



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

Physical Location: 9192 Topaz Way, San Diego, MOC II Conference Room 2B

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

**DATE:** Tuesday, January 28, 2025

**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 [Lorimetrojpa@gmail.com](mailto:Lorimetrojpa@gmail.com). 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 comments 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 [lorimetrojpa@gmail.com](mailto:lorimetrojpa@gmail.com), 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.

**Join on your computer, mobile app, or room device**

**[Join the meeting now](#)**

**Meeting ID: 287 513 328 331**

**Passcode: 5ve7o7xS**

**Dial in by phone**

**[+1 945-468-5511,,788183735#](#)**

**[Find a local number](#)**

**Phone conference ID: 788 183 735#**

**THIS NOTICE HAS BEEN DISTRIBUTED TO THE METRO FINANCE COMMITTEE MEMBERS and METRO DIRECTORS (for information only)**

---

1. **Roll Call**
2. **Public Comments**  
*People 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 Agenda (FC Chair De Hoff)
4. **ACTION:** Consideration and Possible Action to Approve the Minutes from the April 23, 2024 Finance Committee Regular Meeting (**Attachment**)
5. **ACTION:** Financial Policies Manual (**Attachment**) (Rod Greek, Lee Ann Santos-Jones, Karyn Keze)
6. **ACTION:** Computer Purchase for Treasurer (**Attachment**) (Karyn Keze)

7. **ACTION:** Treasurers Report ending December 1, 2024 - FY 2025 Mid-Year Budget Review (**Attachment**) (Lee Ann Santos-Jones)
8. **ACTION / INFORMATION:** FY 2026 JPA Budget/Succession Planning
  - a. Preliminary Budget Schedule (**Below**) (Karyn Keze)
  - b. Contract Status/Succession Planning
    - i. CLA (Auditor Contract) (Rod Greek/Karyn Keze)
    - ii. Executive Director Contract (**Attachment**) (Adriana Ochoa)
    - iii. Treasurer's Contract (**Attachment**) (Karyn Keze)
  - c. Modifications to Board Per Diem Policy (Adriana Ochoa/Karyn Keze)
  - d. Creation of JPA Second Vice Chair Position (Karyn Keze)
9. **ACTION:** Proposal for Developing the Strategic Plan Document for the Metro Wastewater JPA (**Attachment**) (Karyn Keze)
10. **INFORMATION:** Action to Approve Changes to Authorized Banking Signatories (**Attachment**) (Adriana Ochoa)
11. Review of Items to be Brought Forward to the Metro Commission/Metro JPA
12. Other Business of the Finance Committee
13. Adjournment

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

Materials provided to the Metro Finance Committee related to any open-session item on this agenda are available for public review by contacting Executive Director 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 JPA Commission shall promptly work with you to resolve the matter in favor of accessibility.*

Date	Time	Agenda Topics	Type and Location of Meeting
<b>Metro Wastewater JPA Finance Committee Regular Meetings:</b>			
1/28/2025	10:00 AM	FY2026 Budget Planning	Hybrid subject to AB 2449 Requirements; City of San Diego MOC Conference room (to be assigned)
3/25/2025	10:00 AM	FY2026 Draft Budget	Hybrid subject to AB 2449 Requirements; City of San Diego MOC Conference room (to be assigned)
4/22/2025	10:00 AM	2nd Budget Meeting (If Needed)	Hybrid subject to AB 2449 Requirements; City of San Diego MOC Conference room (to be assigned)





Metro Wastewater JPA Regular Finance Committee  
Meeting April 23, 2024  
Minutes

The meeting was called to order: 10:00 a.m. by Committee Chair De Hoff

**1. ROLL CALL**

**Committee Members Present:**

Peter De Hoff, Poway (Chair)  
Ditas Yamane, National City (remote)  
Mark Robak, Otay Water (arrived at 10:20 a.m.)  
Mitch McKay, City of Imperial Beach  
Jose Preciado, City of Chula Vista (Alternate) (arrived at 10:04 a.m.)

**Committee Members**

**Absent:**

Jerry Jones, Lemon Grove Sanitation District (Vice Chair)

**Support Staff:**

Karyn Keze, Executive Director, The Keze Group, LLC (attended remotely)  
Adriana Ochoa, General Counsel, Procopio  
Lee Ann Jones-Santos, Metro JPA Treasurer, El Cajon  
Rodney Greek, Metro JPA CPA  
Lori Anne Peoples, Metro Secretary

**Others:**

Alisa Nichols, Metro TAC Chair  
Blake Behringer, Metro TAC Vice Chair

**General Public:**

Michael Benoza, City of Chula Vista TAC Member

**2. PUBLIC COMMENT**

There were no public comments.

3. **ACTION: APPROVAL OF BOARD MEMBER REQUEST FOR REMOTE APPEARANCE**

General Counsel Ochoa stated she would prepare a remote appearance form for Director Yamane who was not present out of an abundance of caution.

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

**ACTION:** Motion by Chair De Hoff, seconded by Director Yamane, to move Item 7 after Item 8. Motion carried as follows:

**AYES:** De Hoff, McKay, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, Preciado, Robak

Director Preciado arrived at 10:02 a.m.

5. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE MINUTES FROM THE MARCH 27, 2024, REGULAR FINANCE COMMITTEE MEETING**

**ACTION:** Motion by Director McKay, seconded by Director Yamane, to approve the Minutes. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, Robak

6. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO RECOMMEND TO THE METRO WASTEWATER JPA APPROVAL OF A REVISION OF THE METRO WASTEWATER JPA RESERVE POLICY TO INCORPORATE THE ROLE OF THE EXECUTIVE DIRECTOR**

General Counsel Ochoa noted that this was a carry-over from the last Finance Committee meeting to reflect changes in the organization structure, primarily the consultants and new positions. All changes were red-lined in the policy included in the agenda packet.

**ACTION:** Motion by Director Preciado, seconded by Director McKay, to approve the amended reserve policy. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, Robak

**Item 7 was heard after Item 8**

**7. ACTION: Consideration and Possible Action to Recommend to the Metro Wastewater JPA Approval of the FY 2025 JPA Budget**

Executive Director Keze and Treasurer Jones-Santos provided an overview of the staff report and presentation included in the agenda package and distributed to the committee prior to the meeting.

Tables presented and discussed were Table 1 - the FY 2024 Projected Budget Versus Actual; Table 2 – The Draft FY 2025 JPA Budget; Table 3 – The FY 2025 JPA Budget Allocations and Table 4 – The Contingency Reserve Funding Alternatives (Revisited)

**ACTION:** Motion by Director Robak, seconded by Director Preciado, to recommend approval of the FY 2025 Metro Wastewater JPA Budget. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Director Robak arrived at 10:20 a.m.**

**8. ACTION: Consideration and Possible Action to Recommend to the Metro Wastewater JPA Approval of the Following Items Relating to FY 2025 JPA Budget:**

Treasurer Lee Ann Jones-Santos and Rod Greek, CPA left the meeting prior to hearing the next 3 items.

**a. Discussion and Recommendation Regarding Change in Treasurer Position and Designation of JPA Auditor**

General Counsel Ochoa provided a verbal overview of this item with attachments included in the agenda package.

**b. Letter of Termination for El Cajon Treasurer Contract effective June 30, 2024**

General Counsel Ochoa provided a verbal overview of this item with attachments included in the agenda package.

**c. Professional Services Agreement with Rodney Greek CPA for Treasurer Services with Lee Ann Jones-Santos**

Karyn Keze introduced this item, including a brief background on Mr. Greek who had left the meeting with Treasurer Lee Ann Jones-Santos prior to this item, and his past involvement with the JPA through his employment with the City of San Diego. General Counsel Ochoa then provided the legal information pertaining to the requirement for a CPA as the JPA's Treasurer. Attachments included in the agenda package.

**d. Professional Services Agreement with The Gavares Group for Consulting Services for the Metro Wastewater Joint Powers Authority Strategic Planning Process**

Executive Director Keze stated that she had presented the scope of this item at the last meeting and it was approved. This is the Professional Services Agreement with The Gavares Group for consulting services for the Metro Wastewater JPA Strategic Planning Process.

Attachments pertaining to this item were included in the agenda package.

**e. Professional Services Agreement with Rising Tide Process Partners for Communications Services**

Karyn Keze stated that this was a new item requested by Director Robak after the budget was adopted last year and pertains to the hiring of a common person to provide communication services used to promote the JPA to the general public. This item was heard by Metro TAC who formed a working group and met with this organization to discuss communication needs determined by the working group and to request a proposal, copy of which is included in the agenda package. This is a twofold item. First to provide an assessment of our communication needs after a meeting with all JPA members and second, to put together a plan to create a "public image."

**ACTIONS:**

**Item 8a:**

Motion by Director Preciado, seconded by Director Yamane, to recommend moving forward with hiring Rodney Greek CPA who would appoint Lee Ann Jones-Santos to

serve as Treasurer and appoint the Chair and Vice Chair as Auditor. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Item 8b & c:**

Motion by Director Preciado, seconded by Director Yamane, to recommend moving forward with the sending of a Letter of Termination to the City of El Cajon for the Treasurer Contract effective June 30, 2024 and Approve the Professional Services Agreement with Rodney Greek CPA for Treasurer Services with Lee Ann Jones-Santos serving as the JPA Treasurer. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Item 8d:**

Motion by Director Preciado, seconded by Director McKay, to recommend approval of the Professional Services agreement with The Gavares Group. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Director McKay left the meeting at 11:30 a.m.**

**Item 8e:**

Motion by Director Preciado, seconded by Director Robak, to put a placeholder in the budget and review this topic in the Strategic Plan process. Motion carried as follows:

**AYES:** De Hoff, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, McKay

**Item 7 was heard here.**

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

Director Yamane requested that warrants be included for information in future JPA agendas. Executive Director Keze concurred and stated that this would start with the next JPA agenda.

General Counsel Ochoa noted that a check registry could easily be included under the Consent Calendar on each agenda for the prior month payments.

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

There was none.

**11. ADJOURNMENT:** There being no further business, Committee Chair De Hoff declared the meeting adjourned at 11:43 a.m.



## **STAFF REPORT; AGENDA ITEM 5B – FINANCIAL POLICIES MANUAL**

**Subject:** Draft Policies and Procedures Manual

**Prepared By:** Executive Director, Treasurer, and Staff Accountant

### **Summary:**

Over the past few months, the Executive Director, Treasurer, and Staff Accountant have collaborated to create a draft Policies and Procedures Manual. After multiple review sessions, the eighth draft has been completed and is being included for discussion in the January 28th Finance Committee Meeting under Agenda Item No. 5.

The draft manual was sent separately and in advance to provide ample time for review prior to the meeting. Once finalized, this manual will replace the entirety of Section 14 of the New Directors Manual and become a stand-alone document, encompassing the following policies and procedures:

1. **Policy 1** – Records Retention
2. **Policy 2** – Social Media
3. **Policy 3** – Manual and Electronic Payment/Transfer Policy
4. **Policy 4** – Meetings Meal Policy
5. **Policy 5** – 2025 Investment Policy
6. **Policy 6** – Purchasing Policy
7. **Procedure 1** – Guidelines for Staff in Closed Sessions
8. **Procedure 2** – Fiscal Year End Closing Procedures
9. **Resolution 2023-2** – Establishing Compensation for Directors
10. **Resolution 2025-1** – Establishing a Reserve Fund (Coming Soon)
11. **Protocol 1** – Debt Service and Operating Reserve Calculation (City of San Diego)

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine, Spring Valley & Winter Gardens Sanitation Districts

**Key Notes:**

- Policies and procedures highlighted in yellow are newly introduced and will be discussed in detail at the Finance Committee Meeting.
- Policies 1, 2, and 4 have been updated to include revised legal language, improved clarity, and greater conciseness.
- Once reviewed and edited by the Finance Committee, the manual will be presented to the JPA/Commission Board for their review and adoption.

The Finance Committee's review and input are critical to ensure the manual reflects the organization's needs and complies with relevant regulations.

-----  
**Purpose:**

The Policies and Procedures Manual is designed to provide a clear and comprehensive framework for the organization's operations. It establishes standardized guidelines and processes to ensure consistency, regulatory compliance, and effective communication across the organization.

The manual serves as a vital reference tool for management, staff, and stakeholders by:

- Promoting accountability and efficiency.
- Ensuring alignment with the organization's mission and goals.
- Providing clear direction for decision-making and operational practices.

This document is intended to be a dynamic, living resource. New policies, procedures, resolutions, and other updates will be incorporated as they are approved by the Board. Additionally, financial policies will undergo review during each year's budget process, allowing for revisions and updates to reflect the current operations of the JPA.

By maintaining and updating this manual, the organization ensures that its operations remain consistent, transparent, and adaptable to evolving needs.

---

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**





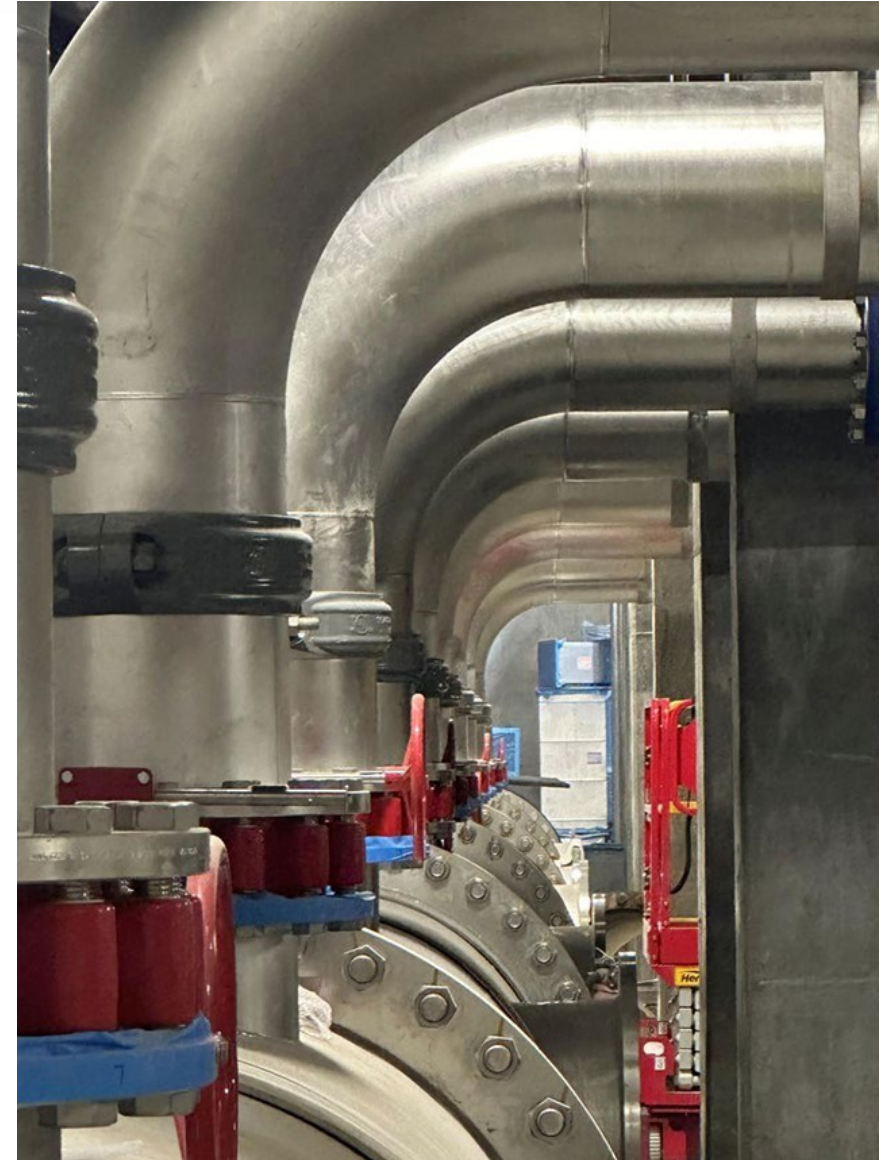
**Metro Wastewater Joint Powers Authority**

Proactively Addressing Regional Wastewater Issues for the Public Benefit

# FINANCIAL POLICIES MANUAL



Metro Wastewater JPA  
Finance Committee Meeting  
January 28, 2025





**Metro Wastewater Joint Powers Authority**  
Proactively Addressing Regional Wastewater Issues for the Public Benefit

- One stop shop for all financial policies & procedures
  - Replaces existing policies & procedures (14.1 through 14.8)
    - With minor edits to some
  - Eliminates draft section of 14.1 Protocol 1 (Debt Service & Operating Reserve Calculation)
  - 2 new Policies, 1 new Procedure
    - Investment Policy & Purchasing Policy
    - Year-end Closing Procedures
  - Major revisions to Policy 3 to allow for electronic payment processing



# **Metro Wastewater Joint Powers Authority**

Proactively Addressing Regional Wastewater Issues for the Public Benefit

## **TABLE OF CONTENTS:**

- I. POLICY 1 – Records Retention**
- II. POLICY 2 – Social Media**
- III. POLICY 3 – Manual and Electronic Payment/Transfer Policy**
- IV. POLICY 4 – Meetings Meal Policy**
- V. POLICY 5 – 2025 Investment Policy**
- VI. POLICY 6 – Purchasing Policy**
- VII. PROCEDURE 1 – AG Opinion (Staff in Closed Sessions)**
- VIII. PROCEDURE 2 – Fiscal Year End Closing Procedures**
- IX. RESOLUTION 2023-1 Establishing a Reserve Fund**
- X. RESOLUTION 2023-2 Establishing Compensation for Directors**
- XI. PROTOCOL 1 – Debt Service and Operating Reserve  
Calculation (City of San Diego)**



**Metro Wastewater Joint Powers Authority**  
Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Policy 1 – Records Retention (14.2)
  - Removed items unrelated to JPA operations
    - Reduced schedule from 33 pages to now only 14 pages
    - Employee items, Utility operational items, election items
- Policy 2 – Social Media (14.3)
  - References to employees updated
- Policy 3 – Manual & Electronic Payment/Transfer Policy (14.4)
  - Major additions to incorporate electronic payments/transfers as an option.
  - Section 5 includes previous policy guidelines with modifications to incorporate what is actually happening.





# Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Policy 4 – Meetings Meal Policy (14.8)
  - Added Purpose and Objective
  - Eliminated Fiscal Year specific information & incorporated more generic guidelines for how to budget for these expenses.
- Policy 5 – 2025 Investment Policy
  - Safety; Liquidity; Yield
  - LAIF; County of San Diego Treasury; Money Market Funds
- Policy 6 – Purchasing Policy
  - Transparent; Fair; Cost Effective; Accountable
  - Section 4 – Authority & Responsibility
  - Section 5 – Delineates various contracting level requirements



**Metro Wastewater Joint Powers Authority**  
Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Procedure 1 – Guidelines for Staff in closed sessions (14.5)
- Procedure 2 – Fiscal Year End Closing Procedures
  - New Procedures to ensure smooth close-out of each fiscal year.
- Resolution 2023-2 Establishing Compensation for Directors (14.7)
- Resolution 2025-1 Establishing a Reserve Fund (14.6)(Coming Soon)
- Protocol 1 – Debt Service & Operating Reserve Calculation  
(City of San Diego)
  - Removed Draft document sections



# Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Requested Action:
  - Approve
    - Forward to TAC for review and comment.
    - Forward to the Metro JPA Commission for Adoption.

# Metro Wastewater JPA



## FINANCIAL POLICIES MANUAL



THE JOINT POWERS AUTHORITY PROACTIVELY ADDRESSING REGIONAL WASTEWATER ISSUES.

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
San Diego County Sanitation Districts



# **TABLE OF CONTENTS**

- I. POLICY 1 – Records Retention**
- II. POLICY 2 – Social Media**
- III. POLICY 3 – Manual and Electronic Payment/Transfer Policy**
- IV. POLICY 4 – Meetings Meal Policy**
- V. POLICY 5 – 2025 Investment Policy**
- VI. POLICY 6 – Purchasing Policy**
- VII. PROCEDURE 1 – Guidelines for Staff in Closed Sessions**
- VIII. PROCEDURE 2 – Fiscal Year End Closing Procedures**
- IX. RESOLUTION 2023-2 Establishing Compensation for Directors**
- X. RESOLUTION 2025-1 Establishing a Reserve Fund (Coming Soon)**
- XI. PROTOCOL 1 – Debt Service and Operating Reserve  
Calculation (City of San Diego)**



# **Metro Wastewater JPA Policy No. 1**

## **Records Retention Policy**

---

THE JOINT POWERS AUTHORITY PROACTIVELY ADDRESSING REGIONAL WASTEWATER ISSUES.

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
San Diego County Sanitation Districts

# **METRO WASTEWATER JOINT POWERS AUTHORITY RECORDS RETENTION AND DESTRUCTION POLICY**

## **I. PURPOSE**

The purpose of this policy is to provide guidelines regarding the retention or destruction of records of the Metro Wastewater Joint Powers Authority (the "JPA"); provide for the identification, maintenance, safeguarding and destruction of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

## **II. AUTHORIZATION**

Staff is hereby authorized to destroy records in accordance with this policy and the records retention and destruction schedule set forth in Attachment "A", which shall comply with the records retention guidelines provided by the California Secretary of State, as may be updated from time to time.

## **III. PROCEDURE**

- A. The Board Secretary shall be responsible for the administration of this policy and shall oversee compliance with the provisions of this policy and with the Records Retention Schedule, set forth in Attachment "A."
- B. The Board Secretary reviews documents to confirm that each document to be destroyed is: (1) not required to be permanently retained, or (2) has been retained for the legally required period of time. The Board Secretary also confirms that any applicable reproduction requirements (i.e., microfilming, etc.) for each document are complete.
- C. The Board Secretary completes and signs a "Request for Destruction of Obsolete Records" form, listing the date and description of each document to be destroyed.
- D. The Board Secretary submits the form to the Chair, who reviews and signs the form and then returns the signed form to the Board Secretary.
- E. After receiving the signed form from the Chair, the Board Secretary oversees the destruction of the documents, indicates the method of destruction on the form, signs the form and returns the original signed form to the Chair.
- F. The Board Secretary will retain all original signed forms requesting destruction of records for a minimum period of two (2) years.

#### IV. GENERAL GUIDELINES

A. The following general guidelines apply to all JPA records.

1. The Board Members of the JPA, by majority vote, may authorize the destruction of any **duplicate** records, if they are no longer needed. (Gov. Code § 60200.)
2. Pursuant to the resolution adopted by the Board Members of the JPA, except where a record is expressly required to be preserved according to State law, the JPA may approve the destruction of any original document without retaining a copy of the document as long as the retention and destruction of the document complies with the retention schedule as set forth in this policy (Gov. Code § 60201.)
3. In addition to the retention period required under this policy, the JPA shall retain original administrative, legal, fiscal and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to such records are completely resolved or the time for appeals has expired. (Gov. Code § 14755, subd. (a); Gov. Code 34090.)
4. Pursuant to Government Code section 60201, the JPA shall not destroy any of the following records:
  - (a) Records relating to the formation, change of organization, or reorganization of the JPA;
  - (b) Ordinances and resolutions, unless they have been repealed or have become invalid or otherwise unenforceable for five years;
  - (c) Minutes of any meeting of the JPA;
  - (d) Records relating to any pending claim, litigation, any settlement or other disposition of litigation within the past two years;
  - (e) Records that are the subject of any pending request for records under the California Public Records Act, whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the request has been denied by the JPA;
  - (f) Records relating to any pending construction that the JPA has not accepted or for which a stop notice claim may be legally presented;
  - (g) Records relating to any non discharged debt of the JPA;
  - (h) Records relating to the title to real property in which the JPA has an interest;
  - (i) Records relating to any non discharged contract to which the JPA is a party;
  - (j) Records that have not fulfilled the administrative, fiscal, or

- legal purpose for which they were created or received;
- (k) Unaccepted bids or proposals, which are less than two (2) years old, for the construction or installation of any building, structure or other public work;
  - (l) Records less than seven (7) years old that specify the amount of compensation or expense reimbursement paid to JPA members, officers, or independent contractors

## **V. SPECIFIC GUIDELINES**

### **A. Accounting Records**

1. Accounting Records include, but are not limited to, the following:

(a) Source Documents

- Invoices
- Warrants
- Vouchers
- Requisitions/Purchase Orders (attached to invoices)
- Cash Receipts
- Claims (attached to warrants in place of invoices)
- Bank Statements
- Bank Deposits
- Checks
- Bills
- Various accounting authorizations taken from JPA minutes, resolutions or contracts

(b) Journals

- Cash Receipts
- Accounts Receivable or Payable Register
- Check or Warrant Register
- General Journal

(c) Ledgers

- Expenditure
- Revenue
- Accounts Payable or Receivable Ledger
- Assets/Depreciation
- Warrants payable
- General ledger

(d) Trial Balance

(e) Adjusting Entries

(f) Statements (Interim or Certified - Individual or All Fund)

- Balance Sheet
- Analysis of Changes in Available Fund Balance
- Cash Receipts and Disbursements
- Inventory of Fixed Assets (Purchasing)

(g) Journal Entries

(h) Reversing Entries

(i) Other

- Inventory Records (Purchasing)
- Capital Asset Records (Purchasing)
- Depreciation Schedule
- Cost Accounting Records

2. General ledgers must be permanently retained. (Sec. of State Local Gov't. Records Mgmt. Guidelines.)
3. In general, the JPA should retain original source documents that are detailed in a register, journal, ledger or statement **until audited plus four (4) years**. Certain source documents may be retained for a shorter period of time. Refer to the records retention schedule for specific accounting documents.
4. The JPA may destroy rough drafts, notes, working papers (except audit), cards, listings, nonpermanent indices, and papers used for controlling work or transitory files at any time.
5. In addition to any required legal retention period, the JPA shall not authorize the destruction of any record subject to audit until it has been determined that the audit has been performed. (Gov. Code § 14755, subd. (b); Gov. Code § 34090.)

**B. JPA Records**

1. The JPA shall retain original records of the minutes of meetings of the JPA **indefinitely**. (Gov. Code §§ 34090; 60201.)
2. The JPA shall retain original resolutions adopted by the Board **indefinitely**. (Gov. Code § 60201.)

**C. Statements and Reports Filed Pursuant to the Political Reform Act.**

1. Filing officers shall retain original campaign statements and reports for **seven (7) years**. (Gov. Code § 81009 (c), (e).)

2. Filing officers shall retain copies of statements or reports for **four (4) years**. The officer does not have to keep more than one copy of a statement or report. (Gov. Code § 81009 (f).)

#### **D. Contracts**

1. The JPA shall retain original contracts for **four (4) years** after the end of the contracts. (Code of Civ. Proc. § 337.)
2. The JPA shall retain contracts with any person or entity who develops real property or furnishes the design, specifications, surveying, planning, supervision, testing, or observation of construction or improvement to real property for **ten (10) years** after the completion of the construction or improvement. (Code of Civ. Proc. § 337.15.)

#### **E. Video Monitoring, Telephone and Radio Communications; Other Video and Audio Recordings**

1. If the JPA keeps another record, such as written minutes, of an event that is recorded on video tape (e.g., JPA meetings), the JPA must keep the video tape recording of the event for **at least 90 days** after the occurrence of the event. **After 90 days**, the video tape may be destroyed or erased, upon approval by the JPA. (Gov. Code § 34090.7.)
2. When an audio tape recording of a meeting (e.g., JPA) is made solely to facilitate the preparation of minutes for that meeting, the tape recording may be destroyed or erased after it is no longer required and after the minutes for that meeting have been approved. (Gov. Code § 34090; 64 Ops.Atty.Gen. 317.)
3. Other audio or video tape recordings which are not related to the conduct of the public's business (e.g., educational or promotional videos) are not considered to be official JPA records and may be destroyed after they are no longer required, upon approval by the JPA. (Gov. Code §§ 6252, subd. (e); 34090.)

## **VI. ELECTRONIC COMMUNICATION**

Electronic mail generates correspondence and other documentation which are public records in need of protection/retention in accordance with the California Public Records Act (Gov. Code §§ 6250-6276.48). Electronic communication also includes any messages sent through a Mobile Phone or other electronic device that end up as e-mail to or from any JPA member (collectively, "e-mail"). The JPA's e-mail system should not be used to store or maintain documents, including, but not limited to, official JPA records.

It is the responsibility of the individual member to determine if e-mail is an JPA record

which must be retained in accordance with the JPA's Records Retention and Destruction Policy. Generally, an e-mail message and any attachments regardless of format may be considered an official JPA record if it: (1) is created or received in connection with official JPA business; (2) documents the formulation and implementation of JPA policies and decisions; or (3) initiates, authorizes or completes a transaction of official JPA business.

Preliminary drafts, notes or interagency or intra-agency memoranda which are not retained by the JPA in the ordinary course of business are generally not considered to be official JPA records subject to disclosure. JPA members are encouraged to delete documents which are not otherwise required to be kept by law or whose preservation is not necessary or convenient to the discharge of your duties or the conduct of the JPA's business. Examples of e-mail messages that are not generally considered official JPA records may include: (1) personal messages and announcements not related to official JPA business; (2) messages with attached copies or extracts of documents distributed for convenience or reference (with the original documents being preserved according to the JPA's Records Retention and Destruction Policy); and (3) messages that are essentially cover notes or distribution slips. The JPA's General Counsel can assist you in determining whether an e-mail message is required to be retained and/or is necessary or convenient to the discharge of your duties or the conduct of the JPA's business.

Any e-mail message, including any attachments regardless of format, that can be considered an official JPA record must be preserved in accordance with the retention periods specified in the JPA's Records Retention and Destruction Policy. Generally, the JPA member who sends an e-mail that qualifies as an official JPA record should be the person responsible for preserving that e-mail, but persons responsible for a particular program or project file shall also be responsible for preserving all e-mail they send or receive related to that program or project. JPA members may print and file hard copies of e-mail messages that must be preserved. Members may also save e-mail messages electronically, in electronic folders separate from their regular e-mail inboxes. However, e-mail messages must not be stored in a JPA member's regular inbox, since the JPA's automatic maintenance system will periodically delete e-mails from all inboxes. Many types of e-mail can also be stored electronically as a Word document. The JPA's Information Technology staff can assist members with setting up electronic folders or other methods of electronically archiving e-mail messages. However, all e-mail messages that are retained electronically must be easy to retrieve, view and print out, if necessary.

For projects that involve two or more members, any e-mails pertaining to a specific project should be retained in that project's central file(s). Members should work with Information Technology staff on the best method for central storage of e-mails on a project to make sure the e-mails remain easily accessible to everyone.

In addition, any e-mail messages that relate to a claim or a potential claim against the JPA, must be preserved. Likewise, any e-mail messages that may relate to a lawsuit filed against the JPA, even if a subpoena or court order for such e-mail messages has not yet been issued, must be preserved. Under newly enacted federal rules regarding electronic discovery, any information stored electronically, including e-mail messages, must be produced for a requesting party. A court can impose severe penalties if e-mail messages



relevant to a lawsuit are deliberately destroyed when it is known, or should have reasonably been anticipated, that a claim or lawsuit could be filed against the JPA. There are no penalties if electronic information is “lost” through “the routine operation of an electronic information system” (i.e., automatic deletion after a period of time; automatic overwriting of backup tapes, etc.). (Rule 37(f) of the Federal Rules of Civil Procedure.)

However, the JPA has a duty to preserve any relevant data when there is even a hint of possible litigation. Therefore, when JPA members become aware of a potential claim, an actual claim, or a lawsuit against the JPA, they must preserve any e-mail messages and attachments that have any information relevant to that matter. The JPA’s General Counsel can provide you with guidance on these issues.

## **VII. RECORDS RETENTION SCHEDULE**

The “Records Retention Schedule” is attached to this policy as Attachment “A” and is incorporated herein by reference. This policy and the Records Retention Schedule shall comply with the records retention guidelines provided by the California Secretary of State and may be updated from time to time.

**ATTACHMENT “A”**  
**RECORDS RETENTION SCHEDULE**

[Attached]

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Accounts Payable	Finance	Journals, statements, asset inventories, account postings with supporting documents, vouchers	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Accounts Payable	Finance	Invoices, reports, investments, purchase orders	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Accounts Receivable	Finance	Checks received, reports, investments, receipt books	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Affidavits of Publication / Posting	Administration	Legal notices for public hearings, publication of ordinances, etc.	GC 34090	2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Agenda / Agenda Packets	Administration	Agendas and packets should be imaged immediately. A paper copy should be maintained for one year only.	GC 34090 GC 34090.5	2 years
Agenda reports (staff reports)	Administration	Paper copies of agenda packets should be maintained for 1 year as complete packets. Originals should be imaged immediately for permanent retention. The filmed record may serve as the permanent record.	GC 34090 GC 34090.5	2 years
Agreements	Administration	Original contracts and agreements and back-up materials, including leases	CCP 337 CCP 337.2	4 years after termination/ completion
Annual Financial Report	Finance	Independent auditor analysis	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Articles of Incorporation	Administration		GC 34090 GC 60201	Permanent
Audit Reports	Finance	Financial services; internal and/or external reports; independent auditor analysis	GC 34090 Sec. of State Local Gov't. Records Retention Guidelines	Permanent [May be revised at a later time by Sec. of State or County officials]
Audit Hearing or Review	Finance	Documentation created and or received in connection with an audit hearing or review	GC 34090	2 years
Bank Account Reconciliations	Finance	Bank statements, , receipts, certificates of deposit, etc.	26 CFR 31.6001-1(e)(2)	4 years (Sec. of State Guidelines – recommended retention: until audited + 5 years)

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Bids, Accepted	Development	Includes plan and specifications; notices/affidavits.	GC 34090 CCP 337, 337.1	4 years
Bids, Unaccepted	Development	Unaccepted bid packages only	GC 34090 GC 60201	2 years
Billing records	Finance	Utility bill stubs – submitted with payment	GC 34090	Current + 2 years
Brochures/ Publications	Administration	Retain selected documents only for historic value.	GC 34090	2 years
Budget, Annual	Finance	Adjustments, journal entries, account transfers	GC 34090	Until audited + 2 years
California State Tax Records	Finance	Forms filed annually; quarterly and year-end reports	R&TC 19530 R&TC 19704	6 years
Checks	Finance	Includes originals of canceled and voided checks	GC 34090; CCP 337 Sec. of State Local Gov't. Records Mgmt. Guidelines	Until audited +5 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

## RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Citizen Feedback	Administration	General correspondence.	GC 34090	2 years
Claims Against the JPA	Administration	Paid/Denied	GC 34090; GC 25105.5	Until settled + 5 years (May be microfilmed after 3 years)
Complaints/Requests	Administration	Various files, not related to specific lawsuits involving the District and not otherwise specifically covered by the retention schedule.	GC 34090	2 years
Annual Comprehensive Financial Reports (ACFR)	Finance	Finance	GC 34090; CCP 337	Until audited + 4 years
Contracts	Administration	Original contracts and agreements and back-up materials.	CCP 337	4 years after termination/ completion
Correspondence	Administration	General correspondence, including letters and e-mail; Various files, not otherwise specifically covered by the retention schedule.	GC 34090	2 years
Deposits, Receipts	Finance	Receipts for deposited checks, coins, currency	GC 34090 CCP 337	Until audited + 4 years

### Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Economic Interest Statements - Form 700 (copies) (elected officials)	Administration	Copies of original statements of elected officials forwarded to Fair Political Practices Commission.	GC 81009(f), (g)	4 years (can image after 2 years)
Economic Interest Statements - Form 700 (originals) - non-elected	Administration	Originals of statements of designated JPA members and professional consultants assigned to designated roles.	GC 81009(e), (g)	7 years (can image after 2 years)
Ethics Training Records (AB 1234; effective 1/1/06)	Administration	Records required to be kept under Gov. Code section 53235.2 (effective 1/1/06). Records must show dates that local officials satisfied the training requirements and the entity that provided the training	GC 53235.2	5 years after receipt of training
Federal Tax Records	Finance	May include Forms 1096, 1099, W-4 and W-2	29 USC 436 26 CFR 31.6001.1-4 26 CFR 31.6001-1(e) 29 CFR 516.5-516.6	5 years after file date
Fixed Assets Inventory	Finance	Reflects purchase date, cost, account number	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code



# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Fixed Assets Surplus Property	Finance	Auction; disposal – Listing of property; sealed bid sales of equipment	GC 34090 CCP 337	Until audited + 4 years
Forms	Administration	Administrative - blank	GC 34090	Until Superseded
Fund Transfers	Finance	Internal; bank transfers & wires	GC 34090	Until audited + 2 years
General Ledgers	Finance	All annual financial summaries-- all agencies	GC 34090 CCP 337 Sec. of State Local Gov't. Records Retention Guidelines	Permanent [May be revised at a later time by Sec. of State or County officials]
Gifts/Bequests	Finance	Receipts or other documentation	GC 34090	Until completed + 2 years
Grants Community Development Block Grant (CDBG); Urban Development; other Federal and State grants	Development	Grants documents and all supporting documents: applications, reports, contracts, project files, proposals, statements, sub-recipient dockets, environmental review, grant documents, inventory, consolidated plan, etc.	GC 34090 24 CFR 570.502 24 CFR 85.42	Until completed + 4 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Information Services, Internet/World Wide Web	Administration	Management policies and supporting documentation	GC 34090	Until superseded + 2 years
Information Systems, Inventory	Administration	Hardware/software inventory logs; systems manuals	GC 34090	Until superseded + 2 years
Information Systems, Network Information Systems (LAN/WAN)	Administration	Configuration maps and plans	GC 34090	2 years
Information Systems, Program Files and Directories	Administration		GC 34090	2 years
Information Systems, Tapes	Administration	System generation	GC 34090	2 years
Insurance	Finance	Personnel related	GC 34090	Current + 2 years
Insurance, Joint Powers Agreement	Finance	Accreditation, MOU, agreements and agendas	GC 34090	Current + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Insurance Certificates	Finance	Liability, performance bonds, property: Insurance certificates filed separately from contracts, includes insurance filed by licensees.	GC 34090	Current + 2 years
Insurance, Liability/Property	Finance	May include liability, property, Certificates of Participation, deferred, use of facilities	GC 34090	Current + 2 years
Insurance, Risk Management Reports	Finance	Federal OSHA Forms; Loss Analysis Report; Safety Reports; Actuarial Studies	29 CFR 1904.44 GC 34090	5 years (Federal) 2 years (State)
Investment Reports, Transactions	Finance	Summary of transactions, inventory and earnings report	GC 34090 CCP 337 Sec. of State Local Gov't. Records Retention Guidelines	Permanent
Invoices	Finance	Copies sent for fees owed, billing, related documents	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Legal Notices/Affidavits of Publication	Administration		GC 34090	2 years
Legal Opinions	Administration	Confidential – not for public disclosure (attorney-client privilege)	GC 34090	Until superseded + 2 years
Litigation	Administration	Case files	GC 34090	Until settled or adjudicated + 2 years
Local Appointments List (“Maddy List”)	Administration	List of all regular and ongoing boards, commissions, and committees appointed by the legislative body – pursuant to the Maddy Local Appointive List Act	GC 54970 et seq. GC 60201 et seq.	Until superseded (new list prepared each year by Dec. 31 <sup>st</sup> )
Maintenance Manuals	Administration	Equipment service/maintenance	GC 34090	Current + 2 years
Maintenance/Repair Records	Administration	Equipment	GC 34090	2 years
Marketing, Promotional	Administration	Brochures, announcements, etc.	GC 34090	2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Minutes	Administration	Minutes of District Board meetings. Documents are to be imaged immediately. Paper records are to be maintained permanently by the Board.	GC 34090, 60201	Permanent
Newsletter, JPA	Administration	May wish to retain permanently for historic reference.	GC 34090	2 years
Notices – Public Meetings	Administration	Special Meetings	GC 34090	2 years
Oaths of Office	Administration	Elected and public officials – Board Members	GC 34090 29 USC 1113	Current plus 6 years
Petitions	Administration	Submitted to legislative bodies	GC 34090	Current + 2 years
Policies, Administrative	Administration	All policies and procedures, directives rendered by the District not assigned a resolution number	GC 34090	Current + 2 years
Policies, JPA Board	Administration	Original policies adopted by the District Board	GC 34090	Current + 2 years
Political Support/Opposition, Requests & Responses	Administration	Related to legislation.	GC 34090	2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

## RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Press Releases	Administration	Related to District actions/activities.	GC 34090	2 years
Procedure Manuals	Administration	Administrative.	GC 34090	Current + 2 years
Property, Abandonment	Development	Buildings, condemnation, demolition	GC 34090	Permanent
Property Acquisition/ Disposition	Development	District owned. Supporting documents regarding sale, purchase, exchange, lease or rental of property by District	CCP 337.15	10 years
Public Records Request	Administration	Requests from the public to inspect or copy public documents	GC 34090	2 years
Purchasing RFQ's, RFP's	Finance	Requests for Qualifications; Requests for Proposals regarding goods and services	GC 34090	Current + 2 years
Purchasing, Requisitions, Purchase Orders	Finance	Original Documents	GC 34090 CCP 337	Until audited + 4 years

### Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Recordings - audiotaped	Administration	Taped recordings of Board meetings - for preparation of Board meeting minutes	GC 34090 64 Ops.Atty.Gen 317	Until no longer required for preparation of minutes (after minutes are approved)
Recordings, videotaped – meetings of legislative bodies	Administration	Tapes of public meetings made by or at the direction of the District (e.g., Board meetings)	GC 54953.5	30 days
Recordings, videotaped	Administration	Other than videotapes of public meetings; Considered duplicate records if another record of the same event is kept (i.e., written minutes)	GC 53161	90 days after event is recorded
Records Management Disposition Certification	Administration	Documentation of final disposition of records	GC 34090	Permanent
Records Retention Schedules	Administration		GC 34090	Current + 2 years
Resolutions	Administration	Vital records - originals may never be destroyed. Image immediately.	GC 34090	Permanent
Returned Checks	Finance	Finance-NSF (not District checks)	GC 34090	2 years after audit

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
State Controller	Finance	Annual reports.	GC 34090	2 years
State Tax Records	Finance	Filed annually; quarterly	Refer to Federal Tax Records	5 years after file date
Stop Payments	Finance	Finance - bank statements	GC 34090	2 years
Unemployment Insurance Records	Finance		IRC 3301-3311	4 years
Vouchers - Payments	Finance	Account postings with supporting documents	GC 34090 CCP 337	Until audited + 4 years
Warrant Register/Check Register	Finance	Record of checks issued; approved by legislative body (copy is normally retained as part of agenda packet information)	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code





# **Metro Wastewater JPA Policy No. 2**

## **Social Media Policy**

## **PURPOSE**

This Social Media Policy ("Policy") establishes guidelines for the establishment and use by the Metro Wastewater Joint Powers Authority ("JPA") through its authorized employees and/or contractors of social media sites. The purpose of using Metro JPA social media sites is to disseminate information from the JPA, about the JPA, to members of the public.

The goal of the JPA's use of social media sites is to serve as an online information source focused on JPA issues, projects, news, and events. The JPA's social media activities will act as one-way communication, and will not serve as a public forum.

The JPA has an overriding interest and expectation in deciding what is "spoken" on behalf of the JPA on JPA social media sites. Therefore, all postings should be in accordance with the guidelines set below.

## **DEFINITIONS**

1. "Social media sites" means content created by individuals, using accessible, expandable, and upgradable publishing technologies, through and on the Internet. Examples of social media include, but are not limited to, Facebook, Twitter, Biogs, RSS, YouTube, LinkedIn, and Flickr.
2. "Board" means the appointed members of the Board of the Metro JPA.
3. "Employees" means authorized employees of the JPA member agencies, as the JPA has no employees of its own, and activities and services of the JPA are performed by the Board, authorized employees of the JPA member agencies and/or JPA contractors.
4. "JPA social media sites" means social media sites which the JPA establishes and maintains, and over which it has control over all postings, except for advertisements or hyperlinks by the social media site's owners, vendors, or partners. JPA social media sites shall supplement, and not replace, the JPA's required notices and standard methods of communication.
5. "Posts" or "posting" means information, articles, pictures, videos, or any other form of communication posted on a JPA social media site.
6. "Comments" include information, articles, pictures, videos, or any other form of communicative content posted on a JPA social media site.

## **POLICY**

1. The JPA's official website at <https://www.metrojpa.org> (or any other domain owned operated or maintained by the JPA) will remain the JPA's primary means of internet communication.

2. JPA social media sites should make clear that they are maintained by the JPA and that they follow the JPA's Social Media Policy.
3. Each JPA social media site shall include an introductory statement which clearly specifies the purpose and topical scope of the social network site. Where possible, social media sites should link back to the official JPA website for forms, documents and other information.
4. The JPA shall use social media sites as regularly as possible and in conjunction with other established JPA communication tools.
5. JPA social media sites shall comply with usage rules and regulations required by the site provider, including privacy policies.
6. JPA social media sites shall be managed consistent with the Brown Act, the Political Reform Act, and the California Elections Code. Board Members shall not respond to any published postings, or use any JPA sponsored social media site to respond to, blog or engage in serial meetings, or otherwise discuss, deliberate, or express opinions on any issue within the subject matter jurisdiction of the JPA, or for any political purpose. Board members must keep their social media presence separate from the JPA and other Board members' sites. Posts from JPA social media sites not pertaining to the subject matter jurisdiction of the body may be shared on their personal social media sites but no comments from Board officials are permitted on JPA owned, maintained, or operated social media sites.
7. All JPA social media sites shall adhere to applicable local, state, and federal laws regulations and policies. This includes adherence to established laws and policies regarding copyright, records retention, First Amendment, privacy laws, nondiscrimination and harassment laws, acceptable use of JPA owned or controlled digital equipment, internet access, and information security policies established by the JPA.
8. JPA social media sites are subject to the California Public Records Act. Any content maintained in a social media format that is related to JPA business, including a list of subscribers, posted communication, and communication submitted for posting, may be a public record subject to public disclosure.
9. Board Members and/or contractors representing the JPA via JPA social media sites must conduct themselves at all times as a representative of the JPA and in accordance with all JPA policies.

10. All JPA social media sites shall utilize authorized JPA contact information for account set-up, monitoring, and access. The use of personal email accounts or phone numbers by any employee and/or contractors are not allowed for the purpose of setting-up, monitoring, or accessing a JPA social media site. 9. Board Members should use the official email and contact information of their employing member agency.
11. JPA social media sites may contain content, including but not limited to, advertisements or hyperlinks over which the JPA has no control. The JPA does not endorse any hyperlink or advertisement placed on JPA social media sites by the social media site's owners, vendors, or partners.
12. If a social media site allows the administrator to limit the type of advertising that will appear on the JPA's page, this feature should be enabled.
13. The Board reserves the right to change, modify, or amend all or part of this policy at any time.
14. The JPA reserves the right to terminate any JPA social media site at any time without notice.

## **PROCEDURE**

1. The establishment and use of social media sites are subject to approval by the Board. Upon approval, JPA social media sites shall bear the name and/or official logo of the JPA. The Board has the authority to establish and/or terminate social media accounts and pages.
2. The Board Secretary shall maintain a list of all JPA social media sites, including login and password information, to allow for the immediate alteration or removal of content that is inappropriate or inconsistent with JPA policy.
3. The Executive Director or Board Secretary, as designated by the Board, will monitor content on JPA social media sites to ensure adherence to both the JPA's Social Media Policy and the interest and goals of the JPA.
4. JPA social media sites shall be established using only an authorized e-mail address of a JPA member agency.
5. Board Members and/or contractors representing the JPA on social media sites shall conduct themselves at all times as a professional representative of the JPA and shall comply with all JPA policies.
6. Board Members and/or contractors authorized to post to the JPA's social media sites shall not share personal information about himself or herself, or any other employee or contractor.

7. JPA social media sites shall clearly state that such sites are maintained by the JPA and that the sites comply with the JPA's Social Media Policy. Where possible, this Policy shall be displayed to users on each social media site or made available by hyperlink.
8. JPA social media passwords shall not be shared with anyone not authorized to moderate the site.
9. Any Board Member and/or contractor who violates this Policy shall be denied access to all JPA social media sites and may be subject to additional punitive action.

## **GENERAL CONDITIONS AND RESTRICTIONS**

1. All messages posted on social media website accounts on behalf of the JPA must:
  - Present the JPA in a positive light
  - Contain information that is freely available to the public and not confidential as defined by any JPA policy or local, state or federal law
  - Refrain from including personal information, with the exception of employees and/or contractors whose job duties include being a public contact
  - Comply with local, state and federal laws
2. When posting on behalf of the JPA to social media sites, Board Members and/or contractors shall only "endorse, like, follow or pin" (depending on the method of endorsement utilized by the social media application) the following: civic affiliated or other government related organizations, events sponsored/approved by the JPA and non-profit organizations that are partners with the JPA.
3. When posting on behalf of the JPA to social media sites, Board Members and/or contractors shall NOT "endorse, like, follow or pin": any political groups or figures, political campaign pages, businesses or any pages unrelated to the business of the JPA.
4. JPA social networking content and comments containing any of the following forms of content shall be deleted or hidden:
  - Comments not topically related to JPA business
  - Profane language or content
  - Content that promotes, fosters or perpetuates discrimination on the basis of sex (including pregnancy, childbirth, breastfeeding or related medical conditions), race, religion (including religious dress and grooming practices), color, gender (including gender identity and gender expression), national origin (including language use restrictions and possession of a driver's license issued under Vehicle Code section 12801.9), ancestry, physical or mental disability, medical condition, genetic information, marital

status, registered domestic partner status, age, sexual orientation, military and veteran status or any other basis protected by federal, state or local law or ordinance or regulation.

- Sexual content or links to sexual content, including nudity
- Solicitations of commerce
- Conduct or encouragement of illegal activity
- Information that may tend to compromise the safety or security of the public or public systems
- Content that violates a legal ownership interest of any other party
- Potentially libelous comments
- Private or personal information published without consent
- Personal attacks, insults or threatening language (Users may use the site to express their dissatisfaction with a JPA program, event or customer service experience. This type of post is acceptable as long as it is not considered offensive material as previously provided)
- Commercial promotions or spam
- Hyperlinks to material that is not directly related to the discussion
- Repetitive posts copied and pasted by multiple users
- Information affiliated with or promoting political campaigns
- Images which may result in copyright infringement

\*\*\*End of Policy\*\*\*



# **Metro Wastewater JPA Policy No. 3**

## **Manual and Electronic Payment/Transfers Policy**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista ☐ Coronado ☐ Del Mar ☐ El Cajon ☐ Imperial Beach ☐ La Mesa ☐ Lemon Grove Sanitation  
District National JPA ☐ Otay Water District ☐ Poway ☐ Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 3: METRO WASTEWATER JPA MANUAL AND ELECTRONIC PAYMENT/FUNDS TRANSFER POLICY & PROCEDURES**

*Adopted January 28, 2025*

**1. PURPOSE:** The METRO WASTEWATER JPA makes payments to vendors and Board members either by manual processing or by electronic funds transfer and also receives funds from various parties as a routine business practice. All such payments must be properly authorized and executed to reduce the risk of erroneous or fraudulent transactions.

**2. REFERENCES:** Cal. Code Regs. Tit. 18, § 1707 and Regulation E of the Board of Governors of the Federal Reserve System pursuant to the Electronic Fund Transfer Act – authorizes local government use of EFT and prescribed accounting procedures for EFT transaction processing.

### **3. DEFINITIONS:**

Agents of Metro Wastewater JPA:

Executive Director

Financial Consultant

Engineering Consultant

Board Secretary

Senior Accountant

Treasurer – Required Certification Designation - CPA

Electronic Funds Transfer (EFT): Refers to the disbursement from a bank account by means of wire, direct deposit, ACH, or other electronic means, either within a single financial institution or across multiple institutions, through computer-based systems. Wire transfers and ACH payments are examples of EFTs. This form of disbursement is authorized by RCW 39.58.750.

Automated Clearing House (ACH): A nationwide payment and collection system that provides for electronic distribution and settlement of funds. Although the term Electronic Fund Transfer (EFT) is technically more inclusive than the term ACH, the term EFT is often used synonymously with ACH and Wire Transfer. Wire transfers execute directly between two accounts, as opposed to a clearinghouse, so they process more quickly, but they are more expensive.

Wire Transfer: This is an electronic transfer of funds from one bank account to another initiated directly with the payee's bank. This type of transfer utilizes a system operated by the Federal Reserve Banks and is more costly compared to transactions involving checks or ACH.



National Automated Clearing House Association: NACHA is the steward of the electronic system that connects all U.S. bank accounts and facilitates the movement of money among them.

Banking Information: Information from the payee or their bank regarding their account. This information includes bank name, account name, account number, routing number, bank contact information and any other information necessary to transmit funds.

**4. GENERAL GUIDELINES:** The METRO WASTEWATER JPA currently utilizes an entirely manual process for receipts and payments. The JPA also may utilize EFTs for receipt of intergovernmental payments, grant payments, and other revenues where practical, and the transmittal of vendor payments, credit card processing fees, banking fees, and other disbursements where practical or required.

All EFTs are subject to applicable Purchasing Policies and all other policies and procedures in relation to the purchase of goods and/or services.

Except as noted above, wire transfers should only be used in payment of an obligation of the JPA when the situation requires immediate funds to settle a transaction or no other method is available. If a more inexpensive mechanism can be used to effect payment of the obligation (i.e., ACH or paper check), the Senior Accountant/Treasurer shall reserve the right to effect payment with the more inexpensive mechanism. Exceptions to this must be preapproved by the Executive Director.

This policy will be reviewed on a biennial basis for accuracy and process verification as part of the budget process. The JPA Executive Director is authorized to recommend administrative changes to this policy intermittently with Board approval, provided such changes are consistent with state and federal requirements.

#### **5. MANUAL INVOICE AND PAYMENT PROCESSING PROCEDURES:**

- a. The Financial Consultant shall email JPA member's per diems, and vendors must email invoices, to the Senior Accountant/Treasurer by 10th of the month.
- b. Senior Accountant/Treasurer's Review:
  - i. Review (unique invoice, current amount due)
  - ii. Prepare summary (Vendor, Amount), attach supporting documentation, send to Finance Consultant for review and approval.
- c. Finance Consultant/Executive Director Review and Approval:
  - i. Financial Consultant/Executive Director reviews summary invoices, compares against budget, and delivers approved signed summary via e-mail to Senior Accountant/Treasurer who will process checks for payment, including first wet signature by Senior Accountant/Treasurer.

- d. Senior Accountant/Treasurer prepares check summary and e-mails all secondary signatories regarding check summary and availability to sign.
- e. Senior Accountant/Treasurer takes or sends approved check summary, addressed and stamped envelopes, and checks to secondary signatory for wet signatures. Second signatory may be either the Metro JPA Chair, Finance Committee Chair, or Metro JPA Vice-Chair, based on availability. Secondary signer mails checks to vendors and delivers signed check summary back to Senior Accountant/Treasurer by month end, or Senior Accountant/Treasurer mails checks to vendors after secondary signatory signs and retains signed check summary.
- f. Senior Accountant/Treasurer maintains signed check summary for audit records.

NOTE: Concept is that check summary should have three layers of signed approvals on it: Senior Accountant/Treasurer's, Financial Consultant/Executive Director, and second signatories, and be maintained for auditor records if needed.

**6. INTERNAL CONTROL REQUIREMENTS FOR ELECTRONIC PAYMENTS:** To protect EFT transactions from internal and external threats, the following controls will be adhered to:

- a. Implementation of bank offered security measures to prevent unauthorized individuals from initiating or modifying a transfer, i.e., ACH Filters.
- b. Each user initiating or approving bank transactions must have a separate bank User IDs.
- c. Each user must either initiate or authorize electronic transactions, but not both for the same transaction.
- d. Use of pre-established templates for specific transaction types and specific accounts may be authorized in advance by the Senior Accountant/Treasurer, however, new templates must be initiated by one user and authorized by the Executive Director.
- e. The process of creating, securing, sending, and authenticating direct deposit transmittal files to prevent unauthorized modification or submission is documented below.
- g. Changes to board member or vendor banking information for direct deposit must be processed in writing using the Direct Deposit Authorization Form, under no circumstances will account changes be authorized by telephone or email.

h. Changes to vendor ACH accounts must be processed in writing, under no circumstances will account changes be authorized by telephone or email. Upon receipt, staff will independently verify changes with the vendor by phone.

## **7. TYPES OF PAYMENTS WHICH MAY BE MADE BY EFT:**

Vendor Payments: In its normal course of business, the METRO WASTEWATER JPA may remit the following types of payments via ACH: vendor payments, Credit Card Merchant Service Fees, and bank card payments.

Wire Transfers: Transfer for investment purchases, bond proceeds, interest payments, and maturities may be processed by wire between the JPA and custodial account and between the JPA and the Local Government Investment Pool (LAIF – Local Agency Investment Fund). The Senior Accountant/Treasurer is the only position authorized to initiate wire transfers. Wire transfers may be used for vendor payments on an emergency basis or when no other payment method is available – these transactions must be approved by both the Executive Director and Board Chair/Auditor.

**8. TRAINING:** To ensure consistent compliance with procedures, Board members and agents of the JPA tasked with processing, reconciling and recordkeeping will train in proper procedures and internal controls prior to conducting these functions.

## **9. RECORD-KEEPING:**

a. Transaction records will include:

- i. Unique Identifying number of the EFT payment (i.e., invoice number, date of payment, or bank transaction number).
- ii. Time and date of disbursement.
- iii. Payee name and address.
- iv. Amount of disbursement.
- v. Purpose of disbursement.
- vi. Accounting system expenditure/expense account number.
- vii. Disbursing bank's unique transaction identification number, if available.
- viii. Receiving bank or financial institution's identification number.

b. Documentation must be maintained of authorizations by payees who have thereby agreed to moneys added to their accounts electronically.

## **10. PROCEDURES FOR ELECTRONIC PAYMENT PROCESSING:**

a. Origination of ACH File:

- i. ACH File Database: The METRO WASTEWATER JPA creates ACH files from Quickbooks, which are downloaded in proper ACH format.
- ii. Transmission: Several options are available to transmit the file to the ACH originating bank, either through a gateway provider, or directly to the bank. The METRO WASTEWATER JPA generates and transmits board member payments, reimbursements, vendor and supplier payment files via California Bank & Trust.
- iii. Retention: ACH and EFT date files are recommended to be maintained until audited plus four years. (The Local Government Records Program (LoCal) is tasked by Government Code section 12236; 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation).

b. Authorizations:

- i. All board members and vendors must complete and sign a Direct Deposit Authorization Form. This form is provided by and submitted to the JPA Senior Accountant/Treasurer along with the banking institution's contact information including phone number and address. The board member or vendor must provide either a deposit slip for a Savings Account or a voided check for a Checking Account. In lieu of a deposit slip or voided check, the board member or vendor may provide documentation from the board member or vendor's financial institution indicating the transit-routing number and the account number.
- ii. The authorization form shall provide the individual or company with the ability to change bank account information. Board members and vendors should notify the Senior Accountant/Treasurer immediately but no later than seven working days prior to the effective date. Exceptions may be granted up to 4 working days prior to the payment date for closed or compromised accounts.
- iii. All requests to revoke direct deposit authorization must be in writing.
- iv. Retention of authorization forms and any requests for revocation of authorization will be maintained until superseded and released from all audits.
- v. The METRO WASTEWATER JPA does not allow telephone or email-initiated entries or changes to authorizations.
- vi. Direct deposit requestors are responsible for ensuring the accuracy of the bank details provided. The JPA is not liable for any errors resulting from incorrect information.

vii. The Senior Accountant/Treasurer will keep private banking information confidential and will take appropriate measures to ensure compliance with data privacy regulations.

viii. Direct deposit recipients will be directed to carefully review their remittance advices and any related documentation (e.g., direct deposit notifications) subsequent to each payment and promptly report any errors. The Senior Accountant/Treasurer will review any such notifications and work with the recipient to identify and resolve any errors in a timely manner.

ix. CHANGES TO DIRECT DEPOSIT INFORMATION

1. Notification Requirement: Direct deposit recipients must notify the Treasurer of any changes to their banking information, or their request to terminate direct deposit, at least two weeks prior to the desired change to ensure it is processed for the next payment cycle.
2. Temporary Suspension: If there is an issue with the direct deposit (e.g., incorrect bank details), Direct deposit recipients will receive their payment by alternative means (paper check) until the issue is resolved.
3. Cessation of Direct Deposit: Upon suspension or revocation of direct deposit, recipients will receive their payment via paper check until a subsequent request to reinstate direct deposit is processed.

c. Transaction Advice:

- i. AP vendors being paid by ACH or Wire will be advised of the payment via email.

d. Cancellation of Transactions:

- i. If it is learned that a board member, supplier or vendor does not have a right to a payment, or the payment amount is in excess of the amount due to the board member, supplier or vendor, then the payment is to be cancelled. Actions to take will depend upon where the payment is in the timeline of the transaction.

- If the ACH file has not been transmitted to California Bank & Trust but the payment process has been finalized, staff will void the batch to remove the incorrect payment.
- If the ACH file has not been transmitted to California Bank & Trust and the ACH process has begun, staff will remove the incorrect payment prior to finalizing the batch.

- If the ACH file has already been transmitted to California Bank & Trust, staff would complete a California Bank & Trust ACH Service Request for Item Delete/Reversal and fax to California Bank & Trust.

e. Cut-off Times:

- i. The following cut-off times are established for ACH file transmissions: The ACH file auto-generated at the conclusion of the AP process should be scheduled to transmit two (2) banking days prior to issue/check date.

f. Funding Outbound ACH Transactions

- i. Funding of ACH files is deemed to be a critical function that must be performed accurately and in a timely manner, in order to avoid the overdrawing of bank accounts.
- ii. The settlement bank account which accommodates the funding of outbound ACH transactions for AP transactions is the JPA's General Bank Account held at California Bank & Trust.
- iv. Funding of ACH/EFT transactions must occur the day before the ACH funding is sent.

g. Reporting of Inbound EFT Transactions:

- i. The settlement bank accounts which accommodate the receipt of inbound ACH transactions are the JPA's General Checking Account held at California Bank & Trust.

h. Returns

- i. In the case of outbound transactions for board member and vendor payments, an ACH Returns account is not utilized. Instead, the returns will be credited to the settlement bank account at California Bank & Trust from which the funds were originally disbursed.
- ii. Returned items are monitored as part of the daily process. Any returned items are forwarded to the Senior Accountant/Treasurer, to be researched and either voided or reissued as appropriate. A second qualified reviewer will review all such returns and their related disposition.

\* \* \* End of Policy \* \* \*

METRO WASTEWATER JPA

91951 619-548-2934



P.O. Box 1072, National City, CA

[www.metrojpa.org](http://www.metrojpa.org)

# **Metro Wastewater JPA Policy No. 4**

## **Meetings Meal Policy**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista ☐ Coronado ☐ Del Mar ☐ El Cajon ☐ Imperial Beach ☐ La Mesa ☐ Lemon Grove Sanitation  
District National City ☐ Otay Water District ☐ Poway ☐ Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 4: MEETINGS MEAL POLICY**

*Adopted January 28, 2025*

### **1. PURPOSE**

This Policy is intended to provide guidelines for the prudent provision of meals for authorized meetings of the Metro Wastewater JPA.

### **2. OBJECTIVE**

To authorize the provision of meals to required attendees of Metro Wastewater JPA meetings.

### **3. POLICY**

Light Breakfasts and Lunches will be provided for all in-person meetings of the Metro Wastewater JPA/Commission (JPA), Finance Committee, and Metro TAC meetings. Meetings are as follows:

- Light lunches for JPA Board of Directors meetings inclusive of the Directors, MetroTAC representatives, JPA Executive Team staff, presenting San Diego staff and consultants.
- Light lunches for all in-person meetings of the MetroTAC representatives inclusive of TAC representatives, JPA Executive Team staff and presenting San Diego staff and consultants.
- Continental breakfasts for all in-person Finance Committee meetings for Committee Members and attending JPA Executive Team and San Diego Support staff.

For each fiscal year, the number of lunches (e.g., sandwiches, light dessert, and drinks) will be budgeted based on the number of projected meetings to be held during that fiscal year for each JPA or TAC meeting. The meals will be distributed on a first come first serve basis.

\* \* \* End of Policy \* \* \*



METRO WASTEWATER JPA

91951 619-548-2934



P.O. Box 1072, National City, CA

[www.metrojpa.org](http://www.metrojpa.org)

# **Metro Wastewater JPA Policy No. 5**

## **Investment Policy**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista ☐ Coronado ☐ Del Mar ☐ El Cajon ☐ Imperial Beach ☐ La Mesa ☐ Lemon Grove Sanitation  
District National City ☐ Otay Water District ☐ Poway ☐ Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

**POLICY 5: METRO WASTEWATER JOINT POWERS AUTHORITY  
INVESTMENT POLICY AND GUIDELINES**

*Adopted January 28, 2025*

1. PURPOSE

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

2. OBJECTIVE

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

3. POLICY

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

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

- A) Safety. Safety and the minimizing of risk associated with investing refer to attempts to reduce the potential for loss of principal, interest or a combination of the two. JPA invests only in those instruments that are considered very safe.
- B) Liquidity. Liquidity refers to the ability to convert an investment to cash promptly with a minimum risk of losing some portion of principal or interest. A portion of the portfolio should be maintained in liquid short-term securities which can be converted to cash, if necessary, to meet disbursement requirements.
- C) Yield. Yield is the average annual return on an investment based on the interest rate, price, and length of time to maturity. JPA attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

#### 4. INVESTMENT INSTRUMENTS

JPA may invest in the following instruments under the guidelines as provided herein:

- A) Local Agency Investment Fund (LAIF). Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account. Maximum investment is subject to state regulation.
- B) County of San Diego County Treasury. Investment of funds in the Treasury of the County of San Diego that allows the County Treasurer to invest through the Pooled Money Investment Account.
- C) Money Market Fund. Investment of funds in the Money Market Fund which allows investment in short-term dollar-denominated securities that are issued by diversified management companies and registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) in accordance with Government Code Section 53601(l)(2) and subject to the criteria and restrictions set forth in Government Code Section 53601(l)(4) and (5).

#### 5. SAFEKEEPING

All investments of JPA shall have the Metro Wastewater Joint Powers Authority as registered owner or shall be kept in the custody of JPA or by a qualified safekeeping institution.

6. INVESTMENT REPORTS

- A) JPA Treasurer shall submit investment reports quarterly within 30 days of the end of the quarter to the JPA's Board of Directors containing the following information:
- Financial institution
  - Type of investment
  - Amount of deposit
  - Rate of interest
- B) JPA Treasurer shall report monthly transaction reports to the JPA's Board of Directors if any investment transactions have been initiated on behalf of the JPA. This does not include any interest transactions occurring in the normal course of business.
- C) JPA Treasurer shall annually render a Statement of Investment Policy to the Board of Directors.

7. INVESTMENT OF BOND FUNDS

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

\* \* \* End of Policy \* \* \*



# **Metro Wastewater JPA Policy 6**

## **Purchasing Policy**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista ☐ Coronado ☐ Del Mar ☐ El Cajon ☐ Imperial Beach ☐ La Mesa ☐ Lemon Grove Sanitation  
District National JPA ☐ Otay Water District ☐ Poway ☐ Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 6: METRO WASTEWATER JPA PURCHASING POLICY**

### **1. Purpose**

The purpose of this policy is to establish guidelines for the procurement of goods and services to ensure fiscal responsibility, compliance with applicable laws, and the acquisition of quality products and services at the best possible prices.

### **2. Scope**

This policy applies to all purchases made by the JPA, including supplies, equipment, services, and construction contracts.

### **3. General Principles**

- **Transparency:** All purchasing activities should be conducted in a transparent manner.
- **Fair Competition:** Ensure fair and open competition among suppliers.
- **Cost-Effectiveness:** Aim to obtain the best value for money.
- **Accountability:** Maintain clear records and documentation for all purchases.
- **Agents of the JPA:**
  - **Executive Director,**
  - **Financial Consultant**
  - **Engineering Consultant**
  - **Board Secretary**
  - **Senior Accountant**
  - **Treasurer**

### **4. Procurement Authority and Responsibilities**

- **Board of Directors:** Approves the annual budget and any single expenditure over \$10,000.
- **Executive Director:** Has the authority to approve purchases up to \$10,000, with the concurrence of the Board of Directors Chairman.

### **5. Purchasing Procedures**

#### **5.1 Purchases up to \$5,000 per annum**

- **Procedure:** Obtain at least one verbal or written quote.
- **Approval:** Executive Director can approve these purchases with concurrence of Board of Directors Chair
- **Documentation:** Maintain a record of the quote and the rationale for the selection for a time period consistent with the records retention schedule.

## **5.2 Purchases between \$5,001 and \$10,000 per annum**

- **Procedure:** Try to obtain at least three written quotes.
- **Approval:** Executive Director can approve these purchases with concurrence of Board of Directors Chair
- **Documentation:** Record all quotes and the decision-making process for a time period consistent with the records retention schedule.

## **5.3 Purchases between \$10,001 and \$50,000 per annum**

- **Procedure:** Either issue a formal Request for Proposals (RFP) with a goal of obtaining at least three proposals, or, if sole source professional services is justified, document the rationale for selecting a single vendor.
- **Approval:** Requires approval from the Board of Directors.
- **Documentation:** Maintain comprehensive records of the RFP, proposals, evaluation process, or sole source justification for a time period consistent with the records retention schedule.

## **5.4 Purchases over \$50,000 per annum**

- **Procedure:** If a majority of the Board is satisfied with the performance of an agent of the JPA, a negotiation may proceed as a sole source agreement. If not, issue a formal Request for Proposals (RFP) and with a goal of obtaining at least three proposals. If three proposals are not received by the deadline, the Executive Director may waive this requirement. The submittal deadline shall not be less than 30 days following the date of release of the RFP.
- **Approval:** Requires approval from the Board of Directors.
- **Documentation:** Maintain comprehensive records of the RFP, proposals, and evaluation process for a time period consistent with the records retention schedule.

## **6. Emergency Purchases**

In cases of emergency where immediate purchase is necessary to protect the health, safety, or welfare of the public or to address urgent operational needs, the Executive Director or their designee may authorize such purchases with concurrence of the Board of Directors Chair. Emergency purchases must be reported to the Board of Directors at the next regular meeting.

## **7. Ethical Considerations**

All individuals involved in the purchasing process must adhere to the highest standards of ethical conduct, avoiding conflicts of interest and ensuring impartiality in decision-making.

## **8. Documentation and Record Keeping**

Maintain detailed records of all purchasing activities, including quotes, bids, purchase orders, contracts, and approvals. These records should be retained for a time period consistent with the records retention schedule.

## **9. Review and Amendments**

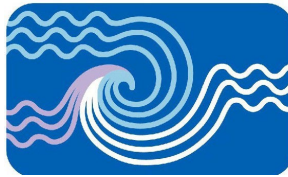
This policy should be reviewed biennially by the Board of Directors and amended as necessary to ensure it remains effective and compliant with applicable laws and regulations.

## **10. Compliance**

Failure to comply with this policy may result in disciplinary action, up to and including termination of contract.

\* \* \* End of Policy \* \* \*





# **Metro Wastewater JPA Procedure No. 1**

## **Guidelines for Staff in Closed Session**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **Metro Wastewater Joint Powers Authority**

### **Guidelines for Staff in Closed Sessions**

The chart below is meant to be helpful guidance regarding who is and is not permitted in a closed session under the guidance of California Attorney General (“AG”) Opinion No. 21-1102, published May 26, 2022, regarding staff attendance at closed sessions held under the Ralph M. Brown Act. These guidelines are subject to revision as the law changes. In the event of a change in law; the most current law will control.

#### **Who May Attend Closed Session**

- Members of the legislative body.
- Individuals authorized by statute to attend (i.e., legal counsel, real estate negotiator).
- Individuals who are “essential” to the agency’s ability to conduct the closed session business (such as the Executive Director, Executive Staff, or a percipient factual witness; must be “more than a mere potential benefit”).
- Designated clerk, officer, or employee to take notes and record closed session (must be the same single person designated by the Metro JPA Board for each closed session).

#### **Who May Not Attend Closed Session**

- Members of the public; non-essential staff or consultants
- Members of Metro TAC (unless deemed “essential” for the purposes of that closed session).
- Individual staff members of the legislative body members, or the participating agency (unless deemed “essential”), even for purposes of taking notes, administering the meeting, or providing the members with relevant information.
- An Alternate Board Member of the legislative body who is not serving in place of an absent member.
- Anyone else not expressly designated as essential to the closed session.

METRO WASTEWATER JPA

91951 619-548-2934



P.O. Box 1072, National City, CA

[www.metrojpa.org](http://www.metrojpa.org)

# **Metro Wastewater JPA Procedure No. 2**

## **Fiscal Year End Closing Procedures**

The Joint Powers Authority Proactively Addressing Regional Wastewater Issues

---

Chula Vista ☐ Coronado ☐ Del Mar ☐ El Cajon ☐ Imperial Beach ☐ La Mesa ☐ Lemon Grove Sanitation  
District National City ☐ Otay Water District ☐ Poway ☐ Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **PROCEDURE 2: METRO WASTEWATER JOINT POWERS AUTHORITY FISCAL YEAR END CLOSING PROCEDURES**

*Adopted January 28, 2025*

### **1. PURPOSE**

This Procedure document is intended to provide guidelines for the comprehensive process of properly preparing to close the Fiscal Year-End accounting records for Metro Wastewater Joint Powers Authority's (JPA). This is to ensure the JPA is prepared to provide accurate accounting records to the independent auditor.

### **2. OBJECTIVE**

The fiscal year-end close process is required to prepare the general ledger accounts for financial statement presentation and for the start of the next accounting process. The closing process consists of steps to transfer income statement accounts to balance sheet accounts. Since income statement accounts record current year activity, they must be zeroed out or closed in preparation of the next accounting period. This process begins after June 30, The JPA's fiscal year-end close date. The process continues until the financial statement audit field work begins. At the end of the fiscal close, the income statement accounts are closed into net position for the beginning of the next accounting period.

### **3. PROCEDURES**

1. Each May, list all critical activities that are part of the year-end closing process (e.g. reconcile all accounts, evaluate your assets and liabilities etc.)
  - a. Send reminder to agencies to pay any amounts due prior to June 30,
  - b. Send reminder to independent contractors and vendors to provide any invoices for work completed in June or prior, no later than July 20<sup>th</sup>, so the amounts may be properly accrued onto the books of the JPA.
2. Gather Relevant Financial Documents:
  - a. Bank statements,
  - b. Statements from credit cards, etc,
  - c. Inventory counts (if any),
  - d. Copy of last year's financial statements and general ledger.
3. Reconcile Bank Statements:
  - a. Compare each transaction in your bank statements with the corresponding entry in your general ledger. Then check for discrepancies between them.

4. Review Accounts Payable and Receivable:
  - a. Review outstanding bills and invoices, as well as vendor and customer payments, and confirm they're accurately recorded in the correct fiscal year and represent the amounts owed. Receivables are recorded revenue earned, but not yet received and Payables are accrued for expenses incurred, but not yet paid.
5. Review Your Assets:
  - a. Definition of Capital Asset: Useful Life > 1 Year and Cost > \$5,000.00
  - b. Ensure your financial statements reflect the true value of your assets on the balance sheet and the appropriate expenses on the income statement.
  - c. Calculate the Depreciation Expense for Each Asset.
  - d. Estimate the useful life of the asset, estimate a salvage value and deduct the salvage value from the asset's cost to find the amount that needs to be depreciated over the lifetime of the asset.
  - e. Divide that number by the useful life to find the amount of depreciation to be recognized for that asset in each accounting year.
6. Prepare Your Income Statement:
  - a. An income statement (also known as a Profit and Loss Statement) provides a summary of the JPA's revenues, expenses, and change in net position (or net loss) during the fiscal year.
7. Prepare Your Balance Sheet:
  - a. A balance sheet offers a summary of the JPA's assets, liabilities, and Net Position, grouped into current and non-current items.
8. Gather All Necessary Tax Documents:
  - a. Gather all necessary tax documents, such as W-2s, 1099s, and other relevant tax forms.
  - b. Make sure they are complete and accurate.
9. Check All JPA member Expense Reports:
  - a. Gather all expense reports submitted for reimbursement during the year.
  - b. Ensure you have documentation for each report, including receipts and supporting documentation.
10. Reconcile Credit Card Statements
11. Review Contracts and Agreements:
  - a. Collect all contracts, agreements, and legal documents for any financial commitments the JPA executed during the year, such as relationships with vendors, clients, suppliers, partners, landlords, and other contracts.
  - b. Identify any financial obligations from the contracts, then record relevant information (such as contract values, payment schedules, and billing cycles) in your records.
12. Assess the Need for Bad Debt Write-Offs

13. Create updated accounts receivable aging report and review it to identify overdue invoices and aging balances.
  - a. Analyze the payment history of the accounts to assess how likely customers are to pay.
  - b. Estimate the portion of accounts receivable that is unlikely to be collected based on your assessment.
14. Review and Adjust Accounts:
  - a. Review individual transactions in each general ledger account and verify that transactions are correctly recorded, classified, and summarized according to the chart of accounts. Reconcile them with supporting documentation (bank statements, invoices, receipts, and other financial records).
15. Prepare Cash Flow Statement
  - a. Summarize the cash inflows and outflows from operating, investing and financing activities during the fiscal year.
16. Document Year-End Review:
  - a. Maintain thorough documentation of your year-end accounting review process. This will be valuable for audits and future reference.
17. Set Goals for the Next Fiscal Year:
  - a. Assess how the year end close process went this year, identify opportunities for improvement and set goals for next year's financial close process, including which steps you'll want to complete early.

\* \* \* End of Procedure \* \* \*



# **Metro Wastewater JPA Resolution 2023-2**

## **Establishing Compensation to Directors**

The Joint Powers Authority Proactively Addressing Regional Wastewater Issues

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## RESOLUTION 2023-02

### A RESOLUTION OF THE METRO WASTEWATER JOINT POWERS AUTHORITY BOARD OF DIRECTORS ESTABLISHING COMPENSATION OF DIRECTORS

**WHEREAS**, the Metro Wastewater Joint Powers Authority ("**Metro**") is a public agency formed pursuant to joint powers agreements pursuant to Government Code sections 6500 *et seq.*, and governed by the Metro Board of Directors; and

**WHEREAS**, the Metro Board of Directors desires to establish reasonable compensation for all Directors of the Metro, excluding Advisory Directors, from time to time by resolution of the Board of Directors; and

**WHEREAS**, compensation for Directors' attendance at Metro Board meetings has not been changed since at least 2008;

#### **NOW, THEREFORE, BE IT ORDAINED THAT:**

1. **General Provisions.** The Metro Board of Directors shall establish compensation every five years for all Metro Directors, excluding Advisory Directors, beginning with Fiscal Year 2023-2024 through the end of Fiscal Year 2027-2028 (the "**Period**"). If the Metro Board of Directors does not adopt a new resolution establishing future compensation before the end of the Period, compensation shall remain at the same amount established in the 2027-2028 Fiscal Year until a new resolution establishing compensation is subsequently adopted.

2. **Per Diem Established.** Beginning Fiscal Year 2023-2024, the Metro Directors (or duly-appointed alternates that attend meetings in a primary Director's absence) shall be paid compensation in the amount of \$158.00 ("**Per Diem**") for attendance at Metro meetings, including attendance at meetings of an advisory body of Metro, such as standing or ad hoc subcommittees, or for each day's service rendered as a Metro Director by request of the Chair or Board. For each subsequent Fiscal Year thereafter during the remainder of the Period, the Per Diem amount shall increase at an annual rate of 5.00%, as established below.

Fiscal Year Ended	2023	2024	2025	2026	2027	2028
Stipend (\$)	\$150.00	\$158.00	\$166.00	\$175.00	\$184.00	\$194.00
Increase (%)	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%

3. **Attendance at Multiple Meetings.** Where a Director attends multiple but distinct Metro meetings (including advisory body meetings) in the same day, the Director shall be compensated Per Diem for each meeting attended, so long as each meeting's duration lasts at least fifteen (15) minutes or longer.

4. **Finance Committee Alternate.** If the Metro Board's duly appointed alternate member of the Finance Committee attends a Finance Committee meeting in a non-voting capacity (meaning all primary Finance Committee members are present), the alternate may nonetheless receive a Per Diem for his or her attendance at that meeting, in order to encourage the alternate's



attendance at Finance Committee meetings. It is a benefit to both the Finance Committee and the Metro Board of Directors that the Finance Committee alternate observe and track the discussions held at Finance Committee meetings so that s/he can step in as an informed member of the Finance Committee if or when s/he is required to attend in a voting capacity.

5. Limit on Number of Meetings. No Board Director or alternate shall be paid more than six (6) Per Diems per month, except for the Board Chair, who may be paid for no more than ten (10) Per Diems per month. All Per Diem requests must be submitted to the Metro Treasurer within sixty (60) days of the day for which a Per Diem is requested.

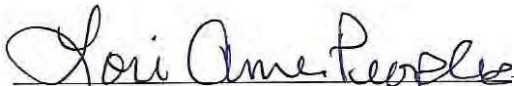
6. No Overlapping Compensation. Directors to whom Metro would pay a Per Diem pursuant to this resolution shall not receive a Per Diem if they are otherwise eligible to receive compensation, including per diem, from their respective agencies for attendance at Metro meetings or for service rendered as a Metro Director by request of the Chair or Board.

**PASSED AND ADOPTED** at a meeting of the Board of Directors of the Metro Wastewater Authority, held this 1st day of June, 2023.

SIGNED:

  
\_\_\_\_\_  
Jerry Jones, Board Chair  
Metro Wastewater Authority

ATTEST:

  
\_\_\_\_\_  
Lori Anne Peoples, Board Secretary  
Metro Wastewater Authority



# **Metro Wastewater JPA Resolution 2025-1**

## **Establishing a Reserve Fund Policy**

(Coming Soon)

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

**(COMING SOON)**



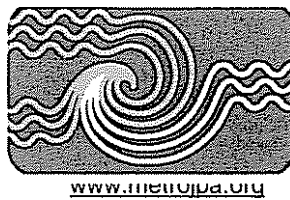
# **Metro Wastewater JPA Protocol No. 1**

## **Debt Service Coverage and Operations Reserve Calculations**

---

THE JOINT POWERS AUTHORITY PROACTIVELY ADDRESSING REGIONAL WASTEWATER ISSUES.

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
San Diego County Sanitation Districts



April 19, 2010

Rod Greek  
Public Utilities Deputy Director  
City of San Diego, Metropolitan Wastewater  
9192 Topaz Way  
San Diego, CA 92123

Re: Administrative Protocol on Allocation of Operating Reserves and Debt Service  
Coverage to Participating Agencies

Dear Mr. Greek:

This letter is intended to memorialize the attached Administrative Protocol on Allocation of Operating Reserves and Debt Service Coverage to Participating Agencies ("Protocol") negotiated between the City of San Diego and Metro TAC/ Metro *JPN* Metro Commission, on behalf of the Participating Agencies under the Regional Wastewater Disposal Agreement. Your signature will indicate acceptance of the Protocol on behalf of the City.

By countersigning this letter, the City of San Diego and Metro TAC/ Metro *JPN* Metro Commission acknowledge and agree to the terms and conditions contained in the attached Protocol.

Sincerely,

*c/4-:lidii4, t r*  
for the Metro TAC/ Metro *JPN* Metro Commission

Enclosure

The Protocol is accepted by the City of San Diego pursuant to the terms and conditions set forth in the attachment hereto:

Date: 1/19/10

  
Rod Greek, Public Utilities Deputy Director

The Protocol is accepted by Metro TAC/ Metro *JPN* Metro Commission on behalf of the Participating Agencies pursuant to the terms and conditions set forth in the attachment hereto:

n, £1/1'

---

The Joint Powers Authority Proactively Addressing Regional Wastewater Issues

Chula Vista • Coronado • Del Mar • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine, Spring Valley & Winter Gardens Sanitation Districts

# **Administrative Protocol on Allocation of Operating Reserves and Debt Service Coverage to Participating Agencies**

## **BACKGROUND:**

In early 2008 the MetroTAC formed a working group in response to the City of San Diego's request for \$20 million in funding in FYE 2009 from the Participating Agencies ("PAs") for operating reserves and debt service coverage. The working group continued to meet with City of San Diego staff regarding the establishment of a mutually agreed upon protocol through early February 2010. A summary of the City of San Diego's 2008 proposal and the negotiated 2010 protocol is included as Attachment A.

At its regular meeting of February 17, 2010, the MetroTAC approved the following recommendations to move to the Finance Committee of the Metro Wastewater JPA and thereafter to the Metro Commission/ Metro Wastewater JPA for discussion and action:

- Proceed with PAs funding a 1.2 debt service ratio coverage
- Proceed with PAs funding a 45 day operating reserves
- The PAs will fund no other reserves
- FY07 and FY08 refund monies will be used to fund the operating reserves
- Interest accrual on operating reserves and undesignated accounts will start with FY10 (beginning on July 1, 2009)

The Finance Committee of the Metro Wastewater JPA, at its February 24, 2010 meeting, took action to recommend approval of the above, by the Metro Commission/ Metro Wastewater JPA. At its March 4, 2010 meeting, the Metro Commission/ Metro Wastewater JPA, comprised of representatives of the PAs, approved the components of the negotiated policy, with the understanding that any such policy would serve as an administrative protocol regarding the allocation of debt service coverage to the PAs and funding of operating reserves by the PAs.

## **PROTOCOL REGARDING PA FUNDING OF OPERATING RESERVES:**

### **Background:**

Operating reserves are established to provide funding for unforeseen events that might occur during the course of the fiscal year such as unforeseen major maintenance or capital projects. The PAs performed a survey of other regional wholesale agencies and determined that agencies such as the San Diego County Water Authority maintain a 45 day operating reserves. Although the City of San Diego's current policy is to increase operating reserves for its retail customers from 45 to 70 days, the City realizes that if a major maintenance incident should occur it can immediately request payment from the PAs per the Regional Wastewater Disposal Agreement. The City of San Diego's retail customer's rates cannot be immediately increased due to Proposition 218 requirements for noticing and public hearings.

### **Protocol:**

Attachment Bis a summary of the funding strategy showing each PAs 2007 and 2008 refunds based on recent City Metro Wastewater Exhibit E audits. The refunds will be used to fund the PAs 45 day operating reserves contribution. In the majority of cases most PAs will see a refund even after they have

fully funded their portion of the operating reserves. PAs that do not have adequate refunds will be billed for their portion of the reserve in the next quarterly 2010 billing. The operating reserves for each fiscal year will be established based on 45 days of operating revenues as determined by the following formula:

$$\frac{\text{Fiscal Year Estimated Operating Expenses (not including CIP and debt service)}}{365 \text{ days} \times 45 \text{ days}}$$

The number of days included in the calculation cannot be changed without prior consent of the PAs.

The operating reserves will be maintained by the City of San Diego and interest will accrue on a monthly basis based on actual interest rates on the City's investments. This interest revenue will be added to the PAs undesignated fund balance for that fiscal year. As part of each year's Exhibit E audit the actual required operating reserves and interest earned on it will be determined and audited by the City of San Diego's external auditors and PA representatives. A summary of the operating reserves balance and interest earned for each PA will be included as a footnote or attachment to the City Metro Wastewater Exhibit E Audit.

#### **PROTOCOL REGARDING ALLOCATION OF DEBT SERVICE COVERAGE TO PAs**

##### **Background:**

A 1.2 debt service coverage ratio is a requirement for all of the outstanding Metro parity debt. A cash flow prepared by the City of San Diego shows (Attachment C) that if the PAs are billed at the current level (\$65 million annually to cover the PAs portion of operations, pay-go capital, and debt service expense) for the next three to five years that this requirement can be achieved without additional contributions by the PAs. This provides the PAs a stable projected annual Metro contribution for the next three to five years.

##### **Protocol:**

The PAs will maintain through annual contributions and use of PA undesignated fund balance a positive cash flow not to exceed 1.2 times the PA share of the required annual debt service on Metro Debt. The debt service coverage ratio of 1.2 cannot be changed without prior consent of the PAs.

The undesignated fund balance will be maintained by the City of San Diego and interest will accrue on a monthly basis based on actual interest rates on the City's investments. This interest revenue will be added to the PAs undesignated fund balance for that fiscal year.

As part of each year's Exhibit E audit the actual required reserve coverage and interest earned on the undesignated fund balance will be determined and audited by the City of San Diego's external auditors and PA representatives. A summary of the debt service coverage requirement and portion of interest earned on the undesignated fund balance for each PA will be included as a footnote or attachment to the City Metro Wastewater Exhibit E Audit.

If the cash flow in any year does not provide the required 1.2 debt service coverage the PAs will be billed the additional required revenue including interest.

Draft

Schedule of Participating Agency Contributions to Operations Reserve and Debt Service Coverage Cash Flow - FY 2007-2011  
Prepared on: February 23, 2010

HOW TO READ CASH FLOW SPREADSHEET:  
Blue font = data inputted directly into spreadsheet  
Green font = data imported from another spreadsheet in workbook  
Blade font = Calculation; see legend to determine calculation

Line	Component	Legend	Footnote
1	Current Projected Revenue Stream	Input	
2	Annual Refund After Exhibit E Audit	Input	
3	Transfer (to)/from Operating Reserve	Line 21 - Prior Year	
4	Underspread Fund Balance Interest	Line 17 X Interest Rate	(1)
5	Operating Reserve Interest	Calculated Off-Line	(2)
6	Gross PA System Revenue	Sum(Lines 1-5)	
7	Less:		
8	PA Estimated Total Operating Expenses	Prior year X 1.01	(3)
9			
10	Net PA System Revenue	Line 6 - Line 8	
11			
12	PA Annual Debt Service Payment	Calculated Off-Line	
13	OP Pay Go - 20% of Projected OP	Input	(4)
14	Total CIP and Debt Service	Line 12 + 13	
15			
16	Net Income after OP and Debt Service	Line 10 - 14	
17	PA Underspread Fund Balance	Line 16 + Prior Year	
18			
19	Calculated Debt Service Ratio	Line 10 / Line 12	(5)
20			
21	Operating Reserve (45 days)	(Line 8 / 365 days) X 45 days	

AUDITED	FY07	FY08	FY09	FY10	FY11	PROJECTED	FY12	FY13	FY14	FY15
	\$54,007,596	\$63,231,038	\$57,249,960	\$64,487,408	\$65,000,000	\$65,000,000	\$65,000,000	\$65,000,000	\$65,000,000	\$65,000,000
					(1,500,000)	(3,000,000)	(2,500,000)	(2,100,000)	(1,800,000)	(1,800,000)
				(4,281,432)	(42,814)	(43,242)	(43,675)	(44,112)	(44,553)	(44,553)
				79,990	258,156	225,608	113,282	62,579	58,899	58,899
				164,514	166,159	167,821	169,499	171,194	172,906	172,906
	\$54,007,596	\$63,231,038	\$57,249,960	\$52,241,049	\$63,881,500	\$62,350,187	\$62,739,106	\$63,089,661	\$63,387,252	\$63,387,252
	\$32,304,298	\$37,150,042	\$34,727,170	\$34,727,170	\$35,074,442	\$35,425,186	\$35,779,438	\$36,137,232	\$36,498,605	\$36,498,605
	\$21,703,298	\$26,080,996	\$22,522,790	\$17,513,879	\$28,807,059	\$26,925,001	\$26,959,668	\$26,952,429	\$26,888,64	\$26,888,64
	\$20,373,393	\$19,850,051	\$20,441,069	\$24,049,989	\$14,043,880	\$22,479,039	\$22,478,266	\$22,478,075	\$22,478,730	\$22,478,730
	(4,417,502)	(512,512)		1,318,048	5,610,210	7,369,218	5,800,940	4,570,129	4,655,009	4,655,009
	\$15,955,891	\$19,337,539	\$20,441,069	\$25,368,037	\$29,654,090	\$29,848,257	\$28,279,206	\$27,048,204	\$27,133,739	\$27,133,739
	\$5,747,407	\$6,743,457	\$2,081,721	(\$7,854,157)	(\$847,032)	(\$2,923,257)	(\$1,319,537)	(\$95,775)	(\$245,092)	(\$245,092)
	\$5,747,407	\$12,490,864	\$14,572,585	\$6,718,428	\$5,871,396	\$2,948,139	\$1,628,602	\$1,532,827	\$1,287,735	\$1,287,735
				0.73	1.20	1.20	1.20	1.20	1.20	1.20
				\$4,281,432	\$4,324,246	\$4,367,489	\$4,411,164	\$4,455,275	\$4,499,121	\$4,499,121

Footnotes:

- (1) average of current year and prior year balance times 3.2"
- (2) average monthly balance times LAIF rate (line year calculated at half year interest)
- (3) FY09 based on average of FY07 & FY08 then 1% inflation
- (4) 20% of projected Metro CIP
- (5) Minimum coverage requirement 1.2 times annual Metro debt service

**FY10 Operating Debt Coverage Calc:**  
PA Operating Expenses: \$34,727,170  
divided by: 365  
Equals: \$95,143  
Times: 45  
45 day Operating Reserve: \$4,281,432

**FY10 Budgeted Interest Earned Calc:**  
PA Operating Expenses: \$4,281,432  
Times average monthly LAIF Interest Rate: 0.038425 (range from 3.18% to 4.53% per month)  
FY10 Estimated Interest Earned: \$164,514




FY07-FY08 Operating Reserve Rate Stabilization  
Based on 2008 Flows  
FINAL

EXHIBIT E AUDIT ADJUSTMENTS				2008 FLOWS & LOADS		
Agency	FY 2007	FY 2008	TOTAL	2008 FLOWS &LOADS	OPERATING RESERVE	NET
CHULA VISTA	(\$1,837,010)	(\$2,100,751)	(\$3,937,761)	28.083%	\$1,202,374	(\$2,735,387)
CORONADO	(\$189,910)	(\$366,858)	(\$556,768)	3.356%	\$143,693	(\$413,075)
DELMAR	(\$87,785)	(\$103,913)	(\$191,698)	1.029%	\$44,061	(\$147,637)
EL CAJON	(\$290,369)	\$66,888	(\$223,481)	15.270%	\$653,789	\$430,308
IMPERIAL BEACH	(\$132,300)	(\$130,153)	(\$262,453)	3.652%	\$156,373	(\$106,080)
<b>LA MESA</b>	(\$99,793)	(\$40,190)	(\$139,983)	8.842%	\$378,561	\$238,578
LAKESIDE/ALPINE	(\$293,313)	(\$243,206)	(\$536,519)	5.357%	\$229,368	(\$307,151)
LEMON GROVE	(\$147,034)	(\$195,043)	(\$342,077)	3.611%	\$154,615	(\$187,462)
NATIONAL CITY	(\$637,379)	(\$947,043)	(\$1,584,422)	7.572%	\$324,211	(\$1,260,211)
OTAY	\$123,792	(\$138,545)	(\$14,753)	0.459%	\$19,668	\$4,915
PADRE DAM	(\$789,976)	(\$1,752,218)	(\$2,542,194)	5.198%	\$222,537	(\$2,319,657)
POWAY	(\$683,251)	\$130,168	(\$553,083)	5.770%	\$247,021	(\$306,062)
<b>SPRING VALLEY</b>	(\$611,093)	(\$667,539)	(\$1,278,632)	10.316%	\$441,691	(\$836,941)
WINTERGARDENS	(\$71,984)	(\$56,162)	(\$128,146)	1.482%	\$63,470	(\$64,67
<b>TOTAL</b>	<b>(\$5,747,405)</b>	<b>(\$6,544,565)</b>	<b>(\$12,291,970)</b>	<b>100%</b>	<b>\$4,281,432</b>	<b>\$ {8,010,538.00}</b>



Order Details

<b>Order Number</b> 1126229152	<b>Payment Method</b>  Visa ending in <b>0770</b>	<b>Shipping Address</b> LeeAnn JonesSantos	<b>Billing Address</b> LeeAnn JonesSantos
<b>Order Date</b> 07/20/2024			
<b>Membership Number</b> 824169697001			

Item	Quantity	Status	Total Price
HP Pavilion 16" Touchscreen Laptop - Intel Core 7 Processor 150U - WUXGA (1920 x 1200) - Windows 11 Item #1825558 \$899.99 Discount \$150.00	1	Delivered	\$899.99
CA EWST FEE 15-34 Item #998500000000 \$5.00	1	Delivered	\$5.00

McAfee Total Protection, 1 Device, (E-Delivery)	1	Shipped	\$0.01
Item #1513304			
\$0.01			
Discount \$0.01			

Order Summary

Subtotal (3 Items)	\$905.00
Shipping	\$14.99
Tax	\$59.29
Order Total	\$829.27



NEXT

Buy Direct from Select Brands at a Costco Price



butter  
LONDON



BRIGGS & RILEY



THOMAS KINKADEE  
Studios



CASE•MATE



Metro Wastewater Joint Powers Authority  
Treasurer's Report  
**ending December 31, 2024**

**\*\*UNAUDITED\*\***

**Metro Wastewater JPA**  
**Treasurer's Report**  
ending December 31, 2024  
Unaudited

<b>Beginning Cash Balance at July 1, 2024</b>	\$ 317,985
<b>Operating Results</b>	
Membership Dues & Interest Income	1,003,027
Expenses	<u>(261,430)</u>
Change in Net Position	741,596
Net change in Receivables & Payables	<u>(19,728)</u>
<b>Cash Provided by Operations and Investing</b>	<u>721,868</u>
<b>Ending Cash Balance at December 31, 2024</b>	<u><u>\$ 1,039,853</u></u>

**Metro Wastewater JPA**  
**Statement of Net Position**

As of July 1, 2024 and December 31, 2024

Unaudited

	<u>July 1, 2024</u>	<u>December 31, 2024</u>	<u>\$ Change</u>
<b><u>ASSETS</u></b>			
Checking/Savings	\$ 317,985	\$ 1,039,853	\$ 721,868
Accounts Receivable	22,824	6,169	(16,655)
<b>Total Assets</b>	<b>\$ 340,809</b>	<b>\$ 1,046,022</b>	<b>\$ 705,213</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 42,611	\$ 6,228	\$ (36,383)
Unearned Membership Billings	-	-	-
<b>Total Liabilities</b>	<b>\$ 42,611</b>	<b>\$ 6,228</b>	<b>\$ (36,383)</b>
<b><u>NET POSITION</u></b>			
Net Position at Beginning of Period	\$ 247,595	\$ 298,197	\$ 50,602
Change in Net Position	50,602	741,596	690,994
Net Position at End of Period	\$ 298,197	\$ 1,039,793	\$ 741,596
<b><u>TOTAL LIABILITIES &amp; NET POSITION</u></b>	<b>\$ 340,809</b>	<b>\$ 1,046,022</b>	<b>\$ 705,213</b>

<i>Net Position at 12/31/2024</i>	\$ 1,039,793
<i>FY '25 Required Reserve (4 months of Op Exp)</i>	275,637
<i>FY '25 Contingency Reserve</i>	197,714
<i>Over (under) required reserve</i>	\$ 566,443

Assets	\$ 1,046,022
Liabilities/Equity	\$ 1,046,022
Difference	\$ (0)

**Metro Wastewater JPA**  
**Statement of Operations**  
**Budget vs. Actual**  
ending December 31, 2024  
Unaudited

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under) Budget</u>
<b>Income</b>			
<b>Membership Dues</b>	\$ 988,568	790,855	\$ 197,713
<b>City of San Diego</b>	13,154	17,678	(4,524)
<b>Interest Income</b>	<u>1,305</u>	<u>350</u>	<u>955</u>
<b>Total Income</b>	\$ 1,003,027	\$ 808,883	\$ 194,144
<b>Expense</b>			
<b>Administrative Assistant-LP</b>	\$ 13,212	24,600	\$ (11,388)
<b>Bank Charges</b>	18	100	(82)
<b>Contingency</b>	-	-	-
<b>Dues &amp; Subscriptions</b>	-	-	-
<b>Financial Services</b>		-	
<b>Audit Fees</b>	6,560	-	6,560
<b>Financial Consulting Support (Auditor)</b>	-	-	-
<b>Financial - The Keze Group</b>	80,978	84,000	(3,022)
<b>Treasurer - CPA</b>	24,808	25,000	(192)
<b>JPA/TAC meeting expenses</b>	2,180	3,000	(820)
<b>Miscellaneous</b>	218	125	93
<b>Per Diem - Board</b>	17,342	14,250	3,092
<b>Printing, Postage, Supplies</b>	146	250	(104)
<b>Professional Services</b>		-	
<b>Engineering - Dexter Wilson</b>	68,118	100,000	(31,883)
<b>Engineering - NV5</b>	2,040	15,000	(12,960)
<b>Legal - Procopio (Pure Water/2nd ARA)</b>	8,377	75,000	(66,623)
<b>Legal - Procopio (General)</b>	16,241	30,000	(13,760)
<b>Legal - Procopio (SD Spill 2020 &amp; 2023)</b>	4,691	15,000	(10,309)
<b>Paul Redvers Brown, Inc.</b>	-	6,225	(6,225)
<b>Strategic Planning</b>	15,250	7,638	7,613
<b>IT &amp; Communications</b>	-	10,000	(10,000)
<b>Telephone, Software &amp; Internet</b>	1,252	1,500	(248)
<b>Website Architecture Update</b>	-	-	-
<b>Website Maintenance &amp; Hosting</b>	<u>-</u>	<u>1,768</u>	<u>(1,768)</u>
<b>Total Expense</b>	\$ 261,430	\$ 413,455	\$ (152,025)
<b>Net Income (Loss)</b>	<u>\$ 741,596</u>	<u>\$ 395,428</u>	<u>\$ 346,169</u>

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

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

**RECITALS**

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

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

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

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

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

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

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



## AMENDMENT TO AGREEMENT

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

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

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

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

2. Compensation.

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

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


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

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

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

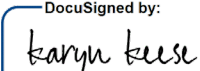
IN WITNESS HEREOF, BY SIGNING BELOW THE PARTIES HERETO VOLUNTARILY ENTER INTO THIS AMENDMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.

**METRO WASTEWATER JOINT POWERS AUTHORITY**

DocuSigned by:  
By:   
EA3367DA2B0F471...  
Chairperson


Date: May 28, 2024

**THE KEZE GROUP LLC**

DocuSigned by:  
By:   
27B58613712A403...  
Karyn L. Keze

Date: May 29, 2024

APPROVED AS TO FORM:

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

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

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

**RECITALS**

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

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

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

**AGREEMENT**

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. **Services.**

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

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

2. Compensation.

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

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

3. Additional Work.

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

4. Substitution of Key Personnel.

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

5. Maintenance of Records.

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

6. Time of Performance: Term.

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

7. Delays in Performance.

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

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

8. Compliance with Law.

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

9. Standard of Care.

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

10. Assignment and Subconsultant.

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

11. Independent Consultant.

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

12. Insurance.

a. Commercial General Liability.

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

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

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

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

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

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

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

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

b. Automobile Liability.

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

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

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

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

c. Workers' Compensation/Employer's Liability

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

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

d. Minimum Policy Limits Required

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

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

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

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

f. Evidence Required

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

g. Policy Provisions Required.

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

(ii) [Intentionally left blank.]

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

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

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

h. Qualifying Insurers.



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

(ii) Each such policy shall be from a company or companies with a current AM. 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.

1. Additional Insurance Provisions.

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

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

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

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

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

13. Indemnification.

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

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

14. Laws, Venue, and Attorneys' Fees.

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

15. Termination or Abandonment.

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

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

16. Documents.

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

17. Organization.

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

18. Notice.

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

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

and shall be effective upon receipt thereof.

19. Third Party Rights.

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

20. Severability.

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

21. Integration.

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

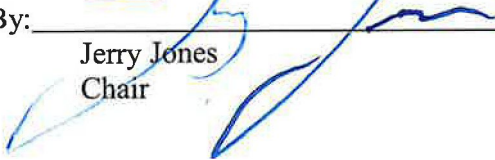
22. Annual Updates: Consultant's Continuing Obligations to Provide Documents.

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

SIGNATURES ON FOLLOWING PAGE(S)

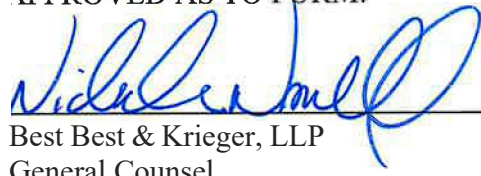
IN WITNESS WHEREOF, the Parties have executed this Professional Services Agreement as of the date first written above.

**METRO WASTEWATER JPA:**

By:   
Jerry Jones  
Chair

Karyn K. Ze

**APPROVED AS TO FORM:**

  
Best Best & Krieger, LLP  
General Counsel  
METRO WASTEWATER JPA

## **EXHIBIT "A"**

### **Scope of Services**

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

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

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

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

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

The routine services will include the following tasks:

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

- B. Routine Annual Audit Review - Public Utilities Department (PUD), Wastewater Operations Branch, Exhibit E Audit Review
1. Review and negotiate the auditors Scope of Work.
  2. Attend Entrance and Exit Conferences with the Auditors.
  3. Select operating, CIP, and non-operating revenue audit samples.
  4. Attend/call in to Interim work meetings with the Auditors (maximum of 5 per audit).
  5. Review all audit samples for contract compliance and accounting accuracy.
  6. Review the annual general services cost allocation.
  7. Review output for any special projects (In the past years this has included the tracking and reconciliation of Pure Water Program (PWP) task orders and construction project final bid costs to revise their original cost allocation and ensure that only appropriate Metro costs have/had been charged to the PAs). During the years covered by this Contract each year every PWP contract or task order, (either CIP or O&M) will be reviewed to insure that only correct Metro cost allocations are being utilized and that the PA's are not paying for Muni or Water costs.
  8. Review South Bay and North City recycled water sales and incentives to ensure that appropriate revenues are credited to the PAs. Review other income credits to insure those non-operating revenues are credited to the PAs.
  9. Review the draft and final audit numbers and sample test results. Review the administrative protocol calculations to insure proper allocation of revenues and expenses to the PAs. Prepare list of questions and work on resolution of issues regarding samples.
  10. Present the results to the Metro TAC, Metro Finance Committee, and Metro Wastewater JPA.
  11. Monitor closeout process to insure timely payment of refunds (if any) and the accuracy of any additional billings' (if any) to PAs.
- C. Annual Routine Review of City of San Diego's Metro Wastewater Budgets
1. Line-item review of the proposed CIP projects to verify that they are a part of the Wastewater Agreement. Provide a preliminary review of the O&M costs to identify areas of concern for the PAs.
  2. Identify budget items that show major deviation from previous years and discuss these deviations with PUD staff.

3. Attend meetings with the City of San Diego PUD staff to identify the nature and magnitude of the budget items.
  4. Ensure that costs are being correctly allocated to each PA based upon the Amended Restated Agreement's (ARA) Exhibits and any successor Agreements. Provide updates on budget issues to the Metro TAC, the Finance Committee, and the Metro Wastewater JPA meetings.
  5. Review January budget estimates for contractual compliance and implementation of quarterly billings to the PAs.
  6. In conjunction with the PUD staff, prepare five-year budget projections.
- D. Participation in PUD's Rate Cases - This task covers both the current (FY 2023 - FY 2024) update to the Strength Based Billing Methodology that is used to allocate annual costs to the PAs by Stantec as well as San Diego's own municipal rate cases for water, wastewater, and recycled water during the Contract period of FY 2025 and FY 2026.
  - E. Pure Water Program Support - This task includes 20 hours per month to cover the projects and meetings required to facilitate conclusion and adoption of the 2nd ARA and of assistance in financial oversight of Phase I and II of the Pure Water Program including cost reconciliations of project costs. Envisioned subtasks include revisions to the existing ARA's financial sections which include the "parking lot" items; and continued cost allocation monitoring and updates of all Pure Water purchase/task orders for both O&M and capital projects.
  - F. Metro TAC and JPA Staff Support - This task includes 12 hours per month for financial analysis and consulting in support of varied Metro TAC Work Plan and JPA non-Pure Water projects. TKG will support, as needed, the items contained in the Metro TAC Work Plan. Some anticipated work tasks include the annual update of the remaining debt service associated with existing Metro Clean Water facilities, monthly update of TAC Work Plan, facilitation of the annual JPA budget and retro cost adjustments, and annual monitoring of the operations Protocol to insure proper reserve levels and interest allocations to the PAs.

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

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





## **EXHIBIT "B"**

### **Schedule of Charges**

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

## Attachment A to Schedule of Charges

### Attachment A

Metro JPA Draft Contract FYE 2023 to FY 2026  
Summary of Hours and Costs by Tasks

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

## **EXHIBIT "C"**

### **Insurance Certificates**

Insurance documentation is included on the following pages.



# CERTIFICATE OF LIABILITY INSURANCE

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

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

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

<b>PRODUCER</b>  Ren Haynes Agency 1106 Clayton Ln Ste 216e  Austin TX 78723-1086		<b>CONTACT</b> NAME: Renwick Haynes (A/C NO, EXT): 512-961-4899 PHONE FAX (A/C, NO): 512-672-6269 E-MAIL ADDRESS: rhaynes2@farmersagent.com	
<b>INSURED</b>  The Keze Group, LLC 1801 E 51ST ST  AUSTIN TX 78723		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: Truck Insurance Exchange INSURER B: Farmers Insurance Exchange INSURER C: Mid Century Insurance Company INSURER D: INSURER E: INSURER F:	<b>NAIC#</b> 21709 21652 21687    

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSTR	TYPE OF INSURANCE	ADDTL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY CLAIMS-MADE OCCUR  GENL AGGREGATE LIMIT APPLIES PER POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	y	y	606242093	11/02/2021	11/02/2022	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea Occurrence) \$ 75,000
							MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS- COMP/OP AGG \$ 1,000,000
							\$
B	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY	y	y	3590559	10/18/2021	10/18/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 500,000
							BODILY INJURY (Per person) \$ 500,000
							BODILY INJURY (Per accident) \$ 500,000
							PROPERTY DAMAGE (Per accident) \$ 500,000
							\$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$
							AGGREGATE \$
							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/ EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					PER STATUTE OTHER \$
							E.L. EACH ACCIDENT \$
							E.L. DISEASE- EA EMPLOYEE
							E.L. DISEASE-POLICY LIMIT \$

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

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

CERTIFICATE HOLDER Mt: 1KU i/vA-; It: V A t: K Jt-A PO BOX 1072 -----+ A: J: IONAL-CLJY	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Renwick Haynes TX Licen e # f tf4 :r' ti. -----t--1 ..,.,.,.,.,.,., I<. Lil-°4
--	---

ACORD 25 (2016/03)

31-1769 11-15

©1988-2015 ACORD CORPORATION. All Rights Reserved

The ACORD name and logo are registered marks of ACORD

FACES032285F4AS...

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

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

**RECITALS**

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

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

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

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

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

**AMENDMENT TO AGREEMENT**

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

2. Compensation.

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

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


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

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

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


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

## METRO WASTEWATER JOINT POWERS AUTHORITY

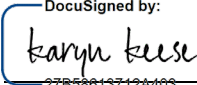
DocuSigned by:  
  
By: EA3667DA2B0F471...  
Chairperson

Date: May 16, 2023

APPROVED AS TO FORM:

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

**THE KEZE GROUP LLC**

By:   
Karyn L. Keze

Date: May 16, 2023



April 11, 2023

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

Dear Ms. Gentry:

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

Sincerely,



Karyn L. Keze

**PROFESSIONAL SERVICES AGREEMENT FOR TREASURER SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND RODNEY GREEK, CPA**

This Professional Services Agreement ("**Agreement**") is made on this 6<sup>th</sup> date of June, 2024 between METRO WASTEWATER JOINT POWERS AUTHORITY ("**METRO JPA**"), and RODNEY GREEK, CPA ("**TREASURER**"), an independent contractor, collectively referred to herein as "**parties**" or individually as "**party**," to furnish certain services as provided in this Agreement and upon the following terms and conditions.

**ARTICLE 1  
TERM OF AGREEMENT**

1.01 The term of this Agreement shall commence on July 1, 2024 (the "**Effective Date**"), and will continue through June 30, 2025 or until terminated as provided under Article 7, whichever occurs first. At the Parties discretion, and pursuant to a written letter agreement, this Agreement may be extended by one optional year according to the terms set forth in Attachment A - Scope of Work ("**Attachment A**") and herein. This Agreement may be further extended by a written amendment signed by both parties. Attachment A may contain further instructions regarding required timelines for performance of the Services to be provided under this Agreement. Time is of the essence for each and every provision of this Agreement.

**ARTICLE 2  
SCOPE OF WORK**

**Specific Services**

2.01 TREASURER shall perform the services within the scope described in Attachment A and as authorized by METRO JPA (the "**Services**"). TREASURER will provide METRO JPA with periodic reports regarding the progress of Services performed, at METRO JPA's request. Any changes to the scope of work or timeframes identified in Attachment A must be authorized by METRO JPA in writing and shall be set forth as an amendment to this Agreement.

2.02 TREASURER shall determine the method, details, and means of performing the above-described Services. TREASURER shall supply all labor, tools, materials, and equipment required to perform the Services under this Agreement.

**Standard of Performance**

2.03 TREASURER shall perform the Services required hereunder in accordance with the prevailing standard of care by exercising the skill and ability customarily exercised by reputable members of TREASURER's profession providing the same or similar services in the State of California. While exercising its professional skill and expertise, TREASURER shall use reasonable diligence and best judgment, and shall perform the Services required hereunder in the best interests of METRO JPA. Acceptance by METRO JPA of reports, and incidental professional work or materials furnished hereunder, shall not in any way relieve TREASURER of responsibility for the adequacy of its work.

## **Personnel**

2.04 METRO JPA has a primary interest in maintaining the individual services of the following key project team members:

1. Rodney Greek
2. Lee Ann Jones-Santos

2.05 No member of the project team shall be removed from the project team or reassigned by TREASURER without prior approval of METRO JPA. TREASURER shall immediately inform METRO JPA, in writing, should any of the key members become unavailable. TREASURER must submit the credentials for substitutes for key project members to METRO JPA for review and approval. At the discretion of METRO JPA, an interview may be required prior to approval of a substitute key project member.

## **ARTICLE 3 COMPENSATION**

### **Compensation for Work Performed Under This Agreement**

3.01 Compensation payable to TREASURER for Services performed under this Agreement shall not exceed fifty thousand dollars (\$50,000) during fiscal year 2025 (July 1, 2024 - June 30, 2025), in the aggregate, and fifty thousand dollars (\$50,000) during **optional** fiscal year 2026 (July 1, 2025 - June 30, 2026), in the aggregate. This amount shall not be exceeded unless agreed upon through an amendment to this Agreement executed by both parties. Such amendment shall identify any change in compensation as a result of the change in scope of work. The parties agree that this compensation was developed in accordance with the customary and prevailing compensation level in the community and surrounding area for comparable services. TREASURER and METRO JPA agreed to this amount through an arm's length negotiation between the parties.

### **Payment of Expenses and Monthly Invoices**

3.02 METRO JPA will reimburse TREASURER for all reasonable expenses incurred in performing Services under this Agreement as the work progresses, provided that such reasonable expenses shall be included in and subject to the maximum compensation amount stated above in this Article. TREASURER shall submit invoices to METRO JPA's Accounts Payable department once per month. Such invoices shall include a brief narrative description of the work performed, as well as detailed time expenditures on a task-by-task basis pursuant to Attachment A. The term "expenses" means telephone bills, and federal express charges, mailing charges and any other pre-approved expenses by METRO JPA. TREASURER will provide METRO JPA with receipts and proof of payment for all expenses. METRO JPA shall make payment to TREASURER within forty-five (45) days of receipt of an approved invoice.

3.03 METRO JPA shall have the right to withhold payment from TREASURER for any unsatisfactory Services until such time service is performed satisfactorily or as otherwise provided for in this Agreement.

## **ARTICLE 4 RELATIONSHIP OF PARTIES**

### **Independent Contractor**

4.01 It is expressly understood and agreed that TREASURER is an independent contractor and its employees are not employees of METRO JPA while engaged in carrying out this Agreement. TREASURER is free from the control and direction of METRO JPA in connection with the performance of the work, TREASURER performs work that is outside the usual course of METRO JPA business, and TREASURER is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed. The parties agree that no work, act, commission, or omission of TREASURER or its employee(s) pursuant to this Agreement shall be construed to make TREASURER or its employee(s) the agent, employee, or servant of METRO JPA. TREASURER and its employee(s) are not entitled to receive from METRO JPA vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability benefits, unemployment benefits, or any other employee benefit of any kind. TREASURER shall be solely responsible for paying all federal and state employment and income taxes, for carrying workers' compensation insurance, and for otherwise complying with all other employment law requirements with respect to TREASURER and its employee(s).

4.02 To the maximum extent allowable by law, TREASURER agrees to indemnify, defend and hold METRO JPA harmless from any and all liability, damages, or losses (including attorneys' fees, costs, penalties, and fines) that METRO JPA suffers as a result of (a) TREASURER's failure to meet its obligations under this Article, or (b) a third party's designation of TREASURER or its employee(s) as an employee of METRO JPA, regardless of any actual or alleged negligence by METRO JPA.

#### **Non-Exclusive Relationship**

4.03 TREASURER and METRO JPA acknowledge that the relationship between the parties is non-exclusive and TREASURER may perform or engage in any activity not inconsistent with this Agreement, including performing services for, or contracting with, other clients, persons, or companies as TREASURER sees fit. METRO JPA reserves the right to employ other contractors in connection with the Services described in Attachment A.

### **ARTICLES OBLIGATIONS OF CONTRACTOR**

#### **Compliance with Laws/Rules**

5.01 In performing the Services specified in this Agreement, TREASURER agrees to comply with all applicable laws, rules, regulations, and ordinances, whether federal, state, or local, including, specifically, the obligations of Treasurer delineated in Government Code 6505 and 6505.5, and any and all applicable METRO JPA policies, procedures, departmental rules, and other directives provided by METRO JPA to TREASURER. Any changes to METRO JPA policies and procedures that relate to TREASURER will be provided to TREASURER in writing. TREASURER agrees that, prior to entering into this Agreement, it has reviewed such policies, procedures, rules, and directives, the contents of which TREASURER will be deemed to have knowledge.

5.02 TREASURER shall ensure that any report generated under this Agreement complies with California Government Code section 7550.

#### **Indemnity, Hold Harmless, and Defense**

5.03 To the maximum extent allowable by law, TREASURER shall indemnify, defend, and hold harmless METRO JPA and its Member Agencies, and each of their respective officials, officers, directors, employees, agents and volunteers (collectively referred to as the "**Indemnified Parties**") against all claims,

demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, attorneys' fees, and costs (collectively referred to as "**Liabilities**") that such entities or persons may incur that pertain to, arise out of, or relate to TREASURER'S performance or obligations under this Agreement, or to TREASURER's negligence, recklessness, or willful misconduct, or a breach by TREASURER of any representation or agreement contained in this Agreement. TREASURER's obligation to indemnify, defend, and hold harmless METRO JPA shall extend to the acts or omissions, either directly or indirectly, by TREASURER's officers, officials, directors, employees, subcontractors, agents, representatives, volunteers, successors, assigns, or anyone for whom TREASURER is legally responsible. TREASURER's obligations to indemnify, defend, and hold METRO JPA harmless against any Liabilities shall apply regardless of any negligence of Indemnified Parties, except to the extent caused by the sole negligence or willful misconduct of the Indemnified Parties.

5.03.1 TREASURER shall cooperate with and do whatever is necessary to protect Indemnified Parties from any such Liabilities.

5.03.2 TREASURER shall defend Indemnified Parties, at TREASURER's own cost, expense and risk, from any and all such aforesaid Liabilities asserted in claims, demands, actions, causes of action, arbitration, mediations or other proceedings of any kind that may be brought or instituted against Indemnified Parties. TREASURER and Indemnified Parties shall be jointly represented by legal counsel, unless there is a conflict of interest, and TREASURER shall pay Indemnified Parties' reasonable attorneys' fees and costs as they are incurred. Indemnified Parties shall be consulted regarding, and shall approve, the selection of legal counsel. Should separate legal counsel be necessary for Indemnified Parties, as determined by METRO JPA, TREASURER shall pay for the reasonable attorneys' fees and costs including expert witness fees, as such fees and costs are incurred and within thirty (30) days of receipt of an invoice, for Indemnified Parties' legal counsel in addition to TREASURER's own legal fees and costs. In all circumstances, Indemnified Parties reserve the right to retain their own attorneys. TREASURER shall not agree without Indemnified Parties' prior written consent to any settlement on Indemnified Parties' behalf.

5.03.3 If TREASURER is obligated to defend Indemnified Parties pursuant to this Article 5 and fails to do so after reasonable notice from METRO JPA, Indemnified Parties may defend themselves and/or settle such claims, suit or assertion, and TREASURER shall pay to Indemnified Parties any and all Liabilities incurred in relation to Indemnified Parties' defense and/or settlement of such proceeding.

5.03.4 TREASURER shall pay and satisfy any judgment, award, liability, or decree that may be awarded, imposed, or rendered against Indemnified Parties as a result of any claims, demands, suits, actions, causes of action, arbitrations, mediations, or other proceedings whether legal, administrative or otherwise, including any settlement related thereto.

5.03.5 TREASURER's obligation to indemnify, defend, and hold METRO JPA harmless against all Liabilities shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for TREASURER, subcontractor, supplier, or other person under workers' compensation acts, disability acts or other employee acts or the insurance required by this Agreement. TREASURER's obligation to indemnify, defend, and hold METRO JPA harmless against all Liabilities shall not be restricted to insurance proceeds, if any, received by TREASURER or Indemnified Parties. Provision of insurance coverage as required by this Agreement shall not affect TREASURER's indemnity obligations.

5.03.6 TREASURER's indemnification, hold harmless, and defense obligation shall survive the termination or expiration of this Agreement.

### **Notice of and Participation in Third Party Claims**

5.04 TREASURER shall give METRO JPA written notice of any claim or liability asserted by a third party that arises from or relates to the Work performed under this Agreement ("Third-Party Claim"), as soon as possible upon the receipt of information of any possible Third-Party Claim or of the commencement of any Third-Party Claim. TREASURER shall not oppose any attempt by METRO JPA to intervene or otherwise participate in any such Third-Party Claim. TREASURER shall not settle any Third-Party Claim covered by this Section unless it has obtained the prior written consent of METRO JPA, which consent shall not be unreasonably withheld, conditioned or delayed. METRO JPA shall have no liability under this Section for any Third-Party Claim for which such notice is not provided or is not provided in a timely manner, including no liability for contribution, indemnification, reimbursement or penalties. TREASURER's obligations hereunder shall survive the termination or expiration of this Agreement.

### **Official Bond and Insurance**

5.05 TREASURER shall file an official bond in the amount of \$25,000 pursuant to Government Code section 6505.1. Metro JPA shall reimburse the TREASURER for the cost of the bond; provided, however, that such reimbursement shall not exceed \$1,500.

5.06 TREASURER shall procure and maintain in full force and effect for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by TREASURER, its agents, representatives, employees, or subcontractors. Insurance policies shall be on an occurrence basis, and coverage shall be at least as broad and in the minimum amounts as follows:

5.06.1 California Workers' Compensation Insurance, as required by the State of California, with statutory limits, and Employer's Liability Insurance with limits of no less than One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

5.06.2 General Liability Insurance [ISO Form CG 0001, or equivalent], covering products and completed operations, bodily injury, personal & advertising injury and property damage with limits no less than One Million Dollars (\$1,000,000) per occurrence. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

5.06.3 Automobile Liability Insurance [ISO Form CA 0001 covering code 1 (any auto), or if no owned autos, Code 8 (hired) and 9 (non-owned), or equivalent forms] with limits no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

5.06.4 Error and Omissions (Professional Liability) Insurance appropriate to TREASURER's services, with limits no less than One Million Dollars (\$1,000,000) per occurrence or claim, and Two Million Dollars (\$2,000,000) aggregate.

5.07 The following are required provisions:

5.07.1 Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to Insured Parties.

5.08 TREASURER will furnish METRO JPA with certificates of insurance prior to the commencement of work under this Agreement, and as may be periodically requested by METRO JPA. TREASURER shall

include all endorsements necessary to comply with this Agreement, including additional insured endorsements, signed by the insurer's representative. Such evidence shall include confirmation that coverage includes or has been modified to include all provisions required by this Agreement. TREASURER shall, upon request of METRO JPA at any time, deliver to METRO JPA complete, certified copies of the policies of insurance, including endorsements, and receipts for payment or premiums thereon, required by this Agreement. Failure to obtain the required documents prior to the work beginning shall not waive TREASURER's obligation to provide them.

5.09 If any of the required coverages expire during the term of this Agreement, TREASURER shall deliver the renewal certificate(s) including the general liability and auto liability additional insured endorsements to METRO JPA at least ten (10) days prior to the expiration date.

5.10 TREASURER shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and TREASURER shall ensure that METRO JPA is an additional insured on insurance required from subcontractors.

5.11 Claims Made Policies. If any of the required policies provide coverage on a claims-made basis:

5.11.1 The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of contract work.

5.11.2 Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

5.11.3 If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the TREASURER must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

#### **Conflict of Interest**

5.12 Upon the award of this Agreement and periodically thereafter, TREASURER shall be required to complete and file with METRO JPA a Statement of Economic Interest (Form 700), to be provided to TREASURER by METRO JPA.

#### **Assignment/Subcontracting**

5.13 TREASURER shall not subcontract or assign this Agreement nor any duties or obligations under this Agreement without the prior written consent of METRO JPA. TREASURER shall be responsible for the acts and omissions of and for payment to any subcontractor performing services under this Agreement, and shall bind any such subcontractor to TREASURER's duties and obligations hereunder. METRO JPA shall have the right to approve any subcontractor agreements. Nothing contained in this Agreement will create any contractual relationship between METRO JPA any subcontractor of TREASURER.

### **ARTICLE 6 OBLIGATIONS OF METRO JPA**

6.01 METRO JPA agrees to comply with all reasonable requests of TREASURER, including requests to access documents, data and facilities reasonably necessary for the performance of TREASURER's duties under this Agreement, consistent with applicable law.

**ARTICLE 7**  
**TERMINATION OF AGREEMENT**

**Termination for Cause**

7.01 If METRO JPA determines that TREASURER has failed to perform the Services under this Agreement in accordance its terms and conditions, METRO JPA may terminate all or part of the Agreement for cause. This termination shall become effective if TREASURER does not cure its failure to perform within 10 days (or more, if authorized in writing by METRO JPA) after receipt of a notice of intention to terminate from METRO JPA specifying the failure in performance. If a termination for cause does occur, METRO JPA shall have the right to withhold monies otherwise payable to TREASURER until the Services under this Agreement are completed. If METRO JPA incurs additional costs, expenses, or other damages due to the failure of TREASURER to properly perform under this Agreement, these costs, expenses, or other damages shall be deducted from the amounts withheld. Should the amounts withheld exceed the amounts deducted, the balance will be paid to TREASURER upon completion of the Services to be provided under this Agreement. If the costs, expenses, or other damages incurred by METRO JPA exceed the amounts withheld, TREASURER shall be liable to METRO JPA for the difference.

7.02 TREASURER may terminate this Agreement for cause if METRO JPA fails to cure a material default in performance within a period of 30 days, or such longer period as TREASURER may allow, after METRO JPA's receipt from TREASURER of a written termination notice specifying the default in performance. In the event of termination for cause by TREASURER, METRO JPA will pay TREASURER in accordance with Section 7.03.

**Termination Without Cause**

7.03 METRO JPA may terminate this Agreement for convenience at any time upon written notice to TREASURER, in which case, METRO JPA will pay TREASURER for all Services performed and all expenses incurred under this Agreement up to and including the effective date of termination less any costs, expenses, or other damages due to the failure of the TREASURER to properly perform pursuant to the Agreement. No compensation will be payable for anticipated profit on unperformed services.

**ARTICLE 8**  
**PROPRIETARY AND CONFIDENTIAL INFORMATION**

8.01 Any written, printed, graphic, or electronically or magnetically recorded information furnished by METRO JPA for TREASURER's use is the sole property of METRO JPA. TREASURER and its employee(s) and subcontractor(s) will keep any confidential information provided by METRO JPA in the strictest confidence, and will not disclose it by any means to any person except with METRO JPA approval, and only to the extent necessary to perform the Services under this Agreement. On termination of this Agreement, TREASURER will promptly return to METRO JPA any confidential information in its possession.

**ARTICLE 9**  
**GENERAL PROVISIONS**

**Notices**

9.01 Any notices required to be given under this Agreement by either party to the other may be affected by email and in writing via personal delivery or mail (first class, registered, or certified) with postage prepaid and return receipt requested. Mailed notices must be addressed to the parties at the addresses below, but each



party may change the address by giving written notice in accordance with this Section. Any notice personally delivered or sent by email shall be deemed communicated upon receipt if received before 5:00 p.m. Pacific Standard Time ("PST") on a business day, or the following business day if received after 5:00 p.m. PST or on a Saturday, Sunday, or legal holiday. Any notice sent by overnight delivery service shall be deemed communicated on the next business day following delivery thereof to the overnight delivery service. Any notice given by mail shall be deemed communicated three (3) days after deposit in the United States mail.

To METRO JPA: Metro Wastewater JPA  
P.O. Box 1072  
National City, CA 91951  
Email: ExecutiveDirector@metrojpa.org  
Attention: Executive Director

To TREASURER: Rodney Greek, CPA  
1325 N. Vulcan Ave.  
Encinitas, CA 92024  
Email: rjgreek@cox.net  
Attention: Rodney Greek

#### **Entire Agreement of the Parties**

9.02 This Agreement, including any Attachments, contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements, or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

#### **Amendment**

9.03 This Agreement may not be modified or amended other than by a writing signed by the parties, including any changes to the scope of services or any timeframes identified in Attachment A.

#### **Partial Invalidity**

9.04 If any non-material provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

#### **Attorneys' Fees**

9.05 If any legal action, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

#### **Ownership of Documents and Materials**

9.06 All original drawings, data, reports, documents and materials developed for the project, including detailed calculations, shall be furnished to and become the property of METRO JPA. METRO JPA agrees to indemnify TREASURER for claims, damages, or liabilities caused by any use by METRO JPA of the plans,

drawings, specifications, and all information gathered by TREASURER on any project other than the one for which such plans, drawings, and specifications were prepared and information gathered by TREASURER.

#### **Audits**

9.07 This Agreement is subject to examination and audit of the State Auditor, at the request of METRO JPA or as part of any audit of METRO JPA, for a period of three (3) years after final payment under the Agreement. TREASURER shall cooperate with METRO JPA, including any authorized representative of METRO JPA, regarding such audit at no charge to METRO JPA.

#### **Counterparts**

9.08 This Agreement may be executed **in** counterparts and electronically, each of which shall constitute an original, but all of which together shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

#### **Provisions Required by Law**

9.09 Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein, and the Agreement shall be read and enforced as though they were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the request of either party, the Agreement shall forthwith be physically amended to make such insertion.

#### **Governing Law**

9.10 This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of actions), shall be governed by and construed in accordance with the laws of the State of California.

#### **Jurisdiction and Venue**

9.11 The proper jurisdiction and venue for any claims, causes of action or other proceedings arising out of or relating to this Agreement shall be in the County of San Diego, State of California, and the parties hereby waive any right providing for a change of jurisdiction or forum to any other location.

#### **No Waiver**

9.12 A waiver by either party of a breach of any provision of this Agreement shall not constitute a general waiver or prejudice the other party's right otherwise to demand strict compliance with that provision or any other provisions in this Agreement. Likewise, METRO JPA's acceptance of any reports, work, services or materials furnished pursuant to this Agreement, or METRO JPA's payment therefor, shall not operate as a waiver of any of METRO JPA's rights under this Agreement or of any cause of action or defense relating to the performance of this Agreement.

#### **False Claims**

9.13 In signing this Agreement, TREASURER certifies that TREASURER shall not submit a false claim in violation of the False Claims Act, section 12650 *et seq.* of the Government Code.

### Signature Authority

9.14 METRO JPA and TREASURER do covenant that the individual executing this Agreement on their behalf is a person duly authorized and empowered to execute this Agreement for such party.

**BY SIGNING BELOW THE PARTIES VOLUNTARILY ENTER INTO THIS AGREEMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.**

**METRO WASTEWATER  
JOINT POWERS AUTHORITY:**

DocuSigned by:



EA3907DA2B0F471...  
Signature

Jerry Jones

Name

Chair, Metro Wastewater JPA

Title

July 12, 2024

Date

**RODNEY GREEK, CPA:**

DocuSigned by:



C4E764FD03FB43D...  
Signature

Rod Greek

Rod Greek

Name

Sole Proprietor, CPA

Title

July 12, 2024

Date

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

#### **Fiscal Year one (FY 2025)**

During Fiscal Year one (FY) 2025, Rodney Greek, CPA et al will provide professional Government Treasurer Accounting services to Metro JPA as follows:

- Monitor and manage separate bank accounts to include savings and checking.
- Maintain and reconcile bank accounts,
- Prepare Member Agency annual billings.
- Collect and deposit Member Agency billings.
- Make authorized expenditures related to conducting Metro Commission and Metro JPA business.
- Provide biannual unaudited financial reporting which reflects cash balances, outstanding receivables, and payables.
- Provide biannual unaudited income statement financial reporting. Financial reporting will separately track Metro Commission and Metro JPA receipts and expenditures.
- Accrual basis of accounting will be used to reveal outstanding receivables and payables to the extent known as of the financial statement date.
- Attend staff and Board meetings as desired by the Metro Commission and Metro JPA.
- Consult and respond to questions from member agencies concerning finances and billings.
- Transition Services as requested.
- Other incidental services consistent with the Treasurer's position.

#### **Optional - Fiscal Year two (FY 2026)**

During Fiscal Year two (FY) 2026, Rodney Greek, CPA et al will provide professional Government Treasurer Accounting services, prepare auditable biennial financial statements, and manage audit services to be provided by a separate qualified CPA firm for Metro JPA as follows:

- Monitor and manage separate bank accounts to include savings and checking.
- Maintain and reconcile bank accounts,
- Prepare Member Agency annual billings.
- Collect and deposit Member Agency billings.
- Make authorized expenditures related to conducting Metro Commission and Metro JPA business.
- Provide biannual unaudited financial reporting which reflects cash balances, outstanding receivables, and payables.
- Provide biannual unaudited income statement financial reporting. Financial reporting will separately track Metro Commission and Metro JPA receipts and expenditures.
- Accrual basis of accounting will be used to reveal outstanding receivables and payables to the extent known as of the financial statement date.
- Attend staff and Board meetings as desired by the Metro Commission and Metro JPA.
- Consult and respond to questions from member agencies concerning finances and billings.

- Other incidental services consistent with the Treasurer's position.
- Coordination between Outside audit firm and Metro JPA via this Consultant to ensure deliverables are met in a timely manner with a target completion date for the FY2023-24/FY2024-25 audit of November 26, 2025.
- Preparation and review of the auditable Biennial Financial Report for the years ended June 30, 2024 and June 30, 2025 including:
  - Management Discussion and Analysis
  - Financial Statements
    - Statement of net Position
    - Statement of Revenues, Expenses, and Changes in Net Position
    - Statement of Cash Flows
    - Footnotes to the Basic Financial Statements
- Preparation and review of presentations of the Financial Statements to the Metro JPA (Metro Commission), Metro TAC and the JPA Finance Committee

Services will be billed monthly based on hours worked for each line item. Professional Government Accounting Services will be provided at billable rates as follows:  
 CPA - \$300.00 per hour  
 Senior Accountant - \$194.00 per hour

#### **FY 2025 Services**

Budgeted Hours are as follows:

<b>TASK</b>	<b>Estimated Hours</b>	<b>Estimated Budget</b>
Monthly Invoicing	15	\$3,228.00
Annual Agency Billing - issue bills, collect and deposit.	2.5	538.00
Maintain and Reconcile Bank Accounts	15	3,228.00
Mid-Year Financials	10	2,152.00
Year End Financials	12.5	2,690.00
Budget - review actuals and contracts, work with Executive Director on format.	20	4,304.00
Finance Meetings	18	4,446.00
Metro TAC Meetings	24	5,928.00
Metro Commission Meetings	24	5,928.00
Transition Contingency		10,000.00
Miscellaneous		6,000.00
<b>TOTAL ESTIMATE:</b>	<b>141 Hours</b>	<b>\$48,442.00</b>

Additional Meetings will be billed at a minimum 2 hours times billable rate.

**OPTIONAL - FY 2026 Services**

Budgeted Hours are as follows:

<b>TASK</b>	<b>Estimated Hours</b>	<b>Estimated Budget</b>
Monthly Invoicing	15	\$3,228.00
Annual Agency Billing - issue bills, collect and deposit.	2.5	538.00
Maintain and Reconcile Bank Accounts	15	3,228.00
Mid-Year Financials	10	2,152.00
Year End Financials - includes unaudited draft to Metro and submission of information to outside auditor	12.5	2,690.00
Biennial Audit	50	10,760.00
Budget - review actuals and contracts, work with Executive Director on format.	20	4,304.00
Finance Meetings	18	4,446.00
Metro TAC Meetings	24	5,928.00
Metro Commission Meetings	24	5,928.00
Miscellaneous		6,000.00
<b>TOTAL ESTIMATE:</b>	<b>191 Hours</b>	<b>\$49,202.00</b>

Additional Meetings will be billed at a minimum 2 hours times billable rate.

**Consultant Contact Information:**

Rodney Greek, CPA  
California CPA License# 75279  
Senior Accountant - Lee Ann Jones-Santos  
1325 N. Vulcan Ave.  
Encinitas, CA 92024

CPA's Office Phone: 760-809-0681  
CPA's Office Email: [rjgreek@cox.net](mailto:rjgreek@cox.net)  
Senior Accountant's Phone: 619-823-8129  
Senior Accountant's Email: [lasantos8928@gmail.com](mailto:lasantos8928@gmail.com)

# RODNEY GREEK, CPA

**Municipal and Special District Accounting, Controls, Integration, Monitoring, Reporting, and Security**

Dear Ms. Keze,

Lee Ann Jones-Santos and I are looking forward to providing Treasurer services for the Metro Wastewater JPA. As we have been going through the proposal review process, a question was posed regarding how we determined the rates we included in our proposal.

I recently provided accounting proposal review services for a local government agency in San Diego County. Six firms submitted proposals for that RFP. Four of those proposals included a breakdown of the hourly billable rates for the various positions providing services to the agency. Below is a summary of the rate disclosures for those four firms.

<b>Hourly rates from recent Proposals</b>					
	<b>Firm #1</b>	<b>Firm #2</b>	<b>Firm #3</b>	<b>Firm #4</b>	<b>Average</b>
Partner	\$ 375	\$ 394	\$ 650	\$ 445	\$ 466
Director	\$ 235	\$ 326		\$ 330	\$ 297
SR Mgr		\$ 293	\$ 450	\$ 320	\$ 354
MGR		\$ 266		\$ 230	\$ 248
Supv/Sr	\$ 170	\$ 214	\$ 225	\$ 165	\$ 194
Assoc	\$ 115	\$ 161	\$ 170	\$ 135	\$ 145
Admin	\$ 95	\$ 94	\$ 100	\$ 100	\$ 97

These rates were specific to services proposed for the fiscal year 2025 (July through June) period. The proposals were prepared, received, and reviewed during the months of March and April 2024. I am not at liberty to disclose the names of the firms as that information is confidential.

After carefully considering Lee Ann's qualifications and many years of industry experience, along with the level of effort required for this Treasurer's position, I am bringing her on at a comparable rate to the position of Supervising Senior. I have also set my own rate near the low end of what I'm seeing in the profession. Maintaining a CPA credential requires a minimum of 40 hours per year of continuing education and adherence to professional standards. services.

If you have questions regarding this information, feel free to contact me at your convenience by email at [rjgreek@cox.net](mailto:rjgreek@cox.net) or by phone at 760-809-0681.

Kind regards,

*Rodney Greek*

Rodney Greek, CPA



# THE GAVARES GROUP

## *Increasing Organizational Effectiveness*

January 8, 2025

Chair Jerry Jones  
276 4<sup>th</sup> Avenue  
Chula Vista, CA 92910

### **Re: Proposal for Developing the Strategic Plan Document for the METRO Commission/ Wastewater Joint Powers Authority**

Dear Chair Jones,

Thank you for the opportunity to assist the San Diego METRO Commission/Wastewater Joint Powers Authority (MC/JPA) in developing its 2025 strategic plan. This proposal provides an overview of the project goals, desired outcomes and associated costs.

#### **I. Understanding of the Project and Desired Outcomes**

In 2024, the MC/JPA revised its mission statement, strategic goals, and objectives through an inclusive, data-driven process that incorporated surveys, interviews, and collaborative committee discussions. The Metro Wastewater JPA has requested the creation of a strategic planning document that incorporates these updates while providing clear and comprehensive context. This updated document will serve as a roadmap for the MC/JPA, outlining its mission, strategic goals, organizational structure, key accomplishments, and anticipated challenges and opportunities ahead.

#### **II. Scope of Services and Associated Range of Hours**

My proposed approach includes the following:

Scope of Services		
	Description	Hours
<b>I.</b>	<b>Initial Draft of Strategic Plan Document</b>	<b>10 – 15</b>
1	<b>Develop Document:</b> Develop an initial draft of the strategic planning document, including: <ul style="list-style-type: none"><li>➤ Insert the new mission statement and strategic goals and objectives into the document</li><li>➤ Develop draft update of the Chair’s message, organizational chart, and other sections as needed</li></ul>	6 - 8
2	<b>Meeting with Chair and Director:</b> Collaborate with the Director and Chair to review and develop Project Plan,	2

John Gavares, The Gavares Group  
3094 Olive Street  
San Diego, CA 92104

Website: [www.gavaresgroup.com](http://www.gavaresgroup.com)  
E-mail: [johngavares@cox.net](mailto:johngavares@cox.net)  
Phone: 619-980-1887

	document format, and initial draft	
3	<b>Post-Meeting Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1
4	<b>Revise Document:</b> Update the SP document based on input	1 - 4
<b>II.</b>	<b>Workshop #1: Ad Hoc Committee Meeting</b>	<b>5 - 12</b>
1	<b>Meeting with Chair and Director:</b> Meet with the Chair and Director for discussion of agenda (Includes prep)	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of handouts and PowerPoint slides	1 - 2
3	<b>Workshop:</b> Facilitate Ad Hoc Committee workshop	1 - 2
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	1 - 4
<b>III.</b>	<b>Workshop #2: Ad Hoc Committee Meeting (If needed)</b>	<b>0 - 10</b>
1	<b>Meeting with Chair and Director:</b> Meet with the Chair and Director for review of agenda (Includes prep)	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of handouts and PowerPoint slides	1 - 2
3	<b>Workshop:</b> Facilitate Ad Hoc Committee workshop	1 - 2
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	0 - 2
<b>IV.</b>	<b>Zoom Presentation to Metro TAC</b>	<b>3 - 5</b>
1	<b>Meeting with Chair and Director:</b> Meet with the Chair and Director for review of agenda (Includes prep)	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of handouts and PowerPoint slides	1 - 2
3	<b>Present to TAC:</b> Present draft 2025 Strategic Goals and Objectives to the Metro TAC	1
<b>V.</b>	<b>Presentation #1 to Metro JPA</b>	<b>5 - 11</b>
1	<b>Meeting with Chair and Ex. Director:</b> Met with Chair Jones and Director Keze to prepare for JPA presentation	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of agenda packet documents and PowerPoint slides	1 - 2
3	<b>Metro JPA Workshop:</b> Deliver presentation and facilitate discussions. Gather input and feedback. Seek approval if possible.	1
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	1 - 4
<b>VI.</b>	<b>Presentation #2 to Metro JPA (If needed)</b>	<b>0 - 9</b>
1	<b>Meeting with Chair and Ex. Director:</b> Met with Chair Jones and Director Keze to prepare for JPA presentation	1 - 2

2	<b>Preparation:</b> Finalize preparation, including development of agenda packet documents and PowerPoint slides	1 - 2
3	<b>Metro JPA Workshop:</b> Deliver presentation and facilitate discussions. Gather input and feedback. Seek approval if possible.	1
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	1 - 2
	<b>Total</b>	<b>23 – 62</b>

### III. Cost of Services

The fee for this project ranges from \$3,250 to \$15,500, based on a rate of \$250/hour (\$2,000/day). Billing will reflect actual hours worked, as detailed above.

### IV. Next Steps:

I look forward to collaborating with MC/JPA to complete and approve the strategic plan document.

Please contact me at 619-980-1887 or [johngavares@cox.net](mailto:johngavares@cox.net) for any questions or to discuss next steps.

Sincerely,

John Gavares  
The Gavares Group

John Gavares, The Gavares Group  
3094 Olive Street  
San Diego, CA 92104

Website: [www.gavaresgroup.com](http://www.gavaresgroup.com)  
E-mail: [johngavares@cox.net](mailto:johngavares@cox.net)  
Phone: 619-980-1887



## **Metro Wastewater Joint Powers Authority**

### **STAFF REPORT**

**TO:** Board of Directors  
Metro Wastewater Joint Powers Authority

**DATE:** January [REDACTED], 2025

**FROM:** Adriana Ochoa, General Counsel

**AGENDA ITEM NO. [REDACTED]:** Changes to Authorized Banking Signatories

---

### **BACKGROUND & DISCUSSION**

In order for checks written from Metro's bank account to be processed, two authorized signatures are required: one from the Metro Treasurer, and a second signature from an authorized signatory. On January 6, 2025, Metro Wastewater Joint Powers Authority's Treasurer visited California Bank & Trust to review Metro's account information. While reviewing the account information, the Treasurer learned that former directors John Peasley and John Mullin are still authorized to write checks from the account and that only one current director (the Board Chair) is authorized to write checks from the account.

To change the authorized signatories for Metro's account, the California Bank & Trust Client Information Form (Attachment 1) must be completed and returned in person to any California Bank & Trust bank. Metro must also submit a copy of its bylaws related to banking and the minute meetings approving the change in authorized signatories, both of which can be submitted via email.

### **THEREFORE, COUNSEL RECOMMENDS THE BOARD OF DIRECTORS TAKE THE FOLLOWING ACTIONS:**

1. Remove former directors John Peasley and John Mullin as authorized signatories on the Authority's account with California Bank & Trust.
2. Authorize the current Board Chair, Vice Chair, and Finance Committee Chair as signatories on the Authority's account with California Bank & Trust for all banking purposes.
3. Discuss and take other action as appropriate.

**Attachment 1:** California Bank & Trust Client Information Form



Metro Wastewater JPA Regular Finance Committee  
Meeting April 23, 2024  
Minutes

The meeting was called to order: 10:00 a.m. by Committee Chair De Hoff

**1. ROLL CALL**

**Committee Members Present:**

Peter De Hoff, Poway (Chair)  
Ditas Yamane, National City (remote)  
Mark Robak, Otay Water (arrived at 10:20 a.m.)  
Mitch McKay, City of Imperial Beach  
Jose Preciado, City of Chula Vista (Alternate) (arrived at 10:04 a.m.)

**Committee Members**

**Absent:**

Jerry Jones, Lemon Grove Sanitation District (Vice Chair)

**Support Staff:**

Karyn Keze, Executive Director, The Keze Group, LLC (attended remotely)  
Adriana Ochoa, General Counsel, Procopio  
Lee Ann Jones-Santos, Metro JPA Treasurer, El Cajon  
Rodney Greek, Metro JPA CPA  
Lori Anne Peoples, Metro Secretary

**Others:**

Alisa Nichols, Metro TAC Chair  
Blake Behringer, Metro TAC Vice Chair

**General Public:**

Michael Benoza, City of Chula Vista TAC Member

**2. PUBLIC COMMENT**

There were no public comments.

3. **ACTION: APPROVAL OF BOARD MEMBER REQUEST FOR REMOTE APPEARANCE**

General Counsel Ochoa stated she would prepare a remote appearance form for Director Yamane who was not present out of an abundance of caution.

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

**ACTION:** Motion by Chair De Hoff, seconded by Director Yamane, to move Item 7 after Item 8. Motion carried as follows:

**AYES:** De Hoff, McKay, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, Preciado, Robak

Director Preciado arrived at 10:02 a.m.

5. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE MINUTES FROM THE MARCH 27, 2024, REGULAR FINANCE COMMITTEE MEETING**

**ACTION:** Motion by Director McKay, seconded by Director Yamane, to approve the Minutes. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, Robak

6. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO RECOMMEND TO THE METRO WASTEWATER JPA APPROVAL OF A REVISION OF THE METRO WASTEWATER JPA RESERVE POLICY TO INCORPORATE THE ROLE OF THE EXECUTIVE DIRECTOR**

General Counsel Ochoa noted that this was a carry-over from the last Finance Committee meeting to reflect changes in the organization structure, primarily the consultants and new positions. All changes were red-lined in the policy included in the agenda packet.

**ACTION:** Motion by Director Preciado, seconded by Director McKay, to approve the amended reserve policy. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, Robak

**Item 7 was heard after Item 8**

**7. ACTION: Consideration and Possible Action to Recommend to the Metro Wastewater JPA Approval of the FY 2025 JPA Budget**

Executive Director Keze and Treasurer Jones-Santos provided an overview of the staff report and presentation included in the agenda package and distributed to the committee prior to the meeting.

Tables presented and discussed were Table 1 - the FY 2024 Projected Budget Versus Actual; Table 2 – The Draft FY 2025 JPA Budget; Table 3 – The FY 2025 JPA Budget Allocations and Table 4 – The Contingency Reserve Funding Alternatives (Revisited)

**ACTION:** Motion by Director Robak, seconded by Director Preciado, to recommend approval of the FY 2025 Metro Wastewater JPA Budget. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Director Robak arrived at 10:20 a.m.**

**8. ACTION: Consideration and Possible Action to Recommend to the Metro Wastewater JPA Approval of the Following Items Relating to FY 2025 JPA Budget:**

Treasurer Lee Ann Jones-Santos and Rod Greek, CPA left the meeting prior to hearing the next 3 items.

**a. Discussion and Recommendation Regarding Change in Treasurer Position and Designation of JPA Auditor**

General Counsel Ochoa provided a verbal overview of this item with attachments included in the agenda package.

**b. Letter of Termination for El Cajon Treasurer Contract effective June 30, 2024**

General Counsel Ochoa provided a verbal overview of this item with attachments included in the agenda package.

**c. Professional Services Agreement with Rodney Greek CPA for Treasurer Services with Lee Ann Jones-Santos**

Karyn Keze introduced this item, including a brief background on Mr. Greek who had left the meeting with Treasurer Lee Ann Jones-Santos prior to this item, and his past involvement with the JPA through his employment with the City of San Diego. General Counsel Ochoa then provided the legal information pertaining to the requirement for a CPA as the JPA's Treasurer. Attachments included in the agenda package.

**d. Professional Services Agreement with The Gavares Group for Consulting Services for the Metro Wastewater Joint Powers Authority Strategic Planning Process**

Executive Director Keze stated that she had presented the scope of this item at the last meeting and it was approved. This is the Professional Services Agreement with The Gavares Group for consulting services for the Metro Wastewater JPA Strategic Planning Process.

Attachments pertaining to this item were included in the agenda package.

**e. Professional Services Agreement with Rising Tide Process Partners for Communications Services**

Karyn Keze stated that this was a new item requested by Director Robak after the budget was adopted last year and pertains to the hiring of a common person to provide communication services used to promote the JPA to the general public. This item was heard by Metro TAC who formed a working group and met with this organization to discuss communication needs determined by the working group and to request a proposal, copy of which is included in the agenda package. This is a twofold item. First to provide an assessment of our communication needs after a meeting with all JPA members and second, to put together a plan to create a "public image."

**ACTIONS:**

**Item 8a:**

Motion by Director Preciado, seconded by Director Yamane, to recommend moving forward with hiring Rodney Greek CPA who would appoint Lee Ann Jones-Santos to



serve as Treasurer and appoint the Chair and Vice Chair as Auditor. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Item 8b & c:**

Motion by Director Preciado, seconded by Director Yamane, to recommend moving forward with the sending of a Letter of Termination to the City of El Cajon for the Treasurer Contract effective June 30, 2024 and Approve the Professional Services Agreement with Rodney Greek CPA for Treasurer Services with Lee Ann Jones-Santos serving as the JPA Treasurer. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Item 8d:**

Motion by Director Preciado, seconded by Director McKay, to recommend approval of the Professional Services agreement with The Gavares Group. Motion carried as follows:

**AYES:** De Hoff, McKay, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones

**Director McKay left the meeting at 11:30 a.m.**

**Item 8e:**

Motion by Director Preciado, seconded by Director Robak, to put a placeholder in the budget and review this topic in the Strategic Plan process. Motion carried as follows:

**AYES:** De Hoff, Preciado, Yamane, Robak

**NAYS:** None

**ABSTAIN:** None

**ABSENT:** Jones, McKay

**Item 7 was heard here.**

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

Director Yamane requested that warrants be included for information in future JPA agendas. Executive Director Keze concurred and stated that this would start with the next JPA agenda.

General Counsel Ochoa noted that a check registry could easily be included under the Consent Calendar on each agenda for the prior month payments.

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

There was none.

**11. ADJOURNMENT:** There being no further business, Committee Chair De Hoff declared the meeting adjourned at 11:43 a.m.



## **STAFF REPORT; AGENDA ITEM 5A – FINANCIAL POLICIES MANUAL**

**Subject:** Draft Policies and Procedures Manual

**Prepared By:** Executive Director, Treasurer, and Staff Accountant

### **Summary:**

Over the past few months, the Executive Director, Treasurer, and Staff Accountant have collaborated to create a draft Policies and Procedures Manual. After multiple review sessions, the eighth draft has been completed and is being included for discussion in the January 28th Finance Committee Meeting under Agenda Item No. 5.

The draft manual was sent separately and in advance to provide ample time for review prior to the meeting. Once finalized, this manual will replace the entirety of Section 14 of the New Directors Manual and become a stand-alone document, encompassing the following policies and procedures:

1. **Policy 1** – Records Retention
2. **Policy 2** – Social Media
3. **Policy 3** – Manual and Electronic Payment/Transfer Policy
4. **Policy 4** – Meetings Meal Policy
5. **Policy 5** – 2025 Investment Policy
6. **Policy 6** – Purchasing Policy
7. **Procedure 1** – Guidelines for Staff in Closed Sessions
8. **Procedure 2** – Fiscal Year End Closing Procedures
9. **Resolution 2023-2** – Establishing Compensation for Directors
10. **Resolution 2025-1** – Establishing a Reserve Fund (Coming Soon)
11. **Protocol 1** – Debt Service and Operating Reserve Calculation (City of San Diego)

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine, Spring Valley & Winter Gardens Sanitation Districts

**Key Notes:**

- Policies and procedures highlighted in yellow are newly introduced and will be discussed in detail at the Finance Committee Meeting.
- Policies 1, 2, and 4 have been updated to include revised legal language, improved clarity, and greater conciseness.
- Once reviewed and edited by the Finance Committee, the manual will be presented to the JPA/Commission Board for their review and adoption.

The Finance Committee's review and input are critical to ensure the manual reflects the organization's needs and complies with relevant regulations.

-----  
**Purpose:**

The Policies and Procedures Manual is designed to provide a clear and comprehensive framework for the organization's operations. It establishes standardized guidelines and processes to ensure consistency, regulatory compliance, and effective communication across the organization.

The manual serves as a vital reference tool for management, staff, and stakeholders by:

- Promoting accountability and efficiency.
- Ensuring alignment with the organization's mission and goals.
- Providing clear direction for decision-making and operational practices.

This document is intended to be a dynamic, living resource. New policies, procedures, resolutions, and other updates will be incorporated as they are approved by the Board. Additionally, financial policies will undergo review during each year's budget process, allowing for revisions and updates to reflect the current operations of the JPA.

By maintaining and updating this manual, the organization ensures that its operations remain consistent, transparent, and adaptable to evolving needs.

---

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**



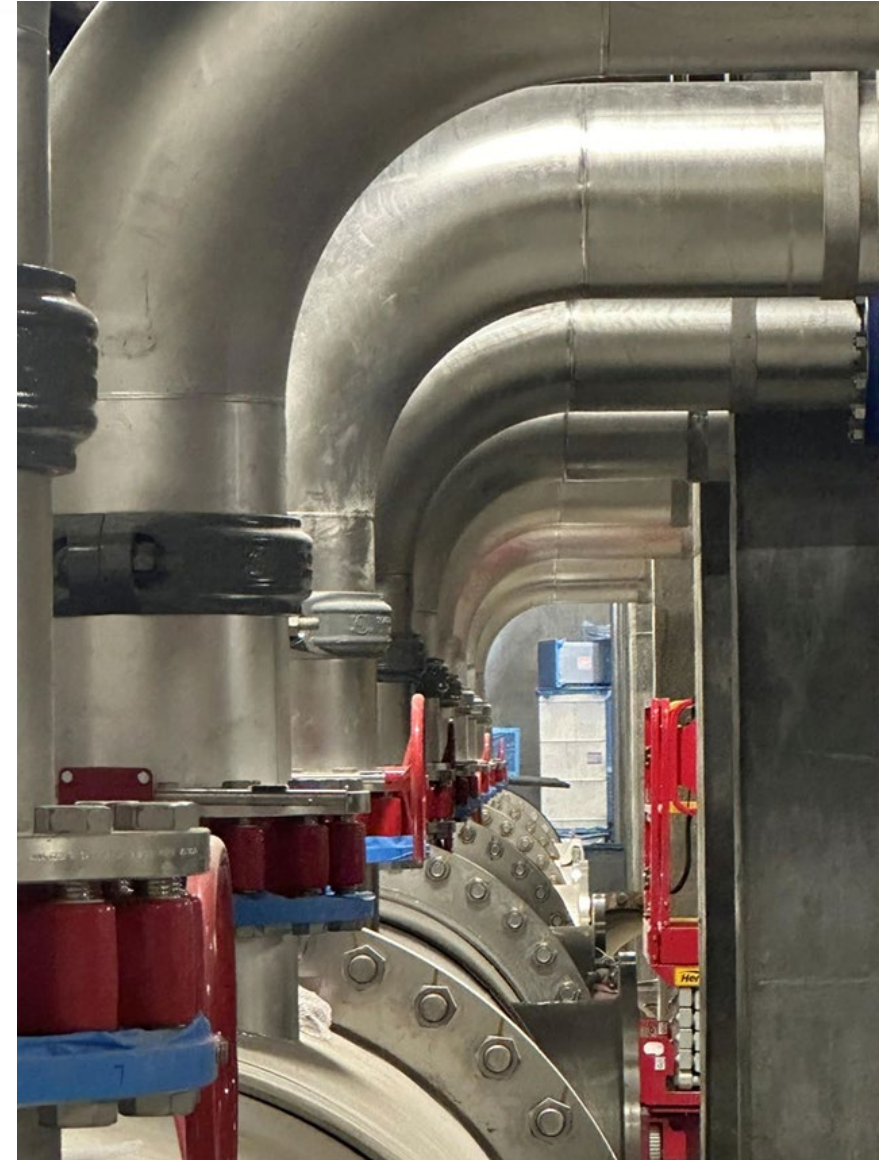
**Metro Wastewater Joint Powers Authority**

Proactively Addressing Regional Wastewater Issues for the Public Benefit

# FINANCIAL POLICIES MANUAL



Metro Wastewater JPA  
Finance Committee Meeting  
January 28, 2025





## Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- One stop shop for all financial policies & procedures
  - Replaces existing policies & procedures (14.1 through 14.8)
    - With minor edits to some
  - Eliminates draft section of 14.1 Protocol 1 (Debt Service & Operating Reserve Calculation)
  - 2 new Policies, 1 new Procedure
    - Investment Policy & Purchasing Policy
    - Year-end Closing Procedures
  - Major revisions to Policy 3 to allow for electronic payment processing





# Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

## TABLE OF CONTENTS:

- I. POLICY 1 – Records Retention
- II. POLICY 2 – Social Media
- III. POLICY 3 – Manual and Electronic Payment/Transfer Policy
- IV. POLICY 4 – Meetings Meal Policy
- V. POLICY 5 – 2025 Investment Policy
- VI. POLICY 6 – Purchasing Policy
- VII. PROCEDURE 1 – AG Opinion (Staff in Closed Sessions)
- VIII. PROCEDURE 2 – Fiscal Year End Closing Procedures
- IX. RESOLUTION 2023-1 Establishing a Reserve Fund
- X. RESOLUTION 2023-2 Establishing Compensation for Directors
- XI. PROTOCOL 1 – Debt Service and Operating Reserve  
Calculation (City of San Diego)



# Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Policy 1 – Records Retention (14.2)
  - Removed items unrelated to JPA operations
    - Reduced schedule from 33 pages to now only 14 pages
    - Employee items, Utility operational items, election items
- Policy 2 – Social Media (14.3)
  - References to employees updated
- Policy 3 – Manual & Electronic Payment/Transfer Policy (14.4)
  - Major additions to incorporate electronic payments/transfers as an option.
  - Section 5 includes previous policy guidelines with modifications to incorporate what is actually happening.





# Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Policy 4 – Meetings Meal Policy (14.8)
  - Added Purpose and Objective
  - Eliminated Fiscal Year specific information & incorporated more generic guidelines for how to budget for these expenses.
- Policy 5 – 2025 Investment Policy
  - Safety; Liquidity; Yield
  - LAIF; County of San Diego Treasury; Money Market Funds
- Policy 6 – Purchasing Policy
  - Transparent; Fair; Cost Effective; Accountable
  - Section 4 – Authority & Responsibility
  - Section 5 – Delineates various contracting level requirements



## Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Procedure 1 – Guidelines for Staff in closed sessions (14.5)
- Procedure 2 – Fiscal Year End Closing Procedures
  - New Procedures to ensure smooth close-out of each fiscal year.
- Resolution 2023-2 Establishing Compensation for Directors (14.7)
- Resolution 2025-1 Establishing a Reserve Fund (14.6)(Coming Soon)
- Protocol 1 – Debt Service & Operating Reserve Calculation  
(City of San Diego)
  - Removed Draft document sections



## Metro Wastewater Joint Powers Authority

Proactively Addressing Regional Wastewater Issues for the Public Benefit

- Requested Action:
  - Approve
    - Forward to TAC for review and comment.
    - Forward to the Metro JPA Commission for Adoption.

# Metro Wastewater JPA



## FINANCIAL POLICIES MANUAL



THE JOINT POWERS AUTHORITY PROACTIVELY ADDRESSING REGIONAL WASTEWATER ISSUES.

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
San Diego County Sanitation Districts

# **TABLE OF CONTENTS**

- I. POLICY 1 – Records Retention**
- II. POLICY 2 – Social Media**
- III. POLICY 3 – Manual and Electronic Payment/Transfer Policy**
- IV. POLICY 4 – Meetings Meal Policy**
- V. POLICY 5 – 2025 Investment Policy**
- VI. POLICY 6 – Purchasing Policy**
- VII. PROCEDURE 1 – Guidelines for Staff in Closed Sessions**
- VIII. PROCEDURE 2 – Fiscal Year End Closing Procedures**
- IX. RESOLUTION 2023-2 Establishing Compensation for Directors**
- X. RESOLUTION 2025-1 Establishing a Reserve Fund (Coming Soon)**
- XI. PROTOCOL 1 – Debt Service and Operating Reserve  
Calculation (City of San Diego)**





# **Metro Wastewater JPA Policy No. 1**

## **Records Retention Policy**

---

THE JOINT POWERS AUTHORITY PROACTIVELY ADDRESSING REGIONAL WASTEWATER ISSUES.

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
San Diego County Sanitation Districts

# **METRO WASTEWATER JOINT POWERS AUTHORITY RECORDS RETENTION AND DESTRUCTION POLICY**

## **I. PURPOSE**

The purpose of this policy is to provide guidelines regarding the retention or destruction of records of the Metro Wastewater Joint Powers Authority (the "JPA"); provide for the identification, maintenance, safeguarding and destruction of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

## **II. AUTHORIZATION**

Staff is hereby authorized to destroy records in accordance with this policy and the records retention and destruction schedule set forth in Attachment "A", which shall comply with the records retention guidelines provided by the California Secretary of State, as may be updated from time to time.

## **III. PROCEDURE**

- A. The Board Secretary shall be responsible for the administration of this policy and shall oversee compliance with the provisions of this policy and with the Records Retention Schedule, set forth in Attachment "A."
- B. The Board Secretary reviews documents to confirm that each document to be destroyed is: (1) not required to be permanently retained, or (2) has been retained for the legally required period of time. The Board Secretary also confirms that any applicable reproduction requirements (i.e., microfilming, etc.) for each document are complete.
- C. The Board Secretary completes and signs a "Request for Destruction of Obsolete Records" form, listing the date and description of each document to be destroyed.
- D. The Board Secretary submits the form to the Chair, who reviews and signs the form and then returns the signed form to the Board Secretary.
- E. After receiving the signed form from the Chair, the Board Secretary oversees the destruction of the documents, indicates the method of destruction on the form, signs the form and returns the original signed form to the Chair.
- F. The Board Secretary will retain all original signed forms requesting destruction of records for a minimum period of two (2) years.

#### IV. GENERAL GUIDELINES

A. The following general guidelines apply to all JPA records.

1. The Board Members of the JPA, by majority vote, may authorize the destruction of any **duplicate** records, if they are no longer needed. (Gov. Code § 60200.)
2. Pursuant to the resolution adopted by the Board Members of the JPA, except where a record is expressly required to be preserved according to State law, the JPA may approve the destruction of any original document without retaining a copy of the document as long as the retention and destruction of the document complies with the retention schedule as set forth in this policy (Gov. Code § 60201.)
3. In addition to the retention period required under this policy, the JPA shall retain original administrative, legal, fiscal and/or historical records with continued value (i.e., records for long-term transactions and/or special projects) until all matters pertaining to such records are completely resolved or the time for appeals has expired. (Gov. Code § 14755, subd. (a); Gov. Code 34090.)
4. Pursuant to Government Code section 60201, the JPA shall not destroy any of the following records:
  - (a) Records relating to the formation, change of organization, or reorganization of the JPA;
  - (b) Ordinances and resolutions, unless they have been repealed or have become invalid or otherwise unenforceable for five years;
  - (c) Minutes of any meeting of the JPA;
  - (d) Records relating to any pending claim, litigation, any settlement or other disposition of litigation within the past two years;
  - (e) Records that are the subject of any pending request for records under the California Public Records Act, whether or not the record is exempt from disclosure, until the request has been granted or two (2) years after the request has been denied by the JPA;
  - (f) Records relating to any pending construction that the JPA has not accepted or for which a stop notice claim may be legally presented;
  - (g) Records relating to any non discharged debt of the JPA;
  - (h) Records relating to the title to real property in which the JPA has an interest;
  - (i) Records relating to any non discharged contract to which the JPA is a party;
  - (j) Records that have not fulfilled the administrative, fiscal, or



- legal purpose for which they were created or received;
- (k) Unaccepted bids or proposals, which are less than two (2) years old, for the construction or installation of any building, structure or other public work;
  - (l) Records less than seven (7) years old that specify the amount of compensation or expense reimbursement paid to JPA members, officers, or independent contractors

## **V. SPECIFIC GUIDELINES**

### **A. Accounting Records**

1. Accounting Records include, but are not limited to, the following:

(a) Source Documents

- Invoices
- Warrants
- Vouchers
- Requisitions/Purchase Orders (attached to invoices)
- Cash Receipts
- Claims (attached to warrants in place of invoices)
- Bank Statements
- Bank Deposits
- Checks
- Bills
- Various accounting authorizations taken from JPA minutes, resolutions or contracts

(b) Journals

- Cash Receipts
- Accounts Receivable or Payable Register
- Check or Warrant Register
- General Journal

(c) Ledgers

- Expenditure
- Revenue
- Accounts Payable or Receivable Ledger
- Assets/Depreciation
- Warrants payable
- General ledger

(d) Trial Balance

(e) Adjusting Entries

(f) Statements (Interim or Certified - Individual or All Fund)

- Balance Sheet
- Analysis of Changes in Available Fund Balance
- Cash Receipts and Disbursements
- Inventory of Fixed Assets (Purchasing)

(g) Journal Entries

(h) Reversing Entries

(i) Other

- Inventory Records (Purchasing)
- Capital Asset Records (Purchasing)
- Depreciation Schedule
- Cost Accounting Records

2. General ledgers must be permanently retained. (Sec. of State Local Gov't. Records Mgmt. Guidelines.)
3. In general, the JPA should retain original source documents that are detailed in a register, journal, ledger or statement **until audited plus four (4) years**. Certain source documents may be retained for a shorter period of time. Refer to the records retention schedule for specific accounting documents.
4. The JPA may destroy rough drafts, notes, working papers (except audit), cards, listings, nonpermanent indices, and papers used for controlling work or transitory files at any time.
5. In addition to any required legal retention period, the JPA shall not authorize the destruction of any record subject to audit until it has been determined that the audit has been performed. (Gov. Code § 14755, subd. (b); Gov. Code § 34090.)

**B. JPA Records**

1. The JPA shall retain original records of the minutes of meetings of the JPA **indefinitely**. (Gov. Code §§ 34090; 60201.)
2. The JPA shall retain original resolutions adopted by the Board **indefinitely**. (Gov. Code § 60201.)

**C. Statements and Reports Filed Pursuant to the Political Reform Act.**

1. Filing officers shall retain original campaign statements and reports for **seven (7) years**. (Gov. Code § 81009 (c), (e).)

2. Filing officers shall retain copies of statements or reports for **four (4) years**. The officer does not have to keep more than one copy of a statement or report. (Gov. Code § 81009 (f).)

#### **D. Contracts**

1. The JPA shall retain original contracts for **four (4) years** after the end of the contracts. (Code of Civ. Proc. § 337.)
2. The JPA shall retain contracts with any person or entity who develops real property or furnishes the design, specifications, surveying, planning, supervision, testing, or observation of construction or improvement to real property for **ten (10) years** after the completion of the construction or improvement. (Code of Civ. Proc. § 337.15.)

#### **E. Video Monitoring, Telephone and Radio Communications; Other Video and Audio Recordings**

1. If the JPA keeps another record, such as written minutes, of an event that is recorded on video tape (e.g., JPA meetings), the JPA must keep the video tape recording of the event for **at least 90 days** after the occurrence of the event. **After 90 days**, the video tape may be destroyed or erased, upon approval by the JPA. (Gov. Code § 34090.7.)
2. When an audio tape recording of a meeting (e.g., JPA) is made solely to facilitate the preparation of minutes for that meeting, the tape recording may be destroyed or erased after it is no longer required and after the minutes for that meeting have been approved. (Gov. Code § 34090; 64 Ops.Atty.Gen. 317.)
3. Other audio or video tape recordings which are not related to the conduct of the public's business (e.g., educational or promotional videos) are not considered to be official JPA records and may be destroyed after they are no longer required, upon approval by the JPA. (Gov. Code §§ 6252, subd. (e); 34090.)

## **VI. ELECTRONIC COMMUNICATION**

Electronic mail generates correspondence and other documentation which are public records in need of protection/retention in accordance with the California Public Records Act (Gov. Code §§ 6250-6276.48). Electronic communication also includes any messages sent through a Mobile Phone or other electronic device that end up as e-mail to or from any JPA member (collectively, "e-mail"). The JPA's e-mail system should not be used to store or maintain documents, including, but not limited to, official JPA records.

It is the responsibility of the individual member to determine if e-mail is an JPA record

which must be retained in accordance with the JPA's Records Retention and Destruction Policy. Generally, an e-mail message and any attachments regardless of format may be considered an official JPA record if it: (1) is created or received in connection with official JPA business; (2) documents the formulation and implementation of JPA policies and decisions; or (3) initiates, authorizes or completes a transaction of official JPA business.

Preliminary drafts, notes or interagency or intra-agency memoranda which are not retained by the JPA in the ordinary course of business are generally not considered to be official JPA records subject to disclosure. JPA members are encouraged to delete documents which are not otherwise required to be kept by law or whose preservation is not necessary or convenient to the discharge of your duties or the conduct of the JPA's business. Examples of e-mail messages that are not generally considered official JPA records may include: (1) personal messages and announcements not related to official JPA business; (2) messages with attached copies or extracts of documents distributed for convenience or reference (with the original documents being preserved according to the JPA's Records Retention and Destruction Policy); and (3) messages that are essentially cover notes or distribution slips. The JPA's General Counsel can assist you in determining whether an e-mail message is required to be retained and/or is necessary or convenient to the discharge of your duties or the conduct of the JPA's business.

Any e-mail message, including any attachments regardless of format, that can be considered an official JPA record must be preserved in accordance with the retention periods specified in the JPA's Records Retention and Destruction Policy. Generally, the JPA member who sends an e-mail that qualifies as an official JPA record should be the person responsible for preserving that e-mail, but persons responsible for a particular program or project file shall also be responsible for preserving all e-mail they send or receive related to that program or project. JPA members may print and file hard copies of e-mail messages that must be preserved. Members may also save e-mail messages electronically, in electronic folders separate from their regular e-mail inboxes. However, e-mail messages must not be stored in a JPA member's regular inbox, since the JPA's automatic maintenance system will periodically delete e-mails from all inboxes. Many types of e-mail can also be stored electronically as a Word document. The JPA's Information Technology staff can assist members with setting up electronic folders or other methods of electronically archiving e-mail messages. However, all e-mail messages that are retained electronically must be easy to retrieve, view and print out, if necessary.

For projects that involve two or more members, any e-mails pertaining to a specific project should be retained in that project's central file(s). Members should work with Information Technology staff on the best method for central storage of e-mails on a project to make sure the e-mails remain easily accessible to everyone.

In addition, any e-mail messages that relate to a claim or a potential claim against the JPA, must be preserved. Likewise, any e-mail messages that may relate to a lawsuit filed against the JPA, even if a subpoena or court order for such e-mail messages has not yet been issued, must be preserved. Under newly enacted federal rules regarding electronic discovery, any information stored electronically, including e-mail messages, must be produced for a requesting party. A court can impose severe penalties if e-mail messages

relevant to a lawsuit are deliberately destroyed when it is known, or should have reasonably been anticipated, that a claim or lawsuit could be filed against the JPA. There are no penalties if electronic information is “lost” through “the routine operation of an electronic information system” (i.e., automatic deletion after a period of time; automatic overwriting of backup tapes, etc.). (Rule 37(f) of the Federal Rules of Civil Procedure.)

However, the JPA has a duty to preserve any relevant data when there is even a hint of possible litigation. Therefore, when JPA members become aware of a potential claim, an actual claim, or a lawsuit against the JPA, they must preserve any e-mail messages and attachments that have any information relevant to that matter. The JPA’s General Counsel can provide you with guidance on these issues.

## **VII. RECORDS RETENTION SCHEDULE**

The “Records Retention Schedule” is attached to this policy as Attachment “A” and is incorporated herein by reference. This policy and the Records Retention Schedule shall comply with the records retention guidelines provided by the California Secretary of State and may be updated from time to time.

**ATTACHMENT “A”**  
**RECORDS RETENTION SCHEDULE**

[Attached]

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Accounts Payable	Finance	Journals, statements, asset inventories, account postings with supporting documents, vouchers	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Accounts Payable	Finance	Invoices, reports, investments, purchase orders	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Accounts Receivable	Finance	Checks received, reports, investments, receipt books	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Affidavits of Publication / Posting	Administration	Legal notices for public hearings, publication of ordinances, etc.	GC 34090	2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Agenda / Agenda Packets	Administration	Agendas and packets should be imaged immediately. A paper copy should be maintained for one year only.	GC 34090 GC 34090.5	2 years
Agenda reports (staff reports)	Administration	Paper copies of agenda packets should be maintained for 1 year as complete packets. Originals should be imaged immediately for permanent retention. The filmed record may serve as the permanent record.	GC 34090 GC 34090.5	2 years
Agreements	Administration	Original contracts and agreements and back-up materials, including leases	CCP 337 CCP 337.2	4 years after termination/ completion
Annual Financial Report	Finance	Independent auditor analysis	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code



# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Articles of Incorporation	Administration		GC 34090 GC 60201	Permanent
Audit Reports	Finance	Financial services; internal and/or external reports; independent auditor analysis	GC 34090 Sec. of State Local Gov't. Records Retention Guidelines	Permanent [May be revised at a later time by Sec. of State or County officials]
Audit Hearing or Review	Finance	Documentation created and or received in connection with an audit hearing or review	GC 34090	2 years
Bank Account Reconciliations	Finance	Bank statements, , receipts, certificates of deposit, etc.	26 CFR 31.6001-1(e)(2)	4 years (Sec. of State Guidelines – recommended retention: until audited + 5 years)

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Bids, Accepted	Development	Includes plan and specifications; notices/affidavits.	GC 34090 CCP 337, 337.1	4 years
Bids, Unaccepted	Development	Unaccepted bid packages only	GC 34090 GC 60201	2 years
Billing records	Finance	Utility bill stubs – submitted with payment	GC 34090	Current + 2 years
Brochures/ Publications	Administration	Retain selected documents only for historic value.	GC 34090	2 years
Budget, Annual	Finance	Adjustments, journal entries, account transfers	GC 34090	Until audited + 2 years
California State Tax Records	Finance	Forms filed annually; quarterly and year-end reports	R&TC 19530 R&TC 19704	6 years
Checks	Finance	Includes originals of canceled and voided checks	GC 34090; CCP 337 Sec. of State Local Gov't. Records Mgmt. Guidelines	Until audited +5 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Citizen Feedback	Administration	General correspondence.	GC 34090	2 years
Claims Against the JPA	Administration	Paid/Denied	GC 34090; GC 25105.5	Until settled + 5 years (May be microfilmed after 3 years)
Complaints/Requests	Administration	Various files, not related to specific lawsuits involving the District and not otherwise specifically covered by the retention schedule.	GC 34090	2 years
Annual Comprehensive Financial Reports (ACFR)	Finance	Finance	GC 34090; CCP 337	Until audited + 4 years
Contracts	Administration	Original contracts and agreements and back-up materials.	CCP 337	4 years after termination/ completion
Correspondence	Administration	General correspondence, including letters and e-mail; Various files, not otherwise specifically covered by the retention schedule.	GC 34090	2 years
Deposits, Receipts	Finance	Receipts for deposited checks, coins, currency	GC 34090 CCP 337	Until audited + 4 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Economic Interest Statements - Form 700 (copies) (elected officials)	Administration	Copies of original statements of elected officials forwarded to Fair Political Practices Commission.	GC 81009(f), (g)	4 years (can image after 2 years)
Economic Interest Statements - Form 700 (originals) - non-elected	Administration	Originals of statements of designated JPA members and professional consultants assigned to designated roles.	GC 81009(e), (g)	7 years (can image after 2 years)
Ethics Training Records (AB 1234; effective 1/1/06)	Administration	Records required to be kept under Gov. Code section 53235.2 (effective 1/1/06). Records must show dates that local officials satisfied the training requirements and the entity that provided the training	GC 53235.2	5 years after receipt of training
Federal Tax Records	Finance	May include Forms 1096, 1099, W-4 and W-2	29 USC 436 26 CFR 31.6001.1-4 26 CFR 31.6001-1(e) 29 CFR 516.5-516.6	5 years after file date
Fixed Assets Inventory	Finance	Reflects purchase date, cost, account number	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Fixed Assets Surplus Property	Finance	Auction; disposal – Listing of property; sealed bid sales of equipment	GC 34090 CCP 337	Until audited + 4 years
Forms	Administration	Administrative - blank	GC 34090	Until Superseded
Fund Transfers	Finance	Internal; bank transfers & wires	GC 34090	Until audited + 2 years
General Ledgers	Finance	All annual financial summaries-- all agencies	GC 34090 CCP 337 Sec. of State Local Gov't. Records Retention Guidelines	Permanent [May be revised at a later time by Sec. of State or County officials]
Gifts/Bequests	Finance	Receipts or other documentation	GC 34090	Until completed + 2 years
Grants Community Development Block Grant (CDBG); Urban Development; other Federal and State grants	Development	Grants documents and all supporting documents: applications, reports, contracts, project files, proposals, statements, sub-recipient dockets, environmental review, grant documents, inventory, consolidated plan, etc.	GC 34090 24 CFR 570.502 24 CFR 85.42	Until completed + 4 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Information Services, Internet/World Wide Web	Administration	Management policies and supporting documentation	GC 34090	Until superseded + 2 years
Information Systems, Inventory	Administration	Hardware/software inventory logs; systems manuals	GC 34090	Until superseded + 2 years
Information Systems, Network Information Systems (LAN/WAN)	Administration	Configuration maps and plans	GC 34090	2 years
Information Systems, Program Files and Directories	Administration		GC 34090	2 years
Information Systems, Tapes	Administration	System generation	GC 34090	2 years
Insurance	Finance	Personnel related	GC 34090	Current + 2 years
Insurance, Joint Powers Agreement	Finance	Accreditation, MOU, agreements and agendas	GC 34090	Current + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. ( Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Insurance Certificates	Finance	Liability, performance bonds, property: Insurance certificates filed separately from contracts, includes insurance filed by licensees.	GC 34090	Current + 2 years
Insurance, Liability/Property	Finance	May include liability, property, Certificates of Participation, deferred, use of facilities	GC 34090	Current + 2 years
Insurance, Risk Management Reports	Finance	Federal OSHA Forms; Loss Analysis Report; Safety Reports; Actuarial Studies	29 CFR 1904.44 GC 34090	5 years (Federal) 2 years (State)
Investment Reports, Transactions	Finance	Summary of transactions, inventory and earnings report	GC 34090 CCP 337 Sec. of State Local Gov't. Records Retention Guidelines	Permanent
Invoices	Finance	Copies sent for fees owed, billing, related documents	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Legal Notices/Affidavits of Publication	Administration		GC 34090	2 years
Legal Opinions	Administration	Confidential – not for public disclosure (attorney-client privilege)	GC 34090	Until superseded + 2 years
Litigation	Administration	Case files	GC 34090	Until settled or adjudicated + 2 years
Local Appointments List (“Maddy List”)	Administration	List of all regular and ongoing boards, commissions, and committees appointed by the legislative body – pursuant to the Maddy Local Appointive List Act	GC 54970 et seq. GC 60201 et seq.	Until superseded (new list prepared each year by Dec. 31 <sup>st</sup> )
Maintenance Manuals	Administration	Equipment service/maintenance	GC 34090	Current + 2 years
Maintenance/Repair Records	Administration	Equipment	GC 34090	2 years
Marketing, Promotional	Administration	Brochures, announcements, etc.	GC 34090	2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code



# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Minutes	Administration	Minutes of District Board meetings. Documents are to be imaged immediately. Paper records are to be maintained permanently by the Board.	GC 34090, 60201	Permanent
Newsletter, JPA	Administration	May wish to retain permanently for historic reference.	GC 34090	2 years
Notices – Public Meetings	Administration	Special Meetings	GC 34090	2 years
Oaths of Office	Administration	Elected and public officials – Board Members	GC 34090 29 USC 1113	Current plus 6 years
Petitions	Administration	Submitted to legislative bodies	GC 34090	Current + 2 years
Policies, Administrative	Administration	All policies and procedures, directives rendered by the District not assigned a resolution number	GC 34090	Current + 2 years
Policies, JPA Board	Administration	Original policies adopted by the District Board	GC 34090	Current + 2 years
Political Support/Opposition, Requests & Responses	Administration	Related to legislation.	GC 34090	2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Press Releases	Administration	Related to District actions/activities.	GC 34090	2 years
Procedure Manuals	Administration	Administrative.	GC 34090	Current + 2 years
Property, Abandonment	Development	Buildings, condemnation, demolition	GC 34090	Permanent
Property Acquisition/ Disposition	Development	District owned. Supporting documents regarding sale, purchase, exchange, lease or rental of property by District	CCP 337.15	10 years
Public Records Request	Administration	Requests from the public to inspect or copy public documents	GC 34090	2 years
Purchasing RFQ's, RFP's	Finance	Requests for Qualifications; Requests for Proposals regarding goods and services	GC 34090	Current + 2 years
Purchasing, Requisitions, Purchase Orders	Finance	Original Documents	GC 34090 CCP 337	Until audited + 4 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
Recordings - audiotaped	Administration	Taped recordings of Board meetings - for preparation of Board meeting minutes	GC 34090 64 Ops.Atty.Gen 317	Until no longer required for preparation of minutes (after minutes are approved)
Recordings, videotaped – meetings of legislative bodies	Administration	Tapes of public meetings made by or at the direction of the District (e.g., Board meetings)	GC 54953.5	30 days
Recordings, videotaped	Administration	Other than videotapes of public meetings; Considered duplicate records if another record of the same event is kept (i.e., written minutes)	GC 53161	90 days after event is recorded
Records Management Disposition Certification	Administration	Documentation of final disposition of records	GC 34090	Permanent
Records Retention Schedules	Administration		GC 34090	Current + 2 years
Resolutions	Administration	Vital records - originals may never be destroyed. Image immediately.	GC 34090	Permanent
Returned Checks	Finance	Finance-NSF (not District checks)	GC 34090	2 years after audit

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code

# RECORDS RETENTION SCHEDULE FOR METRO WASTEWATER JOINT POWERS AUTHORITY

Destruction of any record must be authorized by the legislative body. (Gov Code §§ 60200 - 60204.)

Type of Record	Category	Description or Example of Record	Legal Authority	Minimum Legal Retention Period
State Controller	Finance	Annual reports.	GC 34090	2 years
State Tax Records	Finance	Filed annually; quarterly	Refer to Federal Tax Records	5 years after file date
Stop Payments	Finance	Finance - bank statements	GC 34090	2 years
Unemployment Insurance Records	Finance		IRC 3301-3311	4 years
Vouchers - Payments	Finance	Account postings with supporting documents	GC 34090 CCP 337	Until audited + 4 years
Warrant Register/Check Register	Finance	Record of checks issued; approved by legislative body (copy is normally retained as part of agenda packet information)	GC 34090	Until audited + 2 years

## Legal Authority Abbreviations

CCP	Code of Civil Procedure (California)	GC	Government Code (California)	LC	Labor Code (California)
CCR	California Code of Regulations	H&S	Health & Safety Code	PC	Penal Code (California)
CFR	Code of Federal Regulations	IRC	Internal Revenue Code	R&TC	Revenue & Taxation Code (California)
EC	Elections Code (California)	IRS	Internal Revenue Service	USC	United States Code



# Metro Wastewater JPA Policy No. 2

## Social Media Policy

## PURPOSE

This Social Media Policy ("Policy") establishes guidelines for the establishment and use by the Metro Wastewater Joint Powers Authority ("JPA") through its authorized employees and/or contractors of social media sites. The purpose of using Metro JPA social media sites is to disseminate information from the JPA, about the JPA, to members of the public.

The goal of the JPA's use of social media sites is to serve as an online information source focused on JPA issues, projects, news, and events. The JPA's social media activities will act as one-way communication, and will not serve as a public forum.

The JPA has an overriding interest and expectation in deciding what is "spoken" on behalf of the JPA on JPA social media sites. Therefore, all postings should be in accordance with the guidelines set below.

## DEFINITIONS

1. "Social media sites" means content created by individuals, using accessible, expandable, and upgradable publishing technologies, through and on the Internet. Examples of social media include, but are not limited to, Facebook, Twitter, Biogs, RSS, YouTube, LinkedIn, and Flickr.
2. "Board" means the appointed members of the Board of the Metro JPA.
3. "Employees" means authorized employees of the JPA member agencies, as the JPA has no employees of its own, and activities and services of the JPA are performed by the Board, authorized employees of the JPA member agencies and/or JPA contractors.
4. "JPA social media sites" means social media sites which the JPA establishes and maintains, and over which it has control over all postings, except for advertisements or hyperlinks by the social media site's owners, vendors, or partners. JPA social media sites shall supplement, and not replace, the JPA's required notices and standard methods of communication.
5. "Posts" or "posting" means information, articles, pictures, videos, or any other form of communication posted on a JPA social media site.
6. "Comments" include information, articles, pictures, videos, or any other form of communicative content posted on a JPA social media site.

## POLICY

1. The JPA's official website at <https://www.metrojpa.org> (or any other domain owned operated or maintained by the JPA) will remain the JPA's primary means of internet communication.

2. JPA social media sites should make clear that they are maintained by the JPA and that they follow the JPA's Social Media Policy.
3. Each JPA social media site shall include an introductory statement which clearly specifies the purpose and topical scope of the social network site. Where possible, social media sites should link back to the official JPA website for forms, documents and other information.
4. The JPA shall use social media sites as regularly as possible and in conjunction with other established JPA communication tools.
5. JPA social media sites shall comply with usage rules and regulations required by the site provider, including privacy policies.
6. JPA social media sites shall be managed consistent with the Brown Act, the Political Reform Act, and the California Elections Code. Board Members shall not respond to any published postings, or use any JPA sponsored social media site to respond to, blog or engage in serial meetings, or otherwise discuss, deliberate, or express opinions on any issue within the subject matter jurisdiction of the JPA, or for any political purpose. Board members must keep their social media presence separate from the JPA and other Board members' sites. Posts from JPA social media sites not pertaining to the subject matter jurisdiction of the body may be shared on their personal social media sites but no comments from Board officials are permitted on JPA owned, maintained, or operated social media sites.
7. All JPA social media sites shall adhere to applicable local, state, and federal laws regulations and policies. This includes adherence to established laws and policies regarding copyright, records retention, First Amendment, privacy laws, nondiscrimination and harassment laws, acceptable use of JPA owned or controlled digital equipment, internet access, and information security policies established by the JPA.
8. JPA social media sites are subject to the California Public Records Act. Any content maintained in a social media format that is related to JPA business, including a list of subscribers, posted communication, and communication submitted for posting, may be a public record subject to public disclosure.
9. Board Members and/or contractors representing the JPA via JPA social media sites must conduct themselves at all times as a representative of the JPA and in accordance with all JPA policies.

10. All JPA social media sites shall utilize authorized JPA contact information for account set-up, monitoring, and access. The use of personal email accounts or phone numbers by any employee and/or contractors are not allowed for the purpose of setting-up, monitoring, or accessing a JPA social media site. 9. Board Members should use the official email and contact information of their employing member agency.
11. JPA social media sites may contain content, including but not limited to, advertisements or hyperlinks over which the JPA has no control. The JPA does not endorse any hyperlink or advertisement placed on JPA social media sites by the social media site's owners, vendors, or partners.
12. If a social media site allows the administrator to limit the type of advertising that will appear on the JPA's page, this feature should be enabled.
13. The Board reserves the right to change, modify, or amend all or part of this policy at any time.
14. The JPA reserves the right to terminate any JPA social media site at any time without notice.

## **PROCEDURE**

1. The establishment and use of social media sites are subject to approval by the Board. Upon approval, JPA social media sites shall bear the name and/or official logo of the JPA. The Board has the authority to establish and/or terminate social media accounts and pages.
2. The Board Secretary shall maintain a list of all JPA social media sites, including login and password information, to allow for the immediate alteration or removal of content that is inappropriate or inconsistent with JPA policy.
3. The Executive Director or Board Secretary, as designated by the Board, will monitor content on JPA social media sites to ensure adherence to both the JPA's Social Media Policy and the interest and goals of the JPA.
4. JPA social media sites shall be established using only an authorized e-mail address of a JPA member agency.
5. Board Members and/or contractors representing the JPA on social media sites shall conduct themselves at all times as a professional representative of the JPA and shall comply with all JPA policies.
6. Board Members and/or contractors authorized to post to the JPA's social media sites shall not share personal information about himself or herself, or any other employee or contractor.



7. JPA social media sites shall clearly state that such sites are maintained by the JPA and that the sites comply with the JPA's Social Media Policy. Where possible, this Policy shall be displayed to users on each social media site or made available by hyperlink.
8. JPA social media passwords shall not be shared with anyone not authorized to moderate the site.
9. Any Board Member and/or contractor who violates this Policy shall be denied access to all JPA social media sites and may be subject to additional punitive action.

## **GENERAL CONDITIONS AND RESTRICTIONS**

1. All messages posted on social media website accounts on behalf of the JPA must:
  - Present the JPA in a positive light
  - Contain information that is freely available to the public and not confidential as defined by any JPA policy or local, state or federal law
  - Refrain from including personal information, with the exception of employees and/or contractors whose job duties include being a public contact
  - Comply with local, state and federal laws
2. When posting on behalf of the JPA to social media sites, Board Members and/or contractors shall only "endorse, like, follow or pin" (depending on the method of endorsement utilized by the social media application) the following: civic affiliated or other government related organizations, events sponsored/approved by the JPA and non-profit organizations that are partners with the JPA.
3. When posting on behalf of the JPA to social media sites, Board Members and/or contractors shall NOT "endorse, like, follow or pin": any political groups or figures, political campaign pages, businesses or any pages unrelated to the business of the JPA.
4. JPA social networking content and comments containing any of the following forms of content shall be deleted or hidden:
  - Comments not topically related to JPA business
  - Profane language or content
  - Content that promotes, fosters or perpetuates discrimination on the basis of sex (including pregnancy, childbirth, breastfeeding or related medical conditions), race, religion (including religious dress and grooming practices), color, gender (including gender identity and gender expression), national origin (including language use restrictions and possession of a driver's license issued under Vehicle Code section 12801.9), ancestry, physical or mental disability, medical condition, genetic information, marital

status, registered domestic partner status, age, sexual orientation, military and veteran status or any other basis protected by federal, state or local law or ordinance or regulation.

- Sexual content or links to sexual content, including nudity
- Solicitations of commerce
- Conduct or encouragement of illegal activity
- Information that may tend to compromise the safety or security of the public or public systems
- Content that violates a legal ownership interest of any other party
- Potentially libelous comments
- Private or personal information published without consent
- Personal attacks, insults or threatening language (Users may use the site to express their dissatisfaction with a JPA program, event or customer service experience. This type of post is acceptable as long as it is not considered offensive material as previously provided)
- Commercial promotions or spam
- Hyperlinks to material that is not directly related to the discussion
- Repetitive posts copied and pasted by multiple users
- Information affiliated with or promoting political campaigns
- Images which may result in copyright infringement

\*\*\*End of Policy\*\*\*



# **Metro Wastewater JPA Policy No. 3**

## **Manual and Electronic Payment/Transfers Policy**

The Joint Powers Authority Proactively Addressing Regional Wastewater Issues

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 3: METRO WASTEWATER JPA MANUAL AND ELECTRONIC PAYMENT/FUNDS TRANSFER POLICY & PROCEDURES**

*Adopted January 28, 2025*

**1. PURPOSE:** The METRO WASTEWATER JPA makes payments to vendors and Board members either by manual processing or by electronic funds transfer and also receives funds from various parties as a routine business practice. All such payments must be properly authorized and executed to reduce the risk of erroneous or fraudulent transactions.

**2. REFERENCES:** Cal. Code Regs. Tit. 18, § 1707 and Regulation E of the Board of Governors of the Federal Reserve System pursuant to the Electronic Fund Transfer Act – authorizes local government use of EFT and prescribed accounting procedures for EFT transaction processing.

### **3. DEFINITIONS:**

Agents of Metro Wastewater JPA:

Executive Director

Financial Consultant

Engineering Consultant

Board Secretary

Senior Accountant

Treasurer – Required Certification Designation - CPA

Electronic Funds Transfer (EFT): Refers to the disbursement from a bank account by means of wire, direct deposit, ACH, or other electronic means, either within a single financial institution or across multiple institutions, through computer-based systems. Wire transfers and ACH payments are examples of EFTs. This form of disbursement is authorized by RCW 39.58.750.

Automated Clearing House (ACH): A nationwide payment and collection system that provides for electronic distribution and settlement of funds. Although the term Electronic Fund Transfer (EFT) is technically more inclusive than the term ACH, the term EFT is often used synonymously with ACH and Wire Transfer. Wire transfers execute directly between two accounts, as opposed to a clearinghouse, so they process more quickly, but they are more expensive.

Wire Transfer: This is an electronic transfer of funds from one bank account to another initiated directly with the payee's bank. This type of transfer utilizes a system operated by the Federal Reserve Banks and is more costly compared to transactions involving checks or ACH.

National Automated Clearing House Association: NACHA is the steward of the electronic system that connects all U.S. bank accounts and facilitates the movement of money among them.

Banking Information: Information from the payee or their bank regarding their account. This information includes bank name, account name, account number, routing number, bank contact information and any other information necessary to transmit funds.

**4. GENERAL GUIDELINES:** The METRO WASTEWATER JPA currently utilizes an entirely manual process for receipts and payments. The JPA also may utilize EFTs for receipt of intergovernmental payments, grant payments, and other revenues where practical, and the transmittal of vendor payments, credit card processing fees, banking fees, and other disbursements where practical or required.

All EFTs are subject to applicable Purchasing Policies and all other policies and procedures in relation to the purchase of goods and/or services.

Except as noted above, wire transfers should only be used in payment of an obligation of the JPA when the situation requires immediate funds to settle a transaction or no other method is available. If a more inexpensive mechanism can be used to effect payment of the obligation (i.e., ACH or paper check), the Senior Accountant/Treasurer shall reserve the right to effect payment with the more inexpensive mechanism. Exceptions to this must be preapproved by the Executive Director.

This policy will be reviewed on a biennial basis for accuracy and process verification as part of the budget process. The JPA Executive Director is authorized to recommend administrative changes to this policy intermittently with Board approval, provided such changes are consistent with state and federal requirements.

#### **5. MANUAL INVOICE AND PAYMENT PROCESSING PROCEDURES:**

a. The Financial Consultant shall email JPA member's per diems, and vendors must email invoices, to the Senior Accountant/Treasurer by 10th of the month.

b. Senior Accountant/Treasurer's Review:

- i. Review (unique invoice, current amount due)
- ii. Prepare summary (Vendor, Amount), attach supporting documentation, send to Finance Consultant for review and approval.

c. Finance Consultant/Executive Director Review and Approval:

- i. Financial Consultant/Executive Director reviews summary invoices, compares against budget, and delivers approved signed summary via e-mail to Senior Accountant/Treasurer who will process checks for payment, including first wet signature by Senior Accountant/Treasurer.

- d. Senior Accountant/Treasurer prepares check summary and e-mails all secondary signatories regarding check summary and availability to sign.
- e. Senior Accountant/Treasurer takes or sends approved check summary, addressed and stamped envelopes, and checks to secondary signatory for wet signatures. Second signatory may be either the Metro JPA Chair, Finance Committee Chair, or Metro JPA Vice-Chair, based on availability. Secondary signer mails checks to vendors and delivers signed check summary back to Senior Accountant/Treasurer by month end, or Senior Accountant/Treasurer mails checks to vendors after secondary signatory signs and retains signed check summary.
- f. Senior Accountant/Treasurer maintains signed check summary for audit records.

NOTE: Concept is that check summary should have three layers of signed approvals on it: Senior Accountant/Treasurer's, Financial Consultant/Executive Director, and second signatories, and be maintained for auditor records if needed.

**6. INTERNAL CONTROL REQUIREMENTS FOR ELECTRONIC PAYMENTS:** To protect EFT transactions from internal and external threats, the following controls will be adhered to:

- a. Implementation of bank offered security measures to prevent unauthorized individuals from initiating or modifying a transfer, i.e., ACH Filters.
- b. Each user initiating or approving bank transactions must have a separate bank User IDs.
- c. Each user must either initiate or authorize electronic transactions, but not both for the same transaction.
- d. Use of pre-established templates for specific transaction types and specific accounts may be authorized in advance by the Senior Accountant/Treasurer, however, new templates must be initiated by one user and authorized by the Executive Director.
- e. The process of creating, securing, sending, and authenticating direct deposit transmittal files to prevent unauthorized modification or submission is documented below.
- g. Changes to board member or vendor banking information for direct deposit must be processed in writing using the Direct Deposit Authorization Form, under no circumstances will account changes be authorized by telephone or email.

h. Changes to vendor ACH accounts must be processed in writing, under no circumstances will account changes be authorized by telephone or email. Upon receipt, staff will independently verify changes with the vendor by phone.

## **7. TYPES OF PAYMENTS WHICH MAY BE MADE BY EFT:**

Vendor Payments: In its normal course of business, the METRO WASTEWATER JPA may remit the following types of payments via ACH: vendor payments, Credit Card Merchant Service Fees, and bank card payments.

Wire Transfers: Transfer for investment purchases, bond proceeds, interest payments, and maturities may be processed by wire between the JPA and custodial account and between the JPA and the Local Government Investment Pool (LAIF – Local Agency Investment Fund). The Senior Accountant/Treasurer is the only position authorized to initiate wire transfers. Wire transfers may be used for vendor payments on an emergency basis or when no other payment method is available – these transactions must be approved by both the Executive Director and Board Chair/Auditor.

**8. TRAINING:** To ensure consistent compliance with procedures, Board members and agents of the JPA tasked with processing, reconciling and recordkeeping will train in proper procedures and internal controls prior to conducting these functions.

## **9. RECORD-KEEPING:**

a. Transaction records will include:

- i. Unique Identifying number of the EFT payment (i.e., invoice number, date of payment, or bank transaction number).
- ii. Time and date of disbursement.
- iii. Payee name and address.
- iv. Amount of disbursement.
- v. Purpose of disbursement.
- vi. Accounting system expenditure/expense account number.
- vii. Disbursing bank's unique transaction identification number, if available.
- viii. Receiving bank or financial institution's identification number.

b. Documentation must be maintained of authorizations by payees who have thereby agreed to moneys added to their accounts electronically.

## **10. PROCEDURES FOR ELECTRONIC PAYMENT PROCESSING:**

a. Origination of ACH File:

i. ACH File Database: The METRO WASTEWATER JPA creates ACH files from Quickbooks, which are downloaded in proper ACH format.

ii. Transmission: Several options are available to transmit the file to the ACH originating bank, either through a gateway provider, or directly to the bank. The METRO WASTEWATER JPA generates and transmits board member payments, reimbursements, vendor and supplier payment files via California Bank & Trust.

iii. Retention: ACH and EFT date files are recommended to be maintained until audited plus four years. (The Local Government Records Program (LoCal) is tasked by Government Code section 12236; 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation).

b. Authorizations:

i. All board members and vendors must complete and sign a Direct Deposit Authorization Form. This form is provided by and submitted to the JPA Senior Accountant/Treasurer along with the banking institution's contact information including phone number and address. The board member or vendor must provide either a deposit slip for a Savings Account or a voided check for a Checking Account. In lieu of a deposit slip or voided check, the board member or vendor may provide documentation from the board member or vendor's financial institution indicating the transit-routing number and the account number.

ii. The authorization form shall provide the individual or company with the ability to change bank account information. Board members and vendors should notify the Senior Accountant/Treasurer immediately but no later than seven working days prior to the effective date. Exceptions may be granted up to 4 working days prior to the payment date for closed or compromised accounts.

iii. All requests to revoke direct deposit authorization must be in writing.

iv. Retention of authorization forms and any requests for revocation of authorization will be maintained until superseded and released from all audits.

v. The METRO WASTEWATER JPA does not allow telephone or email-initiated entries or changes to authorizations.

vi. Direct deposit requestors are responsible for ensuring the accuracy of the bank details provided. The JPA is not liable for any errors resulting from incorrect information.



vii. The Senior Accountant/Treasurer will keep private banking information confidential and will take appropriate measures to ensure compliance with data privacy regulations.

viii. Direct deposit recipients will be directed to carefully review their remittance advices and any related documentation (e.g., direct deposit notifications) subsequent to each payment and promptly report any errors. The Senior Accountant/Treasurer will review any such notifications and work with the recipient to identify and resolve any errors in a timely manner.

ix. CHANGES TO DIRECT DEPOSIT INFORMATION

1. Notification Requirement: Direct deposit recipients must notify the Treasurer of any changes to their banking information, or their request to terminate direct deposit, at least two weeks prior to the desired change to ensure it is processed for the next payment cycle.
2. Temporary Suspension: If there is an issue with the direct deposit (e.g., incorrect bank details), Direct deposit recipients will receive their payment by alternative means (paper check) until the issue is resolved.
3. Cessation of Direct Deposit: Upon suspension or revocation of direct deposit, recipients will receive their payment via paper check until a subsequent request to reinstate direct deposit is processed.

c. Transaction Advice:

- i. AP vendors being paid by ACH or Wire will be advised of the payment via email.

d. Cancellation of Transactions:

- i. If it is learned that a board member, supplier or vendor does not have a right to a payment, or the payment amount is in excess of the amount due to the board member, supplier or vendor, then the payment is to be cancelled. Actions to take will depend upon where the payment is in the timeline of the transaction.

- If the ACH file has not been transmitted to California Bank & Trust but the payment process has been finalized, staff will void the batch to remove the incorrect payment.
- If the ACH file has not been transmitted to California Bank & Trust and the ACH process has begun, staff will remove the incorrect payment prior to finalizing the batch.

- If the ACH file has already been transmitted to California Bank & Trust, staff would complete a California Bank & Trust ACH Service Request for Item Delete/Reversal and fax to California Bank & Trust.

e. Cut-off Times:

- i. The following cut-off times are established for ACH file transmissions: The ACH file auto-generated at the conclusion of the AP process should be scheduled to transmit two (2) banking days prior to issue/check date.

f. Funding Outbound ACH Transactions

- i. Funding of ACH files is deemed to be a critical function that must be performed accurately and in a timely manner, in order to avoid the overdrawing of bank accounts.
- ii. The settlement bank account which accommodates the funding of outbound ACH transactions for AP transactions is the JPA's General Bank Account held at California Bank & Trust.
- iv. Funding of ACH/EFT transactions must occur the day before the ACH funding is sent.

g. Reporting of Inbound EFT Transactions:

- i. The settlement bank accounts which accommodate the receipt of inbound ACH transactions are the JPA's General Checking Account held at California Bank & Trust.

h. Returns

- i. In the case of outbound transactions for board member and vendor payments, an ACH Returns account is not utilized. Instead, the returns will be credited to the settlement bank account at California Bank & Trust from which the funds were originally disbursed.
- ii. Returned items are monitored as part of the daily process. Any returned items are forwarded to the Senior Accountant/Treasurer, to be researched and either voided or reissued as appropriate. A second qualified reviewer will review all such returns and their related disposition.

\* \* \* End of Policy \* \* \*



# **Metro Wastewater JPA Policy No. 4**

## **Meetings Meal Policy**

The Joint Powers Authority Proactively Addressing Regional Wastewater Issues

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 4: MEETINGS MEAL POLICY**

*Adopted January 28, 2025*

### **1. PURPOSE**

This Policy is intended to provide guidelines for the prudent provision of meals for authorized meetings of the Metro Wastewater JPA.

### **2. OBJECTIVE**

To authorize the provision of meals to required attendees of Metro Wastewater JPA meetings.

### **3. POLICY**

Light Breakfasts and Lunches will be provided for all in-person meetings of the Metro Wastewater JPA/Commission (JPA), Finance Committee, and Metro TAC meetings. Meetings are as follows:

- Light lunches for JPA Board of Directors meetings inclusive of the Directors, MetroTAC representatives, JPA Executive Team staff, presenting San Diego staff and consultants.
- Light lunches for all in-person meetings of the MetroTAC representatives inclusive of TAC representatives, JPA Executive Team staff and presenting San Diego staff and consultants.
- Continental breakfasts for all in-person Finance Committee meetings for Committee Members and attending JPA Executive Team and San Diego Support staff.

For each fiscal year, the number of lunches (e.g., sandwiches, light dessert, and drinks) will be budgeted based on the number of projected meetings to be held during that fiscal year for each JPA or TAC meeting. The meals will be distributed on a first come first serve basis.

\* \* \* End of Policy \* \* \*



# **Metro Wastewater JPA Policy No. 5**

## **Investment Policy**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 5: METRO WASTEWATER JOINT POWERS AUTHORITY INVESTMENT POLICY AND GUIDELINES**

*Adopted January 28, 2025*

### **1. PURPOSE**

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

### **2. OBJECTIVE**

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

### **3. POLICY**

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

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

- A) Safety. Safety and the minimizing of risk associated with investing refer to attempts to reduce the potential for loss of principal, interest or a combination of the two. JPA invests only in those instruments that are considered very safe.
- B) Liquidity. Liquidity refers to the ability to convert an investment to cash promptly with a minimum risk of losing some portion of principal or interest. A portion of the portfolio should be maintained in liquid short-term securities which can be converted to cash, if necessary, to meet disbursement requirements.
- C) Yield. Yield is the average annual return on an investment based on the interest rate, price, and length of time to maturity. JPA attempts to obtain the highest yield possible, provided that the basic criteria of safety and liquidity have been met.

#### 4. INVESTMENT INSTRUMENTS

JPA may invest in the following instruments under the guidelines as provided herein:

- A) Local Agency Investment Fund (LAIF). Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account. Maximum investment is subject to state regulation.
- B) County of San Diego County Treasury. Investment of funds in the Treasury of the County of San Diego that allows the County Treasurer to invest through the Pooled Money Investment Account.
- C) Money Market Fund. Investment of funds in the Money Market Fund which allows investment in short-term dollar-denominated securities that are issued by diversified management companies and registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) in accordance with Government Code Section 53601(l)(2) and subject to the criteria and restrictions set forth in Government Code Section 53601(l)(4) and (5).

#### 5. SAFEKEEPING

All investments of JPA shall have the Metro Wastewater Joint Powers Authority as registered owner or shall be kept in the custody of JPA or by a qualified safekeeping institution.

6. INVESTMENT REPORTS

- A) JPA Treasurer shall submit investment reports quarterly within 30 days of the end of the quarter to the JPA's Board of Directors containing the following information:
- Financial institution
  - Type of investment
  - Amount of deposit
  - Rate of interest
- B) JPA Treasurer shall report monthly transaction reports to the JPA's Board of Directors if any investment transactions have been initiated on behalf of the JPA. This does not include any interest transactions occurring in the normal course of business.
- C) JPA Treasurer shall annually render a Statement of Investment Policy to the Board of Directors.

7. INVESTMENT OF BOND FUNDS

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

\* \* \* End of Policy \* \* \*





# **Metro Wastewater JPA Policy 6**

## **Purchasing Policy**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **POLICY 6: METRO WASTEWATER JPA PURCHASING POLICY**

### **1. Purpose**

The purpose of this policy is to establish guidelines for the procurement of goods and services to ensure fiscal responsibility, compliance with applicable laws, and the acquisition of quality products and services at the best possible prices.

### **2. Scope**

This policy applies to all purchases made by the JPA, including supplies, equipment, services, and construction contracts.

### **3. General Principles**

- **Transparency:** All purchasing activities should be conducted in a transparent manner.
- **Fair Competition:** Ensure fair and open competition among suppliers.
- **Cost-Effectiveness:** Aim to obtain the best value for money.
- **Accountability:** Maintain clear records and documentation for all purchases.
- **Agents of the JPA:**
  - **Executive Director,**
  - **Financial Consultant**
  - **Engineering Consultant**
  - **Board Secretary**
  - **Senior Accountant**
  - **Treasurer**

### **4. Procurement Authority and Responsibilities**

- **Board of Directors:** Approves the annual budget and any single expenditure over \$10,000.
- **Executive Director:** Has the authority to approve purchases up to \$10,000, with the concurrence of the Board of Directors Chairman.

### **5. Purchasing Procedures**

#### **5.1 Purchases up to \$5,000 per annum**

- **Procedure:** Obtain at least one verbal or written quote.
- **Approval:** Executive Director can approve these purchases with concurrence of Board of Directors Chair
- **Documentation:** Maintain a record of the quote and the rationale for the selection for a time period consistent with the records retention schedule.

## **5.2 Purchases between \$5,001 and \$10,000 per annum**

- **Procedure:** Try to obtain at least three written quotes.
- **Approval:** Executive Director can approve these purchases with concurrence of Board of Directors Chair
- **Documentation:** Record all quotes and the decision-making process for a time period consistent with the records retention schedule.

## **5.3 Purchases between \$10,001 and \$50,000 per annum**

- **Procedure:** Either issue a formal Request for Proposals (RFP) with a goal of obtaining at least three proposals, or, if sole source professional services is justified, document the rationale for selecting a single vendor.
- **Approval:** Requires approval from the Board of Directors.
- **Documentation:** Maintain comprehensive records of the RFP, proposals, evaluation process, or sole source justification for a time period consistent with the records retention schedule.

## **5.4 Purchases over \$50,000 per annum**

- **Procedure:** If a majority of the Board is satisfied with the performance of an agent of the JPA, a negotiation may proceed as a sole source agreement. If not, issue a formal Request for Proposals (RFP) and with a goal of obtaining at least three proposals. If three proposals are not received by the deadline, the Executive Director may waive this requirement. The submittal deadline shall not be less than 30 days following the date of release of the RFP.
- **Approval:** Requires approval from the Board of Directors.
- **Documentation:** Maintain comprehensive records of the RFP, proposals, and evaluation process for a time period consistent with the records retention schedule.

## **6. Emergency Purchases**

In cases of emergency where immediate purchase is necessary to protect the health, safety, or welfare of the public or to address urgent operational needs, the Executive Director or their designee may authorize such purchases with concurrence of the Board of Directors Chair. Emergency purchases must be reported to the Board of Directors at the next regular meeting.

## **7. Ethical Considerations**

All individuals involved in the purchasing process must adhere to the highest standards of ethical conduct, avoiding conflicts of interest and ensuring impartiality in decision-making.

## **8. Documentation and Record Keeping**

Maintain detailed records of all purchasing activities, including quotes, bids, purchase orders, contracts, and approvals. These records should be retained for a time period consistent with the records retention schedule.

## **9. Review and Amendments**

This policy should be reviewed biennially by the Board of Directors and amended as necessary to ensure it remains effective and compliant with applicable laws and regulations.

## **10. Compliance**

Failure to comply with this policy may result in disciplinary action, up to and including termination of contract.

\* \* \* End of Policy \* \* \*



# **Metro Wastewater JPA Procedure No. 1**

## **Guidelines for Staff in Closed Session**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **Metro Wastewater Joint Powers Authority**

### **Guidelines for Staff in Closed Sessions**

The chart below is meant to be helpful guidance regarding who is and is not permitted in a closed session under the guidance of California Attorney General (“AG”) Opinion No. 21-1102, published May 26, 2022, regarding staff attendance at closed sessions held under the Ralph M. Brown Act. These guidelines are subject to revision as the law changes. In the event of a change in law; the most current law will control.

#### **Who May Attend Closed Session**

- Members of the legislative body.
- Individuals authorized by statute to attend (i.e., legal counsel, real estate negotiator).
- Individuals who are “essential” to the agency’s ability to conduct the closed session business (such as the Executive Director, Executive Staff, or a percipient factual witness; must be “more than a mere potential benefit”).
- Designated clerk, officer, or employee to take notes and record closed session (must be the same single person designated by the Metro JPA Board for each closed session).

#### **Who May Not Attend Closed Session**

- Members of the public; non-essential staff or consultants
- Members of Metro TAC (unless deemed “essential” for the purposes of that closed session).
- Individual staff members of the legislative body members, or the participating agency (unless deemed “essential”), even for purposes of taking notes, administering the meeting, or providing the members with relevant information.
- An Alternate Board Member of the legislative body who is not serving in place of an absent member.
- Anyone else not expressly designated as essential to the closed session.



# **Metro Wastewater JPA Procedure No. 2**

## **Fiscal Year End Closing Procedures**

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## **PROCEDURE 2: METRO WASTEWATER JOINT POWERS AUTHORITY FISCAL YEAR END CLOSING PROCEDURES**

*Adopted January 28, 2025*

### **1. PURPOSE**

This Procedure document is intended to provide guidelines for the comprehensive process of properly preparing to close the Fiscal Year-End accounting records for Metro Wastewater Joint Powers Authority's (JPA). This is to ensure the JPA is prepared to provide accurate accounting records to the independent auditor.

### **2. OBJECTIVE**

The fiscal year-end close process is required to prepare the general ledger accounts for financial statement presentation and for the start of the next accounting process. The closing process consists of steps to transfer income statement accounts to balance sheet accounts. Since income statement accounts record current year activity, they must be zeroed out or closed in preparation of the next accounting period. This process begins after June 30, The JPA's fiscal year-end close date. The process continues until the financial statement audit field work begins. At the end of the fiscal close, the income statement accounts are closed into net position for the beginning of the next accounting period.

### **3. PROCEDURES**

1. Each May, list all critical activities that are part of the year-end closing process (e.g. reconcile all accounts, evaluate your assets and liabilities etc.)
  - a. Send reminder to agencies to pay any amounts due prior to June 30,
  - b. Send reminder to independent contractors and vendors to provide any invoices for work completed in June or prior, no later than July 20<sup>th</sup>, so the amounts may be properly accrued onto the books of the JPA.
2. Gather Relevant Financial Documents:
  - a. Bank statements,
  - b. Statements from credit cards, etc,
  - c. Inventory counts (if any),
  - d. Copy of last year's financial statements and general ledger.
3. Reconcile Bank Statements:
  - a. Compare each transaction in your bank statements with the corresponding entry in your general ledger. Then check for discrepancies between them.



4. Review Accounts Payable and Receivable:
  - a. Review outstanding bills and invoices, as well as vendor and customer payments, and confirm they're accurately recorded in the correct fiscal year and represent the amounts owed. Receivables are recorded revenue earned, but not yet received and Payables are accrued for expenses incurred, but not yet paid.
5. Review Your Assets:
  - a. Definition of Capital Asset: Useful Life > 1 Year and Cost > \$5,000.00
  - b. Ensure your financial statements reflect the true value of your assets on the balance sheet and the appropriate expenses on the income statement.
  - c. Calculate the Depreciation Expense for Each Asset.
  - d. Estimate the useful life of the asset, estimate a salvage value and deduct the salvage value from the asset's cost to find the amount that needs to be depreciated over the lifetime of the asset.
  - e. Divide that number by the useful life to find the amount of depreciation to be recognized for that asset in each accounting year.
6. Prepare Your Income Statement:
  - a. An income statement (also known as a Profit and Loss Statement) provides a summary of the JPA's revenues, expenses, and change in net position (or net loss) during the fiscal year.
7. Prepare Your Balance Sheet:
  - a. A balance sheet offers a summary of the JPA's assets, liabilities, and Net Position, grouped into current and non-current items.
8. Gather All Necessary Tax Documents:
  - a. Gather all necessary tax documents, such as W-2s, 1099s, and other relevant tax forms.
  - b. Make sure they are complete and accurate.
9. Check All JPA member Expense Reports:
  - a. Gather all expense reports submitted for reimbursement during the year.
  - b. Ensure you have documentation for each report, including receipts and supporting documentation.
10. Reconcile Credit Card Statements
11. Review Contracts and Agreements:
  - a. Collect all contracts, agreements, and legal documents for any financial commitments the JPA executed during the year, such as relationships with vendors, clients, suppliers, partners, landlords, and other contracts.
  - b. Identify any financial obligations from the contracts, then record relevant information (such as contract values, payment schedules, and billing cycles) in your records.
12. Assess the Need for Bad Debt Write-Offs

13. Create updated accounts receivable aging report and review it to identify overdue invoices and aging balances.
  - a. Analyze the payment history of the accounts to assess how likely customers are to pay.
  - b. Estimate the portion of accounts receivable that is unlikely to be collected based on your assessment.
14. Review and Adjust Accounts:
  - a. Review individual transactions in each general ledger account and verify that transactions are correctly recorded, classified, and summarized according to the chart of accounts. Reconcile them with supporting documentation (bank statements, invoices, receipts, and other financial records).
15. Prepare Cash Flow Statement
  - a. Summarize the cash inflows and outflows from operating, investing and financing activities during the fiscal year.
16. Document Year-End Review:
  - a. Maintain thorough documentation of your year-end accounting review process. This will be valuable for audits and future reference.
17. Set Goals for the Next Fiscal Year:
  - a. Assess how the year end close process went this year, identify opportunities for improvement and set goals for next year's financial close process, including which steps you'll want to complete early.

\* \* \* End of Procedure \* \* \*



# **Metro Wastewater JPA Resolution 2023-2**

## **Establishing Compensation to Directors**

The Joint Powers Authority Proactively Addressing Regional Wastewater Issues

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

## RESOLUTION 2023-02

### A RESOLUTION OF THE METRO WASTEWATER JOINT POWERS AUTHORITY BOARD OF DIRECTORS ESTABLISHING COMPENSATION OF DIRECTORS

**WHEREAS**, the Metro Wastewater Joint Powers Authority (“**Metro**”) is a public agency formed pursuant to joint powers agreements pursuant to Government Code sections 6500 *et seq.*, and governed by the Metro Board of Directors; and

**WHEREAS**, the Metro Board of Directors desires to establish reasonable compensation for all Directors of the Metro, excluding Advisory Directors, from time to time by resolution of the Board of Directors; and

**WHEREAS**, compensation for Directors’ attendance at Metro Board meetings has not been changed since at least 2008;

#### **NOW, THEREFORE, BE IT ORDAINED THAT:**

1. General Provisions. The Metro Board of Directors shall establish compensation every five years for all Metro Directors, excluding Advisory Directors, beginning with Fiscal Year 2023-2024 through the end of Fiscal Year 2027-2028 (the “**Period**”). If the Metro Board of Directors does not adopt a new resolution establishing future compensation before the end of the Period, compensation shall remain at the same amount established in the 2027-2028 Fiscal Year until a new resolution establishing compensation is subsequently adopted.

2. Per Diem Established. Beginning Fiscal Year 2023-2024, the Metro Directors (or duly-appointed alternates that attend meetings in a primary Director’s absence) shall be paid compensation in the amount of \$158.00 (“**Per Diem**”) for attendance at Metro meetings, including attendance at meetings of an advisory body of Metro, such as standing or ad hoc subcommittees, or for each day’s service rendered as a Metro Director by request of the Chair or Board. For each subsequent Fiscal Year thereafter during the remainder of the Period, the Per Diem amount shall increase at an annual rate of 5.00%, as established below.

Fiscal Year Ended	2023	2024	2025	2026	2027	2028
Stipend (\$)	\$150.00	\$158.00	\$166.00	\$175.00	\$184.00	\$194.00
Increase (%)	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%

3. Attendance at Multiple Meetings. Where a Director attends multiple but distinct Metro meetings (including advisory body meetings) in the same day, the Director shall be compensated Per Diem for each meeting attended, so long as each meeting’s duration lasts at least fifteen (15) minutes or longer.

4. Finance Committee Alternate. If the Metro Board’s duly appointed alternate member of the Finance Committee attends a Finance Committee meeting in a non-voting capacity (meaning all primary Finance Committee members are present), the alternate may nonetheless receive a Per Diem for his or her attendance at that meeting, in order to encourage the alternate’s

attendance at Finance Committee meetings. It is a benefit to both the Finance Committee and the Metro Board of Directors that the Finance Committee alternate observe and track the discussions held at Finance Committee meetings so that s/he can step in as an informed member of the Finance Committee if or when s/he is required to attend in a voting capacity.

5. Limit on Number of Meetings. No Board Director or alternate shall be paid more than six (6) Per Diems per month, except for the Board Chair, who may be paid for no more than ten (10) Per Diems per month. All Per Diem requests must be submitted to the Metro Treasurer within sixty (60) days of the day for which a Per Diem is requested.

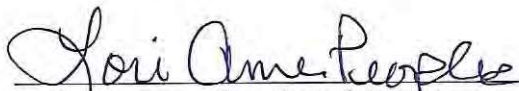
6. No Overlapping Compensation. Directors to whom Metro would pay a Per Diem pursuant to this resolution shall not receive a Per Diem if they are otherwise eligible to receive compensation, including per diem, from their respective agencies for attendance at Metro meetings or for service rendered as a Metro Director by request of the Chair or Board.

**PASSED AND ADOPTED** at a meeting of the Board of Directors of the Metro Wastewater Authority, held this 1st day of June, 2023.

SIGNED:

  
\_\_\_\_\_  
Jerry Jones, Board Chair  
Metro Wastewater Authority

ATTEST:

  
\_\_\_\_\_  
Lori Anne Peoples, Board Secretary  
Metro Wastewater Authority



# **Metro Wastewater JPA Resolution 2025-1**

## **Establishing a Reserve Fund Policy**

(Coming Soon)

**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

---

Chula Vista • Coronado • Del Mar • El Cajon • Imperial Beach • La Mesa • Lemon Grove Sanitation  
District National JPA • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine,  
Spring Valley & Winter Gardens Sanitation Districts

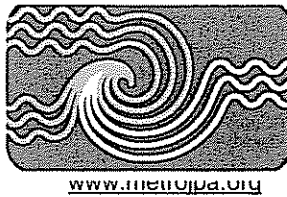
**(COMING SOON)**



# Metro Wastewater JPA Protocol No. 1

## Debt Service Coverage and Operations Reserve Calculations





April 19, 2010

Rod Greek  
Public Utilities Deputy Director  
City of San Diego, Metropolitan Wastewater  
9192 Topaz Way  
San Diego, CA 92123

Re: Administrative Protocol on Allocation of Operating Reserves and Debt Service  
Coverage to Participating Agencies

Dear Mr. Greek:

This letter is intended to memorialize the attached Administrative Protocol on Allocation of Operating Reserves and Debt Service Coverage to Participating Agencies ("Protocol") negotiated between the City of San Diego and Metro TAC/ Metro JPA/ Metro Commission, on behalf of the Participating Agencies under the Regional Wastewater Disposal Agreement. Your signature will indicate acceptance of the Protocol on behalf of the City.

By countersigning this letter, the City of San Diego and Metro TAC/ Metro JPA/ Metro Commission acknowledge and agree to the terms and conditions contained in the attached Protocol.

Sincerely,

 4/21/10  
for the Metro TAC/ Metro JPA/ Metro Commission

Enclosure


The Protocol is accepted by the City of San Diego pursuant to the terms and conditions set forth in the attachment hereto:

Date: 4/19/10

  
Rod Greek, Public Utilities Deputy Director

The Protocol is accepted by Metro TAC/ Metro JPA/ Metro Commission on behalf of the Participating Agencies pursuant to the terms and conditions set forth in the attachment hereto:

Date: 5/6/10



**The Joint Powers Authority Proactively Addressing Regional Wastewater Issues**

Chula Vista • Coronado • Del Mar • Imperial Beach • La Mesa • Lemon Grove Sanitation District  
National City • Otay Water District • Poway • Padre Dam Municipal Water District  
County of San Diego, representing East Otay, Lakeside/Alpine, Spring Valley & Winter Gardens Sanitation Districts

## **Administrative Protocol on Allocation of Operating Reserves and Debt Service Coverage to Participating Agencies**

### **BACKGROUND:**

In early 2008 the MetroTAC formed a working group in response to the City of San Diego's request for \$20 million in funding in FYE 2009 from the Participating Agencies ("PAs") for operating reserves and debt service coverage. The working group continued to meet with City of San Diego staff regarding the establishment of a mutually agreed upon protocol through early February 2010. A summary of the City of San Diego's 2008 proposal and the negotiated 2010 protocol is included as Attachment A.

At its regular meeting of February 17, 2010, the MetroTAC approved the following recommendations to move to the Finance Committee of the Metro Wastewater JPA and thereafter to the Metro Commission/ Metro Wastewater JPA for discussion and action:

- Proceed with PAs funding a 1.2 debt service ratio coverage
- Proceed with PAs funding a 45 day operating reserves
- The PAs will fund no other reserves
- FY07 and FY08 refund monies will be used to fund the operating reserves
- Interest accrual on operating reserves and undesignated accounts will start with FY10 (beginning on July 1, 2009)

The Finance Committee of the Metro Wastewater JPA, at its February 24, 2010 meeting, took action to recommend approval of the above, by the Metro Commission/ Metro Wastewater JPA. At its March 4, 2010 meeting, the Metro Commission/ Metro Wastewater JPA, comprised of representatives of the PAs, approved the components of the negotiated policy, with the understanding that any such policy would serve as an administrative protocol regarding the allocation of debt service coverage to the PAs and funding of operating reserves by the PAs.

### **PROTOCOL REGARDING PA FUNDING OF OPERATING RESERVES:**

#### **Background:**

Operating reserves are established to provide funding for unforeseen events that might occur during the course of the fiscal year such as unforeseen major maintenance or capital projects. The PAs performed a survey of other regional wholesale agencies and determined that agencies such as the San Diego County Water Authority maintain a 45 day operating reserves. Although the City of San Diego's current policy is to increase operating reserves for its retail customers from 45 to 70 days, the City realizes that if a major maintenance incident should occur it can immediately request payment from the PAs per the Regional Wastewater Disposal Agreement. The City of San Diego's retail customer's rates cannot be immediately increased due to Proposition 218 requirements for noticing and public hearings.

#### **Protocol:**

Attachment B is a summary of the funding strategy showing each PAs 2007 and 2008 refunds based on recent City Metro Wastewater Exhibit E audits. The refunds will be used to fund the PAs 45 day operating reserves contribution. In the majority of cases most PAs will see a refund even after they have

fully funded their portion of the operating reserves. PAs that do not have adequate refunds will be billed for their portion of the reserve in the next quarterly 2010 billing. The operating reserves for each fiscal year will be established based on 45 days of operating revenues as determined by the following formula:

**Fiscal Year Estimated Operating Expenses (not including CIP and debt service)**

**365 days X 45 days**

The number of days included in the calculation cannot be changed without prior consent of the PAs.

The operating reserves will be maintained by the City of San Diego and interest will accrue on a monthly basis based on actual interest rates on the City's investments. This interest revenue will be added to the PAs undesignated fund balance for that fiscal year. As part of each year's Exhibit E audit the actual required operating reserves and interest earned on it will be determined and audited by the City of San Diego's external auditors and PA representatives. A summary of the operating reserves balance and interest earned for each PA will be included as a footnote or attachment to the City Metro Wastewater Exhibit E Audit.

**PROTOCOL REGARDING ALLOCATION OF DEBT SERVICE COVERAGE TO PAs**

**Background:**

A 1.2 debt service coverage ratio is a requirement for all of the outstanding Metro parity debt. A cash flow prepared by the City of San Diego shows (Attachment C) that if the PAs are billed at the current level (\$65 million annually to cover the PAs portion of operations, pay-go capital, and debt service expense) for the next three to five years that this requirement can be achieved without additional contributions by the PAs. This provides the PAs a stable projected annual Metro contribution for the next three to five years.

**Protocol:**

The PAs will maintain through annual contributions and use of PA undesignated fund balance a positive cash flow not to exceed 1.2 times the PA share of the required annual debt service on Metro Debt. The debt service coverage ratio of 1.2 cannot be changed without prior consent of the PAs.

The undesignated fund balance will be maintained by the City of San Diego and interest will accrue on a monthly basis based on actual interest rates on the City's investments. This interest revenue will be added to the PAs undesignated fund balance for that fiscal year.

As part of each year's Exhibit E audit the actual required reserve coverage and interest earned on the undesignated fund balance will be determined and audited by the City of San Diego's external auditors and PA representatives. A summary of the debt service coverage requirement and portion of interest earned on the undesignated fund balance for each PA will be included as a footnote or attachment to the City Metro Wastewater Exhibit E Audit.

If the cash flow in any year does not provide the required 1.2 debt service coverage the PAs will be billed the additional required revenue including interest.

# Draft

Schedule of Participating Agency Contributions to Operations Reserve and Debt Service Coverage Cash flow FY 2007-2011  
Prepared on: February 23, 2010

## HOW TO READ CASH FLOW SPREADSHEET:

Blue font = data inputted directly into spreadsheet

Green font = data imported from another spreadsheet in workbook

Black font = Calculation; see legend to determine calculation

Green font = data imported from another spreadsheet in workbook  
Black font = Calculation; see legend to determine calculation

Line #	Cash flow Component	Legend	Foot-note #	AUDITED		PROJECTED							
				FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	
1	Current Projected Revenue Stream	Input		\$54,007,596	\$63,231,038	\$57,249,960	\$64,487,408	\$65,000,000	\$65,000,000	\$65,000,000	\$65,000,000	\$65,000,000	\$65,000,000
2	Annual Refund After Exhibit E Audit	Input					(8,209,431)	(1,500,000)	(3,000,000)	(2,500,000)	(2,100,000)	(1,800,000)	(1,800,000)
3	Transfer (to)/from Operating Reserve	Line 21-Prior Year					(4,281,432)	(42,814)	(43,242)	(43,675)	(44,112)	(44,553)	(44,553)
4	Undesignated Fund Balance Interest	Line 17 X Interest Rate	(1)				79,990	258,156	225,608	113,282	62,579	58,899	58,899
5	Operating Reserve Interest	Calculated Off-Line	(2)				164,514	166,159	167,821	169,499	171,194	172,906	172,906
6	Gross PA System Revenue	Sum(Line1:Line5)		\$54,007,596	\$63,231,038	\$57,249,960	\$52,241,049	\$63,881,500	\$62,350,187	\$62,739,106	\$63,089,661	\$63,387,252	\$63,387,252
7	Less:												
8	PA Estimated Total Operating Expenses	Prior year X 1.01	(3)	\$32,304,298	\$37,150,042	\$34,727,170	\$34,727,170	\$35,074,442	\$35,425,186	\$35,779,438	\$36,137,232	\$36,498,605	\$36,498,605
9													
10	Net PA System Revenue	Line 6 - Line 8		\$21,703,298	\$26,080,996	\$22,522,790	\$17,513,879	\$28,807,059	\$26,925,001	\$26,959,668	\$26,952,429	\$26,888,647	\$26,888,647
11													
12	PA Annual Debt Service Payment	Calculated Off-Line		\$20,373,393	\$19,850,051	\$20,441,069	\$24,049,989	\$24,043,880	\$22,479,039	\$22,478,266	\$22,478,075	\$22,478,730	\$22,478,730
13	CIP Pay Go – 20% of Projected CIP	Input	(4)	(4,417,502)	(512,512)	-	1,318,048	5,610,210	7,369,218	5,800,940	4,570,129	4,655,009	4,655,009
14	Total CIP and Debt Service	Line 12 + 13		15,955,891	19,337,539	20,441,069	25,368,037	29,654,090	29,848,257	28,279,206	27,048,204	27,133,739	27,133,739
15													
16	Net Income after CIP and Debt Service	Line 10 - 14		\$5,747,407	\$6,743,457	\$2,081,721	(\$7,854,157)	(\$847,032)	(\$2,923,257)	(\$1,319,537)	(\$95,775)	(\$245,092)	(\$245,092)
17	PA Undesignated Fund Balance	Line 16 + Prior Year		\$5,747,407	\$12,490,864	\$14,572,585	\$6,718,428	\$5,871,396	\$2,948,139	\$1,628,602	\$1,532,827	\$1,287,735	\$1,287,735
18													
19	Calculated Debt Service Ratio	Line 10/Line 12	(5)				0.73	1.20	1.20	1.20	1.20	1.20	1.20
20													
21	Operating Reserve (45 days)	(Line 8/365 days) X 45 days					\$4,281,432	\$4,324,246	\$4,367,489	\$4,411,164	\$4,455,275	\$4,499,828	\$4,499,828

Footnotes:

## Footnotes:

- (1) average of current year ending balance + prior year ending balance times 3.2%
- (2) average monthly balance times LAIF rate (first year calculated at half year interest)
- (3) FY09 based on average of FY07 & FY08 then 1% inflation
- (4) 20% of projected Metro CIP
- (5) Minimum coverage requirement 1.2 time annual Metro debt service

## FY10 Operating Reserve Calc:

PA Operating Expenses:	\$34,727,170
divided by:	365
Equals:	\$95,143
Times:	45
45 day Operating Reserve:	\$4,281,432

## FY10 Operating Reserve Interest Calc:


PA Operating Expenses:	\$4,281,432
Times ave monthly LAIF interest Rate:	0.038425 (range from 3.18% to 4.53% per month)
FY10 Estimated interest Earned:	\$164,514

FY07-FY08 Operating Reserve Rate Stabilization  
Based on 2008 Flows  
FINAL

Agency	EXHIBIT E AUDIT ADJUSTMENTS			2008 FLOWS & LOADS		
	FY 2007	FY 2008	TOTAL	2008 FLOWS & LOADS	OPERATING RESERVE	NET
CHULA VISTA	(\$1,837,010)	(\$2,100,751)	(\$3,937,761)	28.083%	\$1,202,374	(\$2,735,387)
CORONADO	(\$189,910)	(\$366,858)	(\$556,768)	3.356%	\$143,693	(\$413,075)
DEL MAR	(\$87,785)	(\$103,913)	(\$191,698)	1.029%	\$44,061	(\$147,637)
EL CAJON	(\$290,369)	\$66,888	(\$223,481)	15.270%	\$653,789	\$430,308
IMPERIAL BEACH	(\$132,300)	(\$130,153)	(\$262,453)	3.652%	\$156,373	(\$106,080)
LA MESA	(\$99,793)	(\$40,190)	(\$139,983)	8.842%	\$378,561	\$238,578
LAKESIDE/ALPINE	(\$293,313)	(\$243,206)	(\$536,519)	5.357%	\$229,368	(\$307,151)
LEMON GROVE	(\$147,034)	(\$195,043)	(\$342,077)	3.611%	\$154,615	(\$187,462)
NATIONAL CITY	(\$637,379)	(\$947,043)	(\$1,584,422)	7.572%	\$324,211	(\$1,260,211)
OTAY	\$123,792	(\$138,545)	(\$14,753)	0.459%	\$19,668	\$4,915
PADRE DAM	(\$789,976)	(\$1,752,218)	(\$2,542,194)	5.198%	\$222,537	(\$2,319,657)
POWAY	(\$683,251)	\$130,168	(\$553,083)	5.770%	\$247,021	(\$306,062)
SPRING VALLEY	(\$611,093)	(\$667,539)	(\$1,278,632)	10.316%	\$441,691	(\$836,941)
WINTERGARDENS	(\$71,984)	(\$56,162)	(\$128,146)	1.482%	\$63,470	(\$64,676)
TOTAL	(\$5,747,405)	(\$6,544,565)	(\$12,291,970)	100%	\$4,281,432	\$ (8,010,538.00)



Order Details

<b>Order Number</b> 1126229152	<b>Payment Method</b>  Visa ending in <b>0770</b>	<b>Shipping Address</b> LeeAnn JonesSantos	<b>Billing Address</b> LeeAnn JonesSantos
<b>Order Date</b> 07/20/2024			
<b>Membership Number</b> 824169697001			

Item	Quantity	Status	Total Price
HP Pavilion 16" Touchscreen Laptop - Intel Core 7 Processor 150U - WUXGA (1920 x 1200) - Windows 11 Item #1825558 \$899.99 Discount \$150.00	1	Delivered	\$899.99
CA EWST FEE 15-34 Item #998500000000 \$5.00	1	Delivered	\$5.00

McAfee Total Protection, 1 Device, (E-Delivery)

1

Shipped

\$0.01

Item #1513304

\$0.01

Discount \$0.01

Order Summary

Subtotal (3 Items)	\$905.00
Shipping	\$14.99
Tax	\$59.29
<hr/>	
Order Total	\$829.27



NEXT

Buy Direct from Select Brands at a Costco Price



butter  
LONDON



BRIGGS & RILEY



THOMAS KINKADEE  
Studios



CASE-MATE



Metro Wastewater Joint Powers Authority  
Treasurer's Report  
**ending December 31, 2024**

**\*\*UNAUDITED\*\***



**Metro Wastewater JPA**  
**Treasurer's Report**  
ending December 31, 2024  
Unaudited

<b>Beginning Cash Balance at July 1, 2024</b>	\$ 317,985
<b>Operating Results</b>	
Membership Dues & Interest Income	1,003,027
Expenses	<u>(261,430)</u>
Change in Net Position	741,596
Net change in Receivables & Payables	<u>(19,728)</u>
<b>Cash Provided by Operations and Investing</b>	<u>721,868</u>
<b>Ending Cash Balance at December 31, 2024</b>	<u><u>\$ 1,039,853</u></u>

**Metro Wastewater JPA**  
**Statement of Net Position**

As of July 1, 2024 and December 31, 2024

Unaudited

	<u>July 1, 2024</u>	<u>December 31, 2024</u>	<u>\$ Change</u>
<b><u>ASSETS</u></b>			
Checking/Savings	\$ 317,985	\$ 1,039,853	\$ 721,868
Accounts Receivable	22,824	6,169	(16,655)
Total Assets	<u>\$ 340,809</u>	<u>\$ 1,046,022</u>	<u>\$ 705,213</u>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 42,611	\$ 6,228	\$ (36,383)
Unearned Membership Billings	-	-	-
Total Liabilities	\$ 42,611	\$ 6,228	\$ (36,383)
<b><u>NET POSITION</u></b>			
Net Position at Beginning of Period	\$ 247,595	\$ 298,197	\$ 50,602
Change in Net Position	50,602	741,596	690,994
Net Position at End of Period	\$ 298,197	\$ 1,039,793	\$ 741,596
<b><u>TOTAL LIABILITIES &amp; NET POSITION</u></b>	<u>\$ 340,809</u>	<u>\$ 1,046,022</u>	<u>\$ 705,213</u>

<i>Net Position at 12/31/2024</i>	\$ 1,039,793
<i>FY '25 Required Reserve (4 months of Op Exp)</i>	275,637
<i>FY '25 Contingency Reserve</i>	<u>197,714</u>
<i>Over (under) required reserve</i>	\$ 566,443

Assets	\$ 1,046,022
Liabilities/Equity	<u>\$ 1,046,022</u>
Difference	\$ (0)

**Metro Wastewater JPA**  
**Statement of Operations**  
**Budget vs. Actual**

ending December 31, 2024  
Unaudited

	<u>Actual</u>	<u>Budget</u>	<u>Over (Under) Budget</u>
<b>Income</b>			
<b>Membership Dues</b>	\$ 988,568	790,855	\$ 197,713
<b>City of San Diego</b>	13,154	17,678	(4,524)
<b>Interest Income</b>	<u>1,305</u>	<u>350</u>	<u>955</u>
<b>Total Income</b>	\$ 1,003,027	\$ 808,883	\$ 194,144
<b>Expense</b>			
<b>Administrative Assistant-LP</b>	\$ 13,212	24,600	\$ (11,388)
<b>Bank Charges</b>	18	100	(82)
<b>Contingency</b>	-	-	-
<b>Dues &amp; Subscriptions</b>	-	-	-
<b>Financial Services</b>		-	
<b>Audit Fees</b>	6,560	-	6,560
<b>Financial Consulting Support (Auditor)</b>	-	-	-
<b>Financial - The Keze Group</b>	80,978	84,000	(3,022)
<b>Treasurer - CPA</b>	24,808	25,000	(192)
<b>JPA/TAC meeting expenses</b>	2,180	3,000	(820)
<b>Miscellaneous</b>	218	125	93
<b>Per Diem - Board</b>	17,342	14,250	3,092
<b>Printing, Postage, Supplies</b>	146	250	(104)
<b>Professional Services</b>		-	
<b>Engineering - Dexter Wilson</b>	68,118	100,000	(31,883)
<b>Engineering - NV5</b>	2,040	15,000	(12,960)
<b>Legal - Procopio (Pure Water/2nd ARA)</b>	8,377	75,000	(66,623)
<b>Legal - Procopio (General)</b>	16,241	30,000	(13,760)
<b>Legal - Procopio (SD Spill 2020 &amp; 2023)</b>	4,691	15,000	(10,309)
<b>Paul Redvers Brown, Inc.</b>	-	6,225	(6,225)
<b>Strategic Planning</b>	15,250	7,638	7,613
<b>IT &amp; Communications</b>	-	10,000	(10,000)
<b>Telephone, Software &amp; Internet</b>	1,252	1,500	(248)
<b>Website Architecture Update</b>	-	-	-
<b>Website Maintenance &amp; Hosting</b>	<u>-</u>	<u>1,768</u>	<u>(1,768)</u>
<b>Total Expense</b>	\$ 261,430	\$ 413,455	\$ (152,025)
<b>Net Income (Loss)</b>	<u>\$ 741,596</u>	<u>\$ 395,428</u>	<u>\$ 346,169</u>

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

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

**RECITALS**

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

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

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

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

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

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

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

## AMENDMENT TO AGREEMENT

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

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

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

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

2. Compensation.

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

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


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

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

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

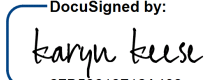
IN WITNESS HEREOF, BY SIGNING BELOW THE PARTIES HERETO VOLUNTARILY ENTER INTO THIS AMENDMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.

**METRO WASTEWATER JOINT POWERS AUTHORITY**

DocuSigned by:  
  
By: EA3367DA2B0F471...  
Chairperson


Date: May 28, 2024

**THE KEZE GROUP LLC**

DocuSigned by:  
  
By: 27B58613712A403...  
Karyn L. Keze

Date: May 29, 2024

APPROVED AS TO FORM:

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

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

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

**RECITALS**

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

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

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

**AGREEMENT**

NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

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

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

2. Compensation.

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

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

3. Additional Work.

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

4. Substitution of Key Personnel.

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

5. Maintenance of Records.

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

6. Time of Performance; Term.

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



7. Delays in Performance.

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

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

8. Compliance with Law.

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

9. Standard of Care.

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

10. Assignment and Subconsultant.

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

11. Independent Consultant.

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

12. Insurance.

a. Commercial General Liability.

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

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

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

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

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

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

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

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

b. Automobile Liability.

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

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

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

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

c. Workers' Compensation/Employer's Liability.

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

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

d. Minimum Policy Limits Required

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

Combined Single Limit

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

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

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

f. Evidence Required.

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

g. Policy Provisions Required.

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

(ii) [Intentionally left blank.]

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

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

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

h. Qualifying Insurers.

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

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

i. Additional Insurance Provisions.

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

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

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

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

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

13. Indemnification.

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

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

14. Laws, Venue, and Attorneys' Fees.

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

15. Termination or Abandonment.

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

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

16. Documents.

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

17. Organization.

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

18. Notice.

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

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

and shall be effective upon receipt thereof.

19. Third Party Rights.

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

20. Severability.

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

21. Integration.

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

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

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

SIGNATURES ON FOLLOWING PAGE(S)

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

**METRO WASTEWATER JPA:**

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

Jerry Jones  
Chair

**THE KEZE GROUP, LLC:**

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

Karyn Keze

APPROVED AS TO FORM:

\_\_\_\_\_  
Nikhil Patel

Best Best & Krieger, LLP  
General Counsel

METRO WASTEWATER JPA



## **EXHIBIT “A”**

### **Scope of Services**

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

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

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

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

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

The routine services will include the following tasks:

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

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

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

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

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

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

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

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



## **EXHIBIT “B”**

### **Schedule of Charges**

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

## Attachment A to Schedule of Charges

### Attachment A

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

#### Summary of Hours and Costs by Tasks

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

## **EXHIBIT “C”**

### **Insurance Certificates**

Insurance documentation is included on the following pages.



# CERTIFICATE OF LIABILITY INSURANCE

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

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

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

**PRODUCER**

 Ren Haynes Agency  
1106 Clayton Ln Ste 216e

Austin TX 78723-1086

**CONTACT**

NAME: Renwick Haynes

**PHONE**

(A/C, NO, EXT): 512-961-4899

**FAX**

(A/C, NO): 512-672-6269

**E-MAIL**

ADDRESS: rhaynes2@farmersagent.com

**INSURED**

 The Keze Group, LLC  
1801 E 51ST ST

AUSTIN TX 78723

**INSURER(S) AFFORDING COVERAGE**
**NAIC #**

INSURER A: Truck Insurance Exchange

21709

INSURER B: Farmers Insurance Exchange

21652

INSURER C: Mid Century Insurance Company

21687

INSURER D:

INSURER E:

INSURER F:

**COVERAGES**
**CERTIFICATE NUMBER:**
**REVISION NUMBER:**

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

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

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

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

**CERTIFICATE HOLDER**

 METRO WASTEWATER JPA  
PO BOX 1072

NATIONAL CITY

CA 91951

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE Renwick Haynes TX License # 1625437

 Renwick Haynes  
FACES032285F4A5...



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

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

**RECITALS**

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

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

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

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

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

**AMENDMENT TO AGREEMENT**

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

2. Compensation.

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

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

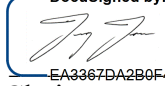
- (b) Exhibit B is further amended to reflect that for Fiscal Years 23-24, 24-25, and 25-26, the total amount of compensation Metro shall pay Consultant for services rendered under this Agreement shall not exceed \$150,000 per Fiscal Year. The aggregate compensation paid during the four-year term of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

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

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


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

**METRO WASTEWATER JOINT POWERS AUTHORITY**

DocuSigned by:  
By:   
EA3367DA2B0F471...  
Chairperson

Date: May 16, 2023

APPROVED AS TO FORM:

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

**THE KEZE GROUP LLC**

By:   
Karyn L. Keze

Date: May 16, 2023



April 11, 2023

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

Dear Ms. Gentry:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sincerely,



Karyn L. Keze

**PROFESSIONAL SERVICES AGREEMENT FOR TREASURER SERVICES  
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY  
AND RODNEY GREEK, CPA**

This Professional Services Agreement (“**Agreement**”) is made on this 6<sup>th</sup> date of June, 2024 between METRO WASTEWATER JOINT POWERS AUTHORITY (“**METRO JPA**”), and RODNEY GREEK, CPA (“**TREASURER**”), an independent contractor, collectively referred to herein as “**parties**” or individually as “**party**,” to furnish certain services as provided in this Agreement and upon the following terms and conditions.

**ARTICLE 1  
TERM OF AGREEMENT**

1.01 The term of this Agreement shall commence on July 1, 2024 (the “**Effective Date**”), and will continue through June 30, 2025 or until terminated as provided under Article 7, whichever occurs first. At the Parties discretion, and pursuant to a written letter agreement, this Agreement may be extended by one optional year according to the terms set forth in Attachment A – Scope of Work (“**Attachment A**”) and herein. This Agreement may be further extended by a written amendment signed by both parties. Attachment A may contain further instructions regarding required timelines for performance of the Services to be provided under this Agreement. Time is of the essence for each and every provision of this Agreement.

**ARTICLE 2  
SCOPE OF WORK**

**Specific Services**

2.01 TREASURER shall perform the services within the scope described in Attachment A and as authorized by METRO JPA (the “**Services**”). TREASURER will provide METRO JPA with periodic reports regarding the progress of Services performed, at METRO JPA’s request. Any changes to the scope of work or timeframes identified in Attachment A must be authorized by METRO JPA in writing and shall be set forth as an amendment to this Agreement.

2.02 TREASURER shall determine the method, details, and means of performing the above-described Services. TREASURER shall supply all labor, tools, materials, and equipment required to perform the Services under this Agreement.

**Standard of Performance**

2.03 TREASURER shall perform the Services required hereunder in accordance with the prevailing standard of care by exercising the skill and ability customarily exercised by reputable members of TREASURER’s profession providing the same or similar services in the State of California. While exercising its professional skill and expertise, TREASURER shall use reasonable diligence and best judgment, and shall perform the Services required hereunder in the best interests of METRO JPA. Acceptance by METRO JPA of reports, and incidental professional work or materials furnished hereunder, shall not in any way relieve TREASURER of responsibility for the adequacy of its work.

## **Personnel**

2.04 METRO JPA has a primary interest in maintaining the individual services of the following key project team members:

1. Rodney Greek
2. Lee Ann Jones-Santos

2.05 No member of the project team shall be removed from the project team or reassigned by TREASURER without prior approval of METRO JPA. TREASURER shall immediately inform METRO JPA, in writing, should any of the key members become unavailable. TREASURER must submit the credentials for substitutes for key project members to METRO JPA for review and approval. At the discretion of METRO JPA, an interview may be required prior to approval of a substitute key project member.

## **ARTICLE 3 COMPENSATION**

### **Compensation for Work Performed Under This Agreement**

3.01 Compensation payable to TREASURER for Services performed under this Agreement shall not exceed fifty thousand dollars (\$50,000) during fiscal year 2025 (July 1, 2024 - June 30, 2025), in the aggregate, and fifty thousand dollars (\$50,000) during optional fiscal year 2026 (July 1, 2025 - June 30, 2026), in the aggregate. This amount shall not be exceeded unless agreed upon through an amendment to this Agreement executed by both parties. Such amendment shall identify any change in compensation as a result of the change in scope of work. The parties agree that this compensation was developed in accordance with the customary and prevailing compensation level in the community and surrounding area for comparable services. TREASURER and METRO JPA agreed to this amount through an arm's length negotiation between the parties.

### **Payment of Expenses and Monthly Invoices**

3.02 METRO JPA will reimburse TREASURER for all reasonable expenses incurred in performing Services under this Agreement as the work progresses, provided that such reasonable expenses shall be included in and subject to the maximum compensation amount stated above in this Article. TREASURER shall submit invoices to METRO JPA's Accounts Payable department once per month. Such invoices shall include a brief narrative description of the work performed, as well as detailed time expenditures on a task-by-task basis pursuant to Attachment A. The term "expenses" means telephone bills, and federal express charges, mailing charges and any other pre-approved expenses by METRO JPA. TREASURER will provide METRO JPA with receipts and proof of payment for all expenses. METRO JPA shall make payment to TREASURER within forty-five (45) days of receipt of an approved invoice.

3.03 METRO JPA shall have the right to withhold payment from TREASURER for any unsatisfactory Services until such time service is performed satisfactorily or as otherwise provided for in this Agreement.

## **ARTICLE 4 RELATIONSHIP OF PARTIES**

### **Independent Contractor**

4.01 It is expressly understood and agreed that TREASURER is an independent contractor and its employees are not employees of METRO JPA while engaged in carrying out this Agreement. TREASURER is free from the control and direction of METRO JPA in connection with the performance of the work, TREASURER performs work that is outside the usual course of METRO JPA business, and TREASURER is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed. The parties agree that no work, act, commission, or omission of TREASURER or its employee(s) pursuant to this Agreement shall be construed to make TREASURER or its employee(s) the agent, employee, or servant of METRO JPA. TREASURER and its employee(s) are not entitled to receive from METRO JPA vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability benefits, unemployment benefits, or any other employee benefit of any kind. TREASURER shall be solely responsible for paying all federal and state employment and income taxes, for carrying workers' compensation insurance, and for otherwise complying with all other employment law requirements with respect to TREASURER and its employee(s).

4.02 To the maximum extent allowable by law, TREASURER agrees to indemnify, defend and hold METRO JPA harmless from any and all liability, damages, or losses (including attorneys' fees, costs, penalties, and fines) that METRO JPA suffers as a result of (a) TREASURER's failure to meet its obligations under this Article, or (b) a third party's designation of TREASURER or its employee(s) as an employee of METRO JPA, regardless of any actual or alleged negligence by METRO JPA.

#### **Non-Exclusive Relationship**

4.03 TREASURER and METRO JPA acknowledge that the relationship between the parties is non-exclusive and TREASURER may perform or engage in any activity not inconsistent with this Agreement, including performing services for, or contracting with, other clients, persons, or companies as TREASURER sees fit. METRO JPA reserves the right to employ other contractors in connection with the Services described in Attachment A.

### **ARTICLE 5 OBLIGATIONS OF CONTRACTOR**

#### **Compliance with Laws/Rules**

5.01 In performing the Services specified in this Agreement, TREASURER agrees to comply with all applicable laws, rules, regulations, and ordinances, whether federal, state, or local, including, specifically, the obligations of Treasurer delineated in Government Code 6505 and 6505.5, and any and all applicable METRO JPA policies, procedures, departmental rules, and other directives provided by METRO JPA to TREASURER. Any changes to METRO JPA policies and procedures that relate to TREASURER will be provided to TREASURER in writing. TREASURER agrees that, prior to entering into this Agreement, it has reviewed such policies, procedures, rules, and directives, the contents of which TREASURER will be deemed to have knowledge.

5.02 TREASURER shall ensure that any report generated under this Agreement complies with California Government Code section 7550.

#### **Indemnity, Hold Harmless, and Defense**

5.03 To the maximum extent allowable by law, TREASURER shall indemnify, defend, and hold harmless METRO JPA and its Member Agencies, and each of their respective officials, officers, directors, employees, agents and volunteers (collectively referred to as the "**Indemnified Parties**") against all claims,



demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, attorneys' fees, and costs (collectively referred to as "**Liabilities**") that such entities or persons may incur that pertain to, arise out of, or relate to TREASURER'S performance or obligations under this Agreement, or to TREASURER's negligence, recklessness, or willful misconduct, or a breach by TREASURER of any representation or agreement contained in this Agreement. TREASURER's obligation to indemnify, defend, and hold harmless METRO JPA shall extend to the acts or omissions, either directly or indirectly, by TREASURER's officers, officials, directors, employees, subcontractors, agents, representatives, volunteers, successors, assigns, or anyone for whom TREASURER is legally responsible. TREASURER's obligations to indemnify, defend, and hold METRO JPA harmless against any Liabilities shall apply regardless of any negligence of Indemnified Parties, except to the extent caused by the sole negligence or willful misconduct of the Indemnified Parties.

5.03.1 TREASURER shall cooperate with and do whatever is necessary to protect Indemnified Parties from any such Liabilities.

5.03.2 TREASURER shall defend Indemnified Parties, at TREASURER's own cost, expense and risk, from any and all such aforesaid Liabilities asserted in claims, demands, actions, causes of action, arbitration, mediations or other proceedings of any kind that may be brought or instituted against Indemnified Parties. TREASURER and Indemnified Parties shall be jointly represented by legal counsel, unless there is a conflict of interest, and TREASURER shall pay Indemnified Parties' reasonable attorneys' fees and costs as they are incurred. Indemnified Parties shall be consulted regarding, and shall approve, the selection of legal counsel. Should separate legal counsel be necessary for Indemnified Parties, as determined by METRO JPA, TREASURER shall pay for the reasonable attorneys' fees and costs including expert witness fees, as such fees and costs are incurred and within thirty (30) days of receipt of an invoice, for Indemnified Parties' legal counsel in addition to TREASURER's own legal fees and costs. In all circumstances, Indemnified Parties reserve the right to retain their own attorneys. TREASURER shall not agree without Indemnified Parties' prior written consent to any settlement on Indemnified Parties' behalf.

5.03.3 If TREASURER is obligated to defend Indemnified Parties pursuant to this Article 5 and fails to do so after reasonable notice from METRO JPA, Indemnified Parties may defend themselves and/or settle such claims, suit or assertion, and TREASURER shall pay to Indemnified Parties any and all Liabilities incurred in relation to Indemnified Parties' defense and/or settlement of such proceeding.

5.03.4 TREASURER shall pay and satisfy any judgment, award, liability, or decree that may be awarded, imposed, or rendered against Indemnified Parties as a result of any claims, demands, suits, actions, causes of action, arbitrations, mediations, or other proceedings whether legal, administrative or otherwise, including any settlement related thereto.

5.03.5 TREASURER's obligation to indemnify, defend, and hold METRO JPA harmless against all Liabilities shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for TREASURER, subcontractor, supplier, or other person under workers' compensation acts, disability acts or other employee acts or the insurance required by this Agreement. TREASURER's obligation to indemnify, defend, and hold METRO JPA harmless against all Liabilities shall not be restricted to insurance proceeds, if any, received by TREASURER or Indemnified Parties. Provision of insurance coverage as required by this Agreement shall not affect TREASURER's indemnity obligations.

5.03.6 TREASURER's indemnification, hold harmless, and defense obligation shall survive the termination or expiration of this Agreement.

### **Notice of and Participation in Third Party Claims**

5.04 TREASURER shall give METRO JPA written notice of any claim or liability asserted by a third party that arises from or relates to the Work performed under this Agreement (“Third-Party Claim”), as soon as possible upon the receipt of information of any possible Third-Party Claim or of the commencement of any Third-Party Claim. TREASURER shall not oppose any attempt by METRO JPA to intervene or otherwise participate in any such Third-Party Claim. TREASURER shall not settle any Third-Party Claim covered by this Section unless it has obtained the prior written consent of METRO JPA, which consent shall not be unreasonably withheld, conditioned or delayed. METRO JPA shall have no liability under this Section for any Third-Party Claim for which such notice is not provided or is not provided in a timely manner, including no liability for contribution, indemnification, reimbursement or penalties. TREASURER’s obligations hereunder shall survive the termination or expiration of this Agreement.

### **Official Bond and Insurance**

5.05 TREASURER shall file an official bond in the amount of \$25,000 pursuant to Government Code section 6505.1. Metro JPA shall reimburse the TREASURER for the cost of the bond; provided, however, that such reimbursement shall not exceed \$1,500.

5.06 TREASURER shall procure and maintain in full force and effect for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by TREASURER, its agents, representatives, employees, or subcontractors. Insurance policies shall be on an occurrence basis, and coverage shall be at least as broad and in the minimum amounts as follows:

5.06.1 California Workers' Compensation Insurance, as required by the State of California, with statutory limits, and Employer’s Liability Insurance with limits of no less than One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

5.06.2 General Liability Insurance [ISO Form CG 0001, or equivalent], covering products and completed operations, bodily injury, personal & advertising injury and property damage with limits no less than One Million Dollars (\$1,000,000) per occurrence. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

5.06.3 Automobile Liability Insurance [ISO Form CA 0001 covering code 1 (any auto), or if no owned autos, Code 8 (hired) and 9 (non-owned), or equivalent forms] with limits no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

5.06.4 Error and Omissions (Professional Liability) Insurance appropriate to TREASURER’s services, with limits no less than One Million Dollars (\$1,000,000) per occurrence or claim, and Two Million Dollars (\$2,000,000) aggregate.

5.07 The following are required provisions:

5.07.1 Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to Insured Parties.

5.08 TREASURER will furnish METRO JPA with certificates of insurance prior to the commencement of work under this Agreement, and as may be periodically requested by METRO JPA. TREASURER shall

include all endorsements necessary to comply with this Agreement, including additional insured endorsements, signed by the insurer's representative. Such evidence shall include confirmation that coverage includes or has been modified to include all provisions required by this Agreement. TREASURER shall, upon request of METRO JPA at any time, deliver to METRO JPA complete, certified copies of the policies of insurance, including endorsements, and receipts for payment or premiums thereon, required by this Agreement. Failure to obtain the required documents prior to the work beginning shall not waive TREASURER's obligation to provide them.

5.09 If any of the required coverages expire during the term of this Agreement, TREASURER shall deliver the renewal certificate(s) including the general liability and auto liability additional insured endorsements to METRO JPA at least ten (10) days prior to the expiration date.

5.10 TREASURER shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and TREASURER shall ensure that METRO JPA is an additional insured on insurance required from subcontractors.

5.11 Claims Made Policies. If any of the required policies provide coverage on a claims-made basis:

5.11.1 The Retroactive Date must be shown and must be before the date of the Agreement or the beginning of contract work.

5.11.2 Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

5.11.3 If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the TREASURER must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

### **Conflict of Interest**

5.12 Upon the award of this Agreement and periodically thereafter, TREASURER shall be required to complete and file with METRO JPA a Statement of Economic Interest (Form 700), to be provided to TREASURER by METRO JPA.

### **Assignment/Subcontracting**

5.13 TREASURER shall not subcontract or assign this Agreement nor any duties or obligations under this Agreement without the prior written consent of METRO JPA. TREASURER shall be responsible for the acts and omissions of and for payment to any subcontractor performing services under this Agreement, and shall bind any such subcontractor to TREASURER's duties and obligations hereunder. METRO JPA shall have the right to approve any subcontractor agreements. Nothing contained in this Agreement will create any contractual relationship between METRO JPA any subcontractor of TREASURER.

## **ARTICLE 6 OBLIGATIONS OF METRO JPA**

6.01 METRO JPA agrees to comply with all reasonable requests of TREASURER, including requests to access documents, data and facilities reasonably necessary for the performance of TREASURER's duties under this Agreement, consistent with applicable law.

**ARTICLE 7**  
**TERMINATION OF AGREEMENT**

**Termination for Cause**

7.01 If METRO JPA determines that TREASURER has failed to perform the Services under this Agreement in accordance its terms and conditions, METRO JPA may terminate all or part of the Agreement for cause. This termination shall become effective if TREASURER does not cure its failure to perform within 10 days (or more, if authorized in writing by METRO JPA) after receipt of a notice of intention to terminate from METRO JPA specifying the failure in performance. If a termination for cause does occur, METRO JPA shall have the right to withhold monies otherwise payable to TREASURER until the Services under this Agreement are completed. If METRO JPA incurs additional costs, expenses, or other damages due to the failure of TREASURER to properly perform under this Agreement, these costs, expenses, or other damages shall be deducted from the amounts withheld. Should the amounts withheld exceed the amounts deducted, the balance will be paid to TREASURER upon completion of the Services to be provided under this Agreement. If the costs, expenses, or other damages incurred by METRO JPA exceed the amounts withheld, TREASURER shall be liable to METRO JPA for the difference.

7.02 TREASURER may terminate this Agreement for cause if METRO JPA fails to cure a material default in performance within a period of 30 days, or such longer period as TREASURER may allow, after METRO JPA's receipt from TREASURER of a written termination notice specifying the default in performance. In the event of termination for cause by TREASURER, METRO JPA will pay TREASURER in accordance with Section 7.03.

**Termination Without Cause**

7.03 METRO JPA may terminate this Agreement for convenience at any time upon written notice to TREASURER, in which case, METRO JPA will pay TREASURER for all Services performed and all expenses incurred under this Agreement up to and including the effective date of termination less any costs, expenses, or other damages due to the failure of the TREASURER to properly perform pursuant to the Agreement. No compensation will be payable for anticipated profit on unperformed services.

**ARTICLE 8**  
**PROPRIETARY AND CONFIDENTIAL INFORMATION**

8.01 Any written, printed, graphic, or electronically or magnetically recorded information furnished by METRO JPA for TREASURER's use is the sole property of METRO JPA. TREASURER and its employee(s) and subcontractor(s) will keep any confidential information provided by METRO JPA in the strictest confidence, and will not disclose it by any means to any person except with METRO JPA approval, and only to the extent necessary to perform the Services under this Agreement. On termination of this Agreement, TREASURER will promptly return to METRO JPA any confidential information in its possession.

**ARTICLE 9**  
**GENERAL PROVISIONS**

**Notices**

9.01 Any notices required to be given under this Agreement by either party to the other may be affected by email and in writing via personal delivery or mail (first class, registered, or certified) with postage prepaid and return receipt requested. Mailed notices must be addressed to the parties at the addresses below, but each

party may change the address by giving written notice in accordance with this Section. Any notice personally delivered or sent by email shall be deemed communicated upon receipt if received before 5:00 p.m. Pacific Standard Time (“PST”) on a business day, or the following business day if received after 5:00 p.m. PST or on a Saturday, Sunday, or legal holiday. Any notice sent by overnight delivery service shall be deemed communicated on the next business day following delivery thereof to the overnight delivery service. Any notice given by mail shall be deemed communicated three (3) days after deposit in the United States mail.

To METRO JPA: Metro Wastewater JPA  
P.O. Box 1072  
National City, CA 91951  
Email: ExecutiveDirector@metrojpa.org  
Attention: Executive Director

To TREASURER: Rodney Greek, CPA  
1325 N. Vulcan Ave.  
Encinitas, CA 92024  
Email: rjgreek@cox.net  
Attention: Rodney Greek

### **Entire Agreement of the Parties**

9.02 This Agreement, including any Attachments, contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements, or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof.

### **Amendment**

9.03 This Agreement may not be modified or amended other than by a writing signed by the parties, including any changes to the scope of services or any timeframes identified in Attachment A.

### **Partial Invalidity**

9.04 If any non-material provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

### **Attorneys’ Fees**

9.05 If any legal action, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys’ fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

### **Ownership of Documents and Materials**

9.06 All original drawings, data, reports, documents and materials developed for the project, including detailed calculations, shall be furnished to and become the property of METRO JPA. METRO JPA agrees to indemnify TREASURER for claims, damages, or liabilities caused by any use by METRO JPA of the plans,

drawings, specifications, and all information gathered by TREASURER on any project other than the one for which such plans, drawings, and specifications were prepared and information gathered by TREASURER.

#### **Audits**

9.07 This Agreement is subject to examination and audit of the State Auditor, at the request of METRO JPA or as part of any audit of METRO JPA, for a period of three (3) years after final payment under the Agreement. TREASURER shall cooperate with METRO JPA, including any authorized representative of METRO JPA, regarding such audit at no charge to METRO JPA.

#### **Counterparts**

9.08 This Agreement may be executed in counterparts and electronically, each of which shall constitute an original, but all of which together shall constitute one and the same agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

#### **Provisions Required by Law**

9.09 Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein, and the Agreement shall be read and enforced as though they were included herein. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the request of either party, the Agreement shall forthwith be physically amended to make such insertion.

#### **Governing Law**

9.10 This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of actions), shall be governed by and construed in accordance with the laws of the State of California.

#### **Jurisdiction and Venue**

9.11 The proper jurisdiction and venue for any claims, causes of action or other proceedings arising out of or relating to this Agreement shall be in the County of San Diego, State of California, and the parties hereby waive any right providing for a change of jurisdiction or forum to any other location.

#### **No Waiver**

9.12 A waiver by either party of a breach of any provision of this Agreement shall not constitute a general waiver or prejudice the other party's right otherwise to demand strict compliance with that provision or any other provisions in this Agreement. Likewise, METRO JPA's acceptance of any reports, work, services or materials furnished pursuant to this Agreement, or METRO JPA's payment therefor, shall not operate as a waiver of any of METRO JPA's rights under this Agreement or of any cause of action or defense relating to the performance of this Agreement.

#### **False Claims**

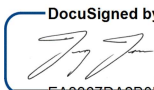
9.13 In signing this Agreement, TREASURER certifies that TREASURER shall not submit a false claim in violation of the False Claims Act, section 12650 *et seq.* of the Government Code.

**Signature Authority**

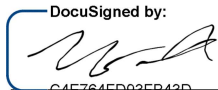
9.14 METRO JPA and TREASURER do covenant that the individual executing this Agreement on their behalf is a person duly authorized and empowered to execute this Agreement for such party.

**BY SIGNING BELOW THE PARTIES VOLUNTARILY ENTER INTO THIS AGREEMENT AND ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS SET FORTH HEREIN AND AGREE TO BE BOUND THEREBY.**

**METRO WASTEWATER  
JOINT POWERS AUTHORITY:**

DocuSigned by:  
  
EA3307DA2B0F471...  
\_\_\_\_\_  
Signature  
Jerry Jones  
\_\_\_\_\_  
Name  
Chair, Metro Wastewater JPA  
\_\_\_\_\_  
Title  
July 12, 2024  
\_\_\_\_\_  
Date

**RODNEY GREEK, CPA:**

DocuSigned by:  
  
C4E764FD03FB43D...  
\_\_\_\_\_  
Signature  
Rod Greek  
\_\_\_\_\_  
Name  
Sole Proprietor, CPA  
\_\_\_\_\_  
Title  
July 12, 2024  
\_\_\_\_\_  
Date

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

#### **Fiscal Year one (FY 2025)**

During Fiscal Year one (FY) 2025, Rodney Greek, CPA et al will provide professional Government Treasurer Accounting services to Metro JPA as follows:

- Monitor and manage separate bank accounts to include savings and checking.
- Maintain and reconcile bank accounts,
- Prepare Member Agency annual billings.
- Collect and deposit Member Agency billings.
- Make authorized expenditures related to conducting Metro Commission and Metro JPA business.
- Provide biannual unaudited financial reporting which reflects cash balances, outstanding receivables, and payables.
- Provide biannual unaudited income statement financial reporting. Financial reporting will separately track Metro Commission and Metro JPA receipts and expenditures.
- Accrual basis of accounting will be used to reveal outstanding receivables and payables to the extent known as of the financial statement date.
- Attend staff and Board meetings as desired by the Metro Commission and Metro JPA.
- Consult and respond to questions from member agencies concerning finances and billings.
- Transition Services as requested.
- Other incidental services consistent with the Treasurer's position.

#### **Optional - Fiscal Year two (FY 2026)**

During Fiscal Year two (FY) 2026, Rodney Greek, CPA et al will provide professional Government Treasurer Accounting services, prepare auditable biennial financial statements, and manage audit services to be provided by a separate qualified CPA firm for Metro JPA as follows:

- Monitor and manage separate bank accounts to include savings and checking.
- Maintain and reconcile bank accounts,
- Prepare Member Agency annual billings.
- Collect and deposit Member Agency billings.
- Make authorized expenditures related to conducting Metro Commission and Metro JPA business.
- Provide biannual unaudited financial reporting which reflects cash balances, outstanding receivables, and payables.
- Provide biannual unaudited income statement financial reporting. Financial reporting will separately track Metro Commission and Metro JPA receipts and expenditures.
- Accrual basis of accounting will be used to reveal outstanding receivables and payables to the extent known as of the financial statement date.
- Attend staff and Board meetings as desired by the Metro Commission and Metro JPA.
- Consult and respond to questions from member agencies concerning finances and billings.



- Other incidental services consistent with the Treasurer's position.
- Coordination between Outside audit firm and Metro JPA via this Consultant to ensure deliverables are met in a timely manner with a target completion date for the FY2023-24/FY2024-25 audit of November 26, 2025.
- Preparation and review of the auditable Biennial Financial Report for the years ended June 30, 2024 and June 30, 2025 including:
  - Management Discussion and Analysis
  - Financial Statements
    - Statement of net Position
    - Statement of Revenues, Expenses, and Changes in Net Position
    - Statement of Cash Flows
    - Footnotes to the Basic Financial Statements
- Preparation and review of presentations of the Financial Statements to the Metro JPA (Metro Commission), Metro TAC and the JPA Finance Committee

Services will be billed monthly based on hours worked for each line item. Professional Government Accounting Services will be provided at billable rates as follows:  
 CPA - \$300.00 per hour  
 Senior Accountant - \$194.00 per hour

#### **FY 2025 Services**

Budgeted Hours are as follows:

<b>TASK</b>	<b>Estimated Hours</b>	<b>Estimated Budget</b>
Monthly Invoicing	15	\$3,228.00
Annual Agency Billing - issue bills, collect and deposit.	2.5	538.00
Maintain and Reconcile Bank Accounts	15	3,228.00
Mid-Year Financials	10	2,152.00
Year End Financials	12.5	2,690.00
Budget - review actuals and contracts, work with Executive Director on format.	20	4,304.00
Finance Meetings	18	4,446.00
Metro TAC Meetings	24	5,928.00
Metro Commission Meetings	24	5,928.00
Transition Contingency		10,000.00
Miscellaneous		6,000.00
<b>TOTAL ESTIMATE:</b>	<b>141 Hours</b>	<b>\$48,442.00</b>

Additional Meetings will be billed at a minimum 2 hours times billable rate.

**OPTIONAL - FY 2026 Services**

Budgeted Hours are as follows:

<b>TASK</b>	<b>Estimated Hours</b>	<b>Estimated Budget</b>
Monthly Invoicing	15	\$3,228.00
Annual Agency Billing - issue bills, collect and deposit.	2.5	538.00
Maintain and Reconcile Bank Accounts	15	3,228.00
Mid-Year Financials	10	2,152.00
Year End Financials - includes unaudited draft to Metro and submission of information to outside auditor	12.5	2,690.00
Biennial Audit	50	10,760.00
Budget - review actuals and contracts, work with Executive Director on format.	20	4,304.00
Finance Meetings	18	4,446.00
Metro TAC Meetings	24	5,928.00
Metro Commission Meetings	24	5,928.00
Miscellaneous		6,000.00
<b>TOTAL ESTIMATE:</b>	<b>191 Hours</b>	<b>\$49,202.00</b>

Additional Meetings will be billed at a minimum 2 hours times billable rate.

**Consultant Contact Information:**

Rodney Greek, CPA  
California CPA License # 75279  
Senior Accountant – Lee Ann Jones-Santos  
1325 N. Vulcan Ave.  
Encinitas, CA 92024

CPA's Office Phone: 760-809-0681  
CPA's Office Email: [rjgreek@cox.net](mailto:rjgreek@cox.net)  
Senior Accountant's Phone: 619-823-8129  
Senior Accountant's Email: [lasantos8928@gmail.com](mailto:lasantos8928@gmail.com)

# RODNEY GREEK, CPA

Municipal and Special District Accounting, Controls, Integration, Monitoring, Reporting, and Security

Dear Ms. Keze,

Lee Ann Jones-Santos and I are looking forward to providing Treasurer services for the Metro Wastewater JPA. As we have been going through the proposal review process, a question was posed regarding how we determined the rates we included in our proposal.

I recently provided accounting proposal review services for a local government agency in San Diego County. Six firms submitted proposals for that RFP. Four of those proposals included a breakdown of the hourly billable rates for the various positions providing services to the agency. Below is a summary of the rate disclosures for those four firms.

Hourly rates from recent Proposals					
	Firm #1	Firm #2	Firm #3	Firm #4	Average
Partner	\$ 375	\$ 394	\$ 650	\$ 445	\$ 466
Director	\$ 235	\$ 326		\$ 330	\$ 297
SR Mgr		\$ 293	\$ 450	\$ 320	\$ 354
MGR		\$ 266		\$ 230	\$ 248
Supv/Sr	\$ 170	\$ 214	\$ 225	\$ 165	\$ 194
Assoc	\$ 115	\$ 161	\$ 170	\$ 135	\$ 145
Admin	\$ 95	\$ 94	\$ 100	\$ 100	\$ 97

These rates were specific to services proposed for the fiscal year 2025 (July through June) period. The proposals were prepared, received, and reviewed during the months of March and April 2024. I am not at liberty to disclose the names of the firms as that information is confidential.

After carefully considering Lee Ann's qualifications and many years of industry experience, along with the level of effort required for this Treasurer's position, I am bringing her on at a comparable rate to the position of Supervising Senior. I have also set my own rate near the low end of what I'm seeing in the profession. Maintaining a CPA credential requires a minimum of 40 hours per year of continuing education and adherence to professional standards. services.

If you have questions regarding this information, feel free to contact me at your convenience by email at [rjgreek@cox.net](mailto:rjgreek@cox.net) or by phone at 760-809-0681.

Kind regards,

*Rodney Greek*

Rodney Greek, CPA

# THE GAVARES GROUP

## *Increasing Organizational Effectiveness*

January 8, 2025

Chair Jerry Jones  
276 4<sup>th</sup> Avenue  
Chula Vista, CA 92910

### **Re: Proposal for Developing the Strategic Plan Document for the METRO Commission/ Wastewater Joint Powers Authority**

Dear Chair Jones,

Thank you for the opportunity to assist the San Diego METRO Commission/Wastewater Joint Powers Authority (MC/JPA) in developing its 2025 strategic plan. This proposal provides an overview of the project goals, desired outcomes and associated costs.

#### **I. Understanding of the Project and Desired Outcomes**

In 2024, the MC/JPA revised its mission statement, strategic goals, and objectives through an inclusive, data-driven process that incorporated surveys, interviews, and collaborative committee discussions. The Metro Wastewater JPA has requested the creation of a strategic planning document that incorporates these updates while providing clear and comprehensive context. This updated document will serve as a roadmap for the MC/JPA, outlining its mission, strategic goals, organizational structure, key accomplishments, and anticipated challenges and opportunities ahead.

#### **II. Scope of Services and Associated Range of Hours**

My proposed approach includes the following:

Scope of Services		
	Description	Hours
<b>I.</b>	<b>Initial Draft of Strategic Plan Document</b>	<b>10 – 15</b>
1	<b>Develop Document:</b> Develop an initial draft of the strategic planning document, including: <ul style="list-style-type: none"><li>➤ Insert the new mission statement and strategic goals and objectives into the document</li><li>➤ Develop draft update of the Chair’s message, organizational chart, and other sections as needed</li></ul>	6 - 8
2	<b>Meeting with Chair and Director:</b> Collaborate with the Director and Chair to review and develop Project Plan,	2

John Gavares, The Gavares Group  
3094 Olive Street  
San Diego, CA 92104

Website: [www.gavaresgroup.com](http://www.gavaresgroup.com)  
E-mail: [johngavares@cox.net](mailto:johngavares@cox.net)  
Phone: 619-980-1887

	document format, and initial draft	
3	<b>Post-Meeting Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1
4	<b>Revise Document:</b> Update the SP document based on input	1 - 4
<b>II.</b>	<b>Workshop #1: Ad Hoc Committee Meeting</b>	<b>5 - 12</b>
1	<b>Meeting with Chair and Director:</b> Meet with the Chair and Director for discussion of agenda (Includes prep)	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of handouts and PowerPoint slides	1 - 2
3	<b>Workshop:</b> Facilitate Ad Hoc Committee workshop	1 - 2
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	1 - 4
<b>III.</b>	<b>Workshop #2: Ad Hoc Committee Meeting (If needed)</b>	<b>0 - 10</b>
1	<b>Meeting with Chair and Director:</b> Meet with the Chair and Director for review of agenda (Includes prep)	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of handouts and PowerPoint slides	1 - 2
3	<b>Workshop:</b> Facilitate Ad Hoc Committee workshop	1 - 2
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	0 - 2
<b>IV.</b>	<b>Zoom Presentation to Metro TAC</b>	<b>3 - 5</b>
1	<b>Meeting with Chair and Director:</b> Meet with the Chair and Director for review of agenda (Includes prep)	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of handouts and PowerPoint slides	1 - 2
3	<b>Present to TAC:</b> Present draft 2025 Strategic Goals and Objectives to the Metro TAC	1
<b>V.</b>	<b>Presentation #1 to Metro JPA</b>	<b>5 - 11</b>
1	<b>Meeting with Chair and Ex. Director:</b> Met with Chair Jones and Director Keze to prepare for JPA presentation	1 - 2
2	<b>Preparation:</b> Finalize preparation, including development of agenda packet documents and PowerPoint slides	1 - 2
3	<b>Metro JPA Workshop:</b> Deliver presentation and facilitate discussions. Gather input and feedback. Seek approval if possible.	1
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	1 - 4
<b>VI.</b>	<b>Presentation #2 to Metro JPA (If needed)</b>	<b>0 - 9</b>
1	<b>Meeting with Chair and Ex. Director:</b> Met with Chair Jones and Director Keze to prepare for JPA presentation	1 - 2

2	<b>Preparation:</b> Finalize preparation, including development of agenda packet documents and PowerPoint slides	1 - 2
3	<b>Metro JPA Workshop:</b> Deliver presentation and facilitate discussions. Gather input and feedback. Seek approval if possible.	1
4	<b>Post-Workshop Follow-up:</b> Create a written summary of agreements, action items and discussion notes	1 - 2
5	<b>Revise Document:</b> Update the document based on input	1 - 2
	<b>Total</b>	<b>23 – 62</b>

### III. Cost of Services

The fee for this project ranges from \$3,250 to \$15,500, based on a rate of \$250/hour (\$2,000/day). Billing will reflect actual hours worked, as detailed above.

### IV. Next Steps:

I look forward to collaborating with MC/JPA to complete and approve the strategic plan document.

Please contact me at 619-980-1887 or [johngavares@cox.net](mailto:johngavares@cox.net) for any questions or to discuss next steps.

Sincerely,

John Gavares  
The Gavares Group

John Gavares, The Gavares Group  
3094 Olive Street  
San Diego, CA 92104

Website: [www.gavaresgroup.com](http://www.gavaresgroup.com)  
E-mail: [johngavares@cox.net](mailto:johngavares@cox.net)  
Phone: 619-980-1887



## **Metro Wastewater Joint Powers Authority**

### **STAFF REPORT**

**TO:** Board of Directors  
Metro Wastewater Joint Powers Authority

**DATE:** January [REDACTED], 2025

**FROM:** Adriana Ochoa, General Counsel

**AGENDA ITEM NO. [REDACTED]:** Changes to Authorized Banking Signatories

---

### **BACKGROUND & DISCUSSION**

In order for checks written from Metro's bank account to be processed, two authorized signatures are required: one from the Metro Treasurer, and a second signature from an authorized signatory. On January 6, 2025, Metro Wastewater Joint Powers Authority's Treasurer visited California Bank & Trust to review Metro's account information. While reviewing the account information, the Treasurer learned that former directors John Peasley and John Mullin are still authorized to write checks from the account and that only one current director (the Board Chair) is authorized to write checks from the account.

To change the authorized signatories for Metro's account, the California Bank & Trust Client Information Form (Attachment 1) must be completed and returned in person to any California Bank & Trust bank. Metro must also submit a copy of its bylaws related to banking and the minute meetings approving the change in authorized signatories, both of which can be submitted via email.

### **THEREFORE, COUNSEL RECOMMENDS THE BOARD OF DIRECTORS TAKE THE FOLLOWING ACTIONS:**

1. Remove former directors John Peasley and John Mullin as authorized signatories on the Authority's account with California Bank & Trust.
2. Authorize the current Board Chair, Vice Chair, and Finance Committee Chair as signatories on the Authority's account with California Bank & Trust for all banking purposes.
3. Discuss and take other action as appropriate.

**Attachment 1:** California Bank & Trust Client Information Form