



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

AGENDA

Thursday, March 6, 2025 - 12:00 p.m.

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

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

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

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1. **ROLL CALL**
 2. **PLEDGE OF ALLEGIANCE**
 3. **PUBLIC COMMENT:** *Persons speaking during Public Comment may address the Metro Wastewater JPA/Metro Commission on any subject matter within the jurisdiction of the Metro Wastewater JPA/Metro Commission that is not listed as an agenda item. Comments are limited to three (3) minutes.*
 4. **ACTION:** Approval of Agenda

CONSENT CALENDAR

Items **5-6** will be enacted in one motion in accordance with the recommendation unless removed from the Consent Calendar by the Board of Directors, Staff or Public. If a member of the public wishes to remove an item, they should submit a “Request to Speak” form to the Board Secretary prior to the meeting. Items removed from the Consent Calendar will be considered in the original agenda order immediately following adoption of the Consent Calendar.

RECOMMENDATION: Approve the Consent Calendar

5. **ACTION**: Consideration and Possible Action to Approve the Minutes of February 6, 2025 (**Attachment**)
6. **ACTION**: Receive and File Check Registry Monthly Expense Report for the Month of January 2025 (**Attachment**)

END OF CONSENT CALENDAR

7. **PRESENTATION**: Public Utilities Department Integrated Master Plan Update (Anh Nguyn) (**Attachment**)
8. **PRESENTATION**: Five-Year Financial Outlook (Adam Jones) (**Attachment**)
9. **UPDATE**: Metro Wastewater (General) (Standing Item) (Lisa Celaya)
10. **UPDATE**: Pure Water Program Update (Standing Item) (Doug Owen/Ben Kuhnel)
11. **UPDATE**: Metro Wastewater Financial (Standing Item) (Adam Jones)
12. **REPORT**: General Counsel (Standing Item) (Adriana Ochoa)
13. **REPORT**: Metro JPA Executive Director's Report January 2025 (Standing Item) (Karyn Keze) (**Attachment**)
14. **REPORT**: Metro TAC Chair's Report February 2025 (Standing Item) (Blake Behringer) (**Attachment**)
15. **METRO JPA DIRECTORS/COMMISSIONERS COMMENTS AND PROPOSED AGENDA ITEMS** for Next Metro JPA/Commission Meeting **April 3, 2025**.
16. **ADJOURNMENT**

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

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

In compliance with the AMERICANS WITH DISABILITIES ACT

Persons with disabilities that require modifications or accommodations, please *contact General Counsel Adriana Ochoa at arochoa@swlaw.com* by no later than two hours prior

to the meeting to request reasonable modifications or accommodations consistent with the Americans with Disabilities Act and Metro JPA/Commission shall promptly work with you to resolve the matter in favor of accessibility.

Metro JPA 2025 Regular Meeting Schedule

January 2, 2025	February 6, 2025	March 6, 2025
April 3, 2025	May 1, 2025	June 5, 2025
July 3, 2025	August 7, 2025	September 4, 2025
October 2, 2025	November 6, 2025	December 4, 2025



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

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

February 6, 2025

Minutes

Chair Jones called the meeting to order at 12:06 p.m. A quorum of the Metro JPA/Commission was declared, and the following representatives were present:

1. **ROLL CALL**

Agencies

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

Representatives

Jose Preciado (absent)
Kelly Purvis
Dwight Worden
Gary Kendrick
Mitch McKay
Bill Baber
Jerry Jones
Ditas Yamane
Peter De Hoff
Joel Anderson
Mark Robak
Kyle Swanson

Alternate

Michael Inzunza

Others present: Metro JPA General Counsel Adriana Ochoa – Snell & Wilmer Law; Metro JPA/Commission Board Secretary Lori Anne Peoples; Michael Benozza – City of Chula Vista; None – City of Coronado; None - City of El Cajon; Eric Minicilli– City of Imperial Beach; Joe Kuhn – City of La Mesa; None – Lemon Grove Sanitation District; Carmen Kasner – City of National City; None – Otay Water District; Peejay Tubongbauna – Padre Dam Municipal Water District; Troy DePriest – City of Poway; Lisa Celaya, Adam Jones - City of San Diego Staff; Doug Owen and Ben Kuhnel – Stantec – City of San Diego Consultant; None – County of San Diego; Metro JPA Staff: Karyn Keze, Executive Director, The Keze Group; Dexter Wilson and Kathleen Noels, Wilson Engineering; Lee Ann Jones-Santos, Asst. Treasurer

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

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

3. **PUBLIC COMMENT**

None.

4. **ACTION: APPROVAL OF AGENDA**

ACTION: Motion by Director Yamane, seconded by Director Baber, to approve the agenda. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson

NAYS: None

ABSTAIN: None

ABSENT: None

5. **ADMINISTRATION OF OATHS OF OFFICE TO ALL METRO JPA/COMMISSION MEMBERS**

Metro JPA Board Secretary Peoples administered the Oath of Office to the following Commission members:

Alternate Director Inzunza, Director Purvis, Director Worden, Director Kendrick, Director McKay, Director Baber, Director Jones, Director Yamane, Director Robak, Director Swanson, Director De Hoff and Director Anderson

CONSIDERATION AND POSSIBLE ACTION TO APPROVE CONSENT CALENDAR ITEMS 6 AND 7

ACTION: Motion by Director Anderson, seconded by Director McKay to approve the Consent Calendar Items 6 and 7. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson

NAYS: None

ABSTAIN: None

ABSENT: None

6. **ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE JANUARY 9, 2025 SPECIAL MEETING**

7. **ACTION: RECEIVE AND FILE CHECK REGISTRY FOR THE MONTH OF DECEMBER 2024**

8. **ACTION: APPOINTMENT OF OFFICERS (BYLAWS CALL FOR APPOINTMENT EVERY ODD-NUMBERED YEAR FOR 2-YEAR TERM OR UNTIL SUCCESSOR APPOINTED/ELECTED)**

General Counsel Ochoa provided an overview of the election process as provided for in the Bylaws.

- a. Chair
- b. Vice Chair

ACTION: Motion by Director Anderson, seconded by Director Yamane to keep the current leadership of Chair Jones and Vice Chair De Hoff. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

Chair Jones explained that as part of a discussion with staff regarding succession planning, the creation of a Second Vice Chair Position was suggested. He has discussed this with Director Preciado who has expressed an interest in serving.

c. Creation of JPA Second Vice Chair Position

ACTION: Motion by Director Anderson, seconded by Director Kendrick to approve the creation of a Second Vice Chair Position and to appoint Director Preciado to that position. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

9. **ACTION: CONSIDERATION AND POSSIBLE ADOPTION OF RESOLUTION NO. 2025-01 RESOLUTION OF THE METRO WASTEWATER JOINT POWERS AUTHORITY BOARD OF DIRECTORS ESTABLISHING A RESERVE FUND POLICY**

Executive Director Keze explained that this action had been approved by the Finance Committee, but the Resolution adoption had not been finalized. This action will complete the establishment of a Reserve Fund Policy.

ACTION: Motion by Director Worden, seconded by Director Yamane to adopt Resolution No. 2025-01. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

10. **FINANCE COMMITTEE REPORT AND RECOMMENDATIONS FOR BOARD ACTION:**

Finance Committee Chair De Hoff noted that the Finance Committee had reviewed the following items and recommended they be forwarded to the JPA for approval:

a. **ACTION: Creation of Succession Planning Ad Hoc Committee**

Chair Jones stated that as previously discussed with staff, the creation of a Succession Planning Ad Hoc Committee is suggested. He recommended that himself, Vice Chair De Hoff, Second Vice Chair Preciado and Directors Kendrick, McKay, and Robak as Alternate be appointed.

ACTION: Motion by Director Worden, seconded by Director Anderson, to approve the establishment of the Ad Hoc and appoint those recommended. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson

NAYS: None

ABSTAIN: None

ABSENT: None

b. **ACTION: CLA Contract Renewal (Auditor Contract)**

Assistant Treasurer Lee Ann Jones-Santos provided an overview of the item. The Treasurer recommends continuing the contract with CLA and they are willing to keep the same price as our current audits except they will add a small technician fee.

ACTION: Motion by Director Anderson, seconded by Director Kendrick, to move forward with CLA rather than doing an RFP for a new auditor. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson

NAYS: None

ABSTAIN: None

ABSENT: None

c. **ACTION: Executive Director Contract Extension to June 30, 2026 to Align with Financial Consultant Contract Dates (The Keze Group LLC)**

General Counsel Ochoa stated that this extension would amend the contract of the Keze Group to marry the term of the Executive Director contract with her existing

Financial Consultant contract so both would expire on June 1, 2026. This is recommended by the Finance Committee for approval, rather doing an RFP for an Executive Director for FY 2026.

ACTION: Motion by Director Baber, seconded by Director Worden, to move forward with marrying the two contracts, Keze Group and Executive Director and amending to have a termination date of June 1, 2026. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson

NAYS: None

ABSTAIN: None

ABSENT: None

d. **ACTION: Treasurer Contract Renewal of One Additional Year (Rodney Greek, CPA)**

Executive Director Keze stated that the contract for Treasurer services has been highly satisfactory. She proposed extending the contract for an additional year, through June 30, 2026, to align it with the other four-year consultant agreements set to expire on June 30, 2026. The Finance Committee approved this recommendation.

ACTION: Motion by Director Swanson, seconded by Director Anderson, to amend the current contract expiration to 2026. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson

NAYS: None

ABSTAIN: None

ABSENT: None

e. **ACTION: Authorize Amendment to Gavares Group Contract to Incorporate Proposal for Developing the Strategic Plan Document for the Metro Wastewater JPA**

Executive Director Keze explained that this amendment would integrate the Goals & Objectives into a comprehensive Strategic Planning Document, as requested by some Directors. The preparation of this full document was not included in the original scope of work for the Gavares Group. Initially, a proposed fee of \$15,000 was suggested, including meetings with the Ad Hoc Committee. However, following the Finance Committee's recommendation to focus solely on document preparation, the fee has been reduced to \$7,750.

ACTION: Motion by Director Yamane, seconded by Director McKay, to move forward with the Finance Committee recommendation at \$7,750. Director Robak

stated he would be voting in opposition to the motion as he feels staff could do this.

Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Swanson, De Hoff
NAYS: Robak, Anderson
ABSTAIN: None
ABSENT: None

f. **ACTION: Authorize Computer Purchase Reimbursement for Treasurer**

Executive Director Keze stated that the Assistant Treasurer requires a laptop that would remain the property of the JPA and be returned upon the completion of their contract. This would ensure a smoother transition for future appointees by eliminating the challenges of transferring files, which has proven difficult for the current Board Secretary, Assistant Treasurer, and even General Counsel.

ACTION: Motion by Director Yamane, seconded by Director Swanson, to authorize the purchase of a laptop for the Assistant Treasurer. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

g. **ACTION: Approval of Resolution 2025-02 A Resolution of the Metro Wastewater Joint Powers Authority Board of Directors Establishing Compensation of Directors**

General Counsel Ochoa noted that at the previous meeting, Director Preciado suggested providing compensation for Alternate Directors to attend tours and training sessions. Currently, Alternates receive reimbursement only when serving in place of a Primary Director. However, based on Executive Director Keze's recommendation, a revision to the Board's Per Diem Policy would allow compensation for Alternates attending all meetings, including when the Primary Director is present, as well as for training and facility tours. This would ensure they remain informed on JPA matters in case they need to step in for an absent Primary Director. Implementing this change would require a modification to Resolution No. 2023-02.

ACTION: Motion by Director Anderson, seconded by Director Yamane, to Approve Resolution No. 2025-02. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

h. ACTION: Action to Approve Changes to Authorized Banking Signatories

General Counsel Ochoa provided a brief verbal overview noting that the bank needs proof of who is authorized to sign and to remove the prior signatories. It is recommended that the Chair, Vice Chair, Finance Committee Chair, Treasurer or Assistant Treasurer be authorized.

ACTION: Motion by Director Baber, seconded by Director Kendrick, to Approve the recommended changes and add the Second Vice Chair as a signatory. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

i. ACTION: Consideration and Possible Action to Approve the Metro Wastewater JPA Treasurer's Report ending December 31, 2024 - - FY 2025 Mid-Year Budget Review

Assistant Treasurer Lee Ann Jones-Santos provided a brief verbal overview of the report included in the agenda package.

ACTION: Motion by Director Yamane, seconded by Director McKay, to accept the report. Motion carried as follows:

AYES: Inzunza, Purvis, Worden, Kendrick, McKay, Baber, Jones, Yamane, Robak, Swanson, De Hoff, Anderson
NAYS: None
ABSTAIN: None
ABSENT: None

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

Lisa Celaya, City of San Diego reported that Juan Guerreiro and Doug Campbell had attended the Coastal Commission meeting in Long Beach where the review was held for the modified permit of Point Loma. They reported that it went well, and they were requested to come back and provide an update on Pure Water by

2027 after the completion of Phase 1.

12. **UPDATE: Pure Water Program Update (Standing Item)**

Ben Kuhnel of Stantec introduced himself and noted that Doug Owen is still with Stantec, but that he would be providing future reports.

a. **2024 Pure Water Program Annual Report**

A brief overview of the 2024 Pure Water Program Annual Report was provided and Executive Director Keze noted that the information and link was included in her Executive Director's Report in the agenda package.

b. **Quarterly Phase 1 Construction Report**

Mr. Kuhnel then provided a brief verbal overview of the quarterly report included in the agenda package and noted that these were the contract schedules; there were still ongoing negotiations; the work is passing 70% completion on projects; they have had \$82 million in change orders which is about 10%. This is in line with industry standards for a project of this complexity. The project is still running \$1.2 million in construction dollars daily.

13. **UPDATE: Metro Wastewater Financial (Standing Item)**

- Adam Jones, City of San Diego, reported that they were recently informed of potential federal restrictions on payments, which could affect the City's efforts to secure large-scale reimbursements. Given the ongoing uncertainty surrounding federal funding, it remains unclear whether this will impact the State Revolving Fund, as it is supported by both state and federal sources. To mitigate any immediate disruptions, the City has secured short-term funding as a contingency, specifically for the Pump Station 2 project.

14. **REPORT: General Counsel (Standing Item)**

General Counsel Ochoa stated she had no report other than tomorrow would be the first meeting of the year of the attorney's group on California Association of Sanitation Agencies (CASA) wherein they discuss proposed legislation that may have impacts on cities and water authorities.

15. **REPORT: JPA Executive Director's Report for December 2024**

Executive Director Keze noted her report was included in the agenda package.

16. **REPORT: Metro TAC Chair Report for January 2025**

Blake Behringer, City of El Cajon, introduced himself as the newly appointed Metro TAC Chair and provided a brief overview of his professional background. He then introduced Joe Kuhn, City of La Mesa who was appointed as Metro TAC Vice Chair. Joe also provided a brief overview of his professional background.

17. **METRO JPA DIRECTORS/COMMISSIONERS COMMENTS AND PROPOSED AGENDA ITEMS FOR NEXT METRO JPA/COMMISSION MEETING MARCH 6, 2025**

Executive Director Keze reminded those who had signed up for the North City Pure Water Plant Tour which would be occurring immediately following the March 6 meeting, to remember to wear their steel toe shoes or hiking boots.

Board Secretary Peoples wished everyone a Happy Valentines Day.

18. **ADJOURNMENT**

Chair Jones declared the meeting adjourned at 1:28 pm.

Monthly Expense Report

MetroJPA

Invoices for January 2025 paid in February 2025

Prepared by

Treasurer@metrojpa.org

Prepared on

February 18, 2025

MetroJPA
Expenses by Vendor Summary
February 17-18, 2025

	Total
Dexter Wilson Engineering	11,185.00
Ditas Yamane	371.20
Donald Dwight Worden	166.00
Gary Kendrick	166.00
Jerrold L. Jones	703.20
Jessica Heredia	185.60
Joel Anderson	194.00
Jose Preciado	166.00
Kelly Purvis	184.20
Keze Group LLC	16,089.00
Lee Ann Jones-Santos	937.50
Lori Anne Peoples	6,228.29
Mark Robak	388.00
Mike Inzunza	198.20
Mitchell D McKay	332.00
Peter De Hoff	542.80
Snell and Wilmer Law	11,421.00
William Baber	166.00
Credit Card Expenses	105.98
TOTAL	\$ 49,729.97

Tuesday, Feb 18, 2025 04:25:27 PM GMT-8 - Accrual Basis

Public Utilities Department

Public Utilities Department Integrated Master Plan

Metro JPA/Commission – March 2025



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SD Public Utilities Department

PUD Integrated Master Plan Scope/Importance

Comprehensive, long-term planning document that outlines strategies and prioritizes projects across all utility areas

- Changes in water needs, system modifications, and the transition to a complete water cycle through the Pure Water Program require a more integrated and holistic approach to utility master planning.
- Provides a roadmap to ensure system can meet current and future demands, maintain regulatory compliance, maintain resilient infrastructure, and support sustainable growth.
- Includes an increased focus on the repair and rehabilitation of utilities to maximize the useful life of major assets and existing infrastructure



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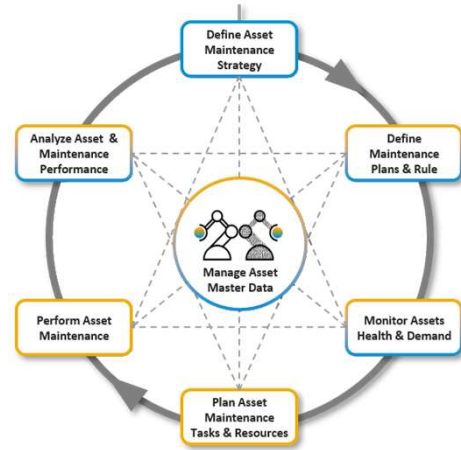
Progress to Date

Asset Management Software Review and Preparation of a Master Listing of All PUD Assets

- Reviewed the major software packages and made recommendations on suggested changes.
- Interviewed key users of each software to make recommendations on how to better utilize the software.
- Prepared a draft master listing of all PUD assets.

Major Takeaways:

- Asset Management Software is sufficient and just needs to be better utilized.
- Inventory of assets needed to complete Master Plan



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Progress to Date

Standardization of Condition Assessment Protocols

- Prepared standard protocols for conducting future condition assessments, in accordance with industry standards and applicable regulations, that allow comparisons across various utilities.

Major Takeaways:

- PUD has been assessing many assets for years, but the information has not been comprehensively compiled.
- Different assessment methods have been utilized, making direct comparison of results across utilities, facilities, systems, or asset types challenging.

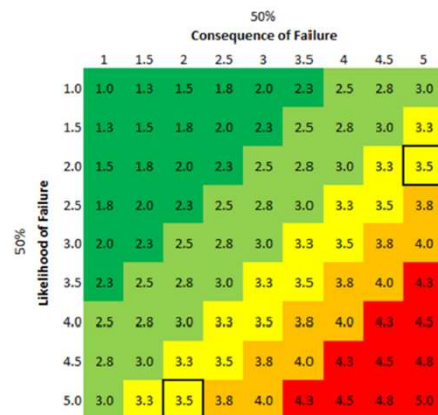


Figure 2. Risk = Average of LoF and CoF Scores

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SD Public Utilities Department



Progress to Date

Analysis of Existing and Anticipated Regulatory Environment

- Reviewed and summarized all the existing laws, regulations, policies, procedures, permits, and agency approval conditions, that currently apply to or affect City PUD utilities, including current and future reporting requirements.
- Prepared an anticipated schedule for new regulations that may affect PUD and analyzed the potential affects.

Major Takeaway:

- New regulations and potential changes to existing regulations will have significant impacts to PUD operations.

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SD Public Utilities Department

Progress to Date

Analyze the Effects of Climate Change on PUD Assets & Operations

- Prepared defensible estimates of the climate change impacts affecting PUD assets in two future 30-year periods (conducted for 2050 Near future and 2075 Late future).

Major Takeaways:

- Extreme heat days, greater drought severity, wildfire vulnerability, flooding and sea level rise will have different level of impact on PUD assets and operations.
- PUD needs to develop specific strategies to combat the different type of climate related hazards.

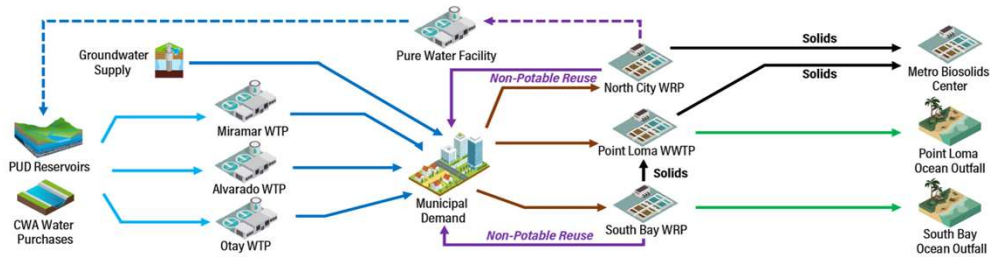


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Data Gap - Proposed Contract Amendment

- Some assets missing from SAP/EAM (dams/reservoirs, groundwater, misc. across most vertical facilities)
- Assets in SAP/EAM missing key information and critical attributes required to assess risk
- Functional Asset Hierarchy needs correcting and updating
- Complete Master Asset List needed to enable preparation of the PUD priority list of projects



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Amendment

- Extend the duration of the agreement in order to perform a visual inventory of all assets necessary to complete the remaining tasks in the contract
- Add an additional twenty-eight (28) months and an amount of \$1,472,934
- Scope:
 - Update Functional Location hierarchy
 - Remove records of non-existing assets
 - Create new assets in EAM
 - Complete a visual assessment and rating of assets
 - Populate all available attributes for assets
 - Assemble all data for bulk uploading by City staff



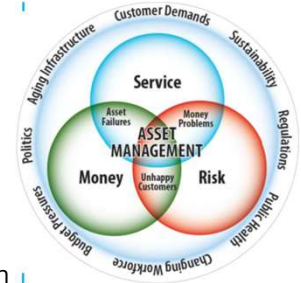
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Ongoing/Future Work

- **Analyze future needs for New or Re-sized Infrastructure** – Conduct analysis to evaluate the need for new or re-sized infrastructure to accommodate future growth, changes in usage or consumption patterns, Pure Water impacts to existing infrastructure, new regulatory requirements, climate change, etc.
- **Analyze and prioritize maintenance, repair, rehabilitation and replacement of existing assets** – Prepare detailed recommendations of projects and methods to maximize the service life and functional utility of existing PUD assets without compromising service reliability and resiliency.
- **Project Information Sheets** – Prepare individual detailed project description sheets for all projects recommended by the Master Plan.
- **Standardized Project Prioritization Scoring** – Provide standardized prioritization scoring framework for all asset types consistent with existing Council Policy and with additional detail relevant for infrastructure projects.



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Next Steps

- 03/2025 – Initiate Contract Amendment Work- Data Collection
- 06/2026 – Master Asset List completed
- 09/2026 – New CIP and O&M List completed
- 01/2027 – Draft Integrated Master Plan Report completed
- 03/2027 – Executive CIP Dashboard Training
- 06/2027 – Final PUD Integrated Master Plan Report



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Questions?



Public Utilities Department

Fiscal Year 2026-2030 Five-Year Financial Outlook

Metro JPA

Adam Jones, Deputy Director, Public Utilities

Overview

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



Impacts that Changed Forecast (Wastewater)

Negative Impacts

- Continued increase in new capital project bids
- Higher chemicals, borrowing and energy costs



Critical Strategic Adds – Wastewater (Metro)

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





Metro O&M Costs (excluding Debt)

Expenditure Description	<i>Budget*</i>	<i>Projection*</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personnel Cost	\$48,369,589	\$50,482,800	\$52,022,400	\$53,609,000	\$55,244,100	\$56,929,100
Fringe Benefits	\$26,043,347	\$26,564,100	\$27,095,500	\$27,637,300	\$28,189,900	\$28,330,900
Supplies	\$41,560,528	\$42,724,500	\$43,920,900	\$45,150,700	\$46,505,300	\$47,900,600
Contracts	\$66,710,121	\$61,325,900	\$63,042,900	\$64,808,200	\$66,104,200	\$67,426,300
IT Expenses	\$11,849,320	\$10,125,100	\$10,408,500	\$10,699,900	\$10,913,800	\$11,132,000
Energy & Utilities	\$37,541,367	\$33,856,000	\$35,091,800	\$36,421,700	\$38,049,700	\$38,201,900
Other	\$179,872	\$150,700	\$150,700	\$150,700	\$150,700	\$150,700
Capital Expenditures	\$4,944,756	\$4,971,200	\$4,971,200	\$4,971,200	\$4,971,200	\$4,971,200
Strategic Adds	\$0	\$6,454,304	\$9,523,517	\$8,340,481	\$8,252,723	\$8,196,254
Metro O&M Expenditures	\$237,199,000	\$236,654,604	\$246,227,417	\$251,789,181	\$258,381,623	\$263,238,954

** Metro expenses are generally lower than budget (average \$10-20 million), JPA estimate based on projected expenses, not budget*

Metro O&M Costs-Non-Personnel Costs (Excluding Debt)

- Supplies, Contracts, IT and Energy/Utilities- 67% or \$145 million 2024 O&M
 - External Vendors spending for 2024 was approximately \$107 million over 590 suppliers
 - Top 20 external suppliers were \$82.2 million
 - SDGE, Chemical Vendors, Biosolid Disposal are top 5
 - Charges from other City Departments, Work orders and other misc. charges (\$21 million)
 - SAP/Other Central IT Systems \$5.8 million
 - City Overhead \$4.7 million
 - Water \$3.5 million

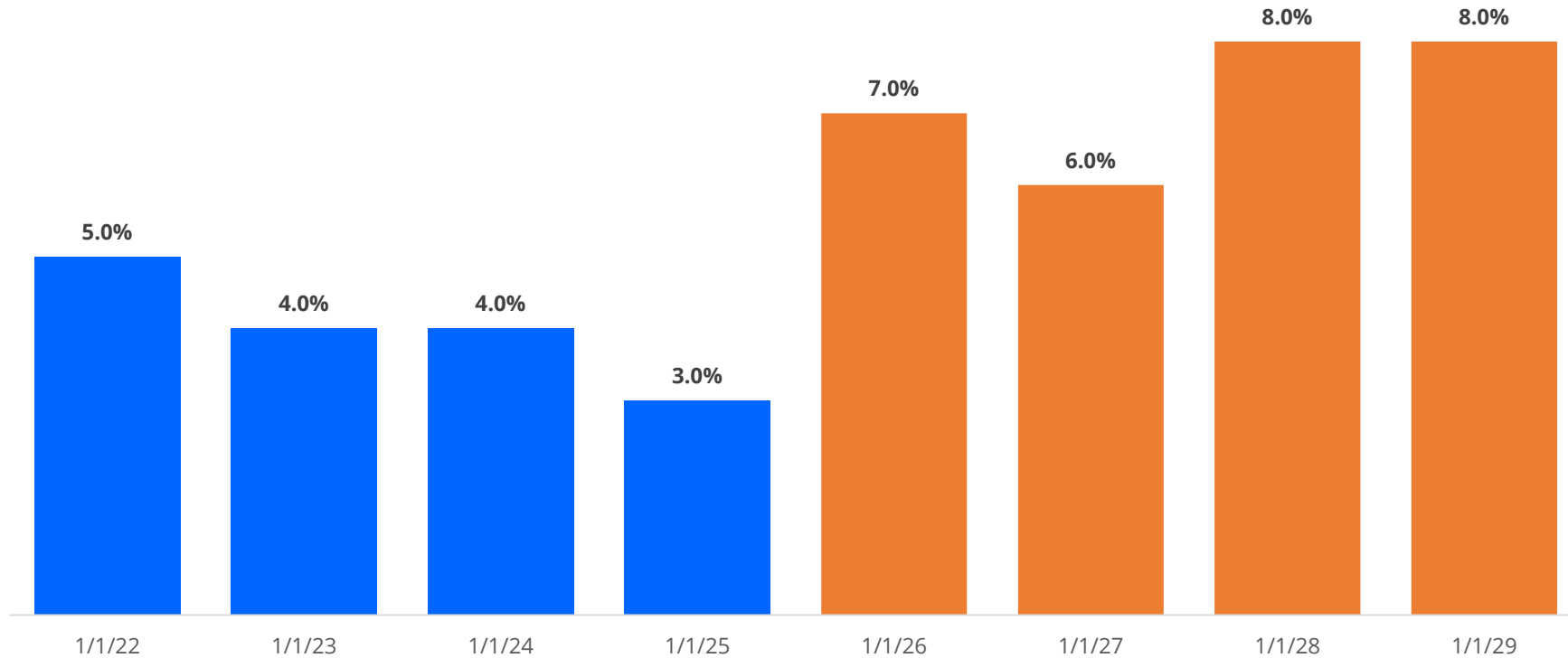


Metro Capital Costs

Asset Type	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>	<i>Projection</i>
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Pure Water Phase 1	\$41,350,841	\$18,141,037	\$9,879,975	\$2,887,865	\$0
Sewer Treatment Plants	\$33,383,232	\$20,228,559	\$24,405,397	\$20,950,763	\$19,721,265
Large Sewer Pump Station	\$28,630,662	\$34,848,402	\$39,301,153	\$32,786,362	\$21,210,095
Pure Water Phase 2	\$2,201,998	\$1,875,210	\$6,982,679	\$14,328,658	\$14,979,961
Miscellaneous Projects	\$9,611,413	\$26,961,236	\$39,389,598	\$25,394,663	\$5,844,085
Trunk Sewers	\$2,790,000	\$7,773,874	\$20,196,957	\$3,276,949	\$2,376,803
Grand Total	\$117,968,145	\$109,828,318	\$140,155,759	\$99,625,260	\$64,132,210

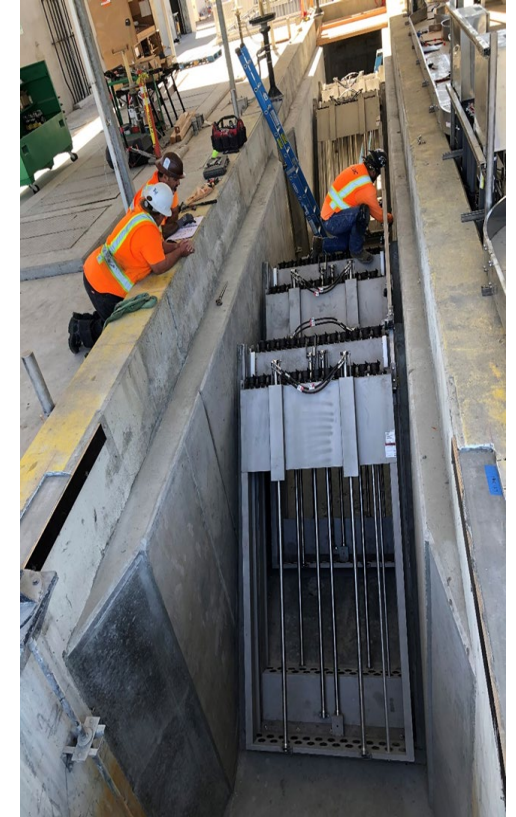


City Wastewater Rate Forecast



Metro JPA Assumptions

- No roll off from ECJPA assumption included in 2026 estimate
- Continued use of short-term borrowing (revolver) to smooth Pure Water pay-go billing risks
 - Ensures long-term savings from low SRF interest (between .8 and 1.1%)
- North City Recycled Water Revenues showing as income credits
- No True up Cost/ Estimate for Pure Water Phase 1



*UV Channel at the South Bay
Water Reclamation Plant*



Monthly Executive Director's Report January 2025

The purpose of this report is to provide an update on the activities, progress, and outcomes related to the JPA's initiatives, including the development of the 2024 Draft Strategic Plan. It aims to ensure transparency, document key discussions and decisions, and keep all stakeholders informed of ongoing efforts and upcoming milestones.

In January, the Executive Director and the Executive Team concentrated on their annual website update, along with addressing various financial and management issues presented to the Finance Committee and the JPA/Commission Board of Directors. A significant portion of their efforts was also dedicated to facilitating collaboration between the City of San Diego's legal team and the JPA's legal counsel to finalize the draft language for the Second Amended and Restated Agreement (SARA).

Key Tasks and Updates:

1. Metro JPA/TAC Master List (Roster of Members and Alternates) (PULLED)

Over the past month, all JPA member agencies' Councils and Boards have finalized their committee assignments for the Metro Wastewater JPA/Commission Board. Our Board Secretary has updated the JPA/TAC membership list accordingly. This updated list will be available on our website as Item 1.4 in the 2025 New Director's Manual. For your convenience, a copy of the list is attached to this Monthly Report.

If you notice any additional changes, please don't hesitate to let us know. Going forward, we kindly ask that you inform our Board Secretary directly about any updates to your agency's representatives. While we typically revise this list annually in January or February, we understand that mid-year changes may arise, and we are happy to accommodate these updates as needed.

Additionally, please notify both the Board Secretary and me if your agency appoints new representatives. It's essential to ensure that all new members complete the necessary paperwork to assume their roles and receive the support needed for a smooth transition.

2. Finance Committee and JPA Board/Commission Recap

The Finance Committee convened in January to kick off the FY 2026 JPA budget planning process and to address other key financial matters. With an extensive

agenda, the committee reviewed and approved the following items, which were subsequently presented to and approved by the full Board during their February meeting:

- Resolution No. 2025-01 Resolution of The Metro Wastewater Joint Powers Authority Board of Directors Establishing a Reserve Fund Policy
- Creation of Succession Planning Ad Hoc Committee
- CLA contract Renewal (Auditor Contract)
- Executive Director Contract Extension to June 30, 2026, to align with Financial Consultant Contract Dates (The Keze Group LLC)
- Treasurer Contract Renewal of One Additional Year
- Authorize Amendment to Gavares Group Contract to Incorporate Proposal for Developing the Strategic Plan Document for the Metro Wastewater JPA
- Authorize Computer Purchase Reimbursement for Treasurer
- Approval of Resolution 2025-02 A Resolution of the Metro Wastewater Joint Powers Authority Board of Directors Establishing Compensation of Directors
- Action to Approve Changes to Authorized Banking Signatories
- Metro Wastewater JPA Treasurer's Report ending December 31, 2024 - - FY 2025 Mid-Year Budget Review

Key outcomes from these meetings include the establishment of the Succession Planning AdHoc Committee and the approval of Resolution 2025-02. This resolution authorizes compensation for Board Alternates attending all JPA/Commission meetings, orientations, tours, and other functions. Compensation includes per diems and mileage and became effective with the February meeting.

The goal of this change is to encourage Board Alternates to take a more active role and regularly attend meetings, ensuring they are well-prepared to step in as primary representatives, whether on a temporary or permanent basis. This initiative aligns with the broader succession planning efforts that the Succession Planning AdHoc Committee will be collaborating on with the Executive Director over the coming year.

Attachments for these meetings can be found on the JPA's website at:
<https://www.metrojpa.org/Home/Components/Calendar/Event/1086/61?toggle=all>
past

3. Upcoming North City Pure Water Construction Tours:

Planning for tours of the Pure Water Construction at North City is underway and is scheduled for after the March and April JPA/Commission meetings. Each tour will be limited to 12 participants, as carts are used for most of the tour, including

primary Board Members and TAC representatives. To comply with the Brown Act restrictions each tour will include no more than 6 Directors. Our Board Secretary is coordinating the tour arrangements and has prepared the attached list of participants as of 2/10/25. Please review and contact her to confirm if your participation is marked “tentative” or to add yourself to one of the tours. Please also let her know if you cannot attend so that we can offer the space to others. She can be reached at lorimetrojpa@gmail.com.

Remember to wear **very** sturdy shoes as a portion of the tour will be on foot walking around the construction site which has uneven surfaces! Staff recommend steel-toed boots if you have them.

4. **Informational Reports and Website Reminder:**

The JPA maintains a website where valuable information about the Metro System, the Pure Water Program and the JPA can be easily accessed at <https://www.metrojpa.org/home>.

In January, we completed the annual update of the New Director’s Manual, ensuring it reflects the most current information. It is currently being uploaded by the Board Secretary. Additionally, several Directors have reached out with suggestions for updates to other parts of the website. Addressing these updates will be our focus for February. If there’s anything you would like to see added or revised on the website, please don’t hesitate to contact us at karyn@kezegroup.com.

5. **Final Draft Second Amended and Restated Agreement (SARA) Language Review:**

SARA Review and Revisions: During January the JPA’s Attorney continued to meet with the City’s attorneys to address language and philosophical differences, laying the groundwork for further staff discussions and alignment. While the majority of the City’s revisions have been accepted by the JPA’s Attorney the final revisions are still being discussed.

The Pure Water (SARA) Ad Hoc Committee is scheduled to meet on February 12, 2025, to review the Final Draft of the SARA document. The primary objective of this meeting is for them to review the document as it stands and to prepare a draft implementation schedule to be presented to the Full Board at their March meeting. The goal is to release the finalized Draft SARA document to the Board and Metro TAC by that time, allowing for their review and the initiation of the implementation process.

Purpose: This process is essential to ensure that SARA reflects a unified approach and meets the strategic and operational needs of all stakeholders.

6. FAB Implementation:

Exhibit B Capacity Refinement for FAB Cost Allocations: The JPA Executive Team continues to work closely with Public Utilities Department (PUD) staff (FAB working group) and their consultant to refine and finalize the FAB cost allocations and billing model. The new Exhibit B capacity figures provided by Metro TAC members were incorporated into the model in December and a final draft model is being reviewed by the FAB working group. The FAB working group continues to meet bi-weekly.

Purpose: This collaborative effort is critical to achieving accurate and equitable cost allocations across all participating agencies.

7. JPA Policies and Procedures Manual

The Executive Director, the Treasurer, and Staff Accountant have created a draft Policies and Procedures Manual and met several times to review and revise during December and January. The ninth draft of the manual was reviewed by the Finance Committee at their January meeting. Edits from this meeting will be incorporated and brought back to the Finance Committee at their March meeting.

Purpose of a Policies and Procedures Manual: The purpose of a Policies and Procedures Manual is to provide a clear and comprehensive framework for organizational operations. It establishes standardized guidelines and processes to ensure consistency, compliance with regulations, and effective communication. The manual serves as a reference for management and stakeholders, promoting accountability, efficiency, and alignment with the organization's mission and goals.

8. Inflow and Infiltration (I&I) Study:

The I&I committee met on January 23rd and discussed progress on action items from the previous meeting including an evaluation of the existing rain gauge locations and meter basins. For the next meeting on February 20th the committee plans to discuss any progress on gathering the necessary data for the particularly the GIS mapping of the sewer meter basins.

9. Pure Water Phase 2 Workshop

Metro Engineering Executive Team members and the Metro TAC Chair will be participating in a workshop hosted by the City of San Diego on Pure Water Phase 2. The meeting will include City staff and consultants and members of the environmental community along with the Metro participants.

Upcoming Meetings:

- **Metro JPA/Commission Meeting:**
 - **Date:** March 6, 2025
 - **Format:** In-Person, MOC Auditorium
 - **Main Topics:** Draft SARA Presentation
- **Metro TAC Meeting:**
 - **Date:** February 19, 2025
 - **Format:** Zoom
 - **Main Topics:** Draft SARA Presentation
- **Metro JPA Finance Committee Meeting**
 - **Date:** March 24, 2025
 - **Format:** Hybrid, MOC Conference Room
 - **Main Topics:** Draft Policies & Procedures Manual; FY 2026 JPA Budget

Attachment A:

***(THIS ATTACHMENT HAS BEEN
PULLED)***

**2025 Metro JPA/TAC Master List
(Roster of Members &
Alternates)**

Attachment B:

NORTH CITY

PURE WATER TOUR PARTICIPANTS

As of 3/1/2025

Those confirmed for the North City Pure Water Plant Tour, please put items you do not need in your cars after the meeting and then immediately return to the vans at the front of the building. Water and snacks will be awaiting you in the vans. Please make sure you sign in with Lori to receive your Per Diem and mileage if allowable.

Thank you.

NORTH CITY PURE WATER TOUR PARTICIPANTS

March 6 Tour

Del Mar - Dwight Worden Primary

La Mesa - Alt. Lauren Cazares & Joe Kuhn TAC Rep

Lemon Grove – Jessyka Heredia Alternate & Izzy Murguia TAC rep

National City – Martha Juarez TAC Primary

Otay – Mark Robak Primary & Beth Gentry TAC Rep

Poway – Peter De Hoff Primary & Troy De Priest TAC Rep

April 3 Tour

Chula Vista – Michael Benozza TAC Rep & his boss Patrick Moneda

Coronado – Kelly Purvis & Leon Firsh TAC Rep

El Cajon – Gary Kendrick Primary & Blake Behringer TAC Rep

Imperial Beach – No JPA or TAC Rep at this time

Padre Dam – Alternate Lewis Clapp & Peejay Tubongbanua TAC Rep

SD County – Sumedh Bahl TAC Rep

Others – Chair Jones, Carmen Kazner



Monthly Metro TAC Chair Report February 2025

The February 19, 2025, TAC meeting was cancelled due to not having any substantive matters requiring review or discussion at this time.

The only item that had been proposed on the agenda was a review of the Final Draft SARA Document. Over the past month, the JPA's and City's attorneys and staff have been meeting frequently to finalize the document's language. Additionally, the JPA's Pure Water SARA Ad Hoc Committee has held two meetings to review and refine the six remaining sections still in progress.

At their meeting on Friday February 14, 2025, the SARA Ad Hoc decided to extend the process by one more month to ensure the finalization of the remaining 1% of the document. It is expected that the necessary meetings among attorneys, staff, and the SARA Ad Hoc will conclude this work in time for a full presentation at the March TAC Meeting. This presentation will be led by the JPA's attorney and technical staff.

The agenda for the March Metro Wastewater JPA/Commission meeting will include two presentations previously given to Metro TAC but not yet heard by the Board due to time constraints in past meetings. To ensure Board members are up to date, the February report includes excerpts from past Monthly Metro TAC Chair Reports summarizing these two items, which will be discussed at the March meeting.

From November 20, 2024, Metro TAC Meeting

Public Utilities Department Integrated Master Plan (Anh Nguyn)

The City of San Diego provided a comprehensive update on the Integrated Master Plan (IMP) for water and wastewater infrastructure. The IMP is a long-term planning document to manage water and wastewater systems, ensuring they meet current and future demands, comply with regulations, and support sustainable growth. Historically, the City had separate plans for major water and wastewater assets and is now taking a more holistic and integrated planning approach to ensure a unified strategy for addressing water and wastewater infrastructure challenges efficiently. The IMP will include an analysis of future needs for new or resized infrastructure, address data gaps, standardization of condition assessments to prioritize maintenance, rehabilitation and replacement of existing assets, and an analysis of system impacts related to regulations and climate change. An updated CIP list is expected Fall 2026, and the final IMP is

expected June 2027. A discussion was held on financial impacts of CIP programs and how the IMP would be incorporated into the City's 5-Year Financial Outlook.

From January 2025 Metro TAC Meeting

Five-Year Financial Outlook (Adam Jones)

Adam Jones from the City of San Diego reported on the five-year financial outlook for the Metro JPA. He started with a recommendation that all Participating Agencies have the ability to pass through wholesale costs from the City in their rates. The major items impacting the five-year forecast are the increases in bid pricing results, increasing chemical and utility costs, and the nearing completion of Pure Water Phase 1 and the start of Phase 2, along with the other major planned CIP projects namely Pump Station 1 and 2.

Metro Wastewater JPA/Com Meetings:

Recent Meetings

- **I&I Metro TAC Subcommittee:**
 - **Date:** January 23, 2025
 - **Format:** MS Teams only.

Upcoming Meetings

- **Metro JPA:**
 - **Date:** March 6, 2025
 - **Format:** In-Person only.
 - **Main Topic:** See above

- **Metro TAC:**
 - **Date:** March 19, 2025
 - **Format:** Zoom only.

- **I&I Metro TAC Subcommittee:**
 - **Date:** March 20, 2025
 - **Format:** MS Teams only.

Those confirmed for the North City Pure Water Plant Tour, please put items you do not need in your cars after the meeting and then immediately return to the vans at the front of the building. Water and snacks will be awaiting you in the vans. Please make sure you sign in with Lori to receive your Per Diem and mileage if allowable.

Thank you.

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