



METRO TAC AGENDA
(Technical Advisory Committee to Metro JPA)

TO: Metro TAC Representatives and Metro Commissioners

DATE: Wednesday, February 20, 2013

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

LOCATION: MWWD, 9192 Topaz Way, (MOC II Auditorium) – Lunch will be provided

****PLEASE DISTRIBUTE THIS NOTICE TO METRO COMMISSIONERS AND METRO TAC REPRESENTATIVES****

1. Review and Approve MetroTAC Action Minutes for the Meetings of [January 16, 2013](#) (**Attachment**)
2. Metro Commission/JPA Board Meeting Recap (Standing Item)
3. Financial Update (Karyn Keese)
4. US Supreme Court Decision in LA County vs. NRDC Case (Shawn Hagerty, BBK) (**Attachment**)
5. Limnology and Reservoir Detention Study of San Vicente Reservoir (a component of the Water Purification Demonstration Project) (Marsi Steiner/Jeff Pasek)
6. Metro Wastewater Update (Standing Item)
7. ACTION: Generators for Emergency Backup Power at Various Facilities (Tom Alspaugh) (**Attachment**)
8. Metro Capital Improvement Program and Funding Sources (Standing Item) (Tung Phung) (**Attachment**)
9. IRWMP Meeting Update (Bob Kennedy)
10. Metro JPA Mid-Year Financials (Karen Jassoy/Karyn Keese) (**Attachment**)
11. MetroTAC Work Plan (Standing Item) (**Attachment**)
12. Padre Dam Mass Balance Correction (Standing Item) (**Attachment**)
13. Review of Items to be Brought Forward to the next Metro Commission/Metro JPA Meeting **March 7, 2013.**
14. Other Business of Metro TAC
15. Adjournment ([To the next Regular Meeting, March 20, 2013](#))

Metro TAC 2013 Meeting Schedule

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

AGENDA ITEM 1

Attachment

Metro TAC
(Technical Advisory Committee to Metro JPA)

ACTION MINUTES

DATE OF MEETING: January 16, 2013
TIME: 11:00 AM
LOCATION: MWWD, MOC II, Auditorium

MEETING ATTENDANCE:

Greg Humora, La Mesa
Al Lau, Padre Dam MWD
Dennis Davies, El Cajon
Tom Howard, Poway
Bob Kennedy, Otay WD
Dan Brogadir, County of San Diego
Roberto Yano, Chula Vista
Joe Smith, National City
Eric Minicilli, Del Mar
Edgar Patino, City of San Diego

Peggy Merino, City of San Diego
Ann Sasaki, City of San Diego
Lee Ann Jones-Santos, City of San Diego
Jaime Richards, City of San Diego
Mike Faramarzi, City of San Diego
Margaret Llagas, City of San Diego
Edson Banduy, City of San Diego
Claudia Orsi, City of San Diego
Karyn Keese, Atkins

1. Review and Approve MetroTAC Action Minutes for the Meetings of November 21, 2012

On a motion by Dennis Davies and seconded by Al Lau the minutes passed unanimously.

2. Metro Commission/JPA Board Meeting Recap

Chairman Humora summarized the following items from the Metro Commission Meeting.

- There are four new members to the Metro Commission due to elections and committee rotations. The new PA representatives are from La Mesa, Del Mar, Poway, and Coronado. Mayor Cox from Chula Vista is the new Chair of the Metro Commission/JPA. Lori Peoples will be preparing new member binders for each new Commissioner and a tour of Metro facilities is planned but there will be a learning curve.
- The Metro Commission/JPA approved all of San Diego's items.

3. Financial Update

Karyn Keese reviewed that the Finance Committee has two new members as well but since the 2010 Exhibit E audit closeout will not be completed by the end of January and the 2009 closeout has been deferred to the attorney's group there will not be a meeting in January. The auditors are on site at the City of San Diego and have started the 2011 Exhibit E audit. The City has provided the January estimates to the PAs (copy included as Attachment A) and she will be meeting with City of San Diego staff to review prior to the February Metro TAC meeting.

4. Presentation: Inflows and Infiltrations Analysis. (Margaret Llagas and Edson Bandoy)

Once a year City staff prepares an analysis of the heaviest daily rainfall day and month during the wet season. The wet season is defined as beginning October 1 and ends in April of the following year. This report is for the period of October 2010 to April 2011. 12/21/10 and 12/22/10 were the heaviest rain events of that period. Staff also reviews and uses monthly rainfall and December 2010 was the wettest month. Using this data City staff calculates Rainfall Data Inflow and

Infiltration (RD I/I) which is the difference between dry weather and wet weather flows. PUD staff looks at the data by basins not only within the City of San Diego but also by each participating agency. Then they combine all PAs and compare to San Diego and look at the severity of City's Service areas. Based on the temporary monitoring program they select the top 3 trunk sewer basins from the City wide RDI/I study for further investigation and possible capital improvement projects to reduce I/I.

Al Lau reported that Padre Dam's plant was down during the time of this study and wanted to make sure that the I&I was split with the County. Tom Howard requested more detailed underlying data on dry versus wet weather flows and formulas. Chula Vista and Otay requested the additional materials as well. Chairman Humora asked what software the City was using. City staff replied that they use Shape.

It is the City's policy that when they rehab a mainline pipe they line the laterals to the property line. Chairman Humora asked if the City had any information on financial value of doing the lateral. City staff replied they had a Brown & Caldwell study showing that you only had 50% chance of success in I/I reduction if you do not do the lateral.

5. Metro Wastewater Update (Standing Item)

Claudia Orsi from the City of San Diego Auditor Controllers Office gave a presentation on the Performance Audit of the Public Utilities Department's Chemical Purchases that had been prepared by her department. This audit was conducted by the City Auditor's Office of the PUD chemical purchases program as part of a Service Level Agreement. PUD works closely with the City's Purchasing and Contracting Department (P&C) to obtain the best prices for its chemicals. The Auditor's office identified two findings and four recommendations to improve program efficiency and productivity. The two findings were:

- Finding 1: The City may realize savings by improving contracting practices, such as reverse auction and piggybacking. City staff is working towards improving their practices. In April 2012 they issued an RFP for fuel that included several public agencies which more than doubled the total estimated number of gallons of fuel purchased and returned a very favorable price.
- Finding 2: San Diego Fire-Rescue Department (SDFD) does not conduct annual inspections of PUD's water and wastewater treatment facilities as required by law. SDFD agrees these facilities should be inspected on a regular basis and will in the future.
 - Recommendation 1: The P&C Department should evaluate all market strategies presented in the full performance audit and identify which would allow the City to achieve further savings for chemical purchases. City staff concurs and P&C has been working with the City Attorney to propose modifications to the municipal code to allow the implementation of market strategies that could be utilized to achieve better cost control. Chairman Humora and Bob Kennedy asked for copies of the changes to the municipal code.
 - Recommendation 2: The PUD in conjunction with P&C should develop policies and procedures that establish a tracking system of information on chemical prices and availability over time.
 - Recommendation 3: P&C should work in conjunction with the Office of the City Attorney to formulate legal contracts for the purchases of chemicals that include all the required signatures and the necessary legal language and to ensure that the City can have control over its prices.
 - Recommendation 4: The SDFD should ensure that it performs all inspections required by law.

Roberto Yano asked if there is a web site for reverse optioning. Lee Ann Jones-Santos stated that Qualcomm uses it and that there are consultants that can come out and make a

demonstration of how it works. Chair Humora asked that the recommendations be placed on a separate slide along with the department response to each recommendation. This item will move forward to the Metro Commission/JPA at their March meeting.

6. Metro Capital Improvement Program and Funding Sources (Standing Item)

City staff will present the draft 2014 CIP and ten-year projections including funding sources at the February Metro TAC meeting as part of the budget process. Chairman Humora requested they use the same format as last year.

7. Recycled Water Expenses (Lee Ann Jones-Santos)

South Bay retail customers include CALTRANS and IBWC. Only Otay is wholesale customer. South Bay recycled water operations expenses are based on a percentage of recycled water pipelines. The PAs expense is further reduced to include only 1.5 miles of distribution system miles. Bob Kennedy questioned this number and Edgar Patino will provide more details including a map at the February meeting. Recycled water program expenses are allocated based on a historical allocation of 10%. Lee Ann Jones-Santos read from a list of the expenses that are included and stated that the water department felt they had spend more than 10% of their time on marketing in 2007 and 2008. Lee Ann will provide Metro TAC with the list of included expenses and these will be discussed at the February meeting. Karyn Keese asked if some of the expenses would be more appropriately allocated based on the number of customers as opposed to a percentage. Once the South Bay revenue issues are resolved the monies will be transferred from the water fund to the wastewater fund and will be audited during the FY 2013 audit process.

Karyn Keese will be meeting with PUD staff to start the reconciliation of the North City revenues versus debt service expenses in February. Once South Bay revenues and the debt service reconciliation of debt versus revenues at North City are completed a protocol will be drafted and once it is approved by Metro TAC, the Finance Committee, and the Metro Commission/JPA it will be included in the audit each year for verification.

Bob Kennedy asked when the recycled water rate study would be released. Lee Ann Jones-Santos said that it had to go to the new Mayor first before being released in draft. She assured Metro TAC that we would have input into the rate study once it was released by the Mayor.

8. Metro Member Agencies Wastewater Rate Case (Rita Bell) (Attachment)

Karyn Keese reviewed the graphic and asked Metro TAC members to do the same to insure that the rates shown are correct for each agency. El Cajon had contacted Rita Bell and had stated that their sewer rate is \$48.51 versus the \$52.94 shown. In addition each agency should review whether they are a flat rate or a water based rate structure. A legend to the colors of the bars was requested. All agencies should send their changes to Rita Bell and a new comparison will be included as information in the February agenda.

9. MetroTAC Work Plan (Standing Item) (Attachment)

There were no changes to the work plan. San Diego requested volunteers for the As-Needed Optimization Review contract and the Strategic Plan. Tom Howard will sit on the As Needed consultant panel and Bob Kennedy will represent Metro TAC during the PUD Strategic Planning process.

10. Padre Dam Mass Balance Correction (Standing Item)

Padre Dam and the City of San Diego prepared a draft letter. The PAs attorney's group is scheduled to discuss this item on 1/14/13.

11. Review of Items to be Brought Forward to the next Metro Commission/Metro JPA Meeting February 7, 2013.

There are no items to be brought forward to the February 2013 Metro Commission/JPA meeting. Chairman Humora will contact Mayor Cox to see if a meeting is needed.

12. Other Business of Metro TAC.

- The Brown & Caldwell report is in the final draft stage and should be coming to Metro TAC next month.
- Peggy Merino handed out total population and flow projections through 2050. (Included as Attachment B to these minutes.)

13. Adjournment (To the next Regular Meeting, February 20, 2013)

ATTACHMENT A

TABLE A

CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT
FISCAL YEAR 2014 ESTIMATED UNIT COSTS
FUNCTIONAL-DESIGN COST ALLOCATION METHOD

TREATMENT PARAMETER	FY 2014 BUDGET	UNITS	COST PER UNIT
WASTEWATER FLOW	AMOUNT \$91,306,664	67,160 (a)	\$1,359.54 /per Million Gallons
SUSPENDED SOLIDS	\$53,215,858	153,300 (b)	\$347.14 /per Thousand Pounds
CHEMICAL OXYGEN DEMAND	\$47,153,578	291,635 (c)	\$161.69 /per Thousand Pounds
TOTAL	\$191,676,100	100%	

(a) Units of Flow - Million Gallons Per Year

(b) Units of SS - Thousands of Pounds per Year

(c) Units of COD - Thousands of Pounds per Year

TABLE B

CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT
PROJECTED DISTRIBUTION OF SYSTEM WASTEWATER COSTS - FISCAL YEAR 2014
FUNCTIONAL-DESIGN BASED ALLOCATION METHOD

AGENCY	ALLOCATION OF COSTS BY FLOW, SUSPENDED SOLIDS AND CHEMICAL OXYGEN DEMAND				expressed in percents:		
	FLOW (a)	SS (a)	COD (a)	TOTAL FLOW, SS & COD	SUSPENDED FLOW	SOLIDS	OXYGEN DEMAND
CHULA VISTA	\$9,216,595	\$5,334,127	\$4,835,800	\$19,386,522	10.09%	10.02%	10.26%
CORONADO	1,176,758	447,774	470,439	2,094,971	1.29%	0.84%	1.00%
DEL MAR	308,631	204,537	152,079	665,247	0.34%	0.38%	0.32%
EAST OTAY MESA	74,350	34,901	28,520	137,771	0.08%	0.07%	0.06%
EL CAJON	4,386,096	1,910,808	1,818,681	8,115,585	4.80%	3.59%	3.86%
IMPERIAL BEACH	1,203,502	640,367	524,924	2,368,793	1.32%	1.20%	1.11%
LA MESA	2,587,262	1,207,951	1,040,318	4,835,531	2.83%	2.27%	2.21%
LAKESIDE/ALPINE	1,969,464	922,408	775,639	3,667,511	2.16%	1.73%	1.64%
LEMON GROVE	1,205,642	536,980	538,508	2,281,130	1.32%	1.01%	1.14%
NATIONAL CITY	2,444,981	1,280,772	1,248,266	4,974,019	2.68%	2.41%	2.65%
OTAY	211,281	580,831	231,238	1,023,350	0.23%	1.09%	0.49%
PADRE DAM	1,604,669	1,157,157	858,333	3,620,159	1.76%	2.17%	1.82%
POWAY	1,909,557	1,011,223	770,913	3,691,693	2.09%	1.90%	1.63%
SPRING VALLEY	3,717,484	1,974,943	1,572,537	7,264,964	4.07%	3.71%	3.33%
WINTERGARDENS	506,006	206,775	168,977	881,758	0.55%	0.39%	0.36%
SUBTOTAL PARTICIPATING AGENCIES	\$32,522,278	\$17,451,554	\$15,035,172	\$65,009,004	35.62%	32.79%	31.89%
SAN DIEGO	\$58,784,387	\$35,764,303	\$32,118,406	\$126,667,096	64.38%	67.21%	68.11%
TOTAL	\$91,306,665	\$53,215,857	\$47,153,578	\$191,676,100	100.00%	100.00%	100.00%

(a) Allocations based on estimated annual flows and strength loadings - See Table C

TABLE C

CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT
SYSTEM WASTEWATER CHARACTERISTICS - FISCAL YEAR 2014
SYSTEM STRENGTH LOADINGS INCLUDED

AGENCY	WASTEWATER CHARACTERISTICS			UNADJUSTED ANNUAL USE			ADJUSTED ANNUAL USE		
	AVERAGE FLOW - mgd (a)	SS mg/l (b)	COD mg/l (b)	2014 FLOWS million gallons	SS thousand pounds	COD thousand pounds	2014 FLOWS million gallons	SS thousand pounds	COD thousand pounds
CHULA VISTA	17.231	210	624	6,289,253	11,006	32,756	6,779,204	15,366	29,908
CORONADO	2.200	138	476	803,000	924	3,187	865,556	1,290	2,910
DEL MAR	0.577	240	586	210,605	422	1,030	227,012	589	941
EAST OTAY MESA	0.139	170	456	50,735	72	193	54,687	101	176
EL CAJON	8.200	158	493	2,993,000	3,943	12,319	3,226,163	5,505	11,248
IMPERIAL BEACH	2.250	193	519	821,250	1,321	3,556	885,228	1,845	3,247
LA MESA	4.837	169	478	1,765,505	2,492	7,047	1,903,043	3,480	6,434
LAKESIDE/ALPINE	3.682	170	488	1,343,930	1,903	5,254	1,448,626	2,657	4,797
LEMON GROVE	2.254	161	531	822,710	1,108	3,648	886,802	1,547	3,331
NATIONAL CITY	4.571	190	607	1,668,415	2,643	8,455	1,798,389	3,650	7,720
OTAY	0.395	996	1,302	144,175	1,198	1,566	155,407	1,673	1,430
PADRE DAM	3.000	261	636	1,095,000	2,388	5,814	1,180,304	3,333	5,309
POWAY	3.570	192	480	1,303,050	2,087	5,222	1,404,561	2,913	4,768
SPRING VALLEY	6.950	193	503	2,536,750	4,075	10,652	2,734,370	5,889	9,726
WINTERGARDENS	0.946	148	397	345,290	427	1,145	372,189	586	1,045
SUBTOTAL PARTICIPATING AGENCIES	60.802	194	550	22,192,668	36,009	101,843	23,921,541	50,273	92,989
SAN DIEGO	109.900	220	650	40,113,500	73,796	217,558	43,238,459	103,027	198,646
REGIONAL SLUDGE RETURNS	13.298	1,074	(686)	4,853,832	43,495	(27,766)			
TOTAL	184.000	274	520	67,160,000	153,300	291,635	67,160,000	153,300	291,635

(a) Estimated flows based on sewage Flow projections provided by Participating Agencies December 2012 and January 2013.

(b) SS and COD characteristics based on standard deviation cumulative samples taken by MWWD's Environmental Monitoring and Technical Services Division up to 06-30-10. East Otay Mesa SS & COD is an average of Lakeside/Alpine, Spring Valley and Wintergardens. Using the FY 2010 Mass Balance for Otay.

Mass Balance provided by the PUD Engineering & Program Management division dated January 3, 2013

TABLE D

CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT
ALLOCATION OF FISCAL YEAR 2014 ESTIMATED BUDGET
FUNCTIONAL-DESIGN BASED ALLOCATION METHOD

DESCRIPTION	FY 2014 BUDGET COSTS	ALLOCATION OF COSTS					TOTAL COSTS
		FLOW %	FLOW COSTS	SS %	SS COSTS	COD %	COD COSTS
<u>OPERATION AND MAINTENANCE :</u>							
TRANSMISSION AND SYSTEM MAINTENANCE	\$10,523,495	100.0%	\$10,523,495	0.0%	\$0	0.0%	\$0
OPERATIONS & MAINTENANCE	55,504,331	35.6%	19,774,940	34.6%	19,220,058	29.7%	16,509,333
TECHNICAL SERVICES	11,091,430	30.0%	3,327,429	40.0%	4,436,572	30.0%	3,327,429
COGENERATION	336,288	0.0%	0	60.0%	201,773	40.0%	134,515
METRO ADMIN & GENERAL EXPENSES - 41508	26,080,941	41.4%	10,800,282	32.1%	8,361,823	26.5%	6,918,835
METRO ADMIN & GENERAL EXPENSES - 41509	15,967,741	41.4%	6,612,342	32.1%	5,119,425	26.5%	4,235,973
TOTAL OPERATIONS AND MAINTENANCE	\$119,504,226	42.71%	\$51,038,488	31.25%	\$37,339,652	26.05%	\$31,126,086
<u>CAPITAL IMPROVEMENT PROGRAM :</u>							
PAY-AS-YOU-GO METRO 41508	1,500,000	55.8%	836,922	22.0%	329,967	22.2%	333,111
PAY-AS-YOU-GO METRO 41509	2,877,884	55.8%	1,605,711	22.0%	633,070	22.2%	639,103
DEBT SERVICE	67,793,990	55.8%	37,825,543	22.0%	14,913,169	22.2%	15,055,278
TOTAL CAPITAL IMPROVEMENT PROGRAM	\$72,171,874	55.8%	\$40,268,176	22.0%	\$15,876,206	22.2%	\$16,027,492
TOTAL O&M & CAPITAL IMPROVEMENT PROGRAM	\$191,676,100	47.6%	\$91,306,664	27.8%	\$53,215,858	24.6%	\$47,153,578
							\$191,676,100

METROPOLITAN WASTEWATER DEPARTMENT

ESTIMATED CIP PROJECTS FY 2014 - FY 2023

CIP PROJECTS - FUND 41508		
CIP/WBS #	TITLE	10 YEAR TOTAL
45-943.0/ S00315	POINT LOMA - GRIT PROCESSING IMPROVEMENTS	\$4,500,000
	TOTAL 41508	\$4,500,000

CIP PROJECTS - FUND 41509		
CIP/WBS #	TITLE	10 YEAR TOTAL
ABOOOOO1	ANNUAL ALLOCATION-METRO TREATMENT PLANTS	\$13,550,000.00
AJB00001	MWWWD TRUNK SEWERS	\$9,361,500.00
ABP00002	METROPOLITAN SYSTEM PUMP STATIONS	\$700,000.00
S00319	EM & TS LAB ESPLANADE AND STEAM LINE	\$1,784,282.00
45-984.0/ S00322	MBC BIOSOLIDS STORAGE SILOS	\$5,800,000.00
S00321	MBC CENTRATE COLLECTION UPGRADES	\$0.00
45-989.0/ S00339	MBC DEWATERING CENTRIFUGES REPLACEMENT (SA)JO#141590	\$10,500,000.00
45-981.0/ S00323	MBC ODOR CONTROL FACILITY UPGRADES	\$4,300,000.00
45-992.0/ S00309	NCWRP - SLUDGE PUMP STATION UPGRADE	\$0.00
TBD	PT. LOMA SITE IMPROVEMENTS PH2	\$4,697,000.00
45-915.0/ S00312	PUMP STATION 2 ONSITE STANDBY POWER	\$29,000,000.00
41-943.0/ TBD	SOUTH BAY PUMP STATION AND CONVEYANCE SYSTEM PHASE 1	\$0.00
42-931.0/ TBD	SOUTH BAY WASTEWATER TREATMENT PLANT PHASE 1	\$0.00
42-930.0/ S00310	SBWRP DEMINERALIZATION PHASE 1 & 2	\$0.00
45-961.0/ S00317	SOUTH METRO SEWER REHABILITATION PHASE IIIB	\$9,214,957.00
45-940.0/ S00314	WET WEATHER STORAGE FACILITY	\$43,638,131.00
L10000	METRO FACILITIES CONTROL SYSTEM UPGRADE PH II	\$2,580,000.00
S00316	PT. LOMA S. ACCESS RD. PROTECTION PROJECT	\$385,000.00
	TOTAL 41509	\$135,510,870

With the implementation of SAP Capital Projects have WBS numbers, will provide when known

ATTACHMENT B

PROJECTED TOTAL POPULATION - FY 2013 - FY 2050

AGENCY	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2030	FY 2035	FY 2040	FY 2050
	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total	Projected Total
	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population	Population
Chula Vista	255,907	261,573	267,800	272,920	279,609	283,621	287,633	291,645	302,883	313,205	324,785	340,694	302,883	313,205	324,785	340,694	372,304
Coronado	25,500	25,500	25,500	25,600	25,700	25,800	25,900	26,370	26,400	26,400	26,500	26,600	26,700	26,811	27,000	27,547	27,907
Del Mar	4,241	4,321	4,400	4,480	4,560	4,640	4,719	4,799	4,810	4,822	4,834	4,846	4,858	4,916	4,985	5,053	5,184
El Cajon	100,000	102,000	103,000	104,000	105,000	106,000	107,000	110,000	110,000	110,500	111,000	111,500	112,000	112,500	114,000	125,000	140,000
Imperial Beach	28,500	28,500	28,500	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,250	29,500	30,000	30,500	31,000
La Mesa	58,925	59,137	59,351	59,565	59,779	59,995	60,211	60,625	60,843	61,194	61,547	61,902	62,373	64,122	67,155	70,189	75,440
Lemon Grove	25,460	25,530	25,600	25,670	25,740	25,810	25,880	26,010	26,010	26,010	26,010	26,010	26,980	27,960	28,930	29,600	30,930
National City	58,967	59,391	59,815	60,239	60,663	61,087	61,511	61,935	62,359	62,783	63,207	63,631	64,055	64,479	64,903	65,327	65,751
Otay	213,000	217,300	221,700	226,200	230,700	235,300	240,000	243,800	247,800	251,800	255,800	259,800	263,900	276,100	289,700	309,200	319,700
Padre Dam	88,500	91,100	93,700	96,300	98,900	101,500	104,100	106,700	107,900	109,100	110,200	111,400	112,600	113,800	114,800	116,000	118,000
Poway	49,091	49,800	50,509	51,218	51,927	52,636	53,345	54,054	54,438	54,822	55,206	55,590	55,974	57,898	58,504	59,110	59,756
County																	
East Otay Mesa	1,743	3,111	4,479	5,847	7,215	8,583	9,951	11,319	12,459	13,599	14,739	15,879	18,160	25,000	31,025	36,575	48,000
Lakeside/Alpine	44,050	46,028	48,425	49,275	50,550	51,825	53,100	54,922	55,208	55,494	55,780	56,066	56,350	62,240	72,156	82,813	104,125
Spring Valley	88,784	90,626	92,468	93,260	94,052	94,844	95,635	96,427	96,734	97,041	97,348	97,655	97,964	99,176	100,000	100,000	100,000
Wintergardens	12,611	12,941	11,950	11,874	11,798	11,722	11,646	11,570	11,570	11,570	11,570	11,570	11,570	11,736	11,736	11,736	11,736
San Diego	1,390,546	1,408,147	1,425,748	1,442,404	1,458,116	1,473,828	1,489,540	1,505,252	1,520,325	1,534,758	1,549,190	1,563,623	1,578,056	1,651,746	1,719,704	1,780,543	1,907,081
TOTAL	2,445,825	2,485,005	2,522,945	2,557,852	2,593,309	2,626,191	2,659,171	2,694,428	2,728,739	2,762,098	2,796,716	2,835,766	2,823,673	2,941,189	3,059,383	3,189,887	3,416,914

PROJECTED POPULATION SERVED BY THE METRO SYSTEM - FY 2013 - FY 2050

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2030	FY 2035	FY 2040	FY 2050
	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population	Projected Population
AGENCY	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro	Served by Metro
Chula Vista	255,407	261,073	267,300	272,420	279,109	283,121	287,133	291,145	302,383	312,705	324,285	340,194	302,383	312,705	324,285	340,194	371,804
Coronado																	
Del Mar	4,241	4,321	4,400	4,480	4,560	4,640	4,719	4,799	4,810	4,822	4,834	4,846	4,858	4,916	4,985	5,053	5,184
El Cajon	100,000	102,000	103,000	104,000	105,000	106,000	107,000	110,000	110,000	110,500	111,000	111,500	112,000	112,500	114,000	125,000	140,000
Imperial Beach	29,500	29,500	29,500	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,250	30,500	31,000	31,500	32,000
La Mesa	58,925	59,137	59,351	59,565	59,779	59,995	60,211	60,625	60,843	61,194	61,547	61,902	62,373	64,122	67,155	70,189	75,440
Lemon Grove	25,460	25,530	25,600	25,670	25,740	25,810	25,880	26,010	26,010	26,010	26,010	26,010	26,980	27,960	28,930	29,600	30,930
National City	58,967	59,391	59,815	60,239	60,663	61,087	61,511	61,935	62,359	62,783	63,207	63,631	64,055	64,479	64,903	65,327	65,751
Otay	5,250	5,250	5,300	5,300	5,350	5,350	5,400	5,400	5,400	5,400	5,450	5,450	5,500	5,600	5,750	5,850	6,100
Padre Dam	52,100	54,600	57,200	59,700	62,300	64,800	67,400	25,800	27,100	28,300	29,500	30,700	32,000	33,200	34,100	35,000	36,700
Poway	43,664	44,373	45,082	45,791	46,500	47,209	47,918	48,627	49,011	49,395	49,779	50,163	50,547	52,471	53,072	53,863	54,329
County																	
East Otay Mesa	1,743	3,111	4,479	5,847	7,215	8,583	9,951	11,319	12,459	13,599	14,739	15,879	18,160	25,000	31,025	36,575	48,000
Lakeside/Alpine	44,050	46,028	48,425	49,275	50,550	51,825	53,100	54,922	55,208	55,494	55,780	56,066	56,350	62,240	72,156	82,813	104,125
Spring Valley	88,784	90,626	92,468	93,260	94,052	94,844	95,635	96,427	96,734	97,041	97,348	97,655	97,964	99,176	100,000	100,000	100,000
Wintergardens	12,611	12,941	11,950	11,874	11,798	11,722	11,646	11,570	11,570	11,570	11,570	11,570	11,570	11,736	11,736	11,736	11,736
San Diego	1,354,349	1,371,945	1,389,542	1,406,140	1,421,738	1,437,337	1,452,936	1,468,535	1,483,498	1,497,826	1,512,154	1,526,482	1,540,810	1,614,284	1,682,034	1,741,902	1,867,840
TOTAL	2,135,051	2,169,826	2,203,412	2,233,561	2,264,354	2,292,323	2,320,440	2,307,114	2,337,385	2,366,639	2,397,203	2,432,048	2,415,800	2,520,889	2,625,131	2,734,602	2,949,939

Coronado working on their Population Served by Metro

FLOW IN MILLION GALLONS PER DAY - FY 2013 - FY2050

AGENCY	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2030	FY 2035	FY 2040	FY 2050
	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in	Flow in
	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD	MGD
Chula Vista	16.474	17.231	17.909	18.252	18.700	18.969	19.238	19.507	20.260	20.951	21.727	22.793	20.260	21.727	22.793	24.911	21.750
Coronado	2.200	2.200	2.200	2.200	2.200	2.200	2.200	2.200	2.200	2.200	2.200	2.200	2.300	2.300	2.500	2.500	2.500
Del Mar	0.566	0.577	0.588	0.599	0.620	0.631	0.642	0.653	0.654	0.656	0.658	0.659	0.661	0.669	0.678	0.687	0.705
El Cajon	8.100	8.200	8.300	8.400	8.500	8.600	8.700	8.850	8.900	8.950	9.000	9.100	9.200	9.250	9.350	10.250	11.500
Imperial Beach	2.250	2.250	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.400	2.400	2.500	2.500	3.000
La Mesa	4.820	4.837	4.855	4.872	4.890	4.908	4.925	4.943	4.961	4.989	5.018	5.047	5.076	5.106	5.249	6.613	6.912
Lemon Grove	2.248	2.254	2.260	2.266	2.273	2.279	2.285	2.296	2.296	2.296	2.296	2.296	2.382	2.269	2.554	2.613	2.731
National City	4.566	4.571	4.663	4.756	4.852	4.949	5.048	5.150	5.253	5.358	5.800	5.916	6.034	6.278	6.370	6.462	6.554
Otay	0.395	0.395	0.399	0.399	0.403	0.403	0.407	0.407	0.409	0.411	0.412	0.413	0.414	0.421	0.433	0.440	0.459
Padre Dam	2.860	3.000	3.130	3.270	3.400	3.540	3.670	1.410	1.470	1.540	1.610	1.680	1.740	1.810	1.860	1.900	1.990
Poway	3.510	3.570	3.630	3.680	3.740	3.800	3.860	3.910	3.940	3.970	4.010	4.040	4.070	4.220	4.270	4.320	4.370
County																	
East Otay Mesa	0.020	0.139	0.249	0.358	0.468	0.577	0.687	0.796	0.906	1.016	1.156	1.296	1.453	2.000	2.482	2.926	3.840
Lakeside/Alpine	3.094	3.682	3.840	3.940	4.040	4.150	4.250	4.350	4.370	4.390	4.420	4.440	4.460	4.920	5.770	6.620	8.330
Spring Valley	5.970	6.950	7.070	7.100	7.250	7.300	7.350	7.380	7.400	7.430	7.450	7.480	7.500	7.600	8.000	8.000	8.000
Wintergardens	0.939	0.946	0.960	0.990	0.990	0.990	0.990	0.960	0.960	0.960	0.960	0.960	0.960	0.960	0.960	0.960	0.960
San Diego	109.400	109.900	110.400	111.100	112.200	113.400	114.600	115.700	115.800	116.000	116.100	116.300	116.400	120.000	124.800	132.000	140.200
TOTAL	167.412	170.702	172.753	174.482	176.826	178.996	181.152	180.812	182.079	183.417	185.117	186.920	185.310	191.930	200.569	213.702	223.801

AGENDA ITEM 4

Attachment



Memorandum

To: Technical Advisory Committee to Metro JPA
From: Best Best & Krieger LLP
Date: February 12, 2013
Re: United States Supreme Court Decision in *Los Angeles County Flood Control District v. Natural Resources Defense Council*

The U.S. Supreme Court issued an important decision earlier this year in *Los Angeles County Flood Control District v. Natural Resources Defense Council*, holding that the flow of water from an improved portion of a navigable waterway into an unimproved portion of the same waterway does not qualify as a discharge of pollutants subject to the federal Clean Water Act (CWA). In so doing, the high court reversed a Ninth Circuit Court of Appeals decision that held the Los Angeles County Flood Control District liable for elevated pollutant levels measured at monitoring stations in the Los Angeles and San Gabriel rivers simply because the District operates and maintains the flood control facilities and monitoring stations. A copy of the opinion is attached.

The Ninth Circuit had found that the Los Angeles County Flood Control District violated the CWA when stormwater entered the lower portions of the Los Angeles and San Gabriel rivers. The Supreme Court unanimously reversed the Ninth Circuit decision. Relying on its earlier decision in *South Florida Water Management District v. Miccosukee Tribe*, the Court held that a discharge from one part of a river to another part of the same river does not result in an “addition” of a pollutant to the river, because the two segments of the river are not “meaningfully distinct.”

The environmental respondents agreed that the Ninth Circuit wrongly decided the “addition” issue, and asserted various other arguments in attempting to sustain the Ninth Circuit’s decision. But the Court declined to consider these additional arguments because they were not properly raised before the court.

The case is important for several reasons:

- It affirms the Court’s prior decision in *South Florida Water Management District v. Miccosukee Tribe*. This clarifies the important concept that the movement of water within a river system is not subject to permitting under the CWA.
- It demonstrates that there are outer limits to the CWA’s pollutant discharge permitting program. For liability to exist, there must be evidence of a discharge from a point source that is owned or operated by the discharger.

BBK
BEST BEST & KRIEGER
ATTORNEYS AT LAW

- It stops (for now) the potential infighting between upstream and downstream dischargers about who is responsible for pollutant discharges.

Because the decision places limits on the reach of the CWA as applied to stormwater and water transfers, it will play an important role in future decisions about what can and cannot be regulated under the CWA.

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
v. NATURAL RESOURCES DEFENSE COUNCIL, INC.,
ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE NINTH CIRCUIT

No. 11–460. Argued December 4, 2012—Decided January 8, 2013

Petitioner Los Angeles County Flood Control District (District) operates a “municipal separate storm sewer system” (MS4), a drainage system that collects, transports, and discharges storm water. Because storm water is often heavily polluted, the Clean Water Act (CWA) and its implementing regulations require certain MS4 operators to obtain a National Pollutant Discharge Elimination System (NPDES) permit before discharging storm water into navigable waters. The District has such a permit for its MS4. Respondents Natural Resources Defense Council, Inc. (NRDC) and Santa Monica Baykeeper (Baykeeper) filed a citizen suit against the District and others under §505 of the CWA, 33 U. S. C. §1365, alleging, among other things, that water-quality measurements from monitoring stations within the Los Angeles and San Gabriel Rivers demonstrated that the District was violating the terms of its permit. The District Court granted summary judgment to the District on these claims, concluding that the record was insufficient to warrant a finding that the MS4 had discharged storm water containing the standards-exceeding pollutants detected at the downstream monitoring stations. The Ninth Circuit reversed in relevant part. The court held that the District was liable for the discharge of pollutants that, in the court’s view, occurred when the polluted water detected at the monitoring stations flowed out of the concrete-lined portions of the rivers, where the monitoring stations are located, into lower, unlined portions of the same rivers.

Held: The flow of water from an improved portion of a navigable waterway into an unimproved portion of the same waterway does not

Syllabus

qualify as a “discharge of a pollutant” under the CWA. See *South Fla. Water Management Dist. v. Miccosukee Tribe*, 541 U. S. 95, 109–112 (holding that the transfer of polluted water between “two parts of the same water body” does not constitute a discharge of pollutants under the CWA). The Ninth Circuit’s decision cannot be squared with this holding.

The NRDC and Baykeeper alternatively argue that, based on the terms of the District’s NPDES permit, the exceedances detected at the monitoring stations sufficed to establish the District’s liability under the CWA for its upstream discharges. This argument, which failed below, is not embraced within the narrow question on which certiorari was granted. The Court therefore does not address it. Pp. 3–5.

673 F. 3d 880, reversed and remanded.

GINSBURG, J., delivered the opinion of the Court, in which ROBERTS, C. J., and SCALIA, KENNEDY, THOMAS, BREYER, SOTOMAYOR, and KAGAN, JJ., joined. ALITO, J., concurred in the judgment.

Opinion of the Court

NOTICE: This opinion is subject to formal revision before publication in the preliminary print of the United States Reports. Readers are requested to notify the Reporter of Decisions, Supreme Court of the United States, Washington, D. C. 20543, of any typographical or other formal errors, in order that corrections may be made before the preliminary print goes to press.

SUPREME COURT OF THE UNITED STATES

No. 11–460

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
PETITIONER *v.* NATURAL RESOURCES DEFENSE
COUNCIL, INC., ET AL.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
APPEALS FOR THE NINTH CIRCUIT

[January 8, 2013]

JUSTICE GINSBURG delivered the opinion of the Court.

The Court granted review in this case limited to a single question: Under the Clean Water Act (CWA), 86 Stat. 816, as amended, 33 U. S. C. §1251 *et seq.*, does the flow of water out of a concrete channel within a river rank as a “discharge of a pollutant”? In this Court, the parties and the United States as *amicus curiae* agree that the answer to this question is “no.” They base this accord on *South Fla. Water Management Dist. v. Miccosukee Tribe*, 541 U. S. 95, 109–112 (2004), in which we accepted that pumping polluted water from one part of a water body into another part of the same body is not a discharge of pollutants under the CWA. Adhering to the view we took in *Miccosukee*, we hold that the parties correctly answered the sole question presented in the negative. The decision in this suit rendered by the Court of Appeals for the Ninth Circuit is inconsistent with our determination. We therefore reverse that court’s judgment.

Petitioner Los Angeles County Flood Control District (District) operates a “municipal separate storm sewer

Opinion of the Court

system” (MS4)—a drainage system that collects, transports, and discharges storm water. See 40 CFR §122.26(b)(8) (2012). See also §122.26(b)(13) (“*Storm water* means storm water runoff, snow melt runoff, and surface runoff and drainage.”). Because storm water is often heavily polluted, see 64 Fed. Reg. 68724–68727 (1999), the CWA and its implementing regulations require the operator of an MS4 serving a population of at least 100,000 to obtain a National Pollutant Discharge Elimination System (NPDES) permit before discharging storm water into navigable waters. See 33 U. S. C. §§1311(a), 1342(p)(2)(C), and (D); 40 CFR §§122.26(a)(3), (b)(4), (b)(7). The District first obtained a NPDES permit for its MS4 in 1990; thereafter, the permit was several times renewed. *Natural Resources Defense Council, Inc. v. County of Los Angeles*, 673 F. 3d 880, 886 (CA9 2011).

Respondents Natural Resources Defense Council, Inc. (NRDC) and Santa Monica Baykeeper (Baykeeper) filed a citizen suit against the District and several other defendants under §505 of the CWA, 33 U. S. C. §1365. They alleged, among other things, that water-quality measurements from monitoring stations located within the Los Angeles and San Gabriel Rivers demonstrated that the District was violating the terms of its permit.

The District Court granted summary judgment to the District on these claims. It was undisputed, the District Court acknowledged, that “data from the Los Angeles River and San Gabriel River [monitoring] stations indicate[d] that water quality standards ha[d] repeatedly been exceeded for a number of pollutants, including aluminum, copper, cyanide, fecal coliform bacteria, and zinc.” App. to Pet. for Cert. 108. But numerous entities other than the District, the court added, discharge into the rivers upstream of the monitoring stations. See *id.*, at 115–116. See also 673 F. 3d, at 889 (observing that the pollutants of “thousands of permitted dischargers” reach the rivers).

Opinion of the Court

The record was insufficient, the District Court concluded, to warrant a finding that the District's MS4 had discharged storm water containing the standards-exceeding pollutants detected at the downstream monitoring stations.

The Ninth Circuit reversed in relevant part. The monitoring stations for the Los Angeles and San Gabriel Rivers, the Court of Appeals said, are located in "concrete channels" constructed for flood-control purposes. *Id.*, at 900. See also *id.*, at 889 (describing the monitoring stations' location). Based on this impression, the Court of Appeals held that a discharge of pollutants occurred under the CWA when the polluted water detected at the monitoring stations "flowed out of the concrete channels" and entered downstream portions of the waterways lacking concrete linings. *Id.*, at 900. Because the District exercises control over the concrete-lined portions of the rivers, the Court of Appeals held, the District is liable for the discharges that, in the appellate court's view, occur when water exits those concrete channels. See *id.*, at 899–901.

We granted certiorari on the following question: Under the CWA, does a "discharge of pollutants" occur when polluted water "flows from one portion of a river that is navigable water of the United States, through a concrete channel or other engineered improvement in the river," and then "into a lower portion of the same river"? Pet. for Cert. i. See 567 U. S. ____ (2012). As noted above, see *supra*, at 1, the parties, as well as the United States as *amicus curiae*, agree that the answer to this question is "no."

That agreement is hardly surprising, for we held in *Miccossukee* that the transfer of polluted water between "two parts of the same water body" does not constitute a discharge of pollutants under the CWA. 541 U. S., at 109–112. We derived that determination from the CWA's text, which defines the term "discharge of a pollutant" to mean

Opinion of the Court

“any *addition* of any pollutant to navigable waters from any point source.” 33 U. S. C. §1362(12) (emphasis added). Under a common understanding of the meaning of the word “add,” no pollutants are “added” to a water body when water is merely transferred between different portions of that water body. See Webster’s Third New International Dictionary 24 (2002) (“add” means “to join, annex, or unite (as one thing to another) so as to bring about an increase (as in number, size, or importance) or so as to form one aggregate”). “As the Second Circuit [aptly] put it . . . , ‘[i]f one takes a ladle of soup from a pot, lifts it above the pot, and pours it back into the pot, one has not “added” soup or anything else to the pot.’” *Miccosukee*, 541 U. S., at 109–110 (quoting *Catskill Mountains Chapter of Trout Unlimited, Inc. v. New York*, 273 F.3d 481, 492 (CA2 2001)).

In *Miccosukee*, polluted water was removed from a canal, transported through a pump station, and then deposited into a nearby reservoir. 541 U. S., at 100. We held that this water transfer would count as a discharge of pollutants under the CWA only if the canal and the reservoir were “meaningfully distinct water bodies.” *Id.*, at 112. It follows, *a fortiori*, from *Miccosukee* that no discharge of pollutants occurs when water, rather than being removed and then returned to a water body, simply flows from one portion of the water body to another. We hold, therefore, that the flow of water from an improved portion of a navigable waterway into an unimproved portion of the very same waterway does not qualify as a discharge of pollutants under the CWA. Because the decision below cannot be squared with that holding, the Court of Appeals’ judgment must be reversed.¹

¹The NRDC, Baykeeper, and the United States contend—contrary to the District—that the Court of Appeals understood that no discharge of pollutants occurs when water flows from an improved into an unim-

Opinion of the Court

The NRDC and Baykeeper urge that the Court of Appeals reached the right result, albeit for the wrong reason. The monitoring system proposed by the District and written into its permit showed numerous instances in which water-quality standards were exceeded. Under the permit's terms, the NRDC and Baykeeper maintain, the exceedances detected at the instream monitoring stations are by themselves sufficient to establish the District's liability under the CWA for its upstream discharges. See Brief for Respondents 33–62.² This argument failed below. See 673 F. 3d, at 898, 901; App. to Pet. for Cert. 100–102. It is not embraced within, or even touched by, the narrow question on which we granted certiorari. We therefore do not address, and indicate no opinion on, the issue the NRDC and Baykeeper seek to substitute for the question we took up for review.

* * *

For the reasons stated, the judgment of the Court of Appeals for the Ninth Circuit is reversed, and the case is remanded.

It is so ordered.

JUSTICE ALITO concurs in the judgment.

proved portion of a navigable waterway. They suggest that the Court of Appeals misperceived the facts, erroneously believing that the monitoring stations for the Los Angeles and San Gabriel Rivers “were sampling water from a portion of the MS4 that was distinct from the rivers themselves and from which discharges through an outfall to the rivers subsequently occurred.” Brief for United States as *Amicus Curiae* 18. See also Brief for Respondents 30–31 (“The court of appeals’ statements suggest it believed the monitoring stations sampled polluted stormwater from the District’s MS4 before, not after, discharge to the Los Angeles and San Gabriel Rivers.”). Whatever the source of the Court of Appeals’ error, all parties agree that the court’s analysis was erroneous.

²Shortly before oral argument in this case, a renewed permit was approved for the District’s MS4. Unlike the District’s prior permit, which required only instream monitoring, the renewed permit requires end-of-pipe monitoring at individual MS4 discharge points. See *id.*, at 20–21; Reply Brief 5, n. 2.

AGENDA ITEM 7

Attachment

METRO JPA/TAC Staff Report

Subject Title:

PUD/WWTD Backup Generation Project

Requested Action:

Information item: Update on 7 – 2MW and one 500kW generators for emergency backup power at 6 PUD WWTD facilities, request for construction funds and the design build selection process.

Recommendations:

Metro TAC:	
IROC:	
Prior Actions: (Committee/Commission, Date, Result)	

Fiscal Impact:

Is this projected budgeted?	Yes ____ No <u>X</u>
Cost breakdown between Metro & Muni:	\$4,722,604 for Metro and \$6,227,462 for Muni. Previously approved = \$10,950,066 \$3,513,618 for Metro and \$3,281,916 for Muni. This request = \$6,795,534 Total = \$17,745,600
Financial impact of this issue on the Metro JPA:	\$1,582,072 + \$1,177,062=\$2,759,134 (33.5% of Metro Cost)

Capital Improvement Program:

New Project?	Yes <u>X</u> No ____
Existing Project?	Yes ____ No ____ upgrade/addition ____ change ____

Comments/Analysis:

Funding for this Project will come out of the DRESS fund. Design-build for the pre-purchase 7-2MW generators and purchase and installation of 500KW generator at EMTS Lab.

Previous TAC/JPA Action:

January 18, 2012 Approval of \$10,950,066 for the purchase of 7 – 2000kW Backup Generators

Additional/Future Action:

Presentation to NR&C Committee March 20, 2013

City Council Action:

Presentation to City Council April 9, 2013

AGENDA ITEM 8

Attachment



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: February 11, 2013

TO: Metro Technical Advisory Committee (Metro TAC)

FROM: Guann Hwang, Deputy Director, Public Utilities Department
Darren Greenhalgh, Deputy Director, Public Works-Engineering Department

SUBJECT: FY2013 Capital Improvement Projects (CIP) – 2nd Quarter

The Public Utilities and Public Works-Engineering Departments hereby submit the FY2013 Metro Project updates for the period of October 1 to December 31, 2012.

This quarterly report includes dashboard information, project highlights, forecast and actual expenditures, project schedules, and project change orders.

DASH BOARD INFORMATION

PROGRAM HIGHLIGHTS (Both Water and Wastewater)

✓ Assigned New Projects to Public Works	11 Projects, \$40 Million
✓ Completed Preliminary Engineering	13 Projects, \$76 Million
✓ Completed 100% Design	19 Projects, \$52 Million
✓ Awarded Construction Contracts	5 Contracts, \$16 Million
✓ Completed Construction Contracts	7 Contracts, \$49 Million

Note: It is possible for project(s) to complete more than one phase listed above, and therefore be listed multiple times.

METRO PROJECT HIGHLIGHTS

Point Loma Grit Improvements

This project consists of the demolition of the existing South Grit and Headworks Building and construction of the new South Grit Tanks and Grit Processing Building at the Point Loma Wastewater Treatment Plant. The project also includes the construction of an interim Grit Processing facility and modifications to existing influent channels, piping and electrical/instrumentation.

The Point Loma Wastewater Treatment Plant has six aerated grit removal tanks. The plant is not achieving desirable grit removal because the existing grit processing equipment is unable to extract fine sand or silt. The grit accumulated downstream of the grit tanks reduces the efficiency of processing equipment and minimizes the biosolid treatment in the digesters. This project will increase grit removal efficiency.

Construction began in March of 2011 and will be complete by August of 2014.

Total project cost is approximately \$34,614,000.



Aerial view of the project shoring and excavation



Earthwork and construction of concrete structures

North City Cogeneration Facility Expansion

This project consists of purchasing a 1.6 Megawatt (MW) generator and hiring a design build contractor for the site development and installation of the generator. The design build contract began in March 2012. This project is currently under construction and expected to be completed by May 2013.

Total project cost is approximately \$4,200,000.

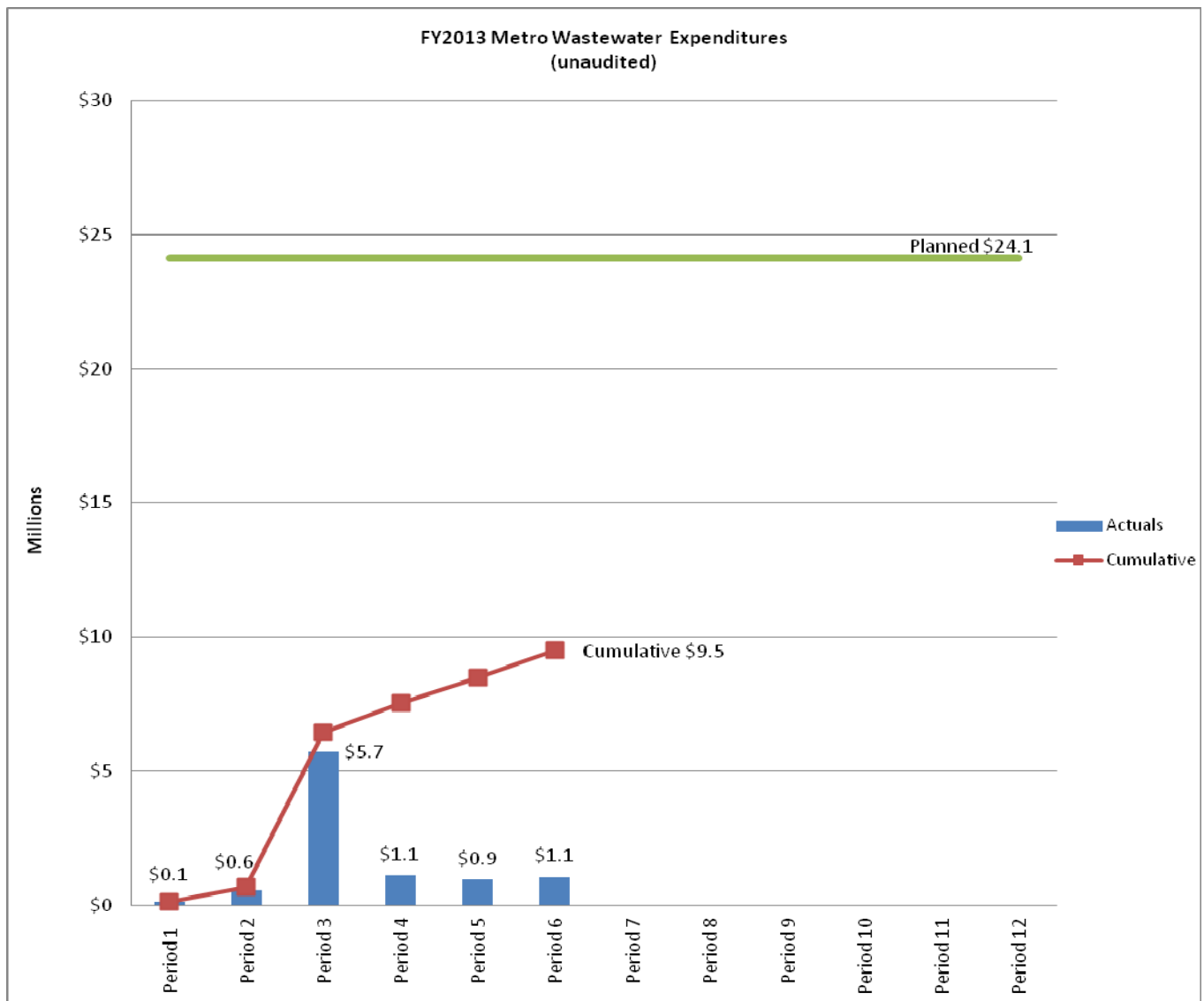


Construction of retaining walls to protect existing SDG&E vaults (R) and to support the new access road to the cogeneration facility expansion (L)



New cogeneration engine, capable of producing 1600 kW of power

METRO PROJECTS - ACTUAL EXPENDITURES



Forecast and Actual Expenditures

Wastewater						
Funded Program	Project Name	Baseline Project Cost	Revised Project Cost	FY13 Projected Expenditures Total	FY13 Period 6 Encumbrances SAP (unaudited)	FY13 Period 6 Actual Expenditures SAP (unaudited)
METRO FUNDED						
S00315	Point Loma Grit Processing Improvements	\$32,922,630	\$34,614,085	\$6,930,098	\$12,250,316	\$2,431,571
S00312	PS2 Power Reliability & Surge Protection	\$31,500,000	\$31,200,000	\$632,617	\$27,943	\$175,187
S00339	MBC Dewatering Centrifuges Replacement	\$12,000,000	\$12,000,000	\$559,007	\$14,890	\$105,006
B00313	PS 1&2 ELECTRICAL UPG & NEW BLDG AT PS2	\$9,935,000	\$9,935,000	\$861,083	\$748,001	\$50,171
S00317	South Metro Sewer Rehabilitation Phase 3B	\$9,214,957	\$9,214,957		\$0	\$346
S00322	MBC Biosolids Storage Silos	\$7,553,500	\$8,707,993	\$792,992	\$275,156	\$84,834
B10085	PTL Sedimentation Basins Equip Refurbish	\$8,386,630	\$7,954,500	\$4,866,210	\$2,345,579	\$3,789,267
B11025	Rose Canyon TS (RCTS) Joint Repair	TBD	TBD	\$4,500	\$0	\$0
S00323	MBC Odor Control Facility Upgrades	\$5,200,000	\$6,200,000	\$664,130	\$983,327	\$100,897
S00314	Wet Weather Storage Facility	\$112,001,859	\$5,000,000	\$90,000	\$17,058	\$8,189
B10178	MBC Chemical System Improvements Phase 2	\$5,070,000	\$4,446,000	\$343,035	\$888,946	\$83,347
B11139	North City Cogeneration Facility Expansion	\$4,200,000	\$4,200,000	\$2,992,433	\$1,955,436	\$1,367,142
L100001	Ovation Upgrade at Pt Loma Wastewater Trmt Plant	\$4,180,000	\$4,180,000	\$1,247,589	\$835,238	\$391,162
S00310	SBWR Plant Demineralization	\$3,279,133	\$3,279,133		\$0	\$39,944
L100002	Ovation Upgrade at North City WRP	\$3,070,000	\$3,070,000	\$76,787	\$0	\$0
S00319	EMT&S Boat Dock & Steam Line Relocation	\$2,304,000	\$2,304,000	\$189,818	\$0	\$0
B11098	W PTL Intercept & PS 2 FM Siphon Repair	\$1,500,000	\$1,500,000	\$90,000	\$0	\$2,019
B11026	Sewer Junction/Diversion Structure Rehab	\$700,000	\$700,000	\$378,000		\$0
S00309	NCWRP Sludge Pump Station Upgrade	\$626,294	\$636,294	\$423,900	\$57,625	\$46,887
B11076	PTLWTP PC 6 Transformer Cabinet & Switchboard Repl	\$300,000	\$400,000	\$313,268	\$222,256	\$72,216
POST CONSTRUCTION - METRO FUNDED						
B00527	NCWRP EDR #6	\$1,823,464	\$1,823,464		\$0	-\$4,861
B00528	MBC WATER SYSTEMS IMPROVEMENTS	\$1,179,355	\$1,179,355	\$66,364	\$61,934	\$45,513
B00316	MBC ACCESS ROAD DRAINAGE IMPROVEMENTS	\$288,184	\$288,184	\$7,200	\$7,832	\$23,911
METRO/MUNI FUNDED						
S12036	Backup Generators at Sewer PS's, TP, & EMTS	\$17,745,600	\$17,745,600	\$2,584,462	\$245,303	\$713,450
TOTAL		\$274,980,606	\$170,578,565	\$24,113,493	\$20,936,840	\$9,526,198

Project Schedules

Wastewater								
SAP ID	Project Name	Start Date	Planning/Design/Award phase			Construction Phase		
			BL Final Design Review - End	Final Design Approval - End	Final Design Review - End BL Var	BL BO/BU	BO/BU	BO/BU BL Var
METRO FUNDED								
S00315	Point Loma Grit Processing Improvements	1/18/00 A	9/30/10	9/30/10	0	12/17/13	12/17/13	0
S00312	PS2 Power Reliability & Surge Protection	11/1/10 A	9/23/14	3/18/15	120	11/17/16	5/12/17	120
S00339	MBC Dewatering Centrifuges Replacement	7/1/11 A	3/21/12	3/21/12	0	8/17/15	1/12/16	101
B00313	PS 1&2 ELECTRICAL UPG & NEW BLDG AT PS2	11/1/06 A			0	11/30/11	3/4/13	314
S00317	South Metro Sewer Rehabilitation Phase 3B							
S00322	MBC Biosolids Storage Silos	9/12/06 A	7/19/13	11/15/12	-168	6/9/15	10/7/14	-167
B10085	PTL Sedimentation Basins Equip Refurbish	4/1/10 A	5/6/11	5/6/11	0	5/2/13	5/2/13	0
B11025	Rose Canyon TS (RCTS) Joint Repair	12/1/10 A	10/16/12	4/9/13	118	4/7/15	9/23/15	118
S00323	MBC Odor Control Facility Upgrades	12/1/10 A	12/5/12	11/19/13	240	11/28/14	11/12/15	240
S00314	Wet Weather Storage Facility							
B10178	MBC Chemical System Improvements Phase 2	2/14/11 A	3/29/13	10/4/13	131	9/26/14	4/8/15	131
B11139	North City Cogeneration Facility Expansion	5/18/11 A	7/9/12	7/9/12	0	4/30/13	4/30/13	0
L100001	Ovation Upgrade at Pt Loma Wastewater Trmt Plant	10/23/09 A	3/22/10	3/22/10	0	2/6/13	2/6/13	0
S00310	SBWR Plant Demineralization	8/1/12 A	11/30/12	11/30/12	0	10/2/13	10/8/13	4
L100002	Ovation Upgrade at North City WRP	10/23/09 A	3/22/10	3/22/10	0	6/5/14	6/5/14	0
S00319	EMT&S Boat Dock & Steam Line Relocation	7/1/2011 A	6/30/13	6/30/13	0	6/30/16	6/30/16	0
B11098	W PTL Intercept & PS 2 FM Siphon Repair	3/1/10 A	7/31/13	7/31/13	0	12/31/13	12/31/13	0
S00309	NCWRP Sludge Pump Station Upgrade	4/1/10 A	1/27/12	1/27/12	0	2/5/13	6/5/13	83
B11076	PTLWTP PC 6 Transformer Cabinet & Switchboard Repl	8/2/10 A	1/21/11	1/21/11	0	6/14/12	4/8/13	203
METRO/MUNI FUNDED								
S12036	Backup Generators at Sewer PS's, TP, & EMTS	9/9/11 A	10/1/13	10/1/13	0	4/30/15	4/30/15	0

FY13 Change Order Log							
WBS	PROJECT TITLE	PREVIOUSLY AUTHORIZED PROJECT COST (ORIGINAL CONTRACT AMOUNT)	TOTAL CHANGE ORDER (CCO) AMOUNT TO DATE	ENGINEERING RELATED COSTS	REVISED TOTAL COST	CCO/ ORIGINAL TOTAL PROJECT COST %	DESCRIPTION
2nd QTR FY13 (10/01/-2012 – 12/31/2012)							
None							
1st QTR FY13 (07/01/-2012 - 9/30/2012)							
None							

AGENDA ITEM 10

Attachment

Metro Wastewater JPA
Treasurer's Report
Six months ending December 31, 2012

Metro Wastewater JPA

Treasurer's Report

Six months ending December 31, 2012

Unaudited

Beginning Cash Balance at July 1, 2012	\$ 151,004
Operating Results	
Membership dues & interest income	111,791
Expenses	<u>(53,650)</u>
Net Income (Loss)	58,141
Net change in receivables & payables (see cash flow statement)	<u>87,804</u>
Cash provided by (used in) operating activities	145,945
Ending Cash Balance at December 31, 2012	<u><u>\$ 296,949</u></u>

Submitted by:

Karen Jassoy, Treasurer

Metro Wastewater JPA

Balance Sheet

As of December 31, 2012 and June 30, 2012

Unaudited

	<u>Dec 31, 2012</u>	<u>Jun 30, 2012</u>	<u>\$ Change</u>
ASSETS			
Checking/Savings			
California Bank & Trust	\$ 295,626	\$ 141,637	\$ 153,989
California Bank - checking	<u>1,323</u>	<u>9,367</u>	<u>(8,044)</u>
Total Checking/Savings	296,949	151,004	145,945
Accounts Receivable	<u>12,713</u>	<u>8,243</u>	<u>4,470</u>
TOTAL ASSETS	<u><u>\$ 309,662</u></u>	<u><u>\$ 159,247</u></u>	<u><u>\$ 150,415</u></u>
 LIABILITIES & EQUITY			
Liabilities			
Accounts Payable	\$ 24,193	\$ 43,677	\$ (19,484)
Unearned Membership Billings	<u>111,758</u>	<u>-</u>	<u>111,758</u>
Total Liabilities	135,951	43,677	92,274
Equity			
Retained Equity	115,570	67,044	48,526
Net Income	<u>58,141</u>	<u>48,526</u>	<u>9,615</u>
Total Equity	<u>173,711</u>	<u>115,570</u>	<u>58,141</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 309,662</u></u>	<u><u>\$ 159,247</u></u>	<u><u>\$ 150,415</u></u>

Metro Wastewater JPA
Profit & Loss Budget vs. Actual
July through December 2012
Unaudited

	<u>Actual</u>	<u>Budget</u>	<u>\$ Over (Under) Budget</u>
Income			
Membership Dues	\$ 111,758	\$ 111,758	\$ -
Interest Income	<u>33</u>	<u>50</u>	<u>(17)</u>
Total Income	\$ 111,791	\$ 111,808	\$ (17)
Expense			
Administrative Assistant	\$ 850	\$ 1,800.0	\$ (950.0)
Administrative Support - Padre	5,559	7,000	(1,441)
Atkins	34,578	64,598	(30,020)
Audit Fees		2,500	(2,500)
Automobile Expense / Mileage	124	1,000	(876)
Bank charges	-	100	(100)
Contingencies	-	2,500	(2,500)
Dues & Subscriptions	-	300	(300)
Legal - BB&K	6,076	17,500	(11,424)
Metro/JPA/TAC meeting expenses	1,390	2,500	(1,110)
Miscellaneous		125	(125)
Office Supplies	100	250	(150)
Per Diem - Agency	4,050	11,000	(6,950)
Postage	14		14
Printing	189		189
Public Information	540	410	130
Telephone	<u>180</u>	<u>225</u>	<u>(45)</u>
Total Expense	\$ 53,650	\$ 111,808	\$ (58,158)
Net Income	<u><u>\$ 58,141</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 58,141</u></u>

Metro Wastewater JPA
Statement of Cash Flows
July through December 2012
Unaudited

OPERATING ACTIVITIES

Net Income	\$ 58,141
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	(4,470)
Accounts Payable	(19,484)
Unearned Membership Billings	<u>111,758</u>
Net cash provided by Operating Activities	<u>145,945</u>
Net cash increase for period	145,945
Cash at beginning of period	<u>151,004</u>
Cash at end of period	<u><u>\$ 296,949</u></u>

Metro Wastewater JPA
A/R Aging Summary
As of December 31, 2012

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
City of San Diego - Metro Wastewater Dept	<u>\$ 3,810.00</u>	<u>8,242.56</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>\$ 12,052.56</u>
TOTAL	<u><u>\$ 3,810.00</u></u>	<u><u>8,242.56</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>\$ 12,052.56</u></u>

Metro Wastewater JPA
Vendor Balance Summary
As of December 31, 2012

Atkins North America	\$ 13,442.50
Best, Best and Krieger	751.22
Lori Anne People	4,538.71
Luis Natividad	600.00
Padre Dam	<u>4,860.60</u>
Total	<u><u>\$ 24,193.03</u></u>

AGENDA ITEM 11

Attachment

MetroTAC
2012/13 Work Plan
February 2013

MetroTAC Items	Description	Subcommittee Member(s)
IRWMP	4:12: Metro TAC received a presentation from Cathy Pieroni (City of San Diego) on the Integrated Regional Water Management Program (IRWMP). Group is still relatively informal but plans to become more structured during its upcoming 2 year plan update. There is a governance & finance work group that starts in the 3 rd quarter of 2012 and at that point the JPA role will be examined. Padre Dam and Chula Vista are regular participants. 9/19: Cathy Pieroni gave an update. Recommendation by IRWM to the RAC to include a seat for the Metro JPA. Bob Kennedy will attend the October 3, 2012 meeting representing the JPA. 11/12: At their November 2012 meeting the Metro Commission unanimously appointed Bob Kennedy of Otay Water District as primary and Metro TAC Chairman Greg Humora as alternate to the IRWMPRAC,	Bob Kennedy Greg Humora
Fiscal Items	The Finance committee will continue to monitor and report on the financial issues affecting the Metro System and the charges to the PAs. The debt finance and reserve coverage issues have been resolved. Refunds totaling \$12.3 million were sent to most of the PA's. 10/26/11: 2010 will be the first year where the PAs will be credited with interest on the debt service reserve and operational fund balances. Interest will be applied as an income credit to Exhibit E when that audit is complete.	Greg Humora Karen Jassoy Karyn Keese
Recycled Water Revenue Issue	Per our Regional wastewater Agreement revenues from SBWTP are to be shared with PA's. 4/11: City has agreed to pay out revenue to Wastewater Section and PA's credit will be on the Exhibit E adjustments at year end Open issues: Capacity reservation lease payments and North City Optimized System Debt service status. 12/11: Letter sent to San Diego regarding outstanding recycled water revenue issues.	Scott Huth Scott Tulloch Karyn Keese
Water Reduction - Impacts on Sewer Rates	The MetroTAC wants to evaluate the possible impact to sewer rates and options as water use goes down and consequently the sewer flows go down, reducing sewer revenues. Sewer strengths are also increasing because of less water to dilute the waste. We are currently monitoring the effects of this. 2/2011: wastewater revenues are declining due to conservation and flow reductions and agencies are re-prioritizing projects to be able to cover annual operations costs	Eric Minicilli Bob Kennedy Karyn Keese
"No Drugs Down the Drain"	The state has initiated a program to reduce pharmaceuticals entering the wastewater flows. There have been a number of collection events within the region. The MetroTAC, working in association with the Southern California Alliance of Publicly-owned Treatment Works (SCAP), will continue to monitor proposed legislation and develop educational tools to be used to further reduce the amount of drugs disposed of into the sanitary sewer system. 8/2010: County Sheriff and Chula Vista have set up locations for people to drop off unwanted medications and drugs. 4/11: <i>Local law enforcement has taken a proactive role and is sponsoring drug take back events.</i> 3/11: <i>TAC to prepare a position for the board to adopt; look for a regional solution; watch requirements to test/control drugs in wastewater.</i> 10/26/11: A prescription drug take back day is scheduled for 10/29/11. Go to www.dea.gov to find your nearest location. 4/12: East County to host a prescription drug take back 4/28/12.	Greg Humora

MetroTAC Items	Description	Subcommittee Member(s)
Flushable Items that do not Degrade	Several PAs have problems with flushable products, such as personal wipes, that do not degrade and cause blockages. MetroTAC is investigating solutions by other agencies, and a public affairs campaign to raise awareness of the problems caused by flushable products. We are also working with SCAP in their efforts to help formulate state legislation to require manufacturers of products to meet certain criteria prior to labeling them as "flushable." Follow AB2256 and offer support.	Eric Minicilli
Grease Recycling	To reduce fats, oils, and grease (FOG) in the sewer systems, more and more restaurants are being required to collect and dispose of cooking grease. Companies exist that will collect the grease and turn it into energy. MetroTAC is exploring if a regional facility offers cost savings for the PAs. The PAs are also sharing information amongst each other for use in our individual programs. <i>3/11: get update on local progress and status of grease rendering plant near Coronado bridge</i>	Eric Minicilli
Padre Dam Mass Balance Correction	11/11: Padre Dam has been overcharged for their sewage strengths since 1998. Staff from City of San Diego presented a draft spreadsheet entitled Master Summary Reconciliations Padre Dam Mass Balance Corrections Calculation. Rita Bell and Karyn Keese were elected to review the documentation and report back to Metro TAC. 2/12: Audit complete. Item added as Standing to Metro TAC agenda. 4/12: This issue is scheduled as a standing item and discussed at each Metro TAC meeting until it is resolved. Currently Metro TAC is focusing on the statue of limitations.	Rita Bell Karyn Keese
Waiver and Recycled Water Study Implementation	11/12: Metro TAC requested a timeline from City staff including milestones for the waiver process. The waiver is due no later than 7/30/15. However, the application needs to be submitted six months prior to the July date (2/1/15). Preparation of the waiver will begin in the early part of FYE 2014.	Al Lau Scott Tulloch Karyn Keese
Recycled Water Rate Study	San Diego is working on a rate study for pricing recycled water from the South Bay plant and the North City plant. Metro TAC, in addition to individual PAs, has been engaged in this process and has provided comments on drafts San Diego has produced. We are currently waiting for San Diego to promulgate a new draft which addresses the changes we have requested. 10/26/11: draft study still not issued	Karyn Keese Rita Bell
City of San Diego Revised Procurement Process	8/12: San Diego City Engineer James Nagelvoort reported on recent changes to San Diego's procurement process to move projects through more quickly. Technically any CIP projects under \$30 million may no longer need to be reviewed by the Metro TAC or JPA prior to City Council approval. Chairman Humora requested San Diego prepare a summary of the recent changes and the decision points for consideration of the TAC at the September meeting. 10/4: Metro Commission requests further review by TAC to recommend an appropriate level for CIP's to be brought forth to the Commission. 11/12: MetroTAC recommended leaving the thresholds as they are today and therefore everything will go through TAC and then to the JPA for formal action. The policy will be placed on the JPA website. The Metro Commission approved the policy at their November 2012 meeting. San Diego's CIP will become a standing item on the Metro TAC agenda.	Metro TAC
Salt Creek Diversion	9/2010: OWD, Chula Vista and San Diego met to discuss options and who will pay for project; Chula Vista and OWD are reviewing options. 2/2011: OWD and PBS&J reviewed calculations with PUD staff; San Diego to provide backup data for TAC to review. This option is also covered in the Recycle Water Study. 10/26/11: Back-up information has still not been received from staff. 8/12: San Diego to conduct business case evaluation and add to Capital Improvement Program as recommend by Metro Commission to San Diego City Council on July 17, 2012 in support of the Recycled Water Study.	Roberto Yano Bob Kennedy Karyn Keese Rita Bell

MetroTAC Items	Description	Subcommittee Member(s)
Recycled Water Study Cost Allocation	A small working group was formed to discuss options to allocate PLWTP offset project costs among the water and wastewater rate payers; Concepts will be discussed at TAC and JPA Board in near future.7/12: Subcommittee to meet with PUD staff & consultants to review TM 8 and economic model.8/12: Subcommittee has meet with City staff and consultants. Economic model has been received. City will not pursue cost allocations until Demonstration Project is complete due to staffing constraints.	Roberto Yano Al Lau Karyn Keese Rita Bell
Board Members' Items		
Rate Case Items	1/12: San Diego is in the process of hiring a consultant to update their rate case. As part of that process, Metro TAC and the Finance Committee will be monitoring the City's proposals as they move forward. 6/12: San Diego hired Black & Veatch as their rate consultant. <i>2/13: Preliminary results will be reported at the IROC Meeting of 2/19/13</i>	Karyn Keese
Exhibit E	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to Schedule E will come directly to the Board as they develop.	Karen Jassoy Karyn Keese
Future bonding	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to bonding efforts will come directly to the Board as they develop. 10/26/11: San Diego is issuing an RFP for a cost of service study to support a future bond issue potentially in mid-2013. Kristin Crane to sit on the selection panel.	Karen Jassoy Karyn Keese Kristen Crane
Changes in water legislation	Metro TAC and the Board should monitor and report on proposed and new legislation or changes in existing legislation that impact wastewater conveyance, treatment, and disposal, including recycled water issues	Paula de Sousa
Role of Metro JPA regarding Recycled Water	As plans for water reuse unfold and projects are identified, Metro JPA's role must be defined with respect to water reuse and impacts to the various regional sewer treatment and conveyance facilities <i>2/12: Scott Huth removed as member due to new position. JPA/Metro TAC needs to appoint a new representative.</i>	Karyn Keese
Border Region	Impacts of sewer treatment and disposal along the international border should be monitored and reported to the Board. These issues would directly affect the South Bay plants on both sides of the border. <i>2/12: This Item does not have a champion. Should we remove?</i>	
SDG&E Rate Case	8/19: Karyn to check with Paula regarding latest SDG&E issues.11/12: Sophie Akins from BBK will present updated information to Metro TAC.	Paula de Sousa
Metro JPA Strategic Plan	6/12: Chairman Ewin to establish a subcommittee to monitor the progress of strategic plan initiatives.	<i>Who should take over?</i>

Completed Items	Description	Subcommittee Member(s)
Debt Reserve and Operating Reserve Discussion	In March 2010, the JPA approved recommendations developed by Metro JPA Finance Committee, MetroTAC, and the City of San Diego regarding how the PA's will fund the operating reserve and debt financing. MetroTAC has prepared a policy document to memorialize this agreement. Project complete: 4/10	Scott Huth Karyn Keese Doug Wilson
State WDRs & WDR Communications Plan	The Waste Discharge Requirements (WDRs), a statewide requirement that became effective on May 2, 2006, requires all owners of a sewer collection system to prepare a Sewer System Management Plan (SSMP). Agencies' plans have been created. We will continue to work to meet state requirements, taking the opportunity to work together to create efficiencies in producing public outreach literature and implementing public programs. Project complete: 5/10. 2/12: State has proposed new WDR regulations. Metro TAC will not reopen but Dennis Davies will stay on top of the issue.	Dennis Davies
Ocean Maps from Scripps	Schedule a presentation on the Sea Level Rise research by either Dr. Emily Young, San Diego Foundation, or Karen Goodrich, Tijuana River National Estuarine Research Reserve Project complete: 5/10	Board Member Item
Secondary Waiver	The City of San Diego received approval from the Coastal Commission and now the Waiver is being processed by the EPA. The new 5 year waiver to operate the Point Loma Wastewater Treatment Plant at advanced primary went into effect August 1, 2010. Project complete 7/10	Scott Huth
Lateral Issues	Sewer laterals are owned by the property owners they serve, yet laterals often allow infiltration and roots to the main lines causing maintenance issues. As this is a common problem among PAs, the MetroTAC will gather statistics from national studies and develop solutions. 4/11: There has been no change to the issue. We will continue to track this item through SCAP and report back when the issue is active again. Efforts closed 3/11	Tom Howard Joe Smith
Advanced Water Purification Demonstration Project	San Diego engaged CDM to design/build/operate the project for the water repurification pilot program. 2/8/11: <i>Equipment arrived 3/2011; tours will be held when operational (June/July 2011 timeframe).</i> 2/12: Tours are available. San Diego whitepaper on IPR distributed to Metro TAC members. Closed 4/18/12	Al Lau
SDG&E Rate Case	SDG&E has filed Phase 2 of its General Rate Case, which proposes a new "Network Use Charge" which would charge net-energy metered customers for feeding renewable energy into the grid as well as using energy from the grid. The proposal will have a significant impact on entities with existing solar facilities, in some cases, increases their electricity costs by over 400%. Ultimately, the Network Use Charge will mean that renewable energy projects will no longer be as cost effective. SDG&E's proposal will damage the growth of renewable energy in San Diego County. A coalition of public agencies has formed to protest this rate proposal. 2/12: PUC has not accepted SDG&E's filing. Metro TAC move to close this item. Will continue to monitor this. 8/19: Karyn to check with Paula regarding latest SDG&E issues.	Paula de Sousa
Metro JPA Strategic Plan	2/2011: committee to meet 2/28/11 to plan for retreat to be held on 5/5/11 Retreat held and wrap up presented to the Commission at their June Meeting. JPA strategic planning committee to meet to update JPA Strategic Plan and prepare action items. 1/12: Draft strategic plan reviewed by Board and referred to Metro TAC for input. MetroTAC has created a subcommittee to work on this project. 2/12: Metro TAC has completed their final review. Forwarded to Commission. 4/12: Adopted at April 2012 Metro JPA Meeting. Project complete.	Augie Caires Ernie Ewin

Completed Items	Description	Subcommittee Member(s)
Recycled Water Study	As part of the secondary waiver process, San Diego agreed to perform a recycled water study within the Metro service area. That study is currently underway, and MetroTAC has representatives participating in the working groups. TM #8 Costs estimates are out and PAs provided comments on TM#8 and have asked for a technical briefing. 10/16/11: Final draft of report is due out in November 2011. 1/12: Final draft of report is due in March 2012. 3/12: Final draft available for comments until 3/19/12 4/12: PUD staff to give presentation to Metro JPA at their May meeting. 5/12 PUD staff presented the Recycled Water Study to the Metro JPA at their May meeting. Metro JPA approved the Study as a planning document. Study to move forward to SD City Council in July 2012 with letter of support from JPA. 7/12: City of San Diego approved the Recycled Water Study; Study submitted on time to Coastal Commission. Final report uploaded to JPA website. 11/12: San Diego received a letter from the Coastal Commission. Metro Commission consensus was that based on the tone of the Coastal Commission letter the region may be seeing some time line changes relative to San Diego's projections on the implementation of IPR and that the MetroTAC needs to manage all aspects including the Coastal Commission and multiple issues such as desalination water, Coastal Commissions attitude at this point and pending IPR programs we have heard about.	Scott Huth Al Lau Scott Tulloch Karyn Keese

Metro TAC

Participating Agencies

Selection Panel Rotation

Agency	Representative	Selection Panel	Date Assigned
Padre Dam	Neal Brown	IRWMP – Props 50 & 84 Funds	2006
El Cajon	Dennis Davies	Old Rose Canyon Trunk Sewer Relocation	9/12/2007
La Mesa	Greg Humora	As-Needed Piping and Mechanical	11/2007
National City	Joe Smith	MBC Additional Storage Silos	02/2008
Otay Water District	Rod Posada	As-Needed Biological Services 2009-2011	02/2008
Poway	Tom Howard	Feasibility Study for Bond Offerings	02/2008
County of San Diego	Dan Brogadir	Strategic Business Plan Updates	02/2008
Coronado	Scott Huth	Strategic Business Plan Updates	09/2008
Coronado	Scott Huth	As-needed Financial, HR, Training	09/2008
PBS&J	Karyn Keese	As-needed Financial, Alternate HR, Training	09/2008
Otay Water District	Rod Posada	Interviews for Bulkhead Project at the PLWTP	01/2009
Del Mar	David Scherer	Biosolids Project	2009
Padre Dam	Neal Brown	Regional Advisory Committee	09/2009
County of San Diego	Dan Brogadir	Large Dia. Pipeline Inspection/Assessment	10/2009
Chula Vista	Roberto Yano	Sewer Flow Monitoring Renewal Contract	12/2009
La Mesa	Greg Humora	Sewer Flow Monitoring Renewal Contract	12/2009
Poway	Tom Howard	Fire Alarm Panels Contract	12/2009
El Cajon	Dennis Davies	MBC Water System Improvements D/B	01/2010
Lemon Grove	Patrick Lund	RFP for Inventory Training	07/2010
National City	Joe Smith	Design/Build water replacement project	11/2010
Coronado	Scott Huth	Wastewater Plan update	01/2010
Otay Water District	Bob Kennedy	RFP Design of MBC Odor Control Upgrade/Wastewater Plan Update	02/2011
Del Mar	Eric Minicilli	Declined PS 2 Project	05/2011
Padre Dam	Al Lau	PS 2 Project	05/2011
County of San Diego	Dan Brogadir	RFP for As-Needed Biological Services Co.	05/2011
Chula Vista	Roberto Yano	North City Cogeneration Facility Expansion	07/2011
La Mesa	Greg Humora	confined space RFP selection panel	10/2011
Poway	Tom Howard	COSS's for both Water and WW	10/2011
El Cajon	Dennis Davies	Independent Accountant Financial Review & Analysis – All Funds	01/2012

Updated 11/2012

EXP

Lemon Grove	Mike James	MBC Dewatering Centrifuges Replacement (Passed)	01/2012
National City	Joe Smith	MBC Dewatering Centrifuges Replacement (Passed)	01/2012
Coronado	Godby, Kim	MBC Dewatering Centrifuges Replacement (Passed)	01/2012
Otay Water District	Bob Kennedy	MBC Dewatering Centrifuges Replacement (Accepted)/Strategic Planning Rep	01/2012
Del Mar	Eric Minicilli	New As Need Engineering Contract	02/2012
Padre Dam	Al Lau	PA Rep. for RFQ for As Needed Design Build Services (Passed)	05/2012
County of San Diego	Dan Brogadir	PA Rep. for RFQ for As Needed Design Build Services (Cancelled project)	05/2012
Chula Vista	Roberto Yano	As-Needed Condition Assessment Contract (Accepted)	06/2012
La Mesa	Greg Humora	New programmatic wastewater facilities condition (Awaiting Response)	11/2012
Poway	Tom Howard	Optimization Review Study	01/2013
El Cajon	Dennis Davies		
Lemon Grove	Mike James		
National City	Joe Smith		
Coronado	Godby, Kim		
Otay Water District	Bob Kennedy	Strategic Planning (Volunteered, participated last year)	01/2013
Del Mar	Eric Minicilli		
Padre Dam	Al Lau		
El Cajon	Dennis Davies		
Lemon Grove	Patrick Lund		
National City	Joe Smith		
Coronado	Scott Huth		
Otay Water District	Bob Kennedy		
Del Mar	Eric Minicilli		
Padre Dam	Al Lau		
County of San Diego	Dan Brogadir		
Chula Vista	Roberto Yano		
La Mesa	Greg Humora		

AGENDA ITEM 12

Attachment



February 5, 2013

Mr. Richard Hopkins
City Engineer/Public Works Director
City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 91910

RE: Metro Sewer Billing Issue/ Padre Dam Municipal Water District

Over the last months, we have discussed at various Metro TAC meetings, an issue related to an overbilling of Padre Dam Municipal Water District ("Padre Dam") of Metropolitan Wastewater System ("Metro System") costs. This letter summarizes the overbilling issue ("Overbilling") and sets out the recommendation of the City of San Diego ("San Diego") Metro System staff, and Padre Dam, as to the manner in which the Overbilling should be resolved.

By way of background, in late 2010 Padre Dam, a fellow Participating Agency ("PA") in San Diego's Metro System, notified San Diego of significant billing inaccuracies and irregularities as relates to Padre Dam's wastewater strength loading calculations. These billing inaccuracies and irregularities resulted in an overcharge to Padre Dam in the amount of \$9,771,142 from Fiscal Year 1998 through Fiscal Year 2008.¹ Because all costs associated with the Metro System are proportionately shared by all PAs and San Diego, the Padre Dam Overbilling in the amount of \$9,771,142 resulted in an under-billing to the remaining PAs and San Diego in the amount of \$9,771,142.

As you know, it took time to build the current collaborative and collegial partnership the PAs have with San Diego on matters related to the Metro System, memorialized in the terms of the 1998 Regional Wastewater Disposal Agreement ("Metro Sewer Agreement"). The Metro Sewer Agreement is premised on the principle that the PAs and San Diego, as partners in the Metro System, must equitably allocate amongst themselves the costs associated with maintaining and operating the Metro System as well as any revenues received from the Metro System. To that end, the Metro Sewer Agreement provides, in part, as follows:

¹ Billings for Fiscal Years 2009 to date have been corrected and are not in dispute.

V. SYSTEM OF CHARGES

A. Charges Authorized.

The City agrees to implement and the Participating Agencies agree to abide by a new system of charges. This new system allows the City to *equitably recover from all Participating Agencies, their proportional share* of the net Metro System Costs through the imposition of the following charges:

1. SSC (Sewer System Charge);
2. ECC (Existing Capacity Charge);
3. NCCC (New Contract Capacity Charge).

(Metro Sewer Agreement, Article V, Section A.) The Sewer System Charge ("SSC") referenced above requires that billing be based on the strength and flow of wastewater.

Our partnership in the Metro Sewer System is not fleeting, as we—all PAs and San Diego—will remain partners in the Metro System until at least December 30, 2050. Accordingly, San Diego and Padre Dam recommend that the issue be resolved equitably whereby each and every PA agrees to correct the Padre Dam Overbilling from its commencement (FY 1998). This recommendation is not taken lightly. We fully comprehend that agreeing to reconcile the error in this manner may have precedential consequences. If our recommendation is accepted Padre Dam will be made whole. Ultimately, the idea that any PA should benefit at the expense of another due to an administrative error runs contrary to the foundation upon which our partnership was built.

Last, we have included a spreadsheet that shows the per fiscal year benefit the City of Chula Vista received as a result the Padre Dam Overbilling. As you will see the difference to the City of Chula Vista between going back to the start of the Overbilling to date, as compared with going back only to Fiscal Year 2004 (which true-up was completed within 4 years of the date Padre Dam notified San Diego of the discrepancy) is negligible to your agency as compared to the impact in the aggregate to Padre Dam.

We ask that you provide the City of Chula Vista's position regarding our recommendation no later than forty-five (45) days from the date of this letter. This will permit Padre Dam and San Diego to assess where the PAs are on this issue and determine what next steps to take in light of the Metro Sewer Agreement dispute resolution provisions. Your written response should be directed to:

Mr. Roger S. Bailey, Director
City of San Diego Public Utilities Dept.
9192 Topaz Way
San Diego, CA 92123

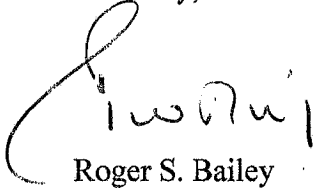
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Mr. Richard Hopkins, City of Chula Vista

February 5, 2013

Please contact either of us if you have any further questions.

Sincerely,



Roger S. Bailey
Director of Public Utilities
City of San Diego
(858) 292-6401



Allen Carlisle
CEO/General Manager
Padre Dam Municipal Water District
(619) 258-4762

Attachment: Master Summary Reconciliation

cc: T. Zeleny, City of San Diego
P. DeSousa, Best, Best & Krieger
R. Yano, Senior Civil Engineer, City of Chula Vista

City of San Diego
Master Summary Reconciliation
Padre Dam Overbill Mass Balance Corrections

Agency	FY 2008	FY 2007	FY 2006	FY 2005	FY 2004	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	FY 1998 ⁽¹⁾	Total	Percent
City of Chula Vista	\$ 102,100	\$ 116,698	\$ 87,312	\$ 93,442	\$ 94,998	\$ 111,074	\$ 79,738	\$ 58,184	\$ 38,286	\$ 56,012	\$ 16,120	\$ 853,964	8.74%
City of Coronado	\$ 8,661	\$ 11,504	\$ 8,141	\$ 9,356	\$ 9,736	\$ 11,001	\$ 8,685	\$ 6,998	\$ 4,651	\$ 10,291	\$ 3,116	\$ 92,140	0.94%
City of Del Mar	\$ 4,241	\$ 4,889	\$ 4,277	\$ 4,200	\$ 4,546	\$ 5,304	\$ 4,334	\$ 3,311	\$ 2,050	\$ 3,706	\$ 1,224	\$ 42,082	0.43%
East Otay Mesa ⁽²⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
City of El Cajon	\$ 45,914	\$ 48,441	\$ 38,293	\$ 40,954	\$ 41,222	\$ 48,878	\$ 42,410	\$ 33,543	\$ 23,696	\$ 44,026	\$ 12,425	\$ 419,802	4.30%
City of Imperial Beach	\$ 12,033	\$ 13,277	\$ 11,395	\$ 11,453	\$ 12,567	\$ 13,675	\$ 10,913	\$ 8,175	\$ 5,559	\$ 11,967	\$ 3,395	\$ 114,409	1.17%
City of La Mesa	\$ 26,209	\$ 28,484	\$ 22,226	\$ 23,184	\$ 23,629	\$ 27,412	\$ 20,917	\$ 15,234	\$ 10,974	\$ 22,938	\$ 7,615	\$ 228,822	2.34%
Lakeside/Alpine	\$ 16,174	\$ 17,959	\$ 15,185	\$ 15,509	\$ 16,548	\$ 18,764	\$ 15,875	\$ 12,620	\$ 8,878	\$ 16,699	\$ 4,984	\$ 159,195	1.63%
City of Lemon Grove	\$ 10,786	\$ 12,915	\$ 9,828	\$ 10,751	\$ 11,884	\$ 12,762	\$ 10,899	\$ 8,308	\$ 5,723	\$ 10,273	\$ 2,841	\$ 106,970	1.09%
The City of National City	\$ 24,962	\$ 31,131	\$ 28,219	\$ 27,946	\$ 29,415	\$ 33,207	\$ 27,425	\$ 20,551	\$ 14,046	\$ 27,531	\$ 5,854	\$ 270,287	2.77%
Otay Water District	\$ 10,448	\$ 11,307	\$ 9,749	\$ 9,126	\$ 10,212	\$ 11,256	\$ 8,774	\$ 6,701	\$ 3,506	\$ 6,464	\$ 1,083	\$ 88,626	0.91%
Padre Dam Water District⁽³⁾	\$ (1,023,808)	\$ (1,167,525)	\$ (960,678)	\$ (1,080,016)	\$ (1,104,835)	\$ (1,292,525)	\$ (1,035,662)	\$ (800,304)	\$ (549,240)	\$ (504,706)	\$ (251,843)	\$ (9,771,142)	(100%)
City of Poway	\$ 17,216	\$ 17,141	\$ 13,962	\$ 16,533	\$ 17,763	\$ 19,858	\$ 16,117	\$ 12,146	\$ 8,407	\$ 16,800	\$ 5,130	\$ 161,073	1.65%
Spring Valley	\$ 29,962	\$ 33,605	\$ 28,109	\$ 32,598	\$ 31,196	\$ 39,047	\$ 29,489	\$ 20,971	\$ 16,201	\$ 71,913	\$ 12,019	\$ 345,110	3.53%
Wintgardens	\$ 3,950	\$ 4,202	\$ 3,449	\$ 3,690	\$ 3,920	\$ 4,437	\$ 3,629	\$ 2,627	\$ 1,896	\$ 4,773	\$ 1,157	\$ 37,730	0.39%
City of San Diego	\$ 711,154	\$ 815,970	\$ 680,532	\$ 781,274	\$ 797,196	\$ 935,853	\$ 756,454	\$ 590,938	\$ 405,364	\$ 201,313	\$ 174,880	\$ 6,850,928	70.11%
TOTAL	\$ 2	\$ (2)	\$ (1)	\$ -	\$ (3)	\$ 3	\$ (3)	\$ 3	\$ (3)	\$ -	\$ -	\$ (4)	-

Notes

- (1) FY 1998 - Inception of Strength-based billing
(2) No billable flow until FY 2009
(3) City notified November 2010 (FY 2011)