Regular Meeting of the
Metro Wastewater JPA/Metro Commission

AGENDA

Thursday, May 1, 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 **5-7** 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 **April 3, 2025** **(Attachment)**

6. **ACTION:** Receive and File Check Registry – Monthly Expense Report for the Month of March, 2025 **(Attachment)**

7. **ACTION:** Consideration and Possible Action to Approve the Metro Wastewater JPA Treasurer's Report Ending March 31, 2025 (Lee Ann Jones-Santos) **(Attachment)**

END OF CONSENT CALENDAR

8. **ACTION**: Approval of Resolution No. 2025-03 Resolution of the Board of Directors of the Metro Wastewater Joint Powers Authority Approving the Metro Wastewater Joint Powers Authority Investment Policy (Lee Ann Jones-Santos/Karyn Keze) **(Attachment)**

9. **ACTION**: Approval of Resolution No. 2025-04, Resolution of the Metro Wastewater Joint Powers Authority Authorizing Investment of Monies in the Local Agency Investment Fund (Lee Ann Jones-Santos/Karyn Keze) **(Attachment)**

10. **PRESENTATION/DISCUSSION:** Second Amended and Restated Regional Wastewater Disposal Agreement (SARA): Functional Allocated Billing (FAB) Methodology (Ben Stewart, STANTEC) (**Attachment**)

11. **DISCUSSION/ACTION:** Discussion and Possible Action or Direction Relating to the Status and Review of the Second Amended and Restated Regional Wastewater Disposal Agreement with City of San Diego (SARA) (Adriana Ochoa) (**Attachment**)
    a. TAC Recommendation
    b. Pretreatment Administrative Agreement Discussion

12. **DISCUSSION/ACTION**: Consideration and possible action to reschedule July Regular Board Meeting Date to June 26, 2025 or Other Date (Karyn Keze/Adriana Ochoa)

13. **UPDATE:** Metro Wastewater (General) (Standing Item) (Lisa Celaya)

14. **UPDATE:** Pure Water Program Update (Standing Item) (Doug Owen/Ben Kuhnel)
    a. Quarterly Construction Update **(Attachment)**

15. **UPDATE:** Metro Wastewater Financial (Standing Item) (Adam Jones)

16. **REPORT:** General Counsel (Standing Item) (Adriana Ochoa)

17. **REPORT:** Metro JPA Executive Director's Report March 2025 (Standing Item) (Karyn Keze) **(Attachment)**

18. **REPORT:** Metro TAC Chair's Report April 2025 (Standing Item) (Blake Behringer) **(Attachment)**

19. **METRO JPA DIRECTORS/COMMISSIONERS COMMENTS AND PROPOSED AGENDA ITEMS** for Next Metro JPA/Commission Meeting **June 5, 2025.**

20. **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

April 3, 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	Representatives	Alternate
City of Chula Vista	Jose Preciado	
City of Coronado	Kelly Purvis	Mark Fleming
City of Del Mar	Dwight Worden	
City of El Cajon	Gary Kendrick	
City of Imperial Beach	Mitch McKay (absent)	
City of La Mesa	Bill Baber	
Lemon Grove San District	Jerry Jones	Jessyka Heredia
City of National City	Ditas Yamane	
City of Poway	Peter De Hoff	
County of San Diego	Joel Anderson	
Otay Water District	Mark Robak	
Padre Dam MWD	Kyle Swanson (absent)	Lewis Clapp

Others present: Metro JPA General Counsel Adriana Ochoa – Snell & Wilmer Law; Metro JPA/Commission Board Secretary Lori Anne Peoples; None – City of Chula Vista; None – City of Coronado; Blake Behringer - City of El Cajon; Eric Minicilli– City of Imperial Beach; Joe Kuhn – City of La Mesa; Izzy Murguia – Lemon Grove Sanitation District; Carmen Kasner – City of National City; Beth Gentry – Otay Water District; Peejay Tubongbauna – Padre Dam Municipal Water District; None – City of Poway; Lisa Celaya, Adam Jones, Doug Campbell, Edgar Patino, Akram Bassyouni, Parita Ammeriahn, Kae Gasparro - City of San Diego Staff; Doug Owen – Stantec – City of San Diego Consultant; None – County of San Diego; Metro JPA Staff: Karyn Keze, Executive Director, The Keze Group; Lee Ann Jones-Santos, Assistant Treasurer; Dexter Wilson and Kathleen Noel, Wilson Engineering

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

Director Anderson, County of San Diego, led the pledge.

3. **PUBLIC COMMENT**

None.

4. **ACTION: APPROVAL OF AGENDA**

ACTION: Motion by Director Baber, seconded by Vice Chair De Hoff, to approve the agenda. Motion carried as follows:

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

CONSIDERATION AND POSSIBLE ACTION TO APPROVE CONSENT CALENDAR ITEMS 5 AND 6

5. **ACTION: Consideration and Possible Action to Approve the Minutes of February 6, 2025**

6. **ACTION: Receive and File Check Registry Monthly Expense Report for the Month of January 2025**

ACTION: Motion by Director Anderson, seconded by Vice Chair De Hoff to approve the Consent Calendar Items 5 and 6. Motion carried as follows:

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

7. **UPDATE: Semi-Annual Pure Water Program Update**

a. **ACTION**: Consideration and Possible Action to Approve Extension of Insurance Coverage with HDI (Policy No. CWD5566700S), Zurich North America (Policy No. WC0969211), Allianz Global Risks US Insurance (Policy No. USE000657190W), ACE American Insurance Co. (Policy No. IMC 11174929), and Ironshore Specialty Insurance Company (Policy No. 004031400) for an Owner-Controlled Insurance Program for the North City Pure Water Phase 1 Project

b. **ACTION:** Consideration and Possible Action to Approve Amendment No. 4 to the Agreement with AECOM Technical Services, Inc. for Design Engineering and Construction Support Services for the Morena Pump Station and Conveyance System Projects

c. **ACTION:** Consideration and Possible Action to Approve Contract for Roadway Restoration in Excess of $2M for Morena Conveyance North contract with OHLA USA, Inc. (OHLA)

Doug Campbell, City of San Diego, introduced Akram Bassyouni who provided brief overviews of his PowerPoint presentation, included in the agenda package.

ACTION: Motion by 2nd Vice Chair Preciado, seconded by Director Yamani to approve Items 7a, b, and c. Motion carried as follows:

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

8. **PRESENTATION**: **Draft Second Amended Restated Agreement (SARA)**

Executive Director Keze introduced the item, explaining that while the original intent was to revise the current Amended and Restated Agreement (ARA) to address the "parking lot" items and begin negotiations with City of San Diego staff, the process revealed that SARA required more than minor revisions because the majority of it is based upon the 1998 Regional Agreement. After 38 meetings, it became clear that a major rewrite was necessary. She expressed appreciation to San Diego staff, Lisa Celya, Adam Jones, and the San Diego attorneys for their cooperative efforts throughout the process.

Lisa Celaya, City of San Diego, also expressed sincere appreciation for the collaboration and commitment of all involved which has resulted in what they feel is an excellent product.

Chair Jones thanked the Ad Hoc Committee for their time and hard work to produce a product that works for everyone.

Director Baber thanked the Pure Water AdHoc committee members, Director's Jones, De Hoff, Preciado, Kendrick, and Duncan who put a lot of effort into the document. Everything has been reviewed, edited, and approved with all PA's needs considered.

General Counsel Ochoa then provided a brief introduction of the high points of SARA via her PowerPoint included in the agenda package. Additionally, she noted that the effective date would be July 1 of the year following approval.

Director Baber stated the biggest concern was with a truncated timeline.

Director Worden spoke regarding potential policy issues and inquired as to whether a weighted vote was considered. The response was yes, and it was

rejected. He then mentioned it would be helpful to have a 1-page Executive Summary. General Counsel Ochoa stated the staff report provided detail, but she and Executive Director Keze would work on one.

9. **UPDATE: Metro Wastewater (General) (Standing Item)**

Lisa Celaya, City of San Diego stated that there was information on Item 9a included in the agenda package, and that Item 9b status was now under public review and had been provided to the Regional Board for approval.

a. OPRA II Update
b. January 2023 SSO Update

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

General Counsel stated she had no report.

11. **REPORT: Metro JPA Executive Director's Report February 2025 (Standing Item)**

Executive Director Keze noted that Items 11 and 12 were included in the agenda packet. She also reported that the Finance Committee items originally scheduled for TAC in April and the JPA/Com Meeting in May from their January meeting have been deferred to the June Board Meeting to allow time for continued discussion on the SARA agreement. These include the FY 2026 JPA Budget and the Policy and Procedures Manual drafts of which can be found on the JPA's website.

12. **REPORT: Metro TAC Chair's Report February 2025 (Standing Item)**

13. **METRO JPA DIRECTORS/COMMISSIONERS COMMENTS AND PROPOSED AGENDA ITEMS** for Next Metro JPA/Commission Meeting **May 1, 2025.**

Director Robak announced that the National Water Conference was held in El Paso, Texas, the next will be in Tucson and then Phoenix, Arizona.

14. **ADJOURNMENT**

Chair Jones declared the meeting adjourned at 2:10 p.m.

Monthly Expense Report

MetroJPA

Invoices for March 2025 paid in April 2025

Prepared by

Treasurer@metrojpa.org

Prepared on

April 15, 2025

MetroJPA
Expenses by Vendor Summary
April 15, 2025

Vendor	Total
Dexter Wilson Engineering	12,495.00
Ditas Yamane	371.20
Donald Dwight Worden	166.00
Gary Kendrick	332.00
Jerrold L. Jones	703.20
Jessica Heredia	185.60
Joel Anderson	184.90
Jose Preciado	664.00
Kelly Purvis	184.90
Keze Group LLC	17,646.00
Mark Fleming	184.90
Mark Robak	388.00
Mitchell D McKay	166.00
Mr Rodney Greek	15,986.60
Peter De Hoff	708.80
Snell and Wilmer Law	14,818.87
William Baber	332.00
Credit Card Expenses	435.80
TOTAL	**$65,953.77**

Accrual Basis Wednesday, April 16, 2025 12:48 AM GMTZ

Metro Wastewater Joint Powers Authority
Treasurer's Report
ending March 31, 2025

****UNAUDITED****

Metro Wastewater JPA

Treasurer's Report

ending March 31, 2025

Unaudited

Beginning Cash Balance at July 1, 2024	$	317,985
Operating Results		
Membership Dues & Interest Income		1,005,012
Expenses		(412,628)
Change in Net Position		592,384
Net change in Receivables & Payables		43,573
Cash used in Operations		635,956
Ending Cash Balance at March 31, 2025	$	953,941

Metro Wastewater JPA

Statement of Net Position

As of July 1, 2024 and March 31, 2025

Unaudited

	July 1, 2024	March 31, 2025	$ Change
ASSETS			
Checking/Savings	$ 317,985	$ 953,941	$ 635,956
Accounts Receivable	22,824	-	(22,824)
Total Assets	**$ 340,809**	**$ 953,941**	**$ 613,133**
LIABILITIES			
Accounts Payable	$ 42,611	$ 63,360	$ 20,749
Unearned Membership Billings	-	-	-
Total Liabilities	$ 42,611	$ 63,360	$ 20,749
NET POSITION			
Net Position at Beginning of Period	$ 247,595	$ 298,197	$ 50,602
Change in Net Position	50,602	592,384	541,782
Net Position at End of Period	$ 298,197	$ 890,581	$ 592,384
TOTAL LIABILITIES & NET POSITION	**$ 340,809**	**$ 953,941**	**$ 613,133**

Net Position at 03/31/2025	*$*	*890,581*
FY '25 Required Reserve (4 months of Op Exp)		*275,637*
Over (under) required reserve	*$*	*614,944*
Contingency Reserve (3 months of FY 2025 Op. Exp)		*197,714*
	$	*812,658*
Assets	$	953,941
Liabilities/Equity	$	953,941
Difference	*$*	*(0)*

Metro Wastewater JPA
Statement of Operations
Budget vs. Actual
ending March 31, 2025
Unaudited

	Actual		Budget (A)	Over (Under) Budget		Annual Budget
Income					Month	9
Membership Dues	$ 988,568	**B**	790,855	$ 197,713		$ 790,855
City of San Diego	13,154		26,516	(13,362)		$ 35,355
Interest Income	3,290		525	2,765		700
Total Income	$ 1,005,012		$ 817,896	$ 187,116		$ 826,910
Expense						
Administrative Assistant-LP	$ 13,212		36,900	$ (23,688)		$ 49,200
Bank Charges	27		150	(123)		200
Contingency	-		-	-		
Dues & Subscriptions	-		-	-		-
Financial Services			-			
Audit Fees	6,560		-	6,560		-
Financial Consulting Support (Auditor)	-		-	-		
Financial - The Keze Group	128,380		126,000	2,380		168,000
Treasurer - CPA	40,795		37,500	3,295		50,000
JPA/TAC meeting expenses	3,235		4,500	(1,265)		6,000
Miscellaneous	1,048		188	861		250
Per Diem - Board	29,570		21,375	8,195		28,500
Printing, Postage, Supplies	471		375	96		500
Professional Services			-			
Engineering - Dexter Wilson	105,240		150,000	(44,760)		200,000
Engineering - NV5	2,040		22,500	(20,460)		30,000
Legal - (Pure Water/2nd ARA)	21,742		112,500	(90,758)		150,000
Legal - (General)	35,410		45,000	(9,590)		60,000
Legal - (SD Spill 2020 & 2023)	8,012		22,500	(14,488)		30,000
Paul Redvers Brown, Inc.	-		9,338	(9,338)		12,450
Strategic Planning	15,250		11,456	3,794		15,275
IT & Communications	-		15,000	(15,000)		20,000
Telephone, Software & Internet	1,636		2,250	(614)		3,000
Website Architecture Update	-		-	-		-
Website Maintenance & Hosting	-		2,651	(2,651)		3,535
Total Expense	$ 412,628		$ 620,183	$ (207,554)		$ 826,910
Net Income (Loss)	$ 592,384		$ 197,714	$ 394,670		$ -

A ***The Budget shown is for 9 months equaling the 3rd Quarter completion.***

B ***The Contingency Reserve is included.***

Metro Wastewater JPA
Statement of Cash Flows

ending March 31, 2025
Unaudited

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Member Agencies	$	1,024,546
Cash Paid to Vendors and Suppliers		(391,880)
Net Cash Provided by Operating Activities		632,666
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earnings		3,290
Net Cash Provided by Investing Activities		3,290
NET CHANGE IN CASH AND CASH EQUIVALENTS		635,956
Cash and Cash Equivalents - Beginning of Period		317,985
CASH AND CASH EQUIVALENTS - END OF PERIOD	$	953,941
RECONCILIATION OF OPERATING LOSS TO NET CASH FLOWS USED BY OPERATING ACTIVITIES		
Operating Income	$	592,384
Change in Net Position		
Adjustments to Reconcile Operating Income to		
Increase in Accounts Receivable		22,824
Decrease in Accounts Payable		20,749
Interest Earnings		(3,290)
Total Adjustments		40,283
Net Cash Provided by Operating Activities	$	632,666

RESOLUTION NO. 2025-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METRO WASTEWATER JOINT POWERS AUTHORITY APPROVING THE METRO WASTEWATER JOINT POWERS AUTHORITY INVESTMENT POLICY AND GUIDELINES

WHEREAS, the Metro Wastewater Joint Powers Authority (JPA) General Manager has submitted for the consideration of JPA's Board of Directors, the proposed Metro Wastewater Joint Powers Authority Investment Policy and Guidelines;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE METRO WASTEWATER JOINT POWERS AUTHORITY HEREBY RESOLVES AS FOLLOWS:

1. JPA Treasurer has prepared an Investment Policy and Guidelines, attached hereto as Exhibit A, and incorporated herein by reference as if set forth in full. In order to comply with prudent financial management practices, these guidelines are to be reviewed and approved on an annual basis in conjunction with the annual budget adoption.

2. The policy is intended to provide guidelines for the prudent investment of JPA's temporary idle cash and outline the policies for maximizing the efficiency of JPA's cash management system.

3. The investment goal is to enhance the economic condition of JPA while ensuring the safety of funds invested.

4. The Board of Directors of the Metro Wastewater Joint Powers Authority does hereby approve the Investment Policy and Guidelines attached hereto as Exhibit A.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Metro Wastewater Joint Powers Authority, California, held on this 1st day of May, 2025, by the following vote:

Ayes:
Noes:
Abstained:
Absent:

Signature: _____
Jerry Jones, Chair

Attest:

Signature: _____
Lori Anne Peoples
Metro Wastewater Joint Powers Authority
Board Secretary

EXHIBIT A
TO
RESOLUTION NO. 2025-03

METRO WASTEWATER JOINT POWERS AUTHORITY
INVESTMENT POLICY AND GUIDELINES
(POLICY 5)

METRO WASTEWATER **JPA**

P. O. Box 1072, National City, CA 91950 619-548.2934

www.metrojpa.org

Metro Wastewater JPA Policy No. 5

Investment Policy and Guidelines

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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

4923-0320-3642

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

Adopted May ~~XX~~1, 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."

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RESOLUTION NO. 2025-04

RESOLUTION OF THE METRO WASTEWATER JOINT POWERS AUTHORITY BOARD OF DIRECTORS AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND

Agency Address:
Metro Wastewater JPA
Attn: Treasurer
P.O. Box 1072
National City, CA 91951

Agency Phone Number:
619-823-8129

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 *et. seq*. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Metro Wastewater Joint Powers Authority ("**Metro**") Board of Directors hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 *et. seq*. for the purposes of investment as provided therein is in the best interests of Metro;

NOW THEREFORE, BE IT RESOLVED, that the Metro Board of Directors hereby authorizes the deposit and withdrawal of Metro monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 *et. seq*. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows:

Section 1. The following Metro officers holding the title(s) specified hereinbelow **or in their successors in office** are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby including, but not limited to, the submission of a New Regular Account Application:

Lee Ann Jones-Santos	Rodney J. Greek	Karyn Keze
Name	Name	Name
Assistant Treasurer	Treasurer	Executive Director
Title	Title	Title
Signature	Signature	Signature

Section 2. This resolution shall remain in full force and effect until rescinded by the **Metro** Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

IT IS SO RESOLVED.

PASSED AND ADOPTED by the Board of Directors of the Metro Wastewater Joint Powers Authority in the City of San Diego, California, at the regular meeting thereof held on the 1st day of May, 2025 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Chairperson

ATTEST:

_____
Board Secretary

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.

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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).

D) Option 1: California Asset Management Program (CAMP). -Investment of funds in CAMP, which is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio (the Pool or the CAMP Pool) and CAMP Term are permitted for all local agencies under California Government Code Section 53601(p), subject to the criteria and restrictions set forth therein and below in Option 2.

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Or

Option 2: Shares of beneficial interest issued by a joint powers authority Organized pursuant to Section 6509.7 that invests in the securities and obligations Authorized in subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

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(1) The adviser is registered or exempt from registration with the United States Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars ($500,000,000).

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.

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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, monies 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 * * *

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SARA: FAB

May 1, 2025

Unique situation, unique system, unique framework
Based on sound engineering principles

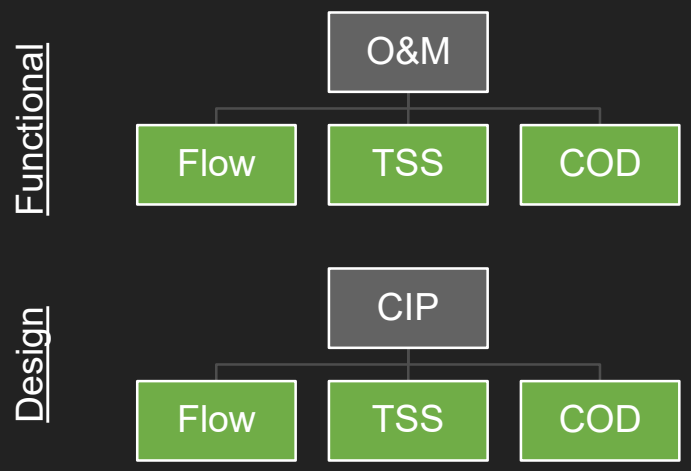
1

Project Background

2

SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Current Functional-Design Allocations



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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Existing Framework: Metro System Wastewater

	FLOW	TSS	COD
OPERATIONS & MAINTENANCE EXPENSES			
Pump Stations & Pipelines	100%		
Treatment & Disposal			
Point Loma WWTP	35%	40%	25%
North City WRP	75%	10%	15%
South Bay WRP	75%	10%	15%
Metropolitan Biosolids Center	50%		50%
Cogeneration Facilities & Gas Utilization Facility	60%		40%
QC: Marine Biology & Ocean Operations	30%	40%	30%
QC: Wastewater Chemistry Services	30%	40%	30%
All Other Engineering, QC, Support, and Compliance	46%	29%	25%
CAPITAL IMPROVEMENT PROJECTS			
Fixed Allocation of CIP	56%	22%	22%

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Why Make Changes?

Update Allocation Basis:

1. Current allocations developed in 1998
2. Updated with Pure Water elements in 2019, implemented in 2023
   - Melded Percentage (Exhibit G)
   - Pure Water Capital Cost Rate (Exhibit F)
   - Pure Water Revenue Share (Exhibit F)

Changing System Dynamics:

1. Pt. Loma: Cornerstone Treatment Facility → RSDP* & Peaking Plant
2. City and PA Advanced Water Treatment
3. Evolving Flows & Loads

**RSDP = Reject Stream from a Demineralization Process at Advanced Water Purification Facilities*

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

How did we get here?

2018: Identified the agreement and billing system would require updating
- Included a specific need for a fixed charge and a capacity basis
- Recognized East County's future reduced flows

2021: Goals of ARA update agreed upon
- Fair to all parties
- Increase capacity-based user charge
- Strive to keep charges near current costs
- Etc.

2022-Present: Develop Exhibit B
- Ownership units of service for average flow, incremental peak, RSDP, COD and TSS

2022: Presentation on approach to billing framework update to MetroTAC

2023: Consensus on functional-design allocation percentages

Feb. 2024: Presented approach to allocating RSDP-related costs to MetroTAC

Apr. 2024: Presented approach to capacity allocations and fixed charges to MetroTAC

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Project Approach

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Four Key Changes

Update Allocations

- Presented to Metro JPA in November 2023

Incorporate Municipal RSDP Discharges

- Presented to Metro JPA in May 2024

Recover Costs Associated with Capacity Needs

- Presented to Metro JPA in May 2024

Add a Fixed Charge to Billing Framework

- Presented to Metro TAC in May 2024

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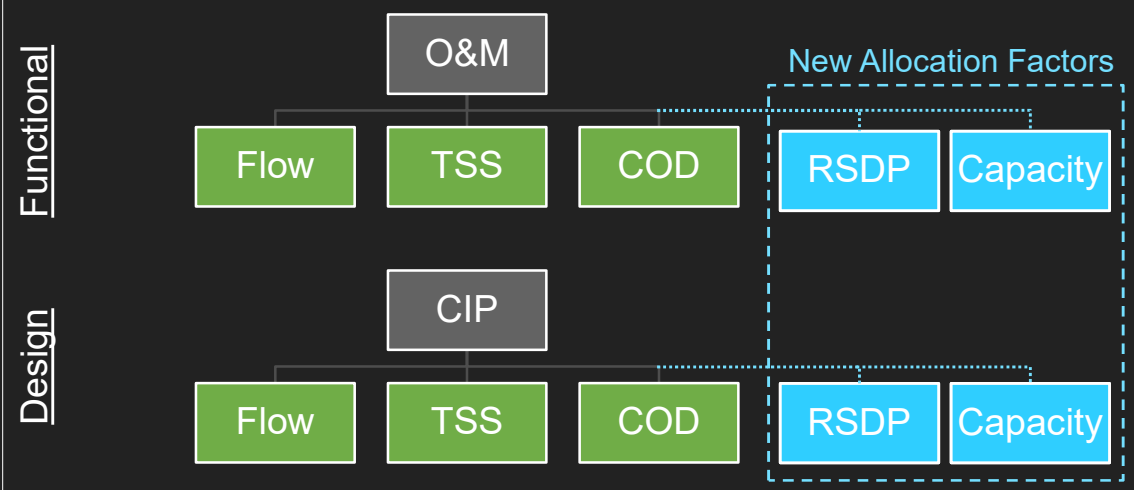
SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Functional-Design Allocations



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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Functional-Design Allocations

Design Basis

1. Detailed review of physical assets
   - Allocations by plant and by function/process
   - Allocating asset value to parameters
2. Similar approach for capital projects

Functional Basis

1. Detailed review of entire O&M budget
2. Allocate direct O&M budget by plant
   - Functional allocation of assets
   - Question: “What kinds of things will change?”
3. Work with operations & engineering staff to review functional basis
   - Review and affirm allocations based on process and asset changes, and projected staffing and operating costs

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Allocation Workshop

Contract Working Group gathered in person in PUD offices

- City Engineers & Operations Staff
- City Finance Staff
- PA Engineering & Financial Consultants
- City Engineering & Financial Consultants

Reviewed modeling approach & developed allocations

- Estimated relative value of each unit process for each plant
- Allocated unit processes to parameters
- **Led to consensus on all allocation factors at October 18 Metro TAC meeting**

Discussed potential for RSDP allocation basis

- Provided background for potential RSDP allocation
- Discussed findings of studies of RSDP on chemicals, aeration, retention time, etc.
- **Determined a RSDP cost recovery approach, final numbers to be determined**

Unique situation, unique system, unique framework needed
Based on sound engineering principles

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Billing and Agency Impacts

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Current System, 2024 Flows & Strength

Table D O&M

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF O&M COSTS												
		AVERAGE/ METERED FLOW %	AVERAGE/ METERED FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
OPERATION AND MAINTENANCE :														
TRANSMISSION AND SYSTEM MAINTENANCE	$4,128,492	100.0%	$4,128,492	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$4,128,492
PUMP STATION 2	$17,132,620	100.0%	$17,132,620	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$17,132,620
NORTH CITY WRP	$13,531,645	75.0%	$10,148,734	0.0%	$0	0.0%	$0	10.0%	$1,353,164	15.0%	$2,029,747	0.0%	$0	$13,531,645
SOUTH BAY WRP	$9,434,238	75.0%	$7,075,679	0.0%	$0	0.0%	$0	10.0%	$943,424	15.0%	$1,415,136	0.0%	$0	$9,434,238
POINT LOMA	$28,065,010	35.0%	$9,822,753	0.0%	$0	0.0%	$0	40.0%	$11,226,004	25.0%	$7,016,252	0.0%	$0	$28,065,010
ENVIRONMENTAL SUPPORT	$11,916,276	30.0%	$3,574,883	0.0%	$0	0.0%	$0	40.0%	$4,766,510	30.0%	$3,574,883	0.0%	$0	$11,916,276
COGENERATION + MBC	$26,219,808	0.0%	$0	0.0%	$0	0.0%	$0	50.0%	$13,109,904	50.0%	$13,109,904	0.0%	$0	$26,219,808
OPERATIONAL SUPPORT	$13,985,817	47.0%	$6,571,049	0.0%	$0	0.0%	$0	28.7%	$4,020,110	24.3%	$3,394,658	0.0%	$0	$13,985,817
BUSINESS SUPPORT ADMINISTRATION	$40,421,814	47.0%	$18,991,648	0.0%	$0	0.0%	$0	28.7%	$11,618,924	24.3%	$9,811,241	0.0%	$0	$40,421,814
PURE WATER O&M	$4,645,891	47.0%	$2,182,810	0.0%	$0	0.0%	$0	28.7%	$1,335,424	24.3%	$1,127,657	0.0%	$0	$4,645,891
TOTAL OPERATIONS AND MAINTENANCE	$169,481,609	46.98%	$79,628,667	0.00%	$0	0.00%	$0	28.54%	$48,373,465	24.47%	$41,479,477	0.00%	$0	$169,481,609

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Current System, 2024 Flows & Strength

Table D Capital Cost & Totals

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF CAPITAL COSTS												
		AVERAGE FLOW %	AVERAGE FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
CAPITAL IMPROVEMENT PROGRAM:														
PAY-AS-YOU-GO METRO 41509	$32,569,264	55.8%	$18,173,649	0.0%	$0	0.0%	$0	22.0%	$7,165,238	22.2%	$7,230,377	0.0%	$0	$32,569,264
DEBT SERVICE	$53,555,115	55.8%	$29,883,754	0.0%	$0	0.0%	$0	22.0%	$11,782,125	22.2%	$11,889,236	0.0%	$0	$53,555,115
TOTAL NON-PUREWATER CAPITAL IMPROVEMENT PROGRAM	$86,124,379	55.8%	$48,057,404	0.0%	$0	0.0%	$0	22.0%	$18,947,363	22.2%	$19,119,612	0.0%	$0	$86,124,379
TOTAL NON-PURE WATER O&M & CAPITAL IMPROVEMENT PROGRAM	$255,605,989	50.0%	$127,686,071	0.0%	$0	0.0%	$0	26.3%	$67,320,829	23.7%	$60,599,089	0.0%	$0	$255,605,989
PURE WATER CAPITAL RATE COST (PAY-GO)	$14,035,210	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	100.0%	$14,035,210	$14,035,210
TOTAL COSTS	$269,641,199	47.4%	$127,686,071	0.0%	$0	0.0%	$0	25.0%	$67,320,829	22.5%	$60,599,089	5.2%	$14,035,210	$269,641,199

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Current System, Post-2027 Flows & Strength

Table D O&M

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF O&M COSTS												
		AVERAGE/ METERED FLOW %	AVERAGE/ METERED FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
OPERATION AND MAINTENANCE :														
TRANSMISSION AND SYSTEM MAINTENANCE	$4,128,492	100.0%	$4,128,492	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$4,128,492
PUMP STATION 2	$17,132,620	100.0%	$17,132,620	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$17,132,620
NORTH CITY WRP	$13,531,645	75.0%	$10,148,734	0.0%	$0	0.0%	$0	10.0%	$1,353,164	15.0%	$2,029,747	0.0%	$0	$13,531,645
SOUTH BAY WRP	$9,434,238	75.0%	$7,075,679	0.0%	$0	0.0%	$0	10.0%	$943,424	15.0%	$1,415,136	0.0%	$0	$9,434,238
POINT LOMA	$28,065,010	35.0%	$9,822,753	0.0%	$0	0.0%	$0	40.0%	$11,226,004	25.0%	$7,016,252	0.0%	$0	$28,065,010
ENVIRONMENTAL SUPPORT	$11,916,276	30.0%	$3,574,883	0.0%	$0	0.0%	$0	40.0%	$4,766,510	30.0%	$3,574,883	0.0%	$0	$11,916,276
COGENERATION + MBC	$26,219,808	0.0%	$0	0.0%	$0	0.0%	$0	50.0%	$13,109,904	50.0%	$13,109,904	0.0%	$0	$26,219,808
OPERATIONAL SUPPORT	$13,985,817	47.0%	$6,571,049	0.0%	$0	0.0%	$0	28.7%	$4,020,110	24.3%	$3,394,658	0.0%	$0	$13,985,817
BUSINESS SUPPORT ADMINISTRATION	$40,421,814	47.0%	$18,991,648	0.0%	$0	0.0%	$0	28.7%	$11,618,924	24.3%	$9,811,241	0.0%	$0	$40,421,814
PURE WATER O&M	$4,645,891	47.0%	$2,182,810	0.0%	$0	0.0%	$0	28.7%	$1,335,424	24.3%	$1,127,657	0.0%	$0	$4,645,891
TOTAL OPERATIONS AND MAINTENANCE	$169,481,609	46.98%	$79,628,667	0.00%	$0	0.00%	$0	28.54%	$48,373,465	24.47%	$41,479,477	0.00%	$0	$169,481,609

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Current System, Post-2027 Flows & Strength

Table D Capital Cost & Totals

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF CAPITAL COSTS												
		AVERAGE FLOW %	AVERAGE FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
CAPITAL IMPROVEMENT PROGRAM:														
PAY-AS-YOU-GO METRO 41509	$32,569,264	55.8%	$18,173,649	0.0%	$0	0.0%	$0	22.0%	$7,165,238	22.2%	$7,230,377	0.0%	$0	$32,569,264
DEBT SERVICE	$53,555,115	55.8%	$29,883,754	0.0%	$0	0.0%	$0	22.0%	$11,782,125	22.2%	$11,889,236	0.0%	$0	$53,555,115
TOTAL NON-PUREWATER CAPITAL IMPROVEMENT PROGRAM	$86,124,379	55.8%	$48,057,404	0.0%	$0	0.0%	$0	22.0%	$18,947,363	22.2%	$19,119,612	0.0%	$0	$86,124,379
TOTAL NON-PURE WATER O&M & CAPITAL IMPROVEMENT PROGRAM	$255,605,989	50.0%	$127,686,071	0.0%	$0	0.0%	$0	26.3%	$67,320,829	23.7%	$60,599,089	0.0%	$0	$255,605,989
PURE WATER CAPITAL RATE COST (PAY-GO)	$14,035,210	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	100.0%	$14,035,210	$14,035,210
TOTAL COSTS	$269,641,199	47.4%	$127,686,071	0.0%	$0	0.0%	$0	25.0%	$67,320,829	22.5%	$60,599,089	5.2%	$14,035,210	$269,641,199

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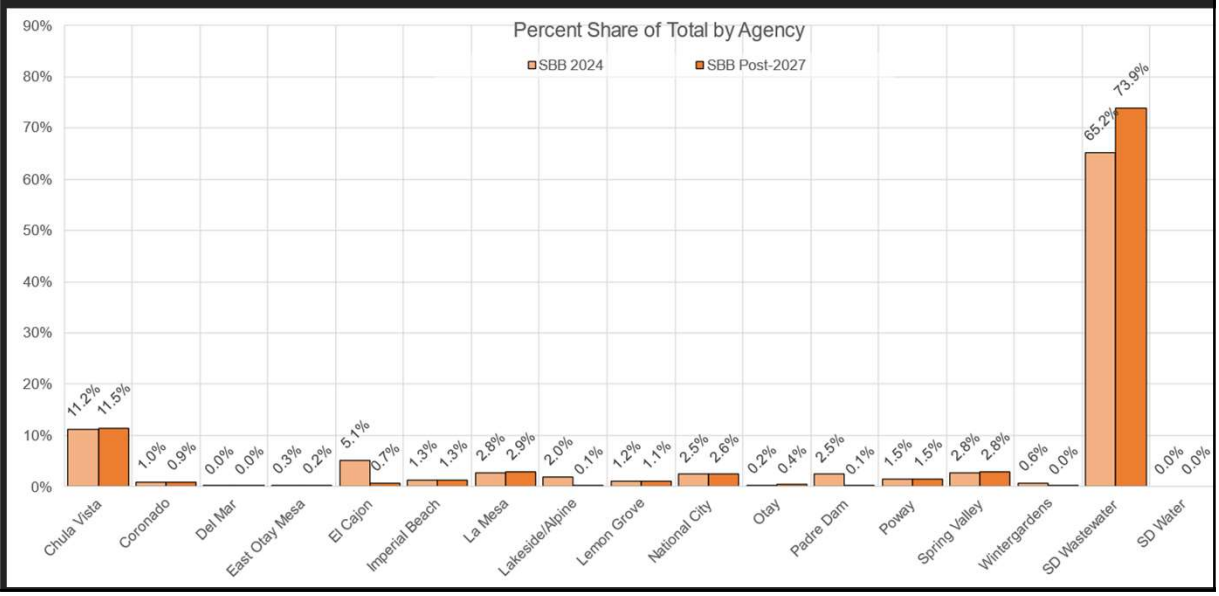
SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Summary of Agency Impacts

Current SBB: 2024 and Post-2027



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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

FAB System, 2024 Flows & Strength

Table D O&M

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF O&M COSTS												
		AVERAGE/ METERED FLOW %	AVERAGE/ METERED FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
OPERATION AND MAINTENANCE :														
TRANSMISSION AND SYSTEM MAINTENANCE	$10,234,213	100.0%	$10,234,213	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$10,234,213
PUMP STATION 2	$17,132,620	76.7%	$13,145,988	23.3%	$3,986,632	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$17,132,620
NORTH CITY WRP	$13,531,645	53.7%	$7,266,493	0.0%	$0	0.0%	$0	19.3%	$2,611,607	27.0%	$3,653,544	0.0%	$0	$13,531,645
SOUTH BAY WRP	$9,434,238	51.8%	$4,882,218	0.0%	$0	0.0%	$0	22.0%	$2,075,532	26.3%	$2,476,488	0.0%	$0	$9,434,238
POINT LOMA	$28,065,010	43.2%	$12,122,597	20.3%	$5,698,685	0.0%	$0	29.5%	$8,279,178	7.0%	$1,964,551	0.0%	$0	$28,065,010
ENVIRONMENTAL SUPPORT	$13,507,435	100.0%	$13,507,435	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$13,507,435
ENGINEERING SERVICES	$0	29.8%	$0	3.1%	$0	0.0%	$0	51.0%	$0	16.2%	$0	0.0%	$0	$0
COGENERATION + MBC	$26,219,808	5.0%	$1,310,990	0.0%	$0	0.0%	$0	85.0%	$22,286,837	10.0%	$2,621,981	0.0%	$0	$26,219,808
OPERATIONAL SUPPORT	$13,985,817	52.9%	$7,396,345	8.2%	$1,146,727	0.0%	$0	29.8%	$4,173,920	9.1%	$1,268,825	0.0%	$0	$13,985,817
BUSINESS SUPPORT ADMINISTRATION	$32,724,934	52.9%	$17,306,455	8.2%	$2,683,187	0.0%	$0	29.8%	$9,766,412	9.1%	$2,968,880	0.0%	$0	$32,724,934
PURE WATER O&M	$4,645,891	52.9%	$2,456,962	8.2%	$380,926	0.0%	$0	29.8%	$1,386,517	9.1%	$421,486	0.0%	$0	$4,645,891
TOTAL OPERATIONS AND MAINTENANCE	$169,481,609	52.88%	$89,629,696	8.20%	$13,896,156	0.00%	$0	29.84%	$50,580,004	9.07%	$15,375,753	0.00%	$0	$169,481,609

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

FAB System, 2024 Flows & Strength

Table D Capital Cost & Totals

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF CAPITAL COSTS (FIXED)												
		AVERAGE FLOW %	AVERAGE FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
DEBT :														
HISTORICAL REVENUE BONDS	$46,912,142	55.8%	$26,174,550	0.0%	$0	0.0%	$0	22.0%	$10,319,627	22.2%	$10,417,964	0.0%	$0	$46,912,142
BOND 2022A	$1,604,532	27.3%	$437,844	4.3%	$68,944	0.0%	$0	54.3%	$871,914	14.1%	$225,830	0.0%	$0	$1,604,532
STATE REVOLVING FUNDS NON-PURE WATER	$5,038,441	26.9%	$1,357,222	15.9%	$801,617	0.0%	$0	48.2%	$2,427,933	9.0%	$451,669	0.0%	$0	$5,038,441
TOTAL DEBT	$53,555,115	52.2%	$27,969,616	1.6%	$870,562	0.0%	$0	25.4%	$13,619,475	20.7%	$11,095,462	0.0%	$0	$53,555,115
PAY-AS-YOU-GO METRO SYSTEM:														
PAY-AS-YOU-GO METRO 41509	$32,569,264	39.3%	$12,789,244	4.7%	$1,541,268	0.0%	$0	42.7%	$13,913,899	13.3%	$4,324,853	0.0%	$0	$32,569,264
TOTAL NON-PUREWATER CAPITAL IMPROVEMENT PROGRAM	$86,124,379	47.3%	$40,758,860	2.8%	$2,411,830	0.0%	$0	32.0%	$27,533,374	17.9%	$15,420,315	0.0%	$0	$86,124,379
TOTAL NON-PURE WATER O&M & CAPITAL IMPROVEMENT PROGRAM	$255,605,989	51.0%	$130,388,556	6.4%	$16,307,986	0.0%	$0	30.6%	$78,113,378	12.0%	$30,796,069	0.0%	$0	$255,605,989

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

FAB System, Post-2027 Flows & Strength

Table D O&M

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF O&M COSTS												
		AVERAGE/ METERED FLOW %	AVERAGE/ METERED FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
OPERATION AND MAINTENANCE :														
TRANSMISSION AND SYSTEM MAINTENANCE	$10,234,213	100.0%	$10,234,213	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$10,234,213
PUMP STATION 2	$17,132,620	73.3%	$12,555,789	23.6%	$4,050,401	3.1%	$526,430	0.0%	$0	0.0%	$0	0.0%	$0	$17,132,620
NORTH CITY WRP	$13,531,645	53.7%	$7,266,493	0.0%	$0	0.0%	$0	19.3%	$2,611,607	27.0%	$3,653,544	0.0%	$0	$13,531,645
SOUTH BAY WRP	$9,434,238	51.8%	$4,882,218	0.0%	$0	0.0%	$0	22.0%	$2,075,532	26.3%	$2,476,488	0.0%	$0	$9,434,238
POINT LOMA	$28,065,010	41.1%	$11,547,295	20.6%	$5,789,839	1.7%	$484,147	29.5%	$8,279,178	7.0%	$1,964,551	0.0%	$0	$28,065,010
ENVIRONMENTAL SUPPORT	$13,507,435	100.0%	$13,507,435	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	$13,507,435
ENGINEERING SERVICES	$0	29.5%	$0	3.1%	$0	0.3%	$0	51.0%	$0	16.2%	$0	0.0%	$0	$0
COGENERATION + MBC	$26,219,808	5.0%	$1,310,990	0.0%	$0	0.0%	$0	85.0%	$22,286,837	10.0%	$2,621,981	0.0%	$0	$26,219,808
OPERATIONAL SUPPORT	$13,985,817	51.9%	$7,258,352	8.3%	$1,165,069	0.9%	$119,651	29.8%	$4,173,920	9.1%	$1,268,825	0.0%	$0	$13,985,817
BUSINESS SUPPORT ADMINISTRATION	$32,724,934	51.9%	$16,983,569	8.3%	$2,726,106	0.9%	$279,967	29.8%	$9,766,412	9.1%	$2,968,880	0.0%	$0	$32,724,934
PURE WATER O&M	$4,645,891	51.9%	$2,411,122	8.3%	$387,020	0.9%	$39,746	29.8%	$1,386,517	9.1%	$421,486	0.0%	$0	$4,645,891
TOTAL OPERATIONS AND MAINTENANCE	$169,481,609	51.90%	$87,957,477	8.33%	$14,118,435	0.86%	$1,449,940	29.84%	$50,580,004	9.07%	$15,375,753	0.00%	$0	$169,481,609

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

FAB System, Post-2027 Flows & Strength

Table D Capital Cost & Totals

DESCRIPTION	ACTUAL COSTS	ALLOCATION OF CAPITAL COSTS (FIXED)												
		AVERAGE FLOW %	AVERAGE FLOW COSTS	INCREMENTAL PEAK FLOW %	INCREMENTAL PEAK FLOW COSTS	BRINE %	BRINE COSTS	SS %	SS COSTS	COD %	COD COSTS	PURE WATER PHASE 1 %	PURE WATER PHASE 1 COSTS	TOTAL COSTS
DEBT :														
HISTORICAL REVENUE BONDS	$46,912,142	55.8%	$26,174,550	0.0%	$0	0.0%	$0	22.0%	$10,319,627	22.2%	$10,417,964	0.0%	$0	$46,912,142
BOND 2022A	$1,604,532	27.0%	$433,234	4.3%	$68,670	0.3%	$4,885	54.3%	$871,914	14.1%	$225,830	0.0%	$0	$1,604,532
STATE REVOLVING FUNDS NON-PURE WATER	$5,038,441	25.9%	$1,303,617	15.8%	$798,427	1.1%	$56,795	48.2%	$2,427,933	9.0%	$451,669	0.0%	$0	$5,038,441
TOTAL DEBT	$53,555,115	52.1%	$27,911,401	1.6%	$867,097	0.1%	$61,680	25.4%	$13,619,475	20.7%	$11,095,462	0.0%	$0	$53,555,115
PAY-AS-YOU-GO METRO SYSTEM:														
PAY-AS-YOU-GO METRO 41509	$32,569,264	39.0%	$12,686,178	4.7%	$1,535,135	0.3%	$109,200	42.7%	$13,913,899	13.3%	$4,324,853	0.0%	$0	$32,569,264
TOTAL NON-PUREWATER CAPITAL IMPROVEMENT PROGRAM	$86,124,379	47.1%	$40,597,579	2.8%	$2,402,232	0.2%	$170,880	32.0%	$27,533,374	17.9%	$15,420,315	0.0%	$0	$86,124,379
TOTAL NON-PURE WATER O&M & CAPITAL IMPROVEMENT PROGRAM	$255,605,989	50.3%	$128,555,056	6.5%	$16,520,667	0.6%	$1,620,820	30.6%	$78,113,378	12.0%	$30,796,069	0.0%	$0	$255,605,989

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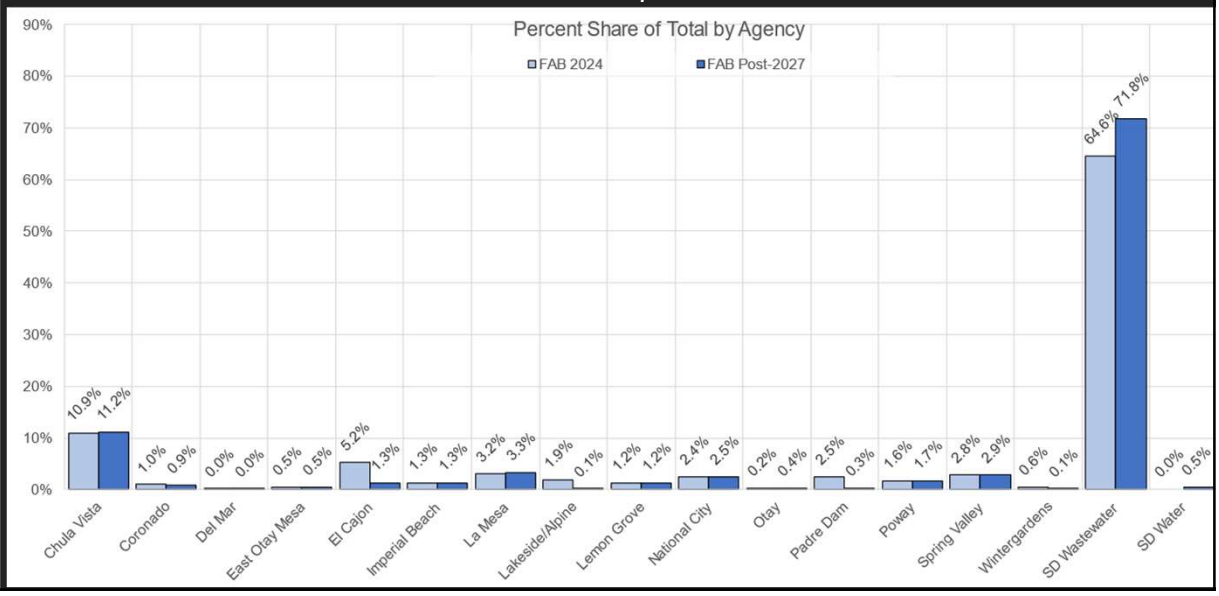
SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Summary of Agency Impacts

Proposed FAB: 2024 and Post-2027



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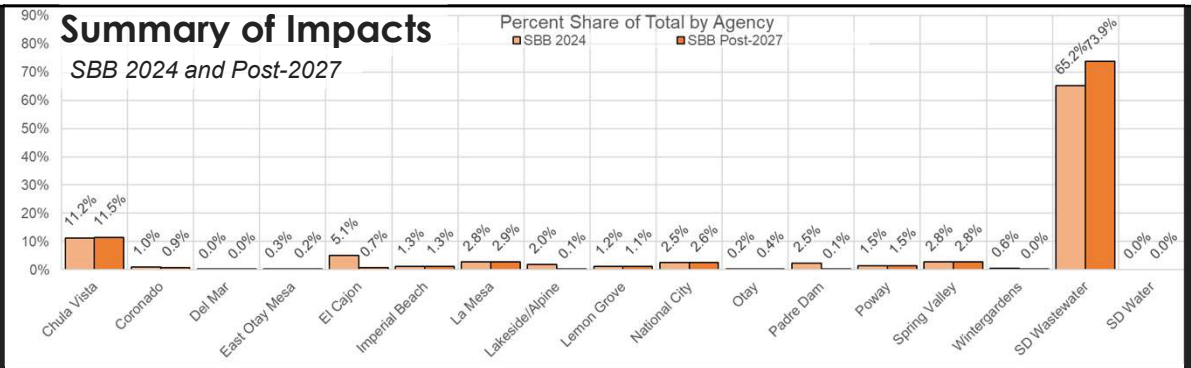
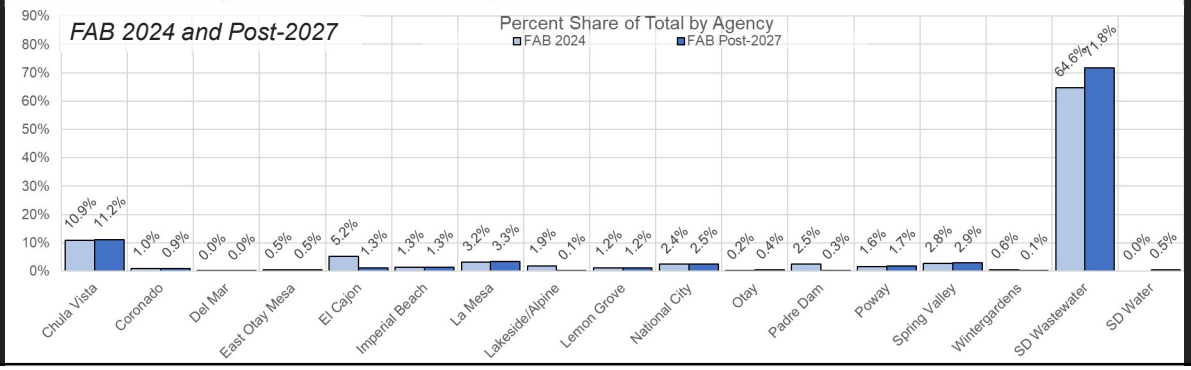
SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Summary of Impacts

SBB 2024 and Post-2027



FAB 2024 and Post-2027



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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Example Agency Details

Chula Vista

		Ownership						Use				
Chula Vista	**TOTAL $**	**Average Flow (MGD)**	**Incremental Peak (MGD)**	**RSDP (MGD)**	**TSS (1,000 lbs)**	**COD (1,000 lbs)**	**Pure Water Share**	**Metered Flow (MGD)**	**Incremental Peak (MGD)**	**RSDP (MGD)**	**TSS (1,000 lbs)**	**COD (1,000 lbs)**
2024		18.3	19.5	0.0	22,082	38,419	11.7%	18.2	19.3	0.0	19,584	37,842
SBB	**$30,267,491**	$0	$0	$0	$0	$0	$1,641,933	$13,932,865	$0	$0	$7,957,389	$6,735,304
FAB	**$29,290,627**	$2,775,068	$1,317,214	$0	$1,841,447	$507,432	$1,641,933	$11,162,436	$0	$0	$7,161,944	$2,883,153
Post-2027		18.3	19.5	0.0	22,082	38,419	11.7%	17.5	18.6	0.0	21,049	36,622
SBB	**$30,916,271**	$0	$0	$0	$0	$0	$1,641,933	$14,003,204	$0	$0	$8,400,322	$6,870,812
FAB	**$30,122,671**	$2,977,931	$1,332,145	$0	$2,077,671	$555,834	$1,641,933	$11,035,399	$0	$0	$7,560,599	$2,941,160

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Example Agency Details

El Cajon

		Ownership						Use				
El Cajon	TOTAL $	Average Flow (MGD)	Incremental Peak (MGD)	RSDP (MGD)	TSS (1,000 lbs)	COD (1,000 lbs)	Pure Water Share	Metered Flow (MGD)	Incremental Peak (MGD)	RSDP (MGD)	TSS (1,000 lbs)	COD (1,000 lbs)
2024		7.8	20.0	0.0	12,211	17,318	0.5%	7.9	20.3	0.0	11,075	17,444
SBB	**$13,737,400**	$0	$0	$0	$0	$0	$69,733	$6,063,004	$0	$0	$4,499,920	$3,104,743
FAB	**$14,085,277**	$1,180,880	$1,351,035	$0	$1,018,342	$228,731	$69,733	$4,857,429	$0	$0	$4,050,094	$1,329,034
Post-2027		1.3	19.9	0.6	2,196	3,052	0.5%	1.0	15.3	0.3	1,715	2,371
SBB	**$1,992,295**	$0	$0	$0	$0	$0	$69,733	$793,223	$0	$0	$684,512	$444,827
FAB	**$3,393,379**	$209,576	$1,359,993	$6,571	$206,623	$44,156	$69,733	$625,109	$0	$65,117	$616,086	$190,415

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Example Agency Details

City of San Diego

		Ownership						Use				
SD Water + Wastewater	TOTAL $	Average Flow (MGD)	Incremental Peak (MGD)	RSDP (MGD)	TSS (1,000 lbs)	COD (1,000 lbs)	Pure Water Share	Metered Flow (MGD)	Incremental Peak (MGD)	RSDP (MGD)	TSS (1,000 lbs)	COD (1,000 lbs)
2024		124.1	136.2	0.0	130,032	252,818	70.3%	109.9	120.7	0.0	103,127	222,686
SBB	**$175,726,582**	$0	$0	$0	$0	$0	$9,869,977	$84,319,930	$0	$0	$41,902,089	$39,634,586
FAB	**$174,253,975**	$18,780,535	$9,187,214	$0	$10,843,745	$3,339,220	$9,869,977	$67,553,649	$0	$0	$37,713,425	$16,966,210
Post-2027		124.1	136.2	14.3	130,032	252,818	70.3%	118.1	129.7	6.0	123,840	240,779
SBB	**$199,150,114**	$0	$0	$0	$0	$0	$9,869,977	$94,683,968	$0	$0	$49,422,577	$45,173,593
FAB	**$195,102,241**	$20,153,677	$9,291,347	$156,079	$12,234,799	$3,657,734	$9,869,977	$74,616,876	$0	$1,302,341	$44,482,141	$19,337,270

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SAN DIEGO METRO WASTEWATER BILLING SYSTEM

Thank you

Benjamin Stewart
Principal
Sacramento, California
Benjamin.A.Stewart@Stantec.com

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METRO WASTEWATER **JPA**

P. O. Box 1072, National City, CA 91950 619-548.2934

www.metrojpa.org

Understanding the Second Amended and Restated Agreement (SARA)

What is SARA?

- The Second Amended and Restated Agreement (SARA) is a revised version of the 2021 operating agreement between the City of San Diego and the twelve Participating Agencies (PAs) that use the regional Metro Wastewater System.
- SARA is the result of over four years of negotiations between the PAs and the City of San Diego. It's the work-product of hundreds of hours of research and negotiation from the staffs of the JPA and the City of San Diego, with additional layers of review from the PA's legal team, its Technical Advisory Committee, and the JPA Board members.

What does SARA do?

- Updates the legal document that governs our regional cooperation on wastewater treatment and recycled/repurified water planning.
- Reorganizes the document and modernizes the language.
- Streamlines the JPA's authority to handle ministerial and operational issues.
- Resolves six specific "Parking lot Items" issues that were left unresolved in 2021.
- Provides more flexibility for future adjustments to keep the document relevant.

Key Updates in SARA:

- Establishes cost-sharing approaches for Phases 1 and 2 of the City's Pure Water Program.
- Introduces a new billing method (Functional Allocated Billing) to allocate Metro System costs more accurately based on how each agency uses the Metro System.
- Establishes the Uniform Enforcement of the Pretreatment Program by the City of San Diego
- Outlines how future regional water reuse projects may be included in capital cost calculations.
- Provides a sample formula for calculating revenue from repurified water.
- Includes provisions for the treatment and billing of wastewater from military bases.

Key Structural and Operational Improvements:

- Clarifies how fines, penalties, and regulatory enforcement actions are allocated among the parties.
- Creates a process for developing Administrative Agreements to address technical or operational matters without renegotiating the main agreement.
- Establishes four approval paths to update SARA in the future, allowing for more tailored and efficient decision-making.

Approval Process:

- After SARA is approved, on an advisory vote, by the PA's representatives on the Metro JPA, it will be sent to each PA for formal review and approval.
- When all thirteen PAs approve, it will replace the current agreement for the next fifty years.

						Total Contract (Including Change Orders)				31-Dec-24
Construction Package	Contractor Intermediate Substantial Completion	Contractor Substantial Completion [3]	Percent Complete (G = F / E)	Bid Award [1] (A)	Change Orders [2] (B)	Water (C)	Wastewater (D)	Total Contract (E = A + B)	Paid to Date [2] (F)	Construction Company
Early Sitework	July 27, 2021	July 27, 2021	100%	$16,403,300	$1,184,211	$4,546,855	$13,040,656	$17,587,511	$17,587,511	Shimmick
NC Pure Water Facility & NC Pure Water Pump Station	September 19, 2025	April 27, 2026	78%	$356,681,930	$34,292,889	$390,974,819	$0	$390,974,819	$303,151,645	Shimmick
Morena Wastewater Pump Station	July 7, 2025	February 3, 2026	74%	$110,386,350	$29,914,736	$58,674	$140,242,412	$140,301,086	$104,254,366	Flat Iron West
Morena Northern Alignment & Tunnels	May 1, 2025	May 23, 2025	77%	$95,243,645	$18,038,900	$21,956,264	$91,326,282	$113,282,546	$87,286,171	OHL USA, Inc
NC Pure Water Pipeline and Dechlorination Facility & Subaqueous Pipeline [4]	October 14, 2024	March 6, 2026	74%	$123,456,027	$2,711,986	$126,168,013	$0	$126,168,013	$93,034,205	W.A. Rasic Construction Company, Inc.
NCWRP Expansion & PWF Influent Conveyance	February 2, 2026	October 1, 2026	63%	$255,138,000	$24,383,632	$145,472,651	$134,048,981	$279,521,632	$175,063,507	Kiewit Infrastructure West Co.
NC MBC Improvements	October 2, 2024	August 13, 2025	81%	$40,086,690	$6,098,975	$0	$46,185,665	$46,185,665	$37,512,742	PCL Construction, Inc.
NCWRP EQ Basins	May 15, 2025	June 26, 2025	57%	$11,886,000	$441,637	$0	$12,327,637	$12,327,637	$6,979,701	Kiewit Infrastructure West Co.
Morena Conveyance Southern & Middle	May 13, 2025	October 3, 2025	57%	$129,753,895	$5,151,192	$29,529,643	$105,375,444	$134,905,087	$77,151,414	Sukut Construction, LLC
Miramar Reservoir Pump Station Improvements	October 21, 2024	November 19, 2024	80%	$12,692,000	$517,257	$13,209,257	$0	$13,209,257	$10,569,908	Shimmick
Miramar Reservoir Automated In-Water Quality Monitoring System (AIWQMS)	October 15, 2026	October 15, 2026	54%	$1,000,000	$0	$1,000,000	$0	$1,000,000	$538,435	Soundnine Inc.
Penasquitos Pump Station Oxygenation System	January 3, 2024	June 11, 2026	26%	$4,391,767	$0	$0	$4,391,767	$4,391,767	$1,152,355	Blue Pacific Engineering & Construction
			71%	**$1,157,119,604**	**$122,735,415**	**$732,916,174**	**$546,938,844**	**$1,279,855,019**	**$914,281,961**	

Total Approved Change Orders Excluding Scope Removal Change Orders[4]: $143,473,355

1. Bid Award values are entered when Notice-of-Intent to Award has been issued.

2. Change order and paid-to-date amounts through December 31, 2024.

3. Projected Substantial Completion is based on the current construction contract date, inclusive of any time-related change orders.

4. Deductive Change Order amounts cannot "refund" Pooled Contingency. North City Pure Water Pipeline had a deductive change order of $20,737,940 resulting from de-scoping an asbestos-cement replacement group job.

Highlighted projects are necessary for partial flow commissioning.

Monthly Executive Director's Report
March 2025

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

In March, a sizable portion of the Executive Director's and Executive Teams' efforts was dedicated to finalizing the draft language for **the Second Amended and Restated Agreement (SARA)** which was introduced to Metro TAC members at their March 19, 2025, meeting. To assist in implementation the Draft SARA document as well as the Staff Report and PowerPoint Presentation have been uploaded to the "News" section of the website and can be found at:

https://www.metrojpa.org/Home/Components/News/News/127/18?backlist=%2fhome .

During the implementation process these documents will be updated as needed and noted in the Monthly Executive Director's Report as to any changes/additions.

Key Tasks and Updates:

1. **Pure Water Ad Hoc Recommendations for SARA Implementation Process**

   The following is an excerpt from the Staff Report that was presented to Metro TAC at their meeting regarding the recommendations from the Pure Water AdHoc's March 10, 2025, meeting in which they concurred that the SARA draft should be moved forward for presentation to Metro TAC and the Metro JPA/Com as the first step in the implementation process. Their recommendations included an implementation schedule as well as draft language for a motion for the May Metro JPA/Com meeting. These items will be discussed over the next couple of months at Metro TAC and Metro JPA/Com meetings.

   "The Metro Commission Pure Water Ad Hoc, together Metro's Executive Staff, respectfully recommend the Metro JPA representatives discuss, evaluate and provide input or comments to the draft SARA. TAC representatives have been encouraged to confer with their Participating Agency staff, legal counsel and Metro JPA Board representatives, so that the Metro JPA Board representatives

can be prepared to discuss and ask questions in advance of the next two Metro Board meetings (see below).

PURE WATER AD HOC RECOMMENDED APPROVAL TIMELINE:

March 19, 2025 - *Presentation of SARA to TAC for First Pass Review; circulate draft.*
SARA to TAC.
April 3, 2025 - *Presentation of SARA to Metro Commission for introduction and discussion (information item only).*
April 16, 2025 - *Stantec Presentation and Discussion to TAC regarding Functional*
Allocated Billing methodology, revisit SARA discussion, address
TAC questions, vote on recommendation to Metro Commission.
May 1, 2025 - *Metro Commission Meeting – Staff intends to seek a vote from the Metro Commission to approve the recommendation below to the*
Participating Agencies:

PURE WATER AD HOC RECOMMENDATION*: A motion for the Metro Commission to recommend to the Participating Agencies' approval of the SARA subject to non-substantive revisions and corrections, which non-substantive determinations shall be made by the Participating Agency's Attorney and City/General Manager.*
• That way, if changes are made, the PA's Attorney and City/General Manager believe they are non-substantive; the PA's approval can stand without having to go back to governing body.
• If substantive changes are made, SARA will need to go back to PA governing body for approval of amended version, but then the City Council/Board can only focus on the substantive changes. We hope this will make for a faster review."

2. Metro JPA Finance Committee Met on March 24, 2025

The Finance Committee met to review several key issues:

- The Committee held its second meeting to review the draft JPA Policies & Procedures Manual. They compared the draft with the redlined version of previous policies, incorporating revisions and new content. After final review, the Committee unanimously approved the manual to be forwarded to Metro TAC and the Metro JPA/Commission for review and potential approval.

  Due to the release of the Draft SARA document and exhibits, the manual will not be agendized until the May Metro TAC and June Metro JPA/Commission meetings. Given the extended review time allowed by this delay and the manual's size, it has been uploaded to the JPA website. Members are encouraged to review it there at their leisure. Please note that the redlined version will not be included in the agenda packets due to its size; it is

available for download on the JPA website for those interested in reviewing it. The draft manual, the redlined version, and the PowerPoint given to the Finance Committee can be found at:

https://www.metrojpa.org/Home/Components/News/News/134/18?backlist=%2fhome

- The Committee also reviewed the draft FY 2026 Metro JPA Operating Budget line by line. The overall budget reflects a modest 0.08% increase, attributed to Board Meeting Per Diems, meeting expenses, office supplies, and the bi-annual JPA audit contract. Two contracts will be removed: the one-time Strategic Planning contract and the NV5 engineering contract following Scott Tulloch's retirement and the completion of the Draft SARA document. The Finance Committee unanimously approved the budget as presented. Like the manual, the budget presentation will be deferred to the May Metro TAC and June Metro JPA/Commission meetings to allow for adequate introduction and review of the Draft SARA document. The draft budget can be found as Item 7 on the Finance Committee agenda at:

  https://www.metrojpa.org/Home/ShowDocument?id=4842

Please Note: The JPA website serves as a central resource for information on the Metro System, Pure Water Program, and JPA operations, providing access to key documents, updates, and contact information.

3. OPRA II Reintroduced to Congress

Lisa Celeya reported at Metro TAC that Congressman Scott Peters did reintroduce OPRA II last month. The link takes you to his press release, where you will also find a one-page explanation of OPRA II as well as the full bill. The bill is currently awaiting consideration by the House Committee on Transportation and Infrastructure.

PUD staff have requested a meeting with their government affairs/ lobbying team and Rep. Peters office to talk through updated strategy given the changes in administration and Congress. Will keep you posted as we have more.

4. Exercise Caution with Unsolicited Emails

Considering increasing email-based threats targeting organizations and several recent incidents of Board and Executive Team members receiving spam emails, it's crucial to remain vigilant when handling unsolicited or unexpected emails. While I am not an IT specialist, I asked an IT associate to provide me with some guidelines to help protect your and our organization's computer integrity and security. **First and**

foremost, always look at the email address of the sender. If it doesn't look right, it's probably a scam. Here are some tips from my IT associate:

- **Exercise Caution with Unsolicited Emails**:
  - Be wary of emails from unknown senders, especially those requesting financial transactions or sensitive information.
  - Avoid opening attachments or clicking on links in unexpected emails, as they may contain malware.
- **Verify Unusual Requests**:
  - If you receive an email from a known contact that seems out of character or requests urgent action, verify its authenticity by contacting the sender through a trusted communication channel.
  - Or verify the email address that the sender is using. If it is not the normal email address of your contact, most likely this is a spam email address, and you should block it in your email system.
- **Report Suspicious Emails**:
  - If you suspect an email is malicious, report it to your email provider to help improve their spam detection systems.
  - If you have dedicated IT staff, make sure you report this to them.
- **Maintain Updated Security Measures**:
  - Ensure your devices have up-to-date antivirus software and that operating systems and applications are regularly updated to mitigate vulnerabilities.
- **Use Your Agencies Email System**
  - I have noticed that some Directors use personal email addresses and not the system provided by their City's/Districts. It is advisable to use your agency's email system as it has more protection from spam and IT backup support.

By collectively following these practices, we can strengthen our organization's defenses against email-based threats.

5. **Inflow and Infiltration (I&I) Study**:

   The I&I committee met on March 20th and discussed progress on action items from the previous meeting including gathering the necessary data to characterize each sewer meter basin. The committee decided to analyze the March 2025 storms as Phase 1 of the I&I study since there was ~1" of rain throughout the County and no spills. The City of San Diego is preparing a scope of work and will bring it back to the committee next meeting.

6. **Pump Station 1 Project**

   Metro Engineering Executive Team members were provided with the draft basis of design report for the Pump Station 1 project and given an opportunity to review, comment, and participate in Value Engineering meetings on the document. The project is still in the early phases of design and the Executive Team looks forward to continuing to work with the City of San Diego on it.

Upcoming Meetings:

- **Metro TAC Meeting**:
  - **Date**: April 16, 2025
  - **Format**: Zoom
  - **Main Topics**: FAB Presentation; SARA Discussion
- **Metro JPA/Commission Meeting**:
  - **Date**: May 1, 2025
  - **Format**: In-Person, MOC Auditorium
  - **Main Topics**: FAB Presentation; SARA Discussion

Monthly Metro TAC Chair Report
April 2025

A summary of action items, presentations, discussions and updates heard at the regularly scheduled Metro Technical Advisory Committee held on April 16, 2025.

Presentations:

1. **Second Amended Restated Agreement FAB (Ben Stewart, STANTEC)**

   - Benjamin (Ben) Stewart from Stantec presented the proposed FAB billing system which included the following.
     - Being revisited, in light of the SARA release.
     - Background given on how the current functional-design allocations worked.
     - Not updated since 1998 and does not take into account Pure Water Phase 1 and other changes to the Metro system since.
     - Presented comparisons of the cost splits for Metro PAs and City of San Diego; first, costs based on the current billing system showing current and post-2027 (after the implementation of the ECAWP and Pure Water Phase 1 projects) and then based on the proposed billing system, showing the new allocations for facilities and CIP/debt and the introduction of the RSDP category.
     - A few specific agency examples provided showing Chula Vista, El Cajon, and the City of San Diego, demonstrating how each billing system and set of billing units/cost allocations slightly changed agency costs. It was noted that the anticipated changes to the FAB system affects City of San Diego more than the PAs.

   - After the presentation there was discussion of how Pure Water Phase 1 will continue to be billed based on the percentages set forth in current Exhibit G. Ben agreed to provide all agencies with their specific breakdowns in each billing system for 2024 and 2027 similar to the individual agency examples presented. There was also a discussion of how Exhibit B can be changed in the future (both increases and decreases in capacity) and the reasoning behind the different methodologies. Particularly, peak flow was discussed in how to tie Exhibit B, contract capacity transfers, and the I&I work currently being done by the I&I Committee.

Action Items:

1. **Discussion: SARA Review and Recommendation to JPA (Adriana Ochoa)**

    - Karyn Keze introduced this discussion, reminding TAC of the AdHoc's intent that this would not be the end of the SARA discussion, but the beginning. The AdHoc's recommended action for the Metro JPA to take is: "A motion for the Metro Commission to recommend to the Participating Agencies approval of the SARA subject to **non-substantive** revisions and corrections, which non-substantive determinations shall be made by the Participating Agency's Attorney and City/General Manager." She then brought up a suggested action for TAC: to review and modify as they see fit: "TAC to recommend to the JPA that they formally send out the SARA to all participating agencies for further review and action."

    - Adriana Ochoa then reminded everyone that a "substantive" change is defined by each PA's general manager and attorney as they move forward with their own adoption process. She noted that some comments have already been received on the draft SARA, but they have been minor and a redline will be distributed assuming concurrence on the changes by the City of San Diego.

    - Several PAs indicated that they need more time to review the SARA. The Executive Team members acknowledged the concerns and echoed that this was the recommendation of the AD Hoc, but that TAC can make or not make whatever recommendation they see fit.

    - Otay proposed holding action on recommending approval pending significant discussion at the May TAC meeting and then a vote at the June TAC meeting, with TAC comments included in the document before it goes to the JPA for approval. This motion was seconded by the County. The motion passed with six in favor, four opposed (Coronado, Del Mar, El Cajon, and La Mesa), and two members absent (Imperial Beach and Poway).

Standing Items to be Brought to JPA:

Agenda Item 4: Metro Wastewater (General) (Lisa Celeya)
Adam Jones gave the update for both items 4 and 6. The City will be sending out a revised FY 2026 Budget Estimate. Most likely the only changes are minor and will be in PA cost allocations as some flows and strengths have been updated.

Agenda Item 5: Pure Water Program Update (Doug Owen/Ben Kuhnel)
Agenda Item 5a: Quarterly Construction Update

Doug Owen presented the quarterly update on the Pure Water Phase 1 construction projects, reporting that as of the end of the second quarter of FY 2025, the overall project is 71% complete.

Agenda Item 6: Metro Wastewater Financial (Adam Jones)

Agenda Item 7: JPA Executive Director (Karyn Keze) – Included in the packet.

Metro Meetings:

Recent Meetings

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

Upcoming Meetings

- **Metro JPA**:
  - **Date**: May 1, 2025
  - **Format**: In-Person only.
  - **Main Topic:** Stantec FAB Presentation; SARA Review & Recommendation

- **Metro TAC**:
  - **Date**: May 21, 2025
  - **Format**: Zoom only.

- **I&I Metro TAC Subcommittee**:
  - **Date**: April 24, 2025
  - **Format**: MS Teams only.