renwick Haynes <hr/> <div style="display: flex; justify-content: space-between;"> <div>PHONE (A/C, NO, EXT): 512-961-4899</div> <div>FAX (A/C, NO): 512-672-6269</div> </div> <hr/> E-MAIL ADDRESS: rhaynes2@farmersagent.com														
<b>INSURED</b>  The Keze Group, LLC 1801 E 51ST ST  AUSTIN TX 78723	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Truck Insurance Exchange</td> <td>21709</td> </tr> <tr> <td>INSURER B: Farmers Insurance Exchange</td> <td>21652</td> </tr> <tr> <td>INSURER C: Mid Century Insurance Company</td> <td>21687</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Truck Insurance Exchange	21709	INSURER B: Farmers Insurance Exchange	21652	INSURER C: Mid Century Insurance Company	21687	INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: Truck Insurance Exchange	21709														
INSURER B: Farmers Insurance Exchange	21652														
INSURER C: Mid Century Insurance Company	21687														
INSURER D:															
INSURER E:															
INSURER F:															

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAME ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDTL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> CLAIMS-MADE               </div> <div> <input checked="" type="checkbox"/> OCCUR               </div> </div>	Y	Y	606242093	11/02/2021	11/02/2022	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea Occurrence) \$ 75,000						
	MED EXP (Any one person) \$ 5,000						
	PERSONAL & ADV INJURY \$ 1,000,000						
	GENERAL AGGREGATE \$ 2,000,000						
GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		PRODUCTS - COMP/OP AGG \$ 1,000,000					
B	<b>AUTOMOBILE LIABILITY</b> <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> OWNED AUTOS ONLY  <input type="checkbox"/> HIRED AUTOS ONLY               </div> <div> <input type="checkbox"/> SCHEDULED AUTOS  <input type="checkbox"/> NON-OWNED AUTOS ONLY               </div> </div>	Y	Y	43590559	10/18/2021	10/18/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 500,000
	BODILY INJURY (Per person) \$ 500,000						
	BODILY INJURY (Per accident) \$ 500,000						
	PROPERTY DAMAGE (Per accident) \$ 500,000						
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB						EACH OCCURRENCE \$
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						AGGREGATE \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				<div style="display: flex; justify-content: space-between;"> <div>PER STATUTE</div> <div>OTHER</div> </div> \$
	E.L. EACH ACCIDENT \$						
	E.L. DISEASE - EA EMPLOYEE \$						
	E.L. DISEASE - POLICY LIMIT \$						

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

The Commercial General Liability Policy and Automobile Liability Policy shall contain a provision stating that the Consultant's policies are primary insurance and that any insurance, self-insurance or other coverage maintained by Metro JPA or any named insureds shall not be called upon to contribute to any loss.

## CERTIFICATE HOLDER

## CANCELLATION

METRO WASTEWATER JPA PO BOX 1072  NATIONAL CITY CA 91951	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Renwick Haynes TX License # 1625437 <div style="text-align: right;">           Digitally signed by:              FACES032285F4A5...         </div>
---	---

**AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND THE KEZE GROUP**

This Amendment (“**Amendment**”) to the Agreement for Professional Services Between Metro Wastewater Joint Powers Authority and The Keze Group LLC, dated July 1, 2022 (“**Agreement**”) is made and entered into this 4 day of May, 2023 by and between the parties to that Agreement, the Metro Wastewater Joint Powers Authority, existing and organized pursuant to the provisions of Government Code section 6500 *et seq.* (“**Metro JPA**”), on the one hand, and The Keze Group LLC (“**Consultant**”), on the other hand. Metro JPA and Consultant are sometimes referred to individually as “**Party**” and collectively as “**Parties.**”

**RECITALS**

A. WHEREAS, Metro JPA and Consultant entered into the Agreement in order for Consultant to provide duly licensed and qualified As-needed Technical, Financial, and Administrative Support Services to Metro JPA;

B. WHEREAS, Consultant has expended additional hours per month in FY 22-23 than those set forth in the FY 22-23 Proposed Budget, as set forth in the April 11, 2023 letter from Consultant to Metro JPA attached hereto as “Exhibit 1” and incorporated into this Amendment by reference;

C. WHEREAS, Sections 3 and 21 of the Agreement state that the Agreement may be modified by an Amendment executed by both Parties. The Parties have not previously modified or amended the Agreement; and

D. WHEREAS, Metro JPA and Consultant mutually desire to amend the Agreement to increase the annual and total compensation amounts under the Agreement, thereby increasing the Metro JPA Fiscal Year 22-23 through 25-26 budgets as described below.

NOW THEREFORE, in consideration of the mutual obligations of the Parties herein expressed, Metro JPA and Consultant agree to amend the Agreement as follows:

**AMENDMENT TO AGREEMENT**

1. Amendment to Budgeted Compensation. Section 2 of the Agreement is hereby deleted and replaced in its entirety with the following:

2. Compensation.

(a) Subject to paragraph 2(b) below, Metro JPA shall pay for Consultant’s services in accordance with the Schedule of Charges set forth in Exhibit “B” to the Agreement, as revised by the following: Exhibit B is hereby amended to increase the Fiscal Year (July 1 – June 30) 2022–2023

budget amount by \$50,000, from an initial ceiling of \$100,000 to an amended ceiling of \$150,000. In other words, the total amount of compensation Metro shall pay Consultant for services rendered under this Agreement for Fiscal Year 22-23 shall not exceed \$150,000.

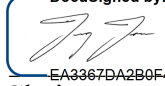
- (b) Exhibit B is further amended to reflect that for Fiscal Years 23-24, 24-25, and 25-26, the total amount of compensation Metro shall pay Consultant for services rendered under this Agreement shall not exceed \$150,000 per Fiscal Year. The aggregate compensation paid during the four-year term of this Agreement shall not exceed \$600,000 without the written approval of Metro JPA. Periodic payments shall be made within thirty (30) days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

2. Incorporation and Superiority. This Amendment is intended to be made a part of and is hereby incorporated into the terms of the Agreement. In all other respects, except only as specifically modified above, the Agreement is reaffirmed, remains in full force and effect, and is enforceable in accordance with its respective terms. In the event of any conflict or inconsistency between the provisions of this Amendment and the provisions of the Agreement, the provisions of this Amendment shall prevail.

3. Incorporation by Reference. The Recitals set forth in Sections A through D above are hereby incorporated into this Amendment by reference.


IN WITNESS HEREOF, BY SIGNING BELOW THE PARTIES HERETO VOLUNTARILY ENTER INTO THIS AMENDMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.

**METRO WASTEWATER JOINT POWERS AUTHORITY**

DocuSigned by:  
By:   
EA3367DA2B0F471...  
Chairperson

Date: May 16, 2023

APPROVED AS TO FORM:

By:   
Adriana R. Ochoa  
Procopio, Cory, Hargreaves & Savitch LLP  
General Counsel for Metro JPA

**THE KEZE GROUP LLC**

By:   
Karyn L. Keze

Date: May 16, 2023



April 11, 2023

Ms. Beth Gentry, P.E.  
 Metro TAC Chair  
 Metropolitan Wastewater Joint Powers Authority  
 P.O. Box 1072  
 National City, CA 91951

Dear Ms. Gentry:

Per Provisions in my current four-year Professional Service Agreement (Contract), with the Metro Wastewater Joint Powers Authority (Metro JPA), I am requesting an increase in my contract cost ceiling from \$100,000 to \$150,000. As we have discussed in budget tracking meetings with Metro JPA/Commission Chair Jones, this fiscal year has been an inordinately busy year with such unbudgeted items as the shift in my current consulting roll from consultant to a management role for the Metro JPA's Executive Team which included updating the JPA's website, planning two new Director orientations, and coordination of the Executive Consulting Team. In addition, as a member of the Executive Consulting Team I have addressed one-time unbudgeted issues such as the repeated sewage spills at Pumps Stations 1 and 2 and our inclusion in the Residuals Agreement negotiations, which started at the end of last fiscal year and continued for several months this fiscal year. All of these started after the Metro JPA's FY2023 budget was adopted (and thus my current Professional Services Agreement scope of services) and have affected all your Executive Consulting Team including myself, as they were not budgeted for in FYE2023.

Per your request I analyzed my year-to-date billings in detail to the Metro JPA (July 2022 to month-end February 2023). These were reviewed with Chair Jones and yourself and per your request I am providing an amended scope of services to my existing Contract to include the revised scope of services and the transition from financial consultant to the Metro JPA's Administrative Coordinator. The revised scope of service is attached to this letter and the new items to be included in my revised Contract are highlighted in yellow. The revised scope of services includes an additional 21 hours per month to generally cover the tasks described as follows:

Task	Description	HOURS			DOLLARS	
		Current Contract Hours	Proposed Monthly Increase	Proposed Annual Increase	Amended Contract Hours	Amended Contract Amount
1	Routine Meetings	75	4	48	123	\$20,910.00
2	Exhibit E Audit Review	100			100	\$17,000.00
3	Review of PUD Budget	30	2	24	54	\$9,180.00
4	ARA SBB/SD Rate Cases	40	4	48	88	\$14,960.00
5	Pure Water Program Cost Allocation	236	5	64	300	\$51,000.00
6	Metro TAC & JPA Staff Support	144			144	\$24,480.00
7	General JPA Administrative Management	0	6	72	72	\$12,240.00
	<b>TOTAL</b>	<b>625</b>	<b>21</b>	<b>256</b>	<b>881</b>	<b>\$149,770.00</b>

These are generally described below with more details included in the Scope of Services:

**Task 1: Routine Board of Directors and Metro TAC Meetings – 4 hours per month**

Inclusion of increased hours to support up to 2 AdHoc Committees per month.

**Task 3: Review of City of San Diego Public Utilities (PUD) Budget and Five-Year Projections – 2 hours per month**

Inclusion of hours to support Metro TAC members in understanding their annual billings from the City of San Diego for Metro O&M and Capital expenses and other technical and financial issues. These hours are based on the recent hours I have incurred preparing presentations and providing training meetings for two of our PAs who have new TAC members.

**Task 4: ARA Strength Based Billing and PUD Internal Rate Case Review – 4 hours per month**

Inclusion of hours to provide more in-depth review of the upcoming draft revised Metro Sewer Service Charge rate structure financial model to ensure the integrity of its calculations and cost allocations and implementation training during FYE2025 and FYE2026 for PAs.

**Task 5: Pure Water Program Negotiations and Cost Allocations – 5 hours per month**

Inclusion of additional hours, based on projected FYE 2023 year-end costs, to cover additional unbudgeted work tasks for completion and implementation of 2<sup>nd</sup> ARA and cost reconciliations of Pure Water Capital and O&M costs as we transition into the operation of Phase 1 facilities.

**Task 7: Metro JPA Administrative Coordinator: General JPA Administrative Management – 6 hours per month**

This is a new task added at the request of the Metro JPA and TAC Chairs to coordinate all aspects of the JPAs administration and Executive Team consultants.

I would like to thank you and Chair Jones for the opportunity to assume the role of Administrative Coordinator for the JPA. I look forward to working with you both to fulfill the Mission's and Vision's of the Metro Wastewater JPA in the upcoming years.

Sincerely,



Karyn L. Keze

# **Attachment 10**

## **Resolution of the Metro Wastewater Joint Powers Authority Adopting Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974**

# MEMORANDUM

SAN DIEGO  
DEL MAR HEIGHTS  
SILICON VALLEY  
LAS VEGAS  
PHOENIX

**TO:** Metro Wastewater JPA Finance Committee

**FROM:** Adriana R. Ochoa

**DATE:** March 21, 2024

**RE:** Agenda Item No. 8: Process to Amend Metro Wastewater JPA Conflict of Interest Code and Submittal to the County of San Diego

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Presented for discussion and for recommendation for approval are draft documents to amend Metro Wastewater Joint Powers Authority's (the "**JPA**") Conflict of Interest Code ("**Code**") pursuant to the Political Reform Act ("**Act**"). It is appropriate and recommended to amend the JPA's Code in light of the most recent reorganization and approval of the new Executive Director position and other job descriptions.

Below are the steps needed for the JPA to amend its Code under the FPPC's regulations, utilizing the attached draft documents that we have updated.

## **A. Public Officials as "Designated Positions"**

The Act applies to "public officials," including "every member, officer, employee or consultant of a state or local government agency." (Gov. Code § 82048.) A key threshold function of the Code is to identify JPA's "designated" positions that meet any of the following criteria:

1. A position is designated in a Conflict of Interest Code because the position entails the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest.
2. A position that participates in decisions by regularly making recommendations to decision-makers at JPA that are generally followed. The FPPC requires such positions, whether an employee or a consultant, to be designated even though the person has no final decision-making authority.
3. Consultant positions with authority to make decisions affecting the day-to-day operations of JPA, and with the potential to have a foreseeable and material effect on any financial interest of the consultant. For example, an auditor who provides financial statements, and who may from time-to-time make recommendations on internal controls, need not be designated if the recommendations are not regular. By contrast, a Financial Consultant hired by JPA who by



definition makes regular recommendations to hire certain consultants or approve certain contracts should probably be designated for that limited scope.

The Code must require individuals who hold designated positions to annually file a Statement of Economic Interests (the “Form 700”). The Code also identifies the type and scope of financial interests each designated position must disclose on the Form 700, which is based on what decisions the position could foreseeably affect within the scope of its assigned duties.

## **B. Steps to Amend JPA’s Code**

**Step 1:**<sup>1</sup> The JPA Board of Directors should adopt the proposed amended Code at its April 4, 2024 Board meeting. Attached is a draft resolution for the Board to consider (Attachment 1), along with the proposed amended Code and appendices that are attached to the resolution (Attachment A to Attachment 1).

**Step 2:** As soon as possible after the Board adopts the resolution, make the Notice of Intention to Amend a Conflict of Interest Code (draft provided as Attachment 2) publicly available, which we recommend by posting on JPA’s website (2 C.C.R. § 18750(a)(3)(A)(i)), and provide a copy of the Notice, including the proposed Code and appendices, to individuals who hold designated positions. You may provide the Notice to these individuals by email.

**Step 3:** Posting the Notice (in Step 2) starts a 45-day clock. During that time period, members of the public may submit written comments or request a hearing. Comments and hearings are rare in this context. The Board may adopt the final version of the amended Code after this 45-day period closes.

**Step 4:** The JPA should adopt the final version of the amended Code at its regular meeting scheduled for June 6, 2024. If JPA receives written comments, the Board should consider such input at the meeting. Revisions to the Code based on the public’s input are permissible, but not required. The Board may adopt the final version of the amended Code by motion; no resolution is required.

**Step 5:** After the Board adopts the amended Code, the following are sent to the County of San Diego:

(a) A copy of the proposed amended Code, including a strike out/underline comparison with the JPA’s current code (also included in Attachment 1-A);

(b) A declaration that the proposed amended Code lists each position within JPA that must file a Form 700 and that JPA followed the procedures required for amending the proposed Code (draft to be prepared);

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<sup>1</sup> The FPPC offers an additional step as an option for an agency to submit its proposed amended Code for “preliminary” review and comment by FPPC staff prior to consideration by the agency’s Board. We do not believe this step is necessary here because Metro’s Code is not changing substantively, but rather, we are simply updating the designated positions and corresponding disclosure obligations.

(c) A copy of the Notice of Intention to Amend a Conflict of Interest Code (draft provided as Attachment 2);

(d) A description of changes to the Code from the JPA's current code (draft to be prepared); and,

(e) If necessary, a summary of any changes to the Code as a result of input from the public hearing or written comments.

The County may request additional documents and information, such as explanations for designations and disclosure responsibilities, a summary of written comments received by JPA or copies of the comments, an organizational chart, job descriptions, or recent minutes of JPA's Board meetings. The amended Code will become effective 30 days after the County gives its final approval.

If you have any questions about this process, please feel free to contact me.

**Staff Recommendation**

1. Staff recommends the Finance Committee recommend the JPA Board of Directors approve Resolution 2024-01, a Resolution of the Board of Directors of the Metro Wastewater Joint Powers Authority Adopting an Amended Conflict of Interest Code Pursuant to the Political Reform Act of 1974;
2. Discuss or take other action as appropriate.

Attachment 1  
Draft Board Resolution

RESOLUTION NO. 2024-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
METRO WASTEWATER JOINT POWERS AUTHORITY  
ADOPTING AN AMENDED CONFLICT OF INTEREST CODE  
PURSUANT TO THE POLITICAL REFORM ACT OF 1974

WHEREAS, the Legislature of the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 *et seq.* (the "**Act**"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Metro Wastewater JPA (the "**JPA**") and requires all public agencies to adopt and promulgate a conflict of interest code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "**Code**") which was amended on December 2, 2004, in compliance with the Act; and

WHEREAS, the Board of Directors adopted an amendment of the Code on September 1, 2016, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the JPA, namely the creation of new positions and the adoption of a new organizational chart, have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the JPA's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the JPA being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated employee and publicly posted for review; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on April 4, 2024, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED BY THE METRO WASTEWATER JPA AS FOLLOWS:

Section 1. The Metro Wastewater JPA does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto as **Attachment A** in proposed final and strikeout/underline format, and shall be on file with the Board Secretary and available to the public for inspection and copying during regular business hours;

Section 2. That the said amended Code shall be submitted to the Board of Supervisors of the County of San Diego for approval and said Code shall become effective immediately upon approval by the Board of Supervisors, as submitted.

PASSED, APPROVED AND ADOPTED this 4<sup>th</sup> day of April 2024, by the following vote,  
to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

CHAIR

METRO WASTEWATER JPA

ATTEST:

---

Board Secretary

Metro Wastewater JPA

# **ATTACHMENT A**

## **CONFLICT OF INTEREST CODE OF THE METRO**

### **WASTEWATER JPA**

**(Amended April 4, 2024)<sup>1</sup>**

### **PART “A”**

#### **OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

Metro Wastewater JPA Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the JPA's Code, but must file disclosure statements under Government Code Section 87200 *et seq.* [Regs. § 18730(b)(3)]

It has been determined that the positions listed below are officials who manage public investments. These positions are listed here for informational purposes only<sup>2</sup>:

Members of the Board of Directors and their Alternates

Executive Director

Treasurer

Engineering Consultant

Financial Consultant

General Counsel

Consultants and New Positions

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<sup>1</sup> This amendment to update organizational changes and new positions, as provided by the Fair Political Practice Commission, was adopted on April 4, 2024.

<sup>2</sup> Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Gov. Code § 87200.

## **DESIGNATED POSITIONS**

### **GOVERNED BY THE CONFLICT OF INTEREST CODE**

#### **DESIGNATED POSITIONS** **TITLE OR FUNCTION**

#### **DISCLOSURE CATEGORIES** **ASSIGNED**

Executive Director	1 through 6
Treasurer	1, 4, 5, 6
Engineering Consultant	1, 3, 5, 6
Financial Consultant	1, 4, 5, 6
Board Members and Alternates	1 through 6
General Counsel	1, 2, 3, 6
Consultants and New Positions <sup>3</sup>	

---

<sup>3</sup> Individuals serving as a consultant as defined in FPPC Reg. 18700.3(a) or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure category in this Code subject to the following limitation:

The Board of Directors may determine in writing that due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734). The Board of Directors' determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code (Gov. Code Sec. 81008).

## **PART “B”**

### **DISCLOSURE CATEGORIES**

The disclosure categories listed below identify the types of economic interests which the designated position must disclose for each disclosure category to which he or she is assigned.<sup>4</sup> “Investment” means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the JPA.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the JPA.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the JPA.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that are banking, savings and loan, or other financial institutions.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the JPA.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position’s department, unit or division.

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<sup>4</sup> This Conflict of Interest Code does not require the reporting of gifts from outside this agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)



# ~~APPENDIX~~ATTACHMENT A

## CONFLICT OF INTEREST CODE OF THE METRO WASTEWATER JPA

(Amended ~~December 2, 2004~~April 4, 2024)<sup>1</sup>

### PART "A"

#### OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Metro Wastewater JPA Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the JPA's Code, but must file disclosure statements under Government Code Section 87200 *et seq.* [Regs. § 18730(b)(3)]

It has been determined that the positions listed below are officials who manage public investments. These positions are listed here for informational purposes only<sup>2</sup>:

Members of the Board of Directors and their Alternates

[Executive Director](#)

Treasurer

[Engineering Consultant](#)

~~Investment~~ [Financial](#) Consultant

[General Counsel](#)

[Consultants and New Positions](#)

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<sup>1</sup> This ~~non-substantive~~ amendment to update [organizational changes and new positions](#), ~~legal references and add clarifying language~~ as ~~provided~~ by the Fair Political Practice Commission, was adopted on ~~September 1, 2016~~April 4, 2024.

<sup>2</sup> Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by [Gov. Code § 87200](#).

## **DESIGNATED POSITIONS**

### **GOVERNED BY THE CONFLICT OF INTEREST CODE**

<u>DESIGNATED POSITIONS:</u>	<u>DISCLOSURE</u>
<u>CATEGORIES TITLE OR FUNCTION</u>	<u>ASSIGNED</u>

<del>Engineering Project Manager</del> <u>Executive Director</u>	<u>1 through 6</u> <del>2, 3, 6</del>
<del>Financial Services Manager</del> <u>Treasurer</u>	<u>1, 4, 5, 6</u> <del>1, 2</del>
<del>General Counsel</del> <u>Engineering Consultant</u>	<u>1, 3, 5, through 6</u> <del>1, 2</del>
<u>Financial Consultant</u>	<u>1, 4, 5, through 6</u>
<u>Board Members and Alternates</u>	<u>1 through 6</u>
<u>General Counsel</u>	<u>1, 2, 3, through 6</u>

=

Consultants and New Positions<sup>3</sup>

<sup>3</sup> Individuals serving as a consultant as defined in FPPC Reg. 18700.3(a) or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure category in this Code subject to the following limitation:

The Board of Directors may determine in writing that due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734). The Board of Directors' determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code (Gov. Code Sec. 81008).

## **PART “B”**

### **DISCLOSURE CATEGORIES**

The disclosure categories listed below identify the types of economic interests which the designated position must disclose for each disclosure category to which he or she is assigned.<sup>4</sup> “Investment” means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the JPA.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the JPA.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the JPA.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that are banking, savings and loan, or other financial institutions.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the JPA.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments from, business entities that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position’s department, unit or division.

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<sup>4</sup>— This Conflict of Interest Code does not require the reporting of gifts from outside—this — agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)



Attachment 2  
Draft Notice of Intention to Amend Code

## **NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE METRO WASTEWATER JPA**

NOTICE IS HEREBY GIVEN that the Metro Wastewater JPA (the “JPA”) intends to amend the JPA’s Conflict of Interest Code (the “Code”) pursuant to Government Code Section 87306.

The Code designates those employees, members, officers, and consultants who make or participate in the making of decisions and are subject to the disclosure requirements of the JPA’s Code. The JPA’s proposed amendment is necessitated by changed circumstances, including the creation of new positions which must be designated pursuant to Government Code 87302(a).

The proposed amended Code will be considered by the JPA on **June 6, 2024, at 12:00 p.m. at 9192 Topaz Way, San Diego, California.** Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of the Metro Wastewater JPA’s Board Secretary, c/o Lori Peoples, [lorimetrojpa@gmail.com](mailto:lorimetrojpa@gmail.com) or P.O. Box 1072 National City, CA 91950. Written comments must be submitted no later than **June 1, at 12:00 p.m.**

The proposed amended Code may be reviewed on the JPA’s website [www.metrojpa.org](http://www.metrojpa.org) and copies may be obtained from the Board Secretary during regular business hours.

# **Attachment 11**

## **Metro Wastewater JPA Treasurer's Report Year-End FY 2023 Financial Statement**





## METRO WASTEWATER JOINT POWERS AUTHORITY STAFF REPORT

**Item : 11**

**Date : April 4, 2024**

**To : Metro Wastewater JPA/Commission 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**

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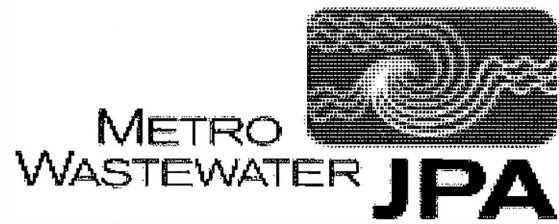
The Metro Wastewater JPA Treasurer's Report for Year-End 2023 is attached to this staff report. Please note that the Treasurer's report was delayed due to the required participation and staff support of JPA's External Auditors in completing the FY20-21 Audit report, which was adopted by the Board of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

<b>Beginning Cash Balance at July 1, 2022</b>	\$ 297,413
<b>Operating Results</b>	
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>
<b>Cash used in Operations</b>	<u>(62,712)</u>
<b>Ending Cash Balance at June 30, 2023</b>	<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>
<b><u>ASSETS</u></b>			
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>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 2,044	\$ 4,010	\$ 1,966
Unearned Membership Billings	-	-	-
Total Liabilities	\$ -	\$ 4,010	\$ 1,966
<b><u>NET POSITION</u></b>			
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)
<b><u>TOTAL LIABILITIES &amp; NET POSITION</u></b>	<u>\$ 308,826</u>	<u>\$ 250,128</u>	<u>\$ (58,698)</u>

<i>Net Position at 06/30/2023</i>	\$ 246,118
<i>FY '23 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
<b>Income</b>			
Membership Dues	\$ 584,245	\$ 584,245	\$ -
City of San Diego	\$ 32,587	\$ 44,210	(11,623)
Interest Income	297	-	297
<b>Total Income</b>	<b>\$ 617,129</b>	<b>\$ 628,455</b>	<b>\$ (11,326)</b>
<b>Expense</b>			
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
<b>Total Expense</b>	<b>\$ 677,792</b>	<b>\$ 628,455</b>	<b>\$ 49,337</b>
<b>Net Income (Loss)</b>	<b>\$ (60,663)</b>	<b>\$ -</b>	<b>\$ (60,663)</b>

**Metro Wastewater JPA**  
**Statement of Cash Flows**

ending June 30, 2023

Unaudited

**OPERATING ACTIVITIES**

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

Accounts Receivable	(4,015)
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Accounts Payable	1,966
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Deferred Revenue	-
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<b>Year ended June 30, 2023</b>	<b>(62,712)</b>
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<b>Net cash increase (decrease) for period</b>	<b>297,413</b>
--	----------------

<b>Cash at end of period</b>	<b>\$ 234,701</b>
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# **Attachment 12**

## **Metro Wastewater JPA Treasurer's Report Mid-Year FY 2024 Financials (unaudited)**





## METRO WASTEWATER JOINT POWERS AUTHORITY STAFF REPORT

**Item : 12**

**Date : April 4, 2024**

**To : Metro Wastewater JPA/Commission Members**

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

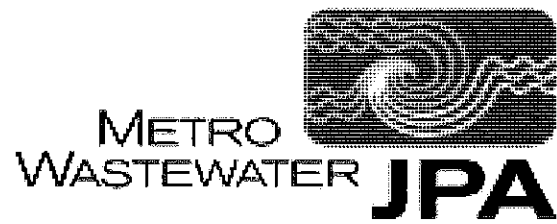
**Re: Metro Wastewater JPA Treasurer's Report for Mid-Year FY 2024**

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

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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

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

<i>Net Position at 12/30/23</i>	\$ 654,611
<i>FY '24 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

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u> <u>Budget</u>
<b>Income</b>			
Membership Dues	\$ 727,544	363,773	\$ 363,772
City of San Diego	6,770	7,368	(598)
Interest Income	470	-	470
<b>Total Income</b>	<u>\$ 734,784</u>	<u>\$ 371,141</u>	<u>\$ 363,643</u>
<b>Expense</b>			
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)
<b>Total Expense</b>	<u>\$ 354,764</u>	<u>\$ 385,878</u>	<u>\$ (31,113)</u>
<b>Net Income (Loss)</b>	<u><u>\$ 380,020</u></u>	<u><u>\$ (14,737)</u></u>	<u><u>\$ 394,757</u></u>

**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	-
Ending December 31, 2023	391,437
Net cash increase (decrease) for period	263,174
Cash at end of period	<u><u>\$ 654,611</u></u>

# **Attachment 13**

## **Public Utilities Department Fiscal Year 2025-2029 Five-Year Financial Outlook**

Public Utilities Department

# Fiscal Year 2025-2029 Five-Year Financial Outlook

Metro JPA

Adam Jones, Deputy Director, Public Utilities



# Overview

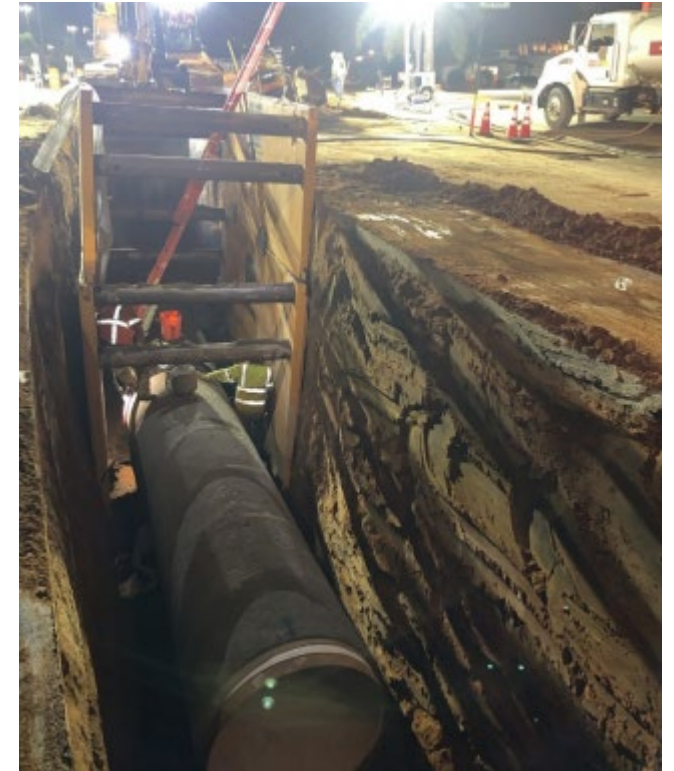
- Five-Year Financial Outlook
  - Identifies the system-wide revenue need for water and wastewater including operations, capital and financial metrics
- Public Utilities charges rates to provide services to our customers
  - Council authorized not to exceed values for rates through FY 2025
  - Rates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

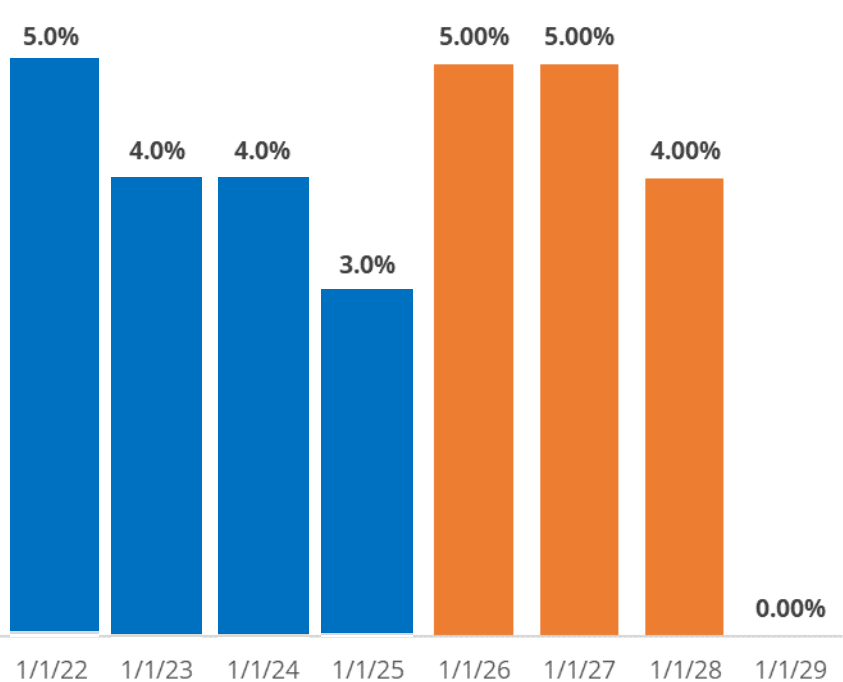
	<i><b>Budget</b></i>	<i><b>Projection</b></i>	<i><b>Projection</b></i>	<i><b>Projection</b></i>	<i><b>Projection</b></i>	<i><b>Projection</b></i>
<b>Expenditure Description</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
Personnel Cost	\$42,951,726	\$45,382,700	\$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
<b>Strategic Adds</b>	<b>\$0</b>	<b>\$2,799,723</b>	<b>\$3,022,451</b>	<b>\$3,656,021</b>	<b>\$2,844,920</b>	<b>\$2,993,589</b>
<b>Metro O&amp;M Expenditures</b>	<b>\$216,813,949</b>	<b>\$221,525,923</b>	<b>\$230,730,251</b>	<b>\$237,772,521</b>	<b>\$243,556,720</b>	<b>\$250,493,789</b>

# Metro Capital Costs

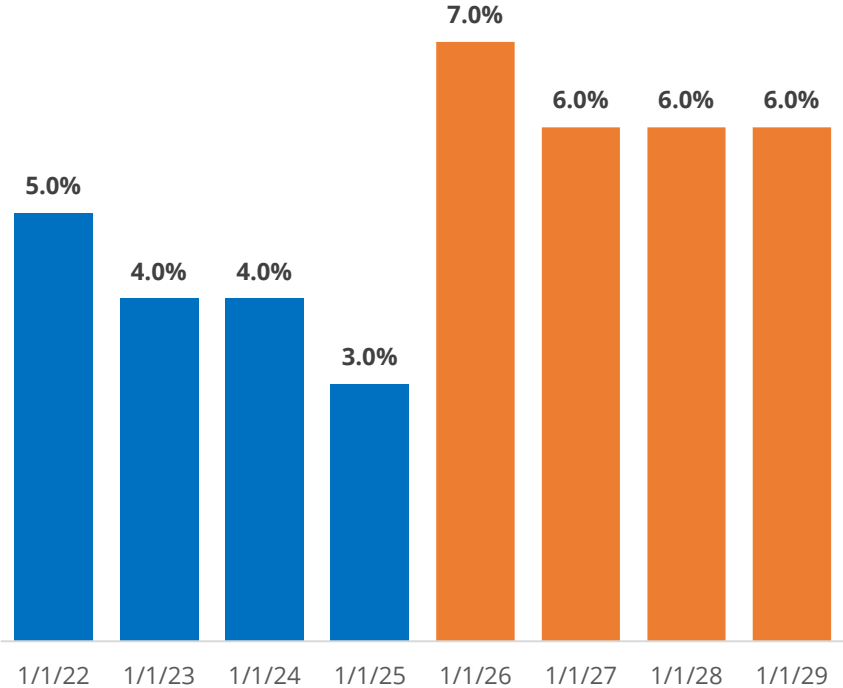
<b>Asset Type</b>	<b><i>Projection</i> FY 2025</b>	<b><i>Projection</i> FY 2026</b>	<b><i>Projection</i> FY 2027</b>	<b><i>Projection</i> FY 2028</b>	<b><i>Projection</i> FY 2029</b>
Pure Water Phase 1	\$158,961,654	\$41,350,841	\$18,141,037	\$9,879,975	\$2,887,865
Sewer Treatment Plants	\$38,099,370	\$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
<b>Grand Total</b>	<b>\$214,055,125</b>	<b>\$73,339,689</b>	<b>\$68,493,007</b>	<b>\$81,624,882</b>	<b>\$48,891,013</b>

# 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 14**

## **Pump Station 2 Emergency Project Status**



City of San Diego  
Public Utilities Department

# **Metro TAC Wastewater System: Pump Station 2 Emergency Repair Status**

April 4, 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 22<sup>nd</sup> 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.

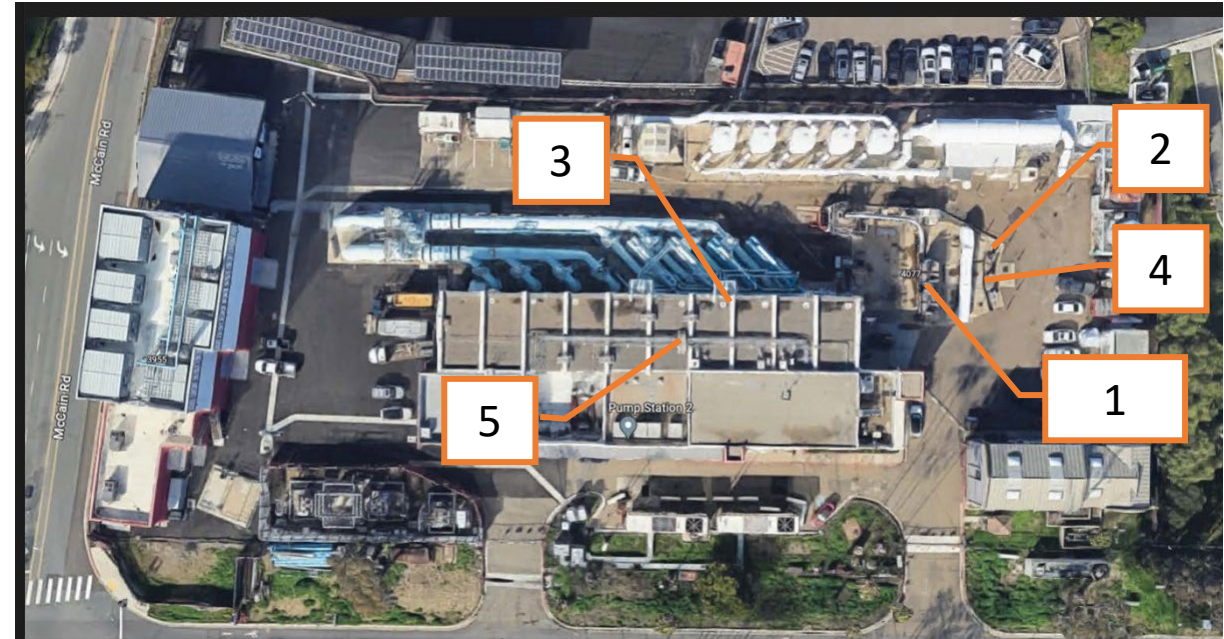
In order to provide effective wastewater conveyance and avoid sewer spills, especially given the unprecedented storms that are now occurring due to climate change, Pump Station 2 must have all 8 pumps and all screens and sluice gates in working order. Any lack of fully functional equipment in these categories 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 18<sup>th</sup>, 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

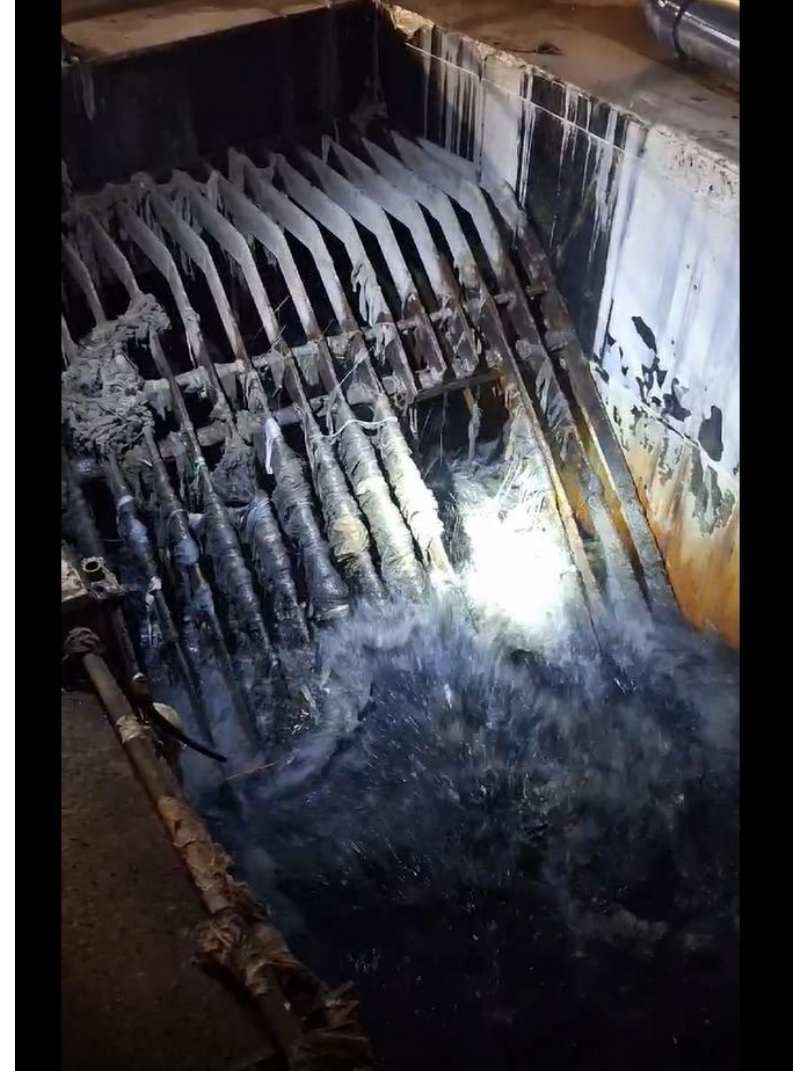
- a) Fabricate and install one replacement mechanical traveling screen (Parkson).
- b) Remove and overhaul two of five existing Parkson traveling mechanical screens.



## 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 13<sup>th</sup>
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 16a**

## **Pure Water Program Update**

### **a. Quarterly Contractors Report**

								Total Contract (Including Change Orders)			31-Dec-23	
Construction Package	Projected/Actual Bid Date	Projected/Actual Contractor Notice-To-Proceed	Contractor Substantial Completion <sup>(3)</sup>	Percent Complete (G = F / E)	Updated Engineer's Estimate	Bid Award <sup>(1)</sup> (A)	Change Orders <sup>(2)</sup> (B)	Water (C)	Wastewater (D)	Total Contract (E = A + B)	Paid to Date <sup>(2)</sup> (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 19**

## **Executive Director's Report**



## Monthly Executive Director's Report March 2024

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

1. **Completion of JPA FY 2023 year-end and FY 2024 mid-year JPA Treasurer's Report:** This month's energies focused on bringing all the JPA's financial statements up to date. With a brief pause between the FY 2020-2021 and FY 2022-23 audits the Treasurer was able to prepare year-end and mid-year financial statements for the JPA (Treasurer's Reports). These have been reviewed and approved by Metro TAC and the Finance Committee and are included in the JPA/Commission agenda.
2. **Continuation of FY2025 JPA Budget Planning:** The Executive Director and Treasurer prepared a preliminary budget for the JPA, encompassing various new programs and potential adjustments to contracts. These additions include a strategic planning initiative, allocation for the contingency reserve, and potential modifications to the contracts of the Treasurer and Administrative Assistant. The Finance Committee met to examine the preliminary budget, offering guidance not only on the new programs but also suggesting alterations in other areas. The Finance Committee is scheduled to meet again in April for a secondary assessment of the preliminary budget, preceding its presentation to the Metro JPA/Commission during their May meeting.
3. **Second Amended and Restated Agreement (SARA) Negotiations Continue:** The SARA Negotiations Team met to discuss changes to some of the SARA language as we move towards finalization of the draft document.
4. **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.
5. **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. An additional meeting was held to start preparation of the April TAC presentation.



## Upcoming Month Preview:

1. **Preparation of Meeting Schedules:** Members of Metro TAC requested that a schedule of topics that will be presented at upcoming meetings on the SARA document and the FAB system of charges be prepared. This will be included in the April TAC agenda packet and will be prepared for the JPA/Commission meetings as well.
2. **Potential Transition to Hybrid Meetings for Metro TAC:** As we collectively progress with the development of the draft SARA agreement, our aim is to facilitate efficient and convenient meetings and foster effective communications within the Metro JPA/Commission and Metro TAC. Our principal objective is to ensure maximal participation in all meetings, regardless of the format, enabling attendees to engage with presentations and pose questions as we delve into the various components of the draft SARA over the forthcoming months.

Currently TAC meetings are held monthly via Zoom. While it's evident that Zoom meetings facilitate maximum attendance, we've received requests to conduct in-person meetings to enhance discussions on these crucial matters. Conversely, several members of the TAC have expressed their preference for maintaining the Zoom format due to scheduling constraints, despite their desire to participate actively.

One potential solution is to introduce hybrid meetings encompassing both on-site and Zoom elements. However, this is contingent upon the City of San Diego's ability to furnish suitable facilities and trained personnel to facilitate such meetings. While PUD staff is diligently working towards this goal, it remains a work in progress. Additionally, the current room designated for hybrid meetings has a capacity limit of 30 attendees. A poll was sent out in March to determine whether TAC members prefer in-person or zoom form of meetings. It is anticipated that the April TAC meeting will be held either in person or through some form of hybrid meeting.

3. **Expansion of Monthly Executive Director's Report:**
  - *Engineering Updates:* Updates on engineering matters will be incorporated.