



**Metro Finance Committee**  
(Finance Advisory Committee to Metro JPA)

Physical Meeting Location: 9192 Topaz Way, San Diego, MOC II Conf. Room 2B

**TO:** Finance Committee Members and Metro JPA

**DATE:** Wednesday, April 26, 2023

**TIME:** 10:00 a.m.

**Note:** Any member of the public may attend this meeting and provide comments to the Metro Finance Committee on any agenda item, or on a matter not appearing on the agenda, but within the jurisdiction of the Committee. Public comments must be submitted in either of the following manners:

1. Written Comments. Written public comments must be submitted prior to the start of the meeting to [peoples@chulavistaca.gov](mailto:peoples@chulavistaca.gov). Please indicate whether your comment is on a specific agenda item or a non-agenda item. Comments are limited to four hundred (400) words. It is requested that comments and other information be provided at least two (2) hours before the start of the meeting. All comments received by such time will be provided to the Committee members in writing. In the discretion of the Chair, the first five (5) comments received on each agenda item, or on non-agenda matters, may be read into the record at the meeting. Comments received after the two (2) hour limit will be collected, sent to the Finance Committee members in writing, and be part of the public record.
2. Providing Oral Comments During the Meeting. For those attending in person, 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. To provide comments remotely during the meeting, join the Teams meeting by computer, mobile phone, or dial-in number and use the "Raise Hand" feature. This will notify the Chair that you wish to provide public comment in real time during a specific item on the agenda or during the general Public Comment portion of the meeting. If joining the meeting using the TEAMS dial-in number, you can raise your hand by pressing \*9. Comments will be limited to three (3) minutes

When providing comments to the Finance Committee, it is requested that you provide your name and city of residence for the record. Those commenting are requested to address their comments to the Finance Committee members through the Chair. If you have anything that you wish to be distributed to the JPA/Commission, please provide it to the Secretary via [peoples@chulavistaca.gov](mailto:peoples@chulavistaca.gov), who will distribute the information to the members.

The public may choose to participate in person or remotely by virtual means. For audio of meeting use the call-in phone numbers below and for video use the Teams link below.

Microsoft Teams Meeting  
[Click here to join the meeting](#)  
Meeting ID: 254 395 738 878  
Passcode: jHnyrC

***THIS NOTICE HAS BEEN DISTRIBUTED TO THE METRO FINANCE COMMITTEE MEMBERS and METRO DIRECTORS***

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**1. Roll Call**

2. **Public Comments**  
*Persons speaking during Public Comment may address the Metro Finance Committee on any subject matter within the jurisdiction of the Metro Finance Committee that is not listed as an agenda item. Comments are limited to three (3) minutes.*
3. **ACTION:** Approval of Board Member Request for Remote Appearance (Ochoa)
4. **ACTION:** Approval of Agenda (Baber)
5. **ACTION:** Consideration and Possible Action to Approve Minutes from the February 22, 2023 Finance Committee Regular Meeting (**Attachment**)
6. **ACTION:** Establishment of Metro Wastewater JPA Reserve Policy (Lee Ann Jones-Santos/Karyn Keze/Adriana Ochoa) (**Attachment**)
7. **ACTION:** Consideration and Possible Action to Recommend to the Metro Wastewater Joint Powers Authority (JPA) Approval of the FY 2024 Metro Wastewater JPA Budget (Lee Ann Jones-Santos/Karyn Keze/Adriana Ochoa) (**Attachment**)
8. **ACTION:** Consideration and Possible Action to Recommend to the Metro Commission/Metro Wastewater JPA Approval of the Following Budget Adjustments for FY 2023 and Corresponding Contract Amendments:
  - a. Budget Increase of \$58,400 for Engineering Services; and corresponding Amendment to the Professional Services Agreement between Metro Wastewater Joint Powers Authority and Dexter Wilson Engineering (Adriana Ochoa/Karyn Keze) (**Attachment**)
  - b. Budget Increase of \$50,000 for Technical, Financial, and Administrative Coordination Services; and Amendment to the Professional Services Agreement between Metro Wastewater Joint Powers Authority and The Keze Group, LLC (Adriana Ochoa/Metro Chair Jerry Jones/Beth Gentry) (**Attachment**)
  - c. Budget Increase of \$10,000 for Engineering Technical Support; and Amendment to the Professional Services Agreement between Metro Wastewater Joint Powers Authority and NV5, Inc. (Adriana Ochoa/Karyn Keze) (**Attachment**)
9. **ACTION:** Consideration and Possible Action to Recommend to the Metro Wastewater JPA Approval of the Following Budget/Contract Items Relating to FY 2024:
  - a. Professional Services Agreement with Paul Redvers Brown, Inc. for Facilitator Services for FY 2024 (Adriana Ochoa/Karyn Keze) (**Attachment**)
  - b. Reimbursement Agreement with the City of San Diego for Facilitator Services with Paul Redvers Brown, Inc. for FY 2024 (Adriana Ochoa/Karyn Keze) (**Attachment**)
10. Review of Items to be Brought Forward to the Metro Commission/Metro JPA
11. Other Business of the Finance Committee
12. Adjournment

NOTE: The Metro Finance Committee may take action on any item listed on the agenda whether or not it is listed "for action."

Materials provided to the Metro Finance Committee related to any open-session item on this agenda are available for public review by contacting Karyn Keze (619) 733-8876 during normal business hours.

***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 Commission/Metro Wastewater JPA shall promptly work with you to resolve the matter in favor of accessibility.*

# ATTACHMENT 5

## ACTION MINUTES OF FEBRUARY 22, 2023



Metro Wastewater JPA Finance  
Committee February 22, 2023  
Minutes

Meeting called to order: 10:04 a.m. via Zoom by Committee Chairman Mullin

**1. ROLL CALL**

**Committee Attendees:**

Jerry Jones, Lemon Grove Sanitation District  
Karen Jassoy, Padre Dam  
Mark Robak, Otay Water District  
Ditas Yamane, National City

**Committee Members Absent:**

Bill Baber, La Mesa  
Peter De Hoff, Poway (Alternate)

**Support Staff:**

Karyn Keze, The Keze Group, LLC  
Adriana Ochoa, Procopio  
Lee Ann Jones-Santos, Metro JPA Treasurer, El Cajon  
Beth Gentry, MetroTAC Chair  
Lori Anne Peoples, Metro Secretary

**General Public:**

There were no general public members.

**2. PUBLIC COMMENT**

There was no public comment.

**3. ACTION: APPROVAL OF THE AGENDA**

**ACTION:** Motion by JPA Chair Jones, seconded by Director Robak, to approve the agenda. Motion carried as follows:

**AYES:** Jones, Jassoy, Robak, Yamane  
**NAYS:** None  
**ABSTAIN:** None  
**ABSENT:** Baber

**4. DISCUSSION: WELCOME AND INTRODUCTIONS**

JPA Chair Jones welcomed everyone, introduced himself and requested all others introduce and provide a brief background of themselves, which they did.

**5. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE MINUTES FROM THE NOVEMBER 28, 2022 FINANCE COMMITTEE MEETING**

JPA Chair Jones stated that as long as the member read the minutes, whether or not they attended the meeting, they were able to vote.

**ACTION:** Motion by Director Robak, seconded by Director Yamane, the minutes be approved. Motion carried as follows:

**AYES:** Jones, Jassoy, Robak, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Baber

**6. ACTION: CONSIDERATION AND POSSIBLE ACTION TO SELECT AND APPOINT THE COMMITTEE CHAIR AND VICE CHAIR**

**ACTION:** Motion by Director Jones, to nominate Director Baber as Chair and Director Robak as Vice Chair, seconded by Director Yamane. Director Robak declined the nomination.

Substitute Motion by Director Robak to nominate Director Baber as Chair and Director Jones as Vice Chair, seconded by Director Yamane. Motion carried as follows:

**AYES:** Jones, Jassoy, Robak, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Baber

**7. ACTION: CONSIDERATION AND POSSIBLE ACTION TO RECOMMEND TO THE METRO JPA/COMMISSION APPROVAL OF THE MID-YEAR JPA FINANCIALS - FY 2023 TREASURER'S REPORT ENDING DECEMBER 31, 2022**

Metro JPA Treasurer, Lee Ann Jones-Santos provided a brief verbal overview of the Treasurers report provided in the agenda packet. Her overview included: Beginning Cash Balance at July 1, 2022; Operating Results; Cash used in Operations and Ending Cash Balance at February 2023 Unaudited; Statement of Net Position as of July 1, 2022 and December 31, 2022 Unaudited; Statement of Operations Budget vs. Actual ending December 31, 2022 Unaudited and the Statement of Cash Flows ending December 31, 2022 Unaudited.

Director Yamane inquired as to where the reserves were reflected in the report. Treasurer Jones-Santos explained that they were included in the Statement of New Position at the bottom of the page.

Vice Chair Jones explained that since the beginning of the Pure Water Program we had overages in the budget versus actual estimate. However, in the current fiscal year (2023) things have become more complicated due to the start of Pure Water actual construction, the recent sewage spills and the negotiations and preparation of the 2<sup>nd</sup> Amended and Restated Agreement (2<sup>nd</sup> ARA). The Metro JPA Executive Team Consultants have ramped up to address these technical issues on behalf of the JPA resulting in additional consultant expenditures. He suggested consideration of increasing our reserve amount as part of the FY 2024 budget process and reminded Executive staff not to conservatively estimate their contract budget ceilings for the upcoming year. He would rather they estimate high and noted that in the past, the millions of dollars in savings that this committee and all of the other PAs have seen due to work performed by the Executive Team consultants. These savings have been passed along to the PAs rate payers by reducing the amounts owed to the City of San Diego annually.

Director Yamane stated she would like to perhaps see the reserves separated for legal reasons rather than lumped in with the General Fund.

Karyn Keze explained that as a part of the FY2024 budget process, they are planning to form a sub-committee to discuss what the reserve levels should be.

Vice Chair Jones explained how the reserves are handled as they are all different for each PAs internal budget, some are in the unallocated fund, some in the reserve accounts. However, in the past the Metro JPA found it easier to have them as unallocated due to the size of the annual JPA budget.

Treasurer Jones-Santos stated that based on the number of transactions processed by the JPA, she would prefer to keep the funds in an unallocated fund balance. Past Treasurer Jassoy suggested they consider listing them out on the balance sheet as cash and restricted cash. It was decided that the Finance Committee would discuss establishing a formal reserve policy as part of the FY 2024 budget process.

**ACTION:** Motion by Director Yamane, seconded by Vice Chair Jones, to accept the Treasurers report with the necessary date correction to the Treasurer's Report. Motion carried as follows:

**AYES:** Jones, Jassoy, Robak, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Baber

## **8. UPDATE: FY 2023 BUDGET STATUS**

**ACTION:** Motion by Vice Chair Jones to table this item until the next meeting, seconded by Director Robak due to lack of a quorum of the Finance Committee to conduct business and thoroughly discuss this item. The motion carried as follows:

**AYES:** Jones, Jassoy, Robak, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Baber

**Director Robak left the meeting at 1:44 p.m.**

**9. REVIEW OF ITEMS TO BE BROUGHT FORWARD TO THE METRO JPA/COMMISSION**

Vice Chair Jones noted that Item 7 would move forward to the Metro JPA/Commission meeting in March.

**10. OTHER BUSINESS OF THE FINANCE COMMITTEE**

General Counsel Ochoa mentioned that the Board members had not had an increase in Per Diem in many years and suggested a Resolution be brought forward with a 5% increase if there was no objection by the committee. Additionally, she recommended the actual amount be taken out of the By Laws during a future amendment so that any increase could be amended by Resolution. The committee members concurred.

Karyn Keze stated that this would be handled as a part of the budget review and would be brought back for review and approval of this committee.

**Director Yamane left the meeting at 1:47 p.m.**

- 11. ADJOURNMENT:** There being no further business, Finance Committee Vice Chair Jones declared the meeting adjourned at 1:48 p.m.



# ATTACHMENT 6

## ESTABLISHMENT OF METRO WASTEWATER JPA RESERVE POLICY

- A. PowerPoint
- B. Memo

ITEM 6A

POWERPOINT  
PRESENTATION:

ESTABLISHMENT OF  
METRO WASTEWATER JPA  
RESERVE POLICY



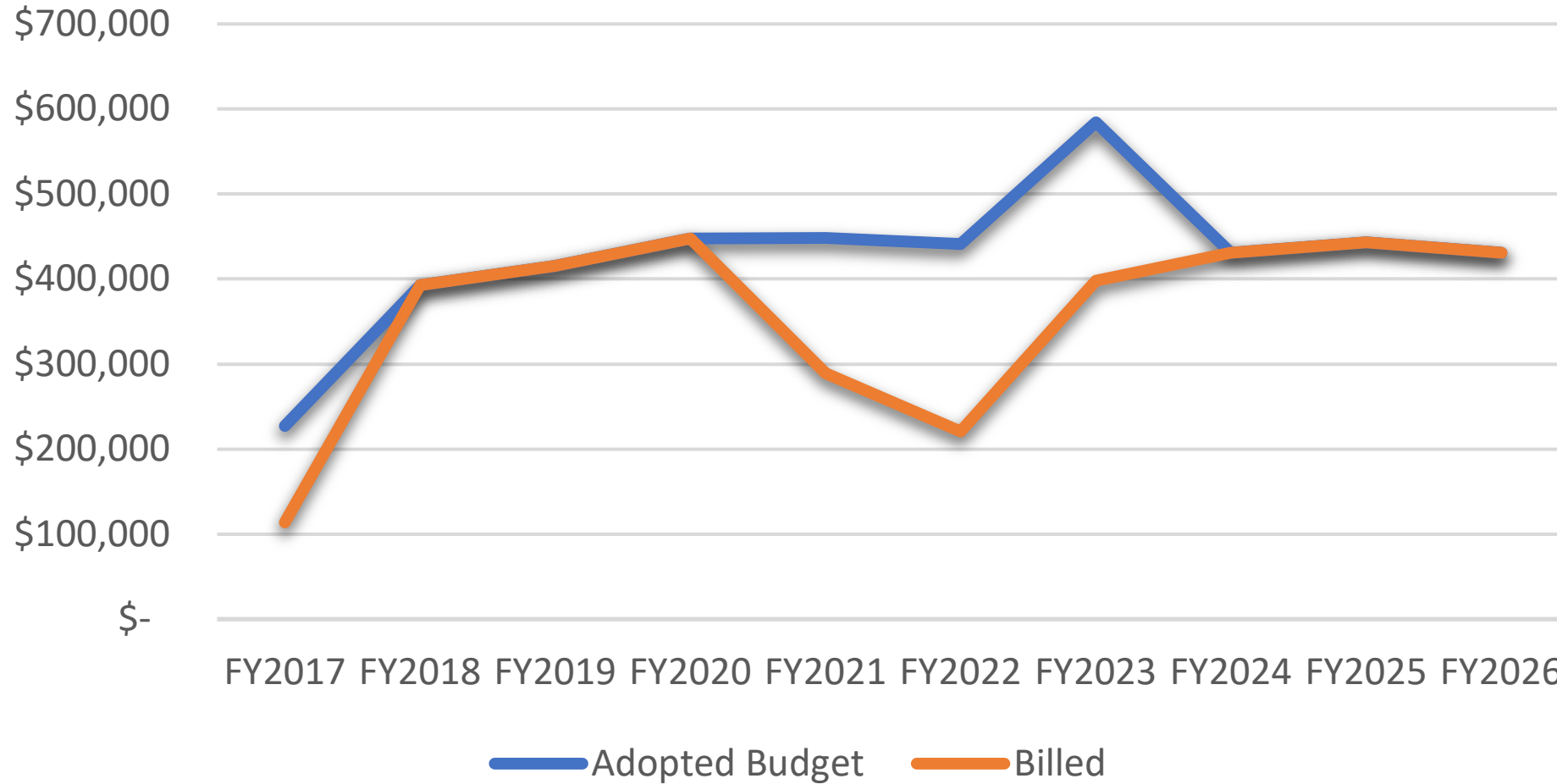
*Proactively Addressing  
Regional Wastewater Issues  
for the Public Benefit*

# **Discussion: Reserve Policy Establishment**

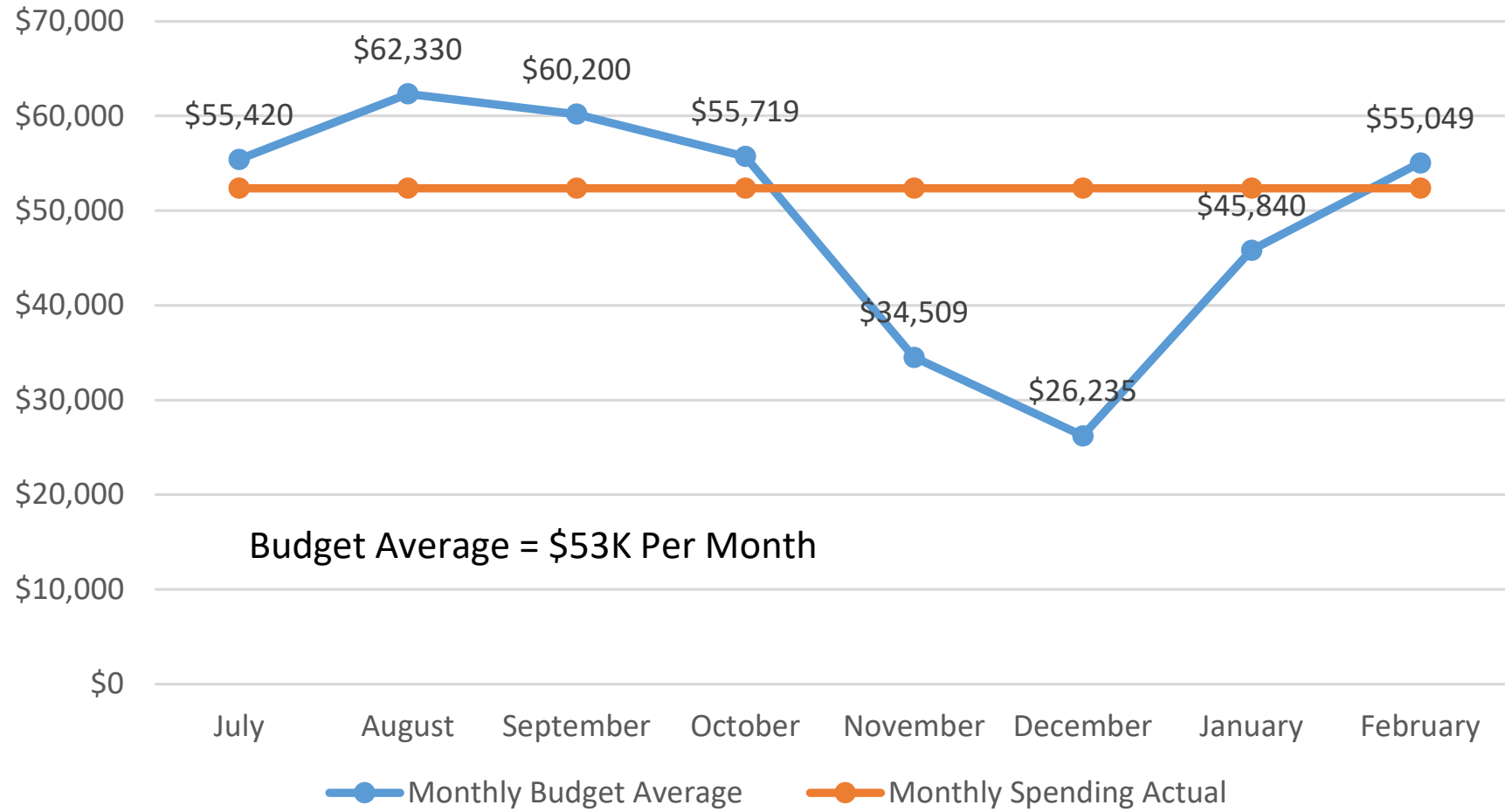
# Reserve Policy Guidelines For FY 2024 Budget

- Prepare a formal written reserve policy for the Metro JPA during the FYE 2024 budget season.
- This reserve policy should consist of at least TWO designated reserves:
  - An operations or cash flow reserve which would be based on at least four months of the annual operations budget.
  - An emergency or contingency reserve of at least two months of the annual operations budget. This would be used for unforeseen expenses such as those we have seen over the last two years.
- The Metro JPA's current 4-month cash flow reserve should be maintained and that, an emergency reserve be phased in, potentially from any unspent budgeted amounts for consultants, etc. as we are raising their contract ceilings to accommodate unforeseen events in future years for the first time in FY 2024.
- Additional reserve levels and phase-in options could be established based on discussions with MetroTAC/Finance/Metro JPA members during the FYE 2024 budget process.

## Historic Budget & Use of Reserves



## FY 2023 8-Month Budget Versus Actual Expenses



# Some Reserve Alternatives

## Cash Flow Reserve

- “Lead-Lag” = Four Months (Current)
- Four Months = Low end benchmark
- High End Benchmark = Seven months to one year

## “Emergency” Reserve

- Establish to fund unbudgeted unforeseen expenses
- Past = Undesignated Cash Flow Reserve
- Minimum = Two months based on FY 2023 budget experience

# Discussion and Input



# ITEM 6B

MEMO:

ESTABLISHMENT OF  
METRO WASTEWATER JPA  
RESERVE POLICY



TO: Metro Wastewater JPA Finance Committee Members  
FROM: Karyn Keze, Metro JPA Financial Consultant  
DATE: April 20, 2023  
SUBJECT: Establishment of Formal Metro JPA Reserve Policy

As part of the preliminary FY 2024 Metro Wastewater JPA (Metro JPA) budget process, I met with Metro JPA/Commission Chair Jerry Jones and Metro TAC Chair Beth Gentry to discuss the upcoming draft budget and areas that need to be addressed during the FYE 2024 JPA budget season.

One of the key areas discussed was the establishment of a formal "Reserve" policy for the Metro JPA. Currently the Metro JPA has an informal cash flow reserve policy which is based on four months of operating cash as a guideline. In the past there have been ample undesignated cash reserves as normally not all of each year's budget is spent and the remaining balance has been placed in the Metro JPA's savings account and thus there has been a buffer to pay for unbudgeted unforeseen (unforeseen) expenses. However, with the unforeseen consultant requirements to support the Pure Water Program and its surrounding technical issues over the last two years these undesignated reserves have been depleted to \$60K leaving the Metro JPA with only four months of operating cash.

Chair Jones and Chair Gentry provided the following guidance to the JPA Financial Staff at the meeting:

- A formal written reserve policy for the Metro JPA should be prepared during the FYE 2024 budget season.
- This reserve policy should consist of at least TWO designated reserves:
  - An operations or cash flow reserve which would be based on at least four months of the annual operations budget.
  - An emergency or contingency reserve of at least two months of the annual operations budget. This would be used for unforeseen expenses such as those we have seen over the last two years.
- That the Metro JPA's current 4-month cash flow reserve should be maintained and that, an emergency reserve be phased in, potentially from any unspent budgeted amounts for consultants, etc. as we are raising their contract ceilings to accommodate unforeseen events in future years for the first time in FY 2024.
- Additional reserve levels and phase-in options could be established based on discussions with MetroTAC/Finance/Metro JPA members during the FYE 2024 budget process.

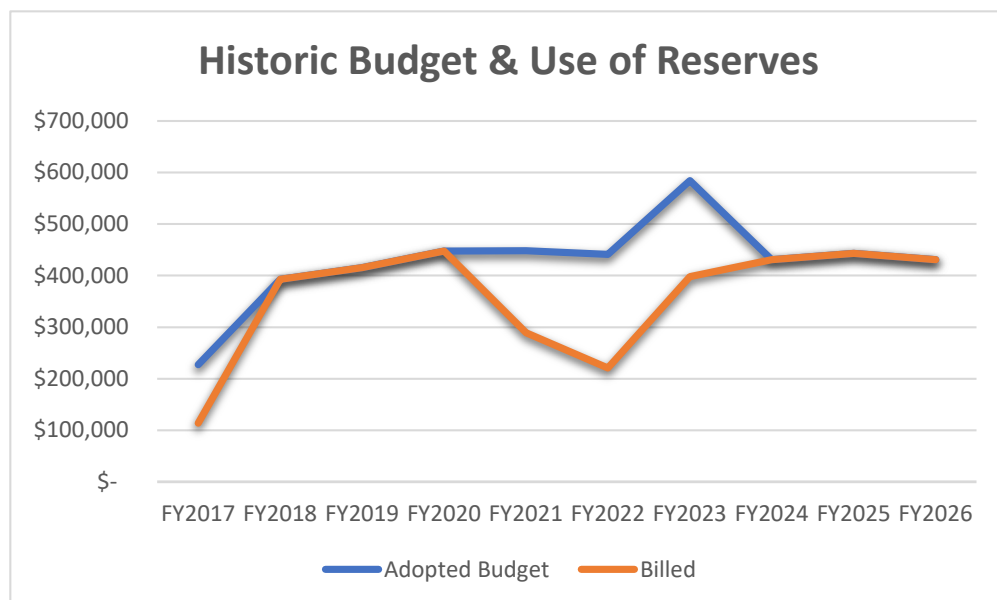
## CASH FLOW RESERVE

Treasurer Lee Ann Jones-Santos prepared a workbook showing when each participating agency (PA) paid their FYE 2023 Metro JPA billing, and a cash flow analysis was prepared from this information. From this information it could be determined that all agencies paid within four months of the time of billing. This validates the Metro JPA's current policy of a four month "cash flow" reserve. Industry guidelines for cash flow reserves are often based on what is known as "lead-lag" or how long a task can be expected to occur once it has started. In this case, how long can we reasonably expect all PAs to pay their bills after the bills have been sent.

At the high end for sizing a cash flow reserve the general guidelines that agencies use who bill their sewer service charges on the County tax roll could be followed – since payment from the County is only received once a year in January, which is seven months after the beginning of an agency's fiscal year, and there is no way to auto correct easily, seven months to one year of cash is needed. This puts a benchmark on the high end of establishing a cash flow reserve for the Metro JPA. The low end is four months, which is the minimum we need for cash flow, and the high end of possibly up to a year.

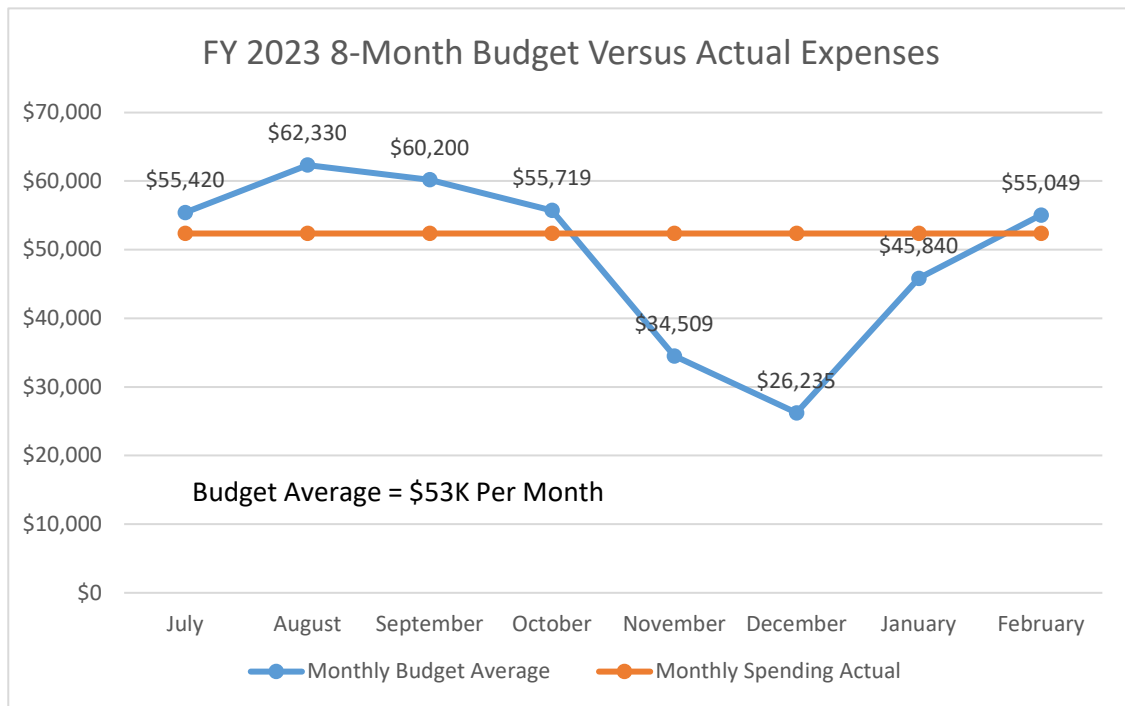
## EMERGENCY RESERVE

Most public agencies maintain an emergency or contingency reserve to provide monies available to pay for unforeseen expenses that occur during a fiscal year. The Metro JPA has seen a sizeable increase in these types of expenses all the way from additional meeting expenses such as per diems for the Pure Water Program AdHoc, new Director Orientations, JPA website update for a New Director's Manual, etc. to technical consulting expenses to support the JPA's required oversight and involvement in all aspects of the Pure Water Program. As stated earlier, the Metro JPA used to have an informal emergency reserve but for several years these monies were used to lower annual billings to the JPA members during COVID and pay for increased Pure Water Program oversight by the JPA's Executive Team. The following graphic illustrates the Metro JPA's historic use of reserves:



Due to the use of the undesignated reserve to offset annual billings to the PAs, the Metro JPA currently does not have a financial cushion against cost increases of any type. An alternative to formally establishing and funding an emergency reserve would be to send out mid-year supplemental billings, if needed, but that has proven to be an unpopular alternative to prudent financial planning in the past.

The FYE 2023 adopted monthly budgeted average for spending per month is \$53k. The actual average for the past eight months has been \$49k, which shows how tight the budget numbers are. The actual last eight-month budget tracking is shown below. The JPA monthly actual spending started the fiscal year above budget and was rescued by November and December. However, starting in January the budget has begun to track higher and has exceeded the monthly budget average starting in February. The year-end budget projections show the Metro JPA finishing at \$1,274 over budget.



During the first quarter of FY 2023, when the JPA's spending was over budget, actuals totaled \$24k in the aggregate for the four months that were running over budget. That could be annualized to \$72k if we had continued at that pace. The current estimate of the three major Executive Team consultants' contract's exceedances for FY 2023 is \$56k. This would suggest that in addition to the 4-month cash flow reserve one to two months' worth of cash for an "emergency" reserve would be justified as a minimum.

## CONCLUSION

Prudent financial management dictates a four-month cash flow reserve for the Metro JPA. In addition an "emergency" reserve needs to be established and phased in in case of unforeseen expenses like we have seen in the last two years because of the volatile nature of a major

construction project. It is requested that the Finance Committee discuss the establishment of a formal reserve policy that:

1. Establishes the reserves to be funded.
2. Designates the formulas/amounts for funding these reserves, and any phase-in.

# ATTACHMENT 7

## FY 2024 METRO WASTEWATER JPA BUDGET



*Proactively Addressing  
Regional Wastewater Issues  
for the Public Benefit*

# FY 2024 Metro JPA Budget Overview

# Year-End Projections



## Executive Team Consultants

Increases due to unforeseen unbudgeted tasks during FY2023



## Legal Cost Stabilized



## Board of Director Per Diems

Pure Water/2<sup>nd</sup> ARA AdHoc Not Included in FY 2023 Budget Estimate



METRO WASTEWATER JPA  
PROPOSED BUDGET - FY '24

FY '23 ACTUAL / FORECAST							
	Actual Through 3/01/23	Estimate remaining Months	Forecast Through 6/30/23	Approved Annual Budget	Forecast over /(under) Budget		
					\$	%	
Income							
Membership Dues	\$ 584,245	\$ -	\$ 584,245	\$ 584,245	\$ -	0%	
Use of Reserves***	\$ -	-	-	-	-		
City of San Diego	\$ 4,600	\$ 22,559	27,159	44,210	(17,051)	-39%	
Interest Income	-	-	-	-	-		
Total Income	\$ 588,845	\$ 22,559	\$ 611,404	\$ 628,455	\$ (17,051)	-3%	
Expense							
Administrative Assistant-LP	\$ 12,639	\$ 24,000	\$ 36,639	\$ 37,100	\$ (461)	-1%	
Bank Charges	-	-	-	200	(200)		
Financial Services				-	-		
Audit Fees	-	-	-	12,000	(12,000)		
Financial Consulting Support (Auditor)	-	-	-	2,500	(2,500)		
Financial - The Keze Group*	81,960	40,980	122,940	100,000	22,940	23%	
Treasurer - Padre Dam/El Cajon	6,428	5,000	11,428	30,000	(18,572)	-62%	
JPA/TAC meeting expenses	1,917	1,500	3,417	5,000	(1,583)	-32%	
Miscellaneous	-	-	-	250	(250)		
Per Diem - Board	14,400	7,200	21,600	18,000	3,600	20%	
Printing, Postage, Supplies	58	100	158	860	(702)	-82%	
Professional Services							
Engineering - Dexter Wilson**	115,158	57,579	172,736	141,700	31,036	22%	
Engineering - NV5	21,375	10,688	32,063	30,000	2,063	7%	
Legal - Procopio (2nd ARA/PW)*	73,182	36,591	109,772	150,000	(40,228)	-27%	
Legal - Procopio (General)*	31,423	15,711	47,134	60,000	(12,866)	-21%	
Legal - Procopio (Spill)*	22,125	11,063	33,188		33,188		
Legal - BB&K	1,561	-	1,561	-	1,561		
Paul Redvers Brown	10,150	5,075	15,225	24,900	(9,675)	-39%	
Telephone, Internet, Software	1,154	577	1,730	2,140	(410)	-19%	
Website Architecture Update	-	-	-	10,500	(10,500)		
Website Maintenance & Hosting	3,087	-	3,087	3,305	(218)	-7%	
Total Expense	\$ 396,615	\$ 216,063	\$ 612,678	\$ 628,455	\$ (15,777)	-3%	
Net Income (Loss)	\$ 192,229	\$ (193,504)	\$ (1,274)	\$ -	\$ (1,274)	0%	
* Total Legal - Procopio	\$ 126,729	\$ 63,365	\$ 190,094	\$ 210,000	\$ (19,906)	-9%	

# FYE 2024 Budget Highlights



## Reserves

### **Formal Policy Being Developed**

#### Cash Flow Reserve

- Remains at 4-months of operating cash

#### “Contingency” Reserve

- To be discussed with Finance Committee
- No financial impact for FY 2024



## Budget Decreases

Financial Consulting Support  
(Auditors)

Website Architecture Update



## Budget Increases

Consultant Contracts

Budget for Unbudgeted Expenses

“Administrative Coordinator” Role

Legal “Spill” Budget

Board of Directors Per Diem’s

Meeting Expenses

**METRO WASTEWATER JPA  
PROPOSED BUDGET - FY '24**

FY '23 ACTUAL / FORECAST							
	Actual Through 3/01/23	Estimate remaining Months	Forecast Through 6/30/23	Approved Annual Budget	Forecast over /(under) Budget		
					\$	%	
<b>Income</b>							
<b>Membership Dues</b>	\$ 584,245	\$ -	\$ 584,245	\$ 584,245	\$ -	0%	
<b>Use of Reserves***</b>	\$ -	-	-	-	-		
<b>City of San Diego</b>	\$ 4,600	\$ 22,559	27,159	44,210	(17,051)	-39%	
<b>Interest Income</b>	-	-	-	-	-		
<b>Total Income</b>	\$ 588,845	\$ 22,559	\$ 611,404	\$ 628,455	\$ (17,051)	-3%	
<b>Expense</b>							
<b>Administrative Assistant-LP</b>	\$ 12,639	\$ 24,000	\$ 36,639	\$ 37,100	\$ (461)	-1%	
<b>Bank Charges</b>	-	-	-	200	(200)		
<b>Financial Services</b>				-	-		
<b>Audit Fees</b>	-	-	-	12,000	(12,000)		
<b>Financial Consulting Support (Auditor)</b>	-	-	-	2,500	(2,500)		
<b>Financial - The Keze Group*</b>	81,960	40,980	122,940	100,000	22,940	23%	
<b>Treasurer - Padre Dam/El Cajon</b>	6,428	5,000	11,428	30,000	(18,572)	-62%	
<b>JPA/TAC meeting expenses</b>	1,917	1,500	3,417	5,000	(1,583)	-32%	
<b>Miscellaneous</b>	-	-	-	250	(250)		
<b>Per Diem - Board</b>	14,400	7,200	21,600	18,000	3,600	20%	
<b>Printing, Postage, Supplies</b>	58	100	158	860	(702)	-82%	
<b>Professional Services</b>							
<b>Engineering - Dexter Wilson**</b>	115,158	57,579	172,736	141,700	31,036	22%	
<b>Engineering - NV5</b>	21,375	10,688	32,063	30,000	2,063	7%	
<b>Legal - Procopio (2nd ARA/PW)*</b>	73,182	36,591	109,772	150,000	(40,228)	-27%	
<b>Legal - Procopio (General)*</b>	31,423	15,711	47,134	60,000	(12,866)	-21%	
<b>Legal - Procopio (Spill)*</b>	22,125	11,063	33,188		33,188		
<b>Legal - BB&amp;K</b>	1,561	-	1,561	-	1,561		
<b>Paul Redvers Brown</b>	10,150	5,075	15,225	24,900	(9,675)	-39%	
<b>Telephone, Internet, Software</b>	1,154	577	1,730	2,140	(410)	-19%	
<b>Website Architecture Update</b>	-	-	-	10,500	(10,500)		
<b>Website Maintenance &amp; Hosting</b>	3,087	-	3,087	3,305	(218)	-7%	
<b>Total Expense</b>	\$ 396,615	\$ 216,063	\$ 612,678	\$ 628,455	\$ (15,777)	-3%	
<b>Net Income (Loss)</b>	\$ 192,229	\$ (193,504)	\$ (1,274)	\$ -	\$ (1,274)	0%	
<b>* Total Legal - Procopio</b>	\$ 126,729	\$ 63,365	\$ 190,094	\$ 210,000	\$ (19,906)	-9%	

\$ -

FY '24		
Proposed Annual Budget	Difference from FY '23 Forecast	Difference from FY '23 Budget
\$ 727,545	\$ 143,300	\$ 143,300
44,210	17,051	-
-	-	-
\$ 771,755	\$ 160,351	\$ 143,300
\$ 37,100	\$ 461	\$ -
200	200	-
12,000	12,000	-
-	-	(2,500)
150,000	27,060	50,000
30,000	18,572	-
6,000	2,583	1,000
250	250	-
25,000	3,400	7,000
860	702	-
200,000	27,264	58,300
40,000	7,938	10,000
150,000	40,228	-
60,000		-
30,000		30,000
-	(1,561)	-
24,900	9,675	-
2,140	410	-
-	-	(10,500)
3,305	218	-
\$ 771,755	\$ 149,398	\$ 143,300
\$ -	\$ 10,953	\$ -

<b>Fund Balance at 6/30/23</b>	<b>\$ 304,048</b>
<b>Projected Net Income FY '23</b>	<b>(1,274)</b>
<b>Projected Fund Balance at 6/30/22</b>	<b>\$ 302,774</b>
<b>4 Months Operating Expenses FY '23</b>	<b>(242,515)</b>
<b>Amount over Required Reserve</b>	<b>\$ 60,259</b>

# PA Budget Allocations

- Based on January 2023 PUD Budget Estimate for FY 2024
- Switch from FY 2018 to FY 2019 audited sewage strengths
- Revisions made when actual year audited

	FY 2023	FY 2024
CHULA VISTA	31.72%	31.84%
CORONADO	2.58%	2.70%
DEL MAR	0.05%	0.02%
EAST OTAY MESA	0.83%	0.89%
EL CAJON	14.56%	14.46%
IMPERIAL BEACH	3.71%	3.67%
LA MESA	8.18%	7.89%
LAKESIDE/ALPINE	5.90%	5.56%
LEMON GROVE	3.36%	3.32%
NATIONAL CITY	8.45%	8.39%
OTAY	0.60%	0.55%
PADRE DAM	5.67%	7.01%
POWAY	4.66%	4.16%
SPRING VALLEY	7.94%	7.88%
WINTERGARDENS	1.79%	1.66%
	100.00%	100.00%
County:	16.46%	15.99%

METRO WASTEWATER JPA					
PARTICIPATING AGENCY FY 2024 BUDGET BILLINGS					
	PUD January Budget Estimate %'s **		JPA Budget Allocation Based on January %'s		
Agency	FYE 2023	FYE 2024***	FYE2023	FYE2024	
	Agency Percentage	Agency Percentage	Total Agency Billing	Total Agency Billing	Difference
Chula Vista	31.72%	31.84%	\$ 185,323	\$ 231,650	\$ 46,328
Coronado	2.58%	2.70%	\$ 15,074	\$ 19,644	\$ 4,570
County of SD*	16.46%	15.99%	\$ 96,167	\$ 116,334	\$ 20,168
Del Mar	0.05%	0.02%	\$ 292	\$ 146	\$ (147)
El Cajon	14.56%	14.46%	\$ 85,066	\$ 105,203	\$ 20,137
Imperial Beach	3.71%	3.67%	\$ 21,675	\$ 26,701	\$ 5,025
La Mesa	8.18%	7.89%	\$ 47,791	\$ 57,403	\$ 9,612
Lemon Grove	3.36%	3.32%	\$ 19,631	\$ 24,154	\$ 4,524
National City	8.45%	8.39%	\$ 49,369	\$ 61,041	\$ 11,672
Otay Water District	0.60%	0.55%	\$ 3,505	\$ 4,001	\$ 496
Padre Dam MWD	5.67%	7.01%	\$ 33,127	\$ 51,001	\$ 17,874
Poway	4.66%	4.16%	\$ 27,226	\$ 30,266	\$ 3,040
Total Flow & Strength	100.00%	100.00%	\$ 584,245	\$ 727,545	143,300
* County of SD includes East Otay Mesa, Lakeside/Alpine, Spring Valley and Wintergardens					
** Percentages derived from Table B "City of San Diego - Public Utilities Department - Projected Distribution of System Wastewater Costs - Fiscal Year 2024"					
Column entitled: "Total Allocated Costs (Total Flow, SS & COD + Pure Cap".					
***Budget Estimate dated January 2023.					



Metro Wastewater Joint Powers Authority

**FY '24 Proposed Budget**  
***with Current Year Forecast and Agency Allocations***

**METRO WASTEWATER JPA**  
**PROPOSED BUDGET - FY '24**

	FY '23 ACTUAL / FORECAST					
	Actual Through	Estimate	Forecast	Approved	Forecast over /(under) Budget	
	3/01/23	remaining Months	Through 6/30/23	Annual Budget	\$	%
<b>Income</b>						
Membership Dues	\$ 584,245	\$ -	\$ 584,245	\$ 584,245	\$ -	0%
Use of Reserves***	\$ -	-	-	-	-	
City of San Diego	\$ 4,600	\$ 22,559	27,159	44,210	(17,051)	-39%
Interest Income	-	-	-	-	-	
<b>Total Income</b>	<b>\$ 588,845</b>	<b>\$ 22,559</b>	<b>\$ 611,404</b>	<b>\$ 628,455</b>	<b>\$ (17,051)</b>	<b>-3%</b>
<b>Expense</b>						
Administrative Assistant-LP	\$ 12,639	\$ 24,000	\$ 36,639	\$ 37,100	\$ (461)	-1%
Bank Charges	-	-	-	200	(200)	
Financial Services				-	-	
Audit Fees	-	-	-	12,000	(12,000)	
Financial Consulting Support (Auditor)	-	-	-	2,500	(2,500)	
Financial - The Keze Group*	81,960	40,980	122,940	100,000	22,940	23%
Treasurer - Padre Dam/El Cajon	6,428	5,000	11,428	30,000	(18,572)	-62%
JPA/TAC meeting expenses	1,917	1,500	3,417	5,000	(1,583)	-32%
Miscellaneous	-	-	-	250	(250)	
Per Diem - Board	14,400	7,200	21,600	18,000	3,600	20%
Printing, Postage, Supplies	58	100	158	860	(702)	-82%
Professional Services						
Engineering - Dexter Wilson**	115,158	57,579	172,736	141,700	31,036	22%
Engineering - NV5	21,375	10,688	32,063	30,000	2,063	7%
Legal - Procopio (2nd ARA/PW)*	73,182	36,591	109,772	150,000	(40,228)	-27%
Legal - Procopio (General)*	31,423	15,711	47,134	60,000	(12,866)	-21%
Legal - Procopio (Spill)*	22,125	11,063	33,188	-	33,188	
Legal - BB&K	1,561	-	1,561	-	1,561	
Paul Redvers Brown	10,150	5,075	15,225	24,900	(9,675)	-39%
Telephone, Internet, Software	1,154	577	1,730	2,140	(410)	-19%
Website Architecture Update	-	-	-	10,500	(10,500)	
Website Maintenance & Hosting	3,087	-	3,087	3,305	(218)	-7%
<b>Total Expense</b>	<b>\$ 396,615</b>	<b>\$ 216,063</b>	<b>\$ 612,678</b>	<b>\$ 628,455</b>	<b>\$ (15,777)</b>	<b>-3%</b>
<b>Net Income (Loss)</b>	<b>\$ 192,229</b>	<b>\$ (193,504)</b>	<b>\$ (1,274)</b>	<b>\$ -</b>	<b>\$ (1,274)</b>	<b>0%</b>
* Total Legal - Procopio	\$ 126,729	\$ 63,365	\$ 190,094	\$ 210,000	\$ (19,906)	-9%

\$ -

FY '24		
Proposed Annual Budget	Difference from FY '23 Forecast	Difference from FY '23 Budget
\$ 727,545	\$ 143,300	\$ 143,300
44,210	17,051	-
-	-	-
\$ 771,755	\$ 160,351	\$ 143,300
\$ 37,100	\$ 461	\$ -
200	200	-
12,000	12,000	-
-	-	(2,500)
150,000	27,060	50,000
30,000	18,572	-
6,000	2,583	1,000
250	250	-
25,000	3,400	7,000
860	702	-
200,000	27,264	58,300
40,000	7,938	10,000
150,000	40,228	-
60,000	-	-
30,000	-	30,000
-	(1,561)	-
24,900	9,675	-
2,140	410	-
-	-	(10,500)
3,305	218	-
\$ 771,755	\$ 149,398	\$ 143,300
\$ -	\$ 10,953	\$ -

Fund Balance at 6/30/23	\$ 304,048
Projected Net Income FY '23	(1,274)
Projected Fund Balance at 6/30/22	\$ 302,774
4 Months Operating Expenses FY '23	(242,515)
Amount over Required Reserve	\$ 60,259

**METRO WASTEWATER JPA**

**PARTICIPATING AGENCY FY 2024 BUDGET BILLINGS**

	<i>PUD January Budget Estimate %'s **</i>		<i>JPA Budget Allocation Based on January %'s</i>		
<i>Agency</i>	<i>FYE 2023</i>	<i>FYE 2024***</i>	<i>FYE2023</i>	<i>FYE2024</i>	
	<i>Agency Percentage</i>	<i>Agency Percentage</i>	<i>Total Agency Billing</i>	<i>Total Agency Billing</i>	<i>Difference</i>
<i>Chula Vista</i>	<i>31.72%</i>	<i>31.84%</i>	<i>\$ 185,323</i>	<i>\$ 231,650</i>	<i>\$ 46,328</i>
<i>Coronado</i>	<i>2.58%</i>	<i>2.70%</i>	<i>\$ 15,074</i>	<i>\$ 19,644</i>	<i>\$ 4,570</i>
<i>County of SD*</i>	<i>16.46%</i>	<i>15.99%</i>	<i>\$ 96,167</i>	<i>\$ 116,334</i>	<i>\$ 20,168</i>
<i>Del Mar</i>	<i>0.05%</i>	<i>0.02%</i>	<i>\$ 292</i>	<i>\$ 146</i>	<i>\$ (147)</i>
<i>El Cajon</i>	<i>14.56%</i>	<i>14.46%</i>	<i>\$ 85,066</i>	<i>\$ 105,203</i>	<i>\$ 20,137</i>
<i>Imperial Beach</i>	<i>3.71%</i>	<i>3.67%</i>	<i>\$ 21,675</i>	<i>\$ 26,701</i>	<i>\$ 5,025</i>
<i>La Mesa</i>	<i>8.18%</i>	<i>7.89%</i>	<i>\$ 47,791</i>	<i>\$ 57,403</i>	<i>\$ 9,612</i>
<i>Lemon Grove</i>	<i>3.36%</i>	<i>3.32%</i>	<i>\$ 19,631</i>	<i>\$ 24,154</i>	<i>\$ 4,524</i>
<i>National City</i>	<i>8.45%</i>	<i>8.39%</i>	<i>\$ 49,369</i>	<i>\$ 61,041</i>	<i>\$ 11,672</i>
<i>Otay Water District</i>	<i>0.60%</i>	<i>0.55%</i>	<i>\$ 3,505</i>	<i>\$ 4,001</i>	<i>\$ 496</i>
<i>Padre Dam MWD</i>	<i>5.67%</i>	<i>7.01%</i>	<i>\$ 33,127</i>	<i>\$ 51,001</i>	<i>\$ 17,874</i>
<i>Poway</i>	<i>4.66%</i>	<i>4.16%</i>	<i>\$ 27,226</i>	<i>\$ 30,266</i>	<i>\$ 3,040</i>
<i>Total Flow &amp; Strength</i>	<i>100.00%</i>	<i>100.00%</i>	<i>\$ 584,245</i>	<i>\$ 727,545</i>	<i>143,300</i>

\* County of SD includes East Otay Mesa, Lakeside/Alpine, Spring Valley and Wintergardens

\*\* Percentages derived from Table B "City of San Diego - Public Utilities Department - Projected Distribution of System Wastewater Costs - Fiscal Year 2024"

Column entitled: "Total Allocated Costs (Total Flow, SS & COD + Pure Cap".

\*\*\*Budget Estimate dated January 2023.



# ATTACHMENT 8

## BUDGET ADJUSTMENTS FOR FY 2023 AND CORRESPONDING CONTRACT AMENDMENTS

# ATTACHMENT 8a

BUDGET INCREASE  
IN ENGINEERING  
SERVICES AND  
CORRESPONDING  
AMENDMENT TO  
PROFESSIONAL  
SERVICES  
AGREEMENT WITH  
DEXTER WILSON  
ENGINEERING

**AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND DEXTER WILSON ENGINEERING**

This Amendment (“**Amendment**”) to the Agreement for Professional Services Between Metro Wastewater Joint Powers Authority and Dexter Wilson Engineering, dated July 1, 2022 (“**Agreement**”) is made and entered into this \_\_\_\_ day of April, 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 Dexter Wilson Engineering, Inc. (“**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 Engineering 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 March 20, 2023 letter from Consultant to Metro JPA attached hereto as “Exhibit 1” and incorporated into this Amendment by reference;

C. WHEREAS, Sections 3 and 22 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 \$58,400, from an initial ceiling of \$141,600 to an

amended ceiling of \$200,000. 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 \$200,000.

- (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 \$200,000 per Fiscal Year. The aggregate compensation paid during the four-year term of this Agreement shall not exceed \$800,000 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**

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

Chairperson

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

APPROVED AS TO FORM:

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

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

**DEXTER WILSON ENGINEERING, INC.**

By: \_\_\_\_\_  
Dexter Wilson

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

## DEXTER WILSON ENGINEERING, INC.

---

DEXTER S. WILSON, P.E.  
ANDREW M. OVEN, P.E.  
NATALIE J. FRASCHETTI, P.E.  
STEVEN J. HENDERSON, P.E.  
FERNANDO FREGOSO, P.E.  
KATHLEEN L. HEITT, P.E.

March 20, 2023

154-001

Metro Wastewater JPA  
P.O. Box 1072  
National City, CA 91951

Attention: Metro TAC Chair

Dear Metro TAC Chair,

During the FY 21-22 we spent \$139,580. Dexter's monthly hours were approximately 45 per month and Kathleen's were approximately 11 per month.

So far in the FY 22-23, Dexter's monthly hours are approximately 47 per month and Kathleen's are approximately 25 per month. Due to this increase in engineering support with the rewriting of the Amended Restated Agreement, completion of the draft Modified Billing System and its implementation, as well as our increased involvement in the City of San Diego capital improvement planning, projects and cost allocations we would like to request an increase in the FY 22-23 contract ceiling amount as well as the contract ceiling for the remaining three years of our contract to \$200,000 per year. This should avoid the need for year-end contract amendments to accommodate unforeseen budget items during the remainder of this contract. This request has been reviewed by the Metro Wastewater JPA Chair and he is supportive of the increase.

Please contact me if you would like to discuss or if you need further information.

Metro TAC Chair  
March 20, 2023  
Page 2

Dexter Wilson Engineering, Inc.

A handwritten signature in blue ink, appearing to read 'Dexter S. Wilson', with a stylized, cursive script.

Dexter S. Wilson, P.E.

DSW:ck

Attachment(s)

# ATTACHMENT 8b

BUDGET INCREASE  
IN ENGINEERING  
SERVICES AND  
CORRESPONDING  
AMENDMENT TO  
PROFESSIONAL  
SERVICES  
AGREEMENT WITH  
THE KEZE GROUP,  
LLC



**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 \_\_\_ day of April, 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**

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

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

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: \_\_\_\_\_



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 8c

BUDGET INCREASE  
IN ENGINEERING  
SERVICES AND  
CORRESPONDING  
AMENDMENT TO  
PROFESSIONAL  
SERVICES  
AGREEMENT WITH  
NV5,INC.

**AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND NV5, INC.**

This Amendment (“**Amendment**”) to the Agreement for Professional Services Between Metro Wastewater Joint Powers Authority and NV5, Inc., dated July 1, 2022 (“**Agreement**”) is made and entered into this \_\_\_\_ day of April, 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 NV5, Inc. (“**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 Technical As-Needed Engineering Advisory 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 4, 2023 letter from Consultant to Metro JPA attached hereto as “Exhibit 1” and incorporated into this Amendment by reference;

C. WHEREAS, Sections 4 and 23 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 3 of the Agreement is hereby deleted and replaced in its entirety with the following:

3. Compensation.

(a) Subject to paragraph 3(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 \$10,000, from an initial ceiling of \$30,000 to an amended ceiling of \$40,000. 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 \$40,000.

- (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 \$40,000 per Fiscal Year. The aggregate compensation paid during the four-year term of this Agreement shall not exceed \$160,000 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**

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

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

APPROVED AS TO FORM:

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



**NV5, INC.**

By: \_\_\_\_\_  
Julian Palacios

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

# ATTACHMENT 9

## BUDGET/CONTRACT ITEMS RELATING TO FY 2024

# ATTACHMENT 9a

## PROFESSIONAL SERVICES AGREEMENT WITH PAUL REDVERS BROWN, INC. FOR FACILITATOR SERVICES FOR FY 2024

**AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND PAUL REDVERS BROWN, INC.**

This agreement ("Agreement") is made and entered into effective July 1, 2023, 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 Paul Redvers Brown, Inc., a California corporation (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: provide facilitation of discussions between the City of San Diego's Public Utilities Department and the Participating Agencies of the Metropolitan Wastewater System (which are also the Member Agencies of Metro JPA), and other related parties, and to assist in advancing and negotiating terms relating to the Second Amended and Restated Wastewater Disposal Agreement (hereinafter referred to as the "Project").

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").

2. Compensation.

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

b. In no event shall the total amount paid for Services rendered by Consultant exceed **\$24,900** 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 16 of this Agreement. The key personnel for performance of the Services under this Agreement are as follows: Paul R. Brown, AICP.

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 perform its services hereunder in a prompt and timely manner and shall commence performance upon receipt of a written Notice to Proceed from Metro JPA. Consultant shall complete the services required hereunder by June 30, 2024. The Notice to Proceed shall set forth the date of commencement of the work.

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.

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

b. Consultant shall assist Metro JPA, as requested, in obtaining and maintaining all permits required of Consultant by Federal, State and local regulatory agencies.

c. Consultant is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of Consultant's services or operations performed under this Agreement.

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 Contractor.

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) Contractual Liability with respect to this Agreement
- (7) Broad Form Property Damage
- (8) 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. Professional Liability (Errors and Omissions).

At all times during the performance of the work under this Agreement the Consultant shall maintain Professional Liability Insurance or Errors and Omissions Insurance appropriate to its profession, in a form and with insurance companies acceptable to Metro JPA and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement.

e. 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	\$1,000,000 per occurrence for bodily injury and property damage
Workers' Compensation	Statutory



Employer's Liability

\$1,000,000 per occurrence

Professional Liability

\$1,000,000 per claim and aggregate  
(errors and omissions)

(ii) Defense costs shall be payable in addition to the limits, with the exception of the professional liability policy.

(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) 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.

(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, 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 Metro JPA may cancel this Agreement if Consultant fails to comply with these specifications or cancels required insurance policies and fails to replace them.

(iii) Metro JPA may require the Consultant to provide complete copies of all relevant certificates of insurance and endorsements for the 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 the negligent 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 reasonable expert witness fees, reasonable attorneys' fees and other reasonable 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. California Labor Code Requirements.

Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify and hold Metro JPA, its member agencies, elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.

If the services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This Project may also be

subject to compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

15. 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.

16. 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.

17. Documents.

Except as otherwise provided in Section 16, 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.

18. Organization.

Consultant shall assign Paul Redvers Brown as Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of Metro JPA.

19. Notice.

Any notice or instrument required to be given or delivered by this Agreement must be given or delivered by email and hard copy, with such hard copy required to be deposited in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the addresses below, and shall be effective upon receipt thereof:

<b>METRO JPA:</b>	<b>CONSULTANT:</b>
Metro Wastewater JPA P.O. Box 1072 National City, CA 91951 Attn: Metro TAC Chair bgentry@chulavistaca.gov	Paul Redvers Brown, Inc. 1612 Aryana Drive Encinitas, CA 92024 Attn: Paul R. Brown brownpr@paulredversbrown.com

20. 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.

21. Severability.

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

22. 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.

[SIGNATURES ON FOLLOWING PAGE]

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

**METRO WASTEWATER JPA:**

**PAUL REDVERS BROWN, INC.:**

By: \_\_\_\_\_  
Jerry Jones  
Chair

By: \_\_\_\_\_  
Paul R. Brown  
President & Chief Executive Officer

APPROVED AS TO FORM:

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

Approval of Agreement for Professional Services with Paul Redvers Brown, Inc. as to form.

## **EXHIBIT “A”**

### **Scope of Services**

#### **A. OVERVIEW**

The City of San Diego (“City”) has initiated discussions with the Participating Agencies in the Metropolitan Wastewater System (“Participating Agencies”), who are also the Member Agencies of Metro Wastewater Joint Powers Authority (“JPA”). The City, the JPA, and the Participating Agencies will be holding regular meetings to discuss and negotiate the terms of the Second Amended and Restated Metropolitan Wastewater Disposal Agreement. The objective of this consulting services agreement work is for Paul Redvers Brown, Inc. (“Consultant”) to prepare for and facilitate the discussions between the City, the JPA, the Participating Agencies, and other related parties and to assist in advancing the Second Amended and Restated Metropolitan Wastewater Disposal Agreement.

#### **B. REQUIREMENTS AND TASKS**

Consultant shall prepare for, attend, and facilitate regular meetings with staff of the City, JPA, Participating Agencies, and other related parties.

The following is a list of the key tasks necessary to perform this project:

- Task 1. Project Management
- Task 2. Preparation for Meetings
- Task 3. Facilitation of Meetings

#### **C. CONSULTANT’S ROLES AND RESPONSIBILITIES**

With respect to all services provided under the Agreement, Consultant will fulfill the following operational roles and responsibilities:

##### **Task 1. Project Management**

- Perform all activities that are not specific to any one task and includes overall project management and coordination of activities with the JPA.
- Maintain open and regular communication throughout the project with JPA staff.
- Communications will be held via telephone, and/or virtual meeting platforms such as Microsoft Teams.

##### **Task 2. Preparation for Meetings**

- Review of available background documents, information and material for the Second Amended and Restated Metropolitan Wastewater Disposal Agreement.
- Communicate with stakeholders via phone or email on issues germane to the meetings.
- Assist in identifying timelines and other constraints.
- Assist in specifying data and resource needs.
- Assist in preparation of agendas and minutes for meetings.

### **Task 3. Facilitation of Meetings**

- Attend and facilitate meetings.
- Summarize advancements from previous meetings, as well as items requiring attention.
- Manage a list of items requiring further discussion.
- Keep discussions focused to ensure timely resolution of items.
- Recommend mechanisms to advance discussions (e.g. separate meetings, etc.).
- Assist in establishing decisions to be made and identifying criteria by which decisions should be made.

The Consultant services should be provided during regular business hours, Monday through Friday, 8am through 5pm, excluding these publicly-observed holidays:

1. New Year's Day
2. Martin Luther King Jr. Day
3. President's Day
4. Cesar Chavez Day
5. Memorial Day
6. Independence Day
7. Labor Day
8. Veteran's Day
9. Thanksgiving Day
10. Christmas Day



## **EXHIBIT “B”**

### **Schedule of Charges for Services**

Services shall be provided on a time and materials basis at the direction and request of the Metro JPA / Metro TAC appointed representative. The hourly rate for Paul R. Brown, AICP, will be:

\$290.00 / hour.

Consultant shall notify the Metro JPA when it has reached 80% of the total compensation under Section 2(b) of the Agreement to allow adequate time to obtain further approvals if needed.

Consultant’s hourly rate includes all anticipated expenses necessary to perform the services under the Agreement, including Consultant’s supplies and mileage to/from meetings within San Diego County.

All other reasonable, unanticipated expenses shall be pre-approved in writing by the designated Metro JPA / Metro TAC representative administering the Agreement. If approved, the following standard rules will apply:

- Mileage reimbursement rate will be at current Internal Revenue Service rate (mileage log required).
- Travel expenses for the lowest cost effective air fare, train, and/or car rental will be reimbursed at actual costs (receipts required).
- Lodging and per diem will be reimbursed at actual costs (receipts required) up to the maximum allowance for the San Diego area as published/posted on the U.S. General Services Administration website (<http://www.gsa.gov/portal/category/100120>).

## **EXHIBIT “C”**

### **Insurance Certificates**

Insurance documentation is included on the following pages.

# ATTACHMENT 9b

REIMBURSEMENT  
AGREEMENT WITH  
THE CITY OF SAN  
DIEGO FOR  
FACILITATOR  
SERVICES WITH  
PAUL REDVERS  
BROWN, INC. FOR  
FY 2024

**REIMBURSEMENT AGREEMENT FOR FACILITATOR SERVICES BY AND  
BETWEEN THE CITY OF SAN DIEGO AND  
METRO WASTEWATER JOINT POWERS AUTHORITY**

THIS REIMBURSEMENT AGREEMENT FOR FACILITATOR SERVICES (“Agreement”) is made and entered into effective July 1, 2023, by and between the Metro Wastewater Joint Powers Authority, existing and organized pursuant to the provisions of Government Code section 6500 *et seq.* (“Metro JPA”) and the City of San Diego, a municipal corporation (“City”). Metro JPA and the City are sometimes individually referred to herein as the “Party” and collectively as the “Parties.”

**RECITALS**

A. The City of Coronado, the City of Del Mar, the City of El Cajon, the City of Imperial Beach, the City of La Mesa, the City of National City, the City of Chula Vista, the Lemon Grove Sanitation District, the City of Poway, Padre Dam Municipal Water District, Otay Water District and the San Diego County Sanitation District (the “Participating Agencies”) entered into a Joint Exercise of Powers Agreement, as amended from time to time, creating the Metro JPA for the purpose of taking responsibility, taking actions, and making decisions pertaining to the Regional Wastewater Disposal Agreement dated June 25, 1998 (“Metro Agreement”), as amended from time to time; and

B. Previously, Metro JPA, on behalf of the Participating Agencies, undertook discussions and negotiations with the City concerning an amended and restated version of the Metro Agreement, and the Participating Agencies and the City have approved and executed the amended and restated Metro Agreement; and

C. Metro JPA and the City have again begun discussions and negotiations concerning a second amended and restated Metro Agreement for consideration by the Participating Agencies and the City; and

D. Metro JPA and the City believe the use of a professional facilitator would be beneficial to additional discussions and negotiations about a second amended and restated Metro Agreement; and

E. Metro JPA have approved and intend to enter into a Professional Services Agreement with Paul Redvers Brown, Inc. (“Consultant”), which will commence on July 1, 2023, for the performance of facilitator services (“Facilitator Services”) (“Professional Services Agreement”), a copy of which is attached as Exhibit “A”; and

F. The Professional Services Agreement requires Metro JPA to compensate Consultant at the rate of \$290.00 per hour, including all anticipated expenses necessary to perform the services, including Consultant’s supplies and mileage to/from meetings within San Diego County, as well as other reasonable pre-approved expenses as set forth in the Professional Services Agreement; and

G. The City desires to reimburse Metro JPA for the cost of Facilitator Services performed by Consultant pursuant to the Professional Services Agreement.

IN CONSIDERATION of the mutual promises set forth in this Agreement, the Parties agree as follows:

### **AGREEMENT**

1. Reimbursement to Metro JPA. The City agrees to reimburse Metro JPA at the rate of \$203.00 per hour for Facilitator Services provided by Consultant. The City also agrees to reimburse Metro JPA for 70% of other reasonable expenses pre-approved by Metro JPA under the Professional Services Agreement.

1.1 Maximum Reimbursement. The City's total reimbursement obligation under the term of the Professional Services Agreement shall not exceed \$17,430, which is inclusive of the hourly rate and expenses.

2. Monthly Hours. The Parties estimate that Consultant will spend an average of approximately 7 hours per month providing Facilitator Services for the term of the Professional Services Agreement. Any increase in estimated hours shall not exceed the maximum reimbursement identified in Section 1.1 of the Agreement without written consent of the parties.

3. Invoicing. Metro JPA shall submit quarterly invoices to the City for reimbursement of the Facilitator Services under the Professional Services Agreement. The invoices shall contain documentation of the hours Consultant spent providing Facilitator Services. The City shall remit payment within thirty (30) calendar days of receipt of the invoice.

4. Term and Termination. This Agreement shall begin on the date first set forth above and terminate upon the earlier of: (1) June 30, 2024; or (2) termination of the Professional Services Agreement by Metro JPA or Consultant. Upon termination of this Agreement, the City shall pay Metro JPA for any outstanding Facilitator Services performed by Consultant, and the obligation of the City to the Metro JPA shall thereupon cease and terminate and no further sums shall be payable or paid under this Agreement. The term of this Agreement may be extended in a writing signed by both Parties.

5. Notice. Unless notified in writing of a change of address, all notices, payments or correspondence relating to this Agreement may be given by email and hard copy, with hard copy to be delivered via personal delivery or by mail, to the addresses set forth below

CITY:

City of San Diego  
Public Utilities Department  
9192 Topaz Way  
San Diego, CA 92123  
email@email.com

METRO JPA:

Metro Wastewater Joint Powers Authority  
C/O Adriana Ochoa, General Counsel  
525 B Street, 22<sup>nd</sup> Floor  
San Diego CA 92101  
adriana.ochoa@procopio.com

6. Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California; any action to enforce the terms of this Agreement 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 from the losing Party all reasonable costs incurred, including reasonable attorneys' fees, as determined by the court.

7. Amendment; Modification; Severability. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties. The unenforceability, invalidity, or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

8. Integration. This Agreement represents the entire understanding of the Parties 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.

**[Signatures on following page]**

**SIGNATURE PAGE TO  
REIMBURSEMENT AGREEMENT FOR FACILITATOR SERVICES BY AND  
BETWEEN THE CITY OF SAN DIEGO AND  
METRO WASTEWATER JOINT POWERS AUTHORITY**

Metro JPA and the City execute this Agreement as of the date above, indicating that they have read and understood the terms of this Agreement, and indicate their full and complete consent to its terms:

Dated: \_\_\_\_\_

City of San Diego

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

Dated: \_\_\_\_\_

Metro Wastewater Joint Powers Authority

By: \_\_\_\_\_  
Jerry Jones, Chairperson

Approved as to form:

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

Approved as to form:

\_\_\_\_\_  
City Attorney's Office  
City of San Diego

**Exhibit A**  
**Professional Services Agreement**