



Regular Meeting of the Metro Commission and Metro Wastewater JPA

AGENDA

Thursday, September 3, 2015
12:00 p.m.

9192 Topaz Way (MOC II) Auditorium
San Diego, California

"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 Commission/Metro Wastewater JPA on any Agenda Item. Please complete a Speaker Slip and submit it to the Administrative Assistant or Chairperson 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.

Documentation
Included

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE TO THE FLAG
3. PUBLIC COMMENT
Persons speaking during Public Comment may address the Metro Commission/ Metro Wastewater JPA on any subject matter within the jurisdiction of the Metro Commission and/or Metro Wastewater JPA that is not listed as an agenda item. Comments are limited to three (3) minutes. Please complete a Speaker Slip and submit it prior to the start of the meeting.
- X 4. **ACTION** – CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE REGULAR MEETING OF [August 6, 2015](#) (**Attachment**)
- X 5. **ACTION:** CONSIDERATION AND POSSIBLE ACTION FOR AUTHORIZATION TO APPROVE A CONTRACT WITH JCI JONES CHEMICAL INC., TO PROVIDE SODIUM HYPOCHLORITE FOR WASTEWATER FACILITIES IN THE PUBLIC UTILITIES DEPARTMENT (Pam Galan/Cheryl Lester) (**Attachment**)
- X 6. **ACTION:** CONSIDERATION AND POSSIBLE ACTION FOR AUTHORIZATION TO EXECUTE A CONTRACT WITH HAWTHORNE POWER SYSTEMS TO PROVIDE TECHNICAL SERVICES AND PARTS FOR CATERPILLAR ENGINE GENERATORS AND SWITCH GEAR FOR WASTEWATER FACILITIES IN THE PUBLIC UTILITIES DEPARTMENT (Pam Galan/Cheryl Lester) (**Attachment**)
- X 7. **ACTION:** CONSIDERATION AND POSSIBLE ACTION ON PROPOSED CITY OF SAN DIEGO RECYCLED WATER RATES (Lee Ann Jones Santos/Seth Gates)

September 3, 2015

Metro Commission/Metro
Wastewater JPA Regular
Meeting Agenda

- X 8. METRO TAC UPDATE/REPORT (**Attachment**) (Greg Humora)
- X 9. POINT LOMA PERMIT RENEWAL UPDATE (**Attachment**) (Greg Humora)
- 10. IROC UPDATE (Ed Spriggs)
- 11. FINANCE COMMITTEE (John Mullin)
- 12. REPORT OF GENERAL COUNSEL (Paula de Sousa)
- 13. PROPOSED AGENDA ITEMS FOR THE NEXT METRO COMMISSION/METRO
WASTEWATER JPA MEETING **October 1, 2015**
- 14. METRO COMMISSIONERS' AND JPA BOARD MEMBERS' COMMENTS
- 15. ADJOURNMENT OF METRO COMMISSION AND METRO WASTEWATER JPA
NOTE: THE SANDIST MEETING WILL IMMEDIATELY FOLLOW THIS MEETING

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

Materials provided to the Metro Commission and/or Metro Wastewater JPA related to any open-session item on this agenda are available for public review by contacting L. Peoples at (619) 548-2934 during normal business hours.

***In compliance with the
AMERICANS WITH DISABILITIES ACT***

The Metro Commission/Metro Wastewater JPA requests individuals who require alternative agenda format or special accommodations to access, attend, and/or participate in the Metro Commission/Metro Wastewater JPA meetings, contact E. Patino at (858) 292.6321, at least forty-eight hours in advance of the meetings.

Metro JPA 2015 Meeting Schedule

January 8, 2015	February 5, 2015	March 5, 2015
April 2, 2015	May 7, 2015	June 4, 2015
July 2, 2015	August 6, 2015	September 3, 2015
October 1, 2015	November 5, 2015	December 3, 2015

AGENDA ITEM 4

Draft Minutes of the August 6, 2015
Regular Meeting



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

**9192 Topaz Way (MOC II) Auditorium
San Diego, California**

**August 6, 2015
DRAFT Minutes**

Chairman Peasley called the meeting to order at 10:03 a.m. A quorum of the Metro Wastewater JPA and Metro Commission was declared, and the following representatives were present:

1. ROLL CALL

<u>Agencies</u>	<u>Representatives</u>		<u>Alternate</u>
City of Chula Vista	Steven Miesen	X	
City of Coronado	Bill Sandke		Mike Woiwode
City of Del Mar	Sherryl Parks	X	
City of El Cajon	Tony Ambrose		
City of Imperial Beach	Ed Spriggs	X	
City of La Mesa	Bill Baber	X	
Lemon Grove Sanitation District	Jerry Jones	X	
City of National City	Jerry Cano		Albert Mendivil
City of Poway	John Mullin	X	
County of San Diego	Dianne Jacob		Daniel Brogadir
Otay Water District	Jose Lopez		
Padre Dam MWD	Jim Peasley	X	
Metro TAC Chair	Greg Humora		Al Law
IROC Chair	Irene Stallard-Rodriguez		

Others present: Metro JPA General Counsel Paula de Sousa and Assistant General Counsel Steve Martin; Metro JPA Secretary Lori Anne Peoples; Scott Tulloch of Atkins Global; Roberto Yano – City of Chula Vista; Ed Walton – City of Coronado; Ray ? – City of National City; Mike Obermiller – City of Poway; Reina Amen, John Helminski, Mike Faramarzi, Iraj Asgharzadeh - City of San Diego Public Utilities

2. PLEDGE OF ALLEGIANCE TO THE FLAG

Commissioner Miesen led the pledge.

3. PUBLIC COMMENT

None.

4. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE SPECIAL MEETING OF June 4, 2015

ACTION: Upon motion by Vice Chairman Jones, seconded by Commissioner Woiwode, the Minutes of June 4, 2015 Special Meeting were approved unanimously.

5. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE POINT LOMA DIGESTER ROOF SYSTEMS REPLACEMENT AND REPAIRS – CHANGE ORDER 3

Mike Faramarzi of the City of San Diego provided a brief overview of the staff report.

ACTION: Upon motion by Vice Chairman Jerry Jones, seconded by Commissioner Woiwode, the item was approved unanimously.

6. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE COMMON AREA IMPROVEMENTS AT POINT LOMA WASTEWATER TREATMENT PLANT

Mike Faramarzi of the City of San Diego provided a brief overview of the staff report.

ACTION: Upon motion by Commissioner Woiwode, seconded by Commissioner Mendivil, the item was approved unanimously.

7. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE POINT LOMA WASTEWATER TREATMENT PLANT GRIT IMPROVEMENTS PROJECT – CONTRACT AMENDMENT #7 TO THE CONSULTANT AGREEMENT WITH LEE & RO, INC.

Iraj Asgharzedeh of the City of San Diego provided a brief overview of the staff report.

ACTION: Upon motion by Vice Chairman Jones, seconded by Commissioner Brogadir, The item was approved unanimously.

8. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE MBC ADDITIONAL BIOSOLIDS SILOS (#9 & #10) – SECOND AMENDMENT TO AGREEMENT WITH AECOM USA, INC.

A brief verbal presentation was provided by City of San Diego staff.

ACTION: Upon motion by Commissioner Mendivil, seconded by Commissioner Mullin, The item was approved unanimously.

9. ACTION: CONSIDERATION AND POSSIBLE ACTION TO APPROVE METRO JPA STRATEGIC PLAN UPDATE

MetroTAC Vice Chair Law provided a brief overview of the redline substantive changes in the document.

ACTION: Upon motion by Commissioner Spriggs, seconded by Vice Chair Jones, The item was approved unanimously.

10. METROTAC UPDATE

MetroTAC Vice Chair Law provided a brief verbal update noting that the TAC had reviewed and approved the moving forward to the JPA of the items on today's agenda.

11. POINT LOMA PERMIT RENEWAL UPDATE

MetroTAC Vice Chair requested Scott Tulloch of Atkins Global provide a brief update. Mr. Tulloch stated that the Permit application had been turned in on time and that they were responding to questions of the EPA; the City of San Diego Consultant was moving along with the facility validation and new cost estimates and keeping alternatives in the plan so their options were open; cost allocation between the water and wastewater programs and were close to having recommendations to take up the chains of command; hoping to finalize and have a meeting this month; the facilities piece – NC plan and working on direct potable reuse; language has been drafted to change the code of Federal Regulations but the EPA is not supporting this due to BOD issues so the City of San Diego is working with the Federal lobbyists' to look at Legislative changes. Scott Peters and Duncan Hunter Jr. might be possible carriers but are hoping to have bi-partisan carriers. John Helminski, City of San Diego Asst. Director of Public Utilities stated that the City of San Diego hopes to have their strategy in line by the end of August.

12. IROC UPDATE

Metro JPA IROC Representative Spriggs stated that the items covered at the last meeting of the IROC of importance to the JPA were: 1) Halla had provided an update on the drought management and 2) the Cost of Services Study was discussed.

13. FINANCE COMMITTEE

Finance Committee Chair Mullin stated they had not met and therefore had no report.

14. REPORT OF GENERAL COUNSEL

General Counsel de Sousa stated that she had no report

15. PROPOSED AGENDA ITEMS FOR THE NEXT METRO COMMISSION/METRO WASTEWATER JPA MEETING October 1, 2015

Consensus was to have the City of San Diego provide a presentation on the Cost of Services Study (recycled water portion).

16. METRO COMMISSIONERS' AND JPA BOARD MEMBERS' COMMENTS

Commissioner Mendivil thanked JPA and City of San Diego staff for organizing what he felt to be a very informative training session and tour in June at the Point Loma Wastewater Treatment Plant.

17. ADJOURNMENT

At 1:09 p.m., there being no further business, Commissioner Peasley declared the meeting adjourned.

Recording Secretary

AGENDA ITEM 5

Consideration of Contract with JCI
Jones Chemical, Inc. to Provide
Sodium Hypochlorite for Wastewater
Facilities in the Public Utilities
Department

METRO JPA/TAC
Staff Report

Subject Title: Authorization to execute a contract with JCI Jones Chemical Inc., to provide sodium hypochlorite for Wastewater Facilities in the Public Utilities Department.

Requested Action: Sodium Hypochlorite (bleach) is a chemical used to disinfect wastewater and treat odors generated during the various wastewater treatment processes. The use of this chemical is required by the Regional Water Quality Control Board for disinfection of treated wastewater and by the Air Pollution Control District to treat odors at our wastewater facilities.

The Public Utilities Wastewater Treatment and Disposal Division (WWTD) completed a scientific evaluation in July 2014 of the effective use of the bleach on the treated wastewater (effluent) at the Point Loma Wastewater Treatment Plant and determined that a reduction in the volume of chemical used is appropriate at this time. More than 5 years of ocean monitoring data showed that effective disinfection of the effluent was achieved at lower concentrations. These lower concentrations of bleach in the effluent would continue to provide effective protection of human health, and would be a further benefit to the marine environment along with an estimated cost savings of \$6,500,000 annually.

WWTD also looked into the opportunity to use a higher concentrated bleach product (16% concentration) for the Point Loma Wastewater Treatment Plant which would provide savings in transportation costs due to fewer deliveries. The facility will transition to the higher concentration as the storage tanks and associated equipment are certified to handle the higher concentrated chemical.

With the reduction in the chemical volume needed, WWTD pursued the consolidation of the two existing bleach contracts (JCI Jones Chemicals Inc.(JCI Jones) and Olin Chlor Alkali Products (Olin) each serving different WWTD facilities) to achieve the best pricing. With the limited number of companies able to provide this industrial chemical, at the purity standards required and in the volume needed, only these same two companies participated in the bid process.

This action is to execute a contract with JCI Jones to furnish the City of San Diego, Public Utilities Department with sodium hypochlorite for one (1) year and with options to renew four (4) additional one-year periods for a not to exceed amount of \$17,900,924. JCI Jones had the lowest cost of the two (2) responsive and responsible bidders with \$0.59 per gallon for the bleach with a 12.5% concentration and \$0.67 per gallon for bleach with a 16% concentration. With the consolidation of the contracts through this bidding process, a 3% and 19% reduction in the 12.5 % concentration price per gallon was achieved.

JCI Jones has been a very responsible and responsive company for over 5 years serving the Metro Biosolids Center, and North City and South Bay Water Reclamation Plants. The company was flexible and accommodated our varying delivery needs. WWTD has full confidence that JCI Jones will continue to be a reliable vendor now providing bleach to all the WWTD facilities.

The Council, by Resolution R-305840, adopted May 27, 2010, approved a phase-funded contract with Olin Corporation dba Olin Chlor Alkali Products (Olin) with a contract duration of one year, with four additional one year options for the provision of sodium hypochlorite at the Point Loma Wastewater Treatment Plant for the purpose of wastewater disinfection and odor control for an amount not to exceed \$3,905,000. R-

305840 required the City's Public Utilities Department (Department) to obtain Council authorization prior to exercising an option to extend the contract for each additional one year period and to authorize an increase in the per unit cost not to exceed 20%. Due to an administrative oversight, option years two through four did not receive Council approval prior to extension of the contract and increase in unit price. With this understanding, WWTD is respectfully requesting retroactive approval for the expended amount of \$10,392,224 on the past Olin contract, Resolution (R-305840) for the second through fourth option years.

At the time when these contracts were promulgated in approximately 2010, the procurement strategy was to split the bleach commodity in to two separate contracts to meet the needs of WWTD. The administrative oversight in continuing to use the Olin contract past the first option year is attributed to a turnover in staff, along with the complication of the commodity being split into two contracts and the respective Council resolutions applied different contract renewal terms. As time passed, staff executed both the Olin and JCI Jones contracts as if the renewal terms were identical with each contract being authorized for the full five years.

Upon the determination in 2014 that the Olin Contract did not have City Council approval past the first contract option year, the use of that contract was halted, an intermediate cooperative contract was created, and all of the chemical needs were bundled into one scope of work for a bidding process. This action is the outcome of that bidding process.

WWTD is presently utilizing a cooperative agreement that was executed on October 28, 2014 with Olin. This agreement provides a 3% reduction in the unit pricing (\$0.59 per gallon for 12% bleach) from the previous Olin contract (R-305840). We will continue to use this cooperative agreement until August 31, 2015 while we seek Council approval for the new JCI Jones contract for FY2016 – FY2020.

Recommendations: Approve the resolutions.

Metro TAC:	Submitted for consideration on June 17, 2015.
IROC:	
Prior Actions: (Committee/Commission, Date, Result)	Submitted for consideration by the Environmental Committee on July 15, 2015; tentatively scheduled for consideration by the full Council on August 3, 2015.

Fiscal Impact:

Is this projected budgeted? Yes <u>X</u> No <u> </u>	
Cost breakdown between Metro & Muni:	\$17,900,924 over five fiscal years (FY 2016, FY 2017, FY 2018, FY 2019 and FY 2020). Metro = \$17,645,863; Muni = \$255,061

Financial impact of this issue on the Metro JPA:

\$6,176,051 over five fiscal years (FY 2016, FY 2017, FY 2018, FY 2019 and FY 2020).

Fiscal Impact: ICI Jones Chemical Inc. Contract FY2016 – FY 2020

Estimated Fiscal impact for JPA at 35%:

Fiscal Year	METRO (65%)	JPA Portion (35%)	TOTAL METRO	MUNI (0%)	WATER (0%)	TOTAL REQUEST
FY 2016	\$ 2,075,803	\$ 1,117,740	\$ 3,193,543	\$ 46,161	\$ 0.00	\$ 3,239,704
FY 2017	\$ 2,075,803	\$ 1,117,740	\$ 3,193,543	\$ 46,161	\$ 0.00	\$ 3,239,704
FY 2018	\$ 2,210,938	\$ 1,190,504	\$ 3,401,443	\$ 49,166	\$ 0.00	\$ 3,450,609
FY 2019	\$ 2,432,032	\$ 1,309,556	\$ 3,741,587	\$ 54,082	\$ 0.00	\$ 3,795,670
FY 2020	\$ 2,675,235	\$ 1,440,511	\$ 4,115,746	\$ 59,491	\$ 0.00	\$ 4,175,237
TOTAL	\$ 11,469,812	\$ 6,176,051	\$17,645,863	\$ 255,061	\$ 0.00	\$17,900,924

*Rounding issues

Disclosure of Expenditures Made FY2012 – FY 2015: Olin Chor Alkali Products (R-305840)

Estimated Fiscal impact for JPA at 35%:

Fiscal Year	METRO (65%)	JPA Portion (35%)	TOTAL METRO	MUNI (0%)	WATER (0%)	TOTAL REQUEST
FY 2012	\$ 555,599	\$ 299,168	\$ 854,767	\$ 0.00	\$ 0.00	\$ 854,767
FY 2013	\$ 2,388,396	\$ 1,286,060	\$ 3,674,456	\$ 0.00	\$ 0.00	\$ 3,674,456
FY 2014	\$ 3,080,204	\$ 1,658,571	\$ 4,738,775	\$ 0.00	\$ 0.00	\$ 4,738,775
FY 2015 (end 10-27-14)	\$ 730,747	\$ 393,479	\$ 1,124,226	\$ 0.00	\$ 0.00	\$ 1,124,226
TOTAL	\$ 6,754,946	\$ 3,637,278	\$10,392,224	\$ 0.00	\$ 0.00	\$10,392,224

*Rounding issues

Disclosure of Expenditures Made FY 2015 / FY 2016 (October 28, 2014 – August 31, 2015):

Olin Chor Alkali Products

Contract #4600002105 – Co Operative Agreement with the Orange County Sanitation District

Estimated Fiscal impact for JPA at 35%:

Fiscal Year	METRO (65%)	JPA Portion (35%)	TOTAL METRO	MUNI (0%)	WATER (0%)	TOTAL REQUEST
FY 2015	\$ 901,019	\$ 485,164	\$ 1,416,183	\$ 30,000	\$ 0.00	\$1,416,183
FY 2016	\$ 137,183	\$ 73,868	\$ 241,051	\$ 30,000	\$ 0.00	\$ 241,051
TOTAL	\$1,038,202	\$ 559,032	\$ 1,657,234	\$ 60,000	\$ 0.00	\$1,657,234

Capital Improvement Program: N/A

New Project? Yes ___ No ___

Existing Project? Yes ___ No ___ upgrade/addition ___ change ___

Comments/Analysis:

Previous TAC/JPA Action:

Additional/Future Action: Pending Metro Joint Power Authority (JPA), Metro TAC on approval on June 17, 2015 and Metro Commission on July 2, 2015.

City Council Action: To be considered by the Environmental Committee on July 15, 2015; tentatively scheduled for consideration by the full Council in August 3, 2015.

AGENDA ITEM 6

Consideration of Contract with
Hawthorne Power Systems to
Provide Technical Services and
Parts for Caterpillar Engine
Generators and Switch Gear for
Wastewater Facilities in the Public
Utilities Department

METRO JPA/TAC
Staff Report

Subject Title: Authorization to execute a contract with Hawthorne Power Systems to provide technical services and parts for Caterpillar engine generators and switch gears for Wastewater Facilities in the Public Utilities Department.

Requested Action: The Wastewater Treatment and Disposal Division (WWTD) of the Public Utilities Department (PUD) requests approval to award a contract to Hawthorne Power Systems (Hawthorne). The proposed contract provides technical services and parts for Caterpillar engine generators and electrical switch gears.

PUD currently owns and operates fourteen (14) Caterpillar large engine generators along with eight (8) smaller emergency backup power generator units and the associated electrical switchgears that are located at thirteen (13) PUD facilities. The fourteen (14) engine generators have varying purposes which include creating electricity that is used to power facilities, operate large pumps to transport wastewater for treatment, or provide adequate backup power to support large facility operations. The proper operation and reliability of these large engine generators is key to achieving approximately \$19,110 of electrical savings per day as well as receiving \$1,500,000 in revenue, during fiscal year 2014, for excess power sold to the local utility.

Two of these large engines have a critical task of each operating a large pump at our main wastewater pump station on Harbor Drive. These two engines operate on natural gas which provides significant electrical savings each day as well as protect the pump station during a power outage from wastewater surging back through the station and releasing to the environment.

The eight (8) smaller emergency backup power generator units provide power during a power outage to critical areas of a facility to ensure preservation of operational activities until utility power resumes. An example of their importance was demonstrated during a 2011 commercial power outage that lasted for 11 hours. In 2011, PUD had a few pump stations that had not yet been outfitted with backup generators for operational power. At the end of the power outage, more than 2 million gallons of sewage was released into the ocean and more than 10 miles of San Diego County shoreline was closed. The California Regional Water Quality Control Board Region San Diego (RWQCB) required PUD to pay more than \$17 million in fines and penalty offsets, which included purchasing generators for those pump stations which are now covered in this new contract.

An Invitation to Bid (ITB), No. 10054458-15-E for Technical Services and Parts for Caterpillar Engine Generators and Switchgears, was issued by Purchasing & Contracting Department on March 18, 2015. Five companies downloaded the bid from the City's third party provider, who is responsible for announcing and distributing all City solicitations. Hawthorne was the only company that submitted a bid in response to the ITB.

Hawthorne has been a responsible and responsive company providing reliable service to WWTD for more than five years. The company was accommodating with our varying requirements to meet the needs of the facilities. WWTD has full confidence that Hawthorne will continue to be a reliable vendor providing parts and service as needed.

Recommendations: Approve the resolutions.

Metro TAC:	Submitted for consideration on May 20, 2015.
IROC:	
Prior Actions: (Committee/Commission, Date, Result)	Submitted for consideration by the Environmental Committee on June 17, 2015; tentatively scheduled for consideration by the full Council on July 13, 2015.

Fiscal Impact:

Is this projected budgeted? Yes <u>X</u> No ___	
Cost breakdown between Metro & Muni:	\$8,417,647 over five fiscal years (FY 2016, FY 2017, FY 2018, FY 2019 and FY 2020). Metro = \$8,175,647; Muni = \$231,750; Water = \$10,250
Financial impact of this issue on the Metro JPA:	\$2,861,475 over five fiscal years (FY 2016, FY 2017, FY 2018, FY 2019 and FY 2020).

Fiscal Impact: Hawthorne Contract FY2016 – FY 2020**Estimated Fiscal impact for JPA at 35%:**

Fiscal Year	METRO (65%)	JPA Portion (35%)	TOTAL METRO	MUNI (0%)	WATER (0%)	Total Request
FY 2016	\$1,091,832	\$ 587,909	\$ 1,679,741	\$ 46,350	\$ 2,050	\$1,728,141
FY 2017	\$1,001,333	\$ 539,179	\$ 1,540,512	\$ 46,350	\$ 2,050	\$1,588,912
FY 2018	\$1,066,888	\$ 574,478	\$ 1,641,366	\$ 46,350	\$ 2,050	\$1,689,766
FY 2019	\$1,044,282	\$ 562,305	\$ 1,606,587	\$ 46,350	\$ 2,050	\$1,654,987
FY 2020	\$1,109,837	\$ 597,604	\$ 1,707,441	\$ 46,350	\$ 2,050	\$1,755,841
TOTAL	\$5,314,172	\$ 2,861,475	\$8,175,647	\$ 231,750	\$10,250	\$8,417,647

*Rounding issues

Capital Improvement Program: N/A

New Project? Yes ___ No ___	
Existing Project? Yes ___ No ___ upgrade/addition ___ change ___	

Comments/Analysis:**Previous TAC/JPA Action:**

Additional/Future Action: Pending Metro Joint Power Authority (JPA), Metro TAC on approval on May 20, 2015 and Metro Commission on June 4, 2015.

City Council Action: To be considered by the Environmental Committee on June 17, 2015; tentatively scheduled for consideration by the full Council in July 13, 2015.

AGENDA ITEM 7

Consideration of Proposed City of
San Diego Recycled Water Rates



Presentation to the Metropolitan Wastewater TAC

Recycled Water Rates

City of San Diego Public Utilities

August 19, 2015

Historical Context

- Clean Water Act 1972 – requires secondary treatment
- 1987 Lawsuit by EPA and Others
- The Ocean Pollution Reduction Act of 1994
 - Allowed City to Reapply for Waiver, which was granted
 - City must build 45 MGD recycled water plant capacity
- A 1995 Federal Court Order to Build an Optimized Distribution System

Recycled Water System

- North City Water Reclamation Plant (NCWRP)
- South Bay Water Reclamation Plant (SBWRP)
- Associated Distribution System
- Approximately 600 connections
- 3 Wholesale Customers with recycled water purchase agreements

Modified Cost of Service

- Financial Sufficiency – The recycled water program should be able to cover its own costs through revenue collected from its own fees and charges
- Considers only costs related to the production and distribution of recycled water
 - O&M and capital expenses for the distribution system and tertiary (recycled water) component of the wastewater treatment system
 - Debt service
- Reduces revenue requirements using offsetting revenues
 - MWD/CWA credits
 - Other revenues

Pricing Study Principles

- City's potable water and wastewater systems have benefited from the use of the recycled water system
 - Costs/benefits are apportioned accordingly
- Recycled water is part of the City's long range water resources plan

Recycled Water

Timeline	Commodity Rate (\$/HCF)
Existing Recycled Rate	\$0.80
Proposed Recycled Rate	\$1.73
Proposed Potable Irrigation Rate	\$5.67

Results of Pricing Study

- Recycled Water Rate (\$1.73/HCF)
 - Gradual decrease of MWD credit amount over period
 - \$250/AF in FY 2015
 - \$210/AF in FY 2016 - \$50/AF by FY 2020
 - CWA credit of \$200/AF through FY 2020
 - CIP Projects \$3.8M

Modified Cost of Service Calculation

		Projected 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020
Revenue Requirements						
	O&M Costs	\$ 3,239,173	\$ 3,292,855	\$ 3,348,279	\$ 3,405,510	\$ 3,464,618
	Treatment Costs	\$ 4,259,540	\$ 4,429,921	\$ 4,607,118	\$ 4,791,403	\$ 4,983,059
	<u>Capital Costs</u>					
	Existing Debt Service	\$ 5,166,144	\$ 5,117,096	\$ 5,186,900	\$ 5,187,188	\$ 5,186,413
	Proposed Debt Service	\$ 77,135	\$ 154,270	\$ 154,270	\$ 154,270	\$ 154,270
	Pay-as-you-go Capital	\$ 1,170,085	\$ 200,691	\$ -	\$ -	\$ -
	<i>Subtotal: Capital Costs</i>	\$ 6,413,364	\$ 5,472,057	\$ 5,341,170	\$ 5,341,459	\$ 5,340,683
Total Revenue Requirements		\$ 13,912,078	\$ 13,194,834	\$ 13,296,567	\$ 13,538,372	\$ 13,788,360

Less: Revenue Offsets						
	Credits from MWD and CWA	\$ 2,997,742	\$ 2,732,333	\$ 3,189,724	\$ 2,830,514	\$ 2,463,974
	Base Charge Revenue (Projected)	\$ 571,306	\$ 583,593	\$ 625,752	\$ 645,001	\$ 664,989
	Poway Contract Revenue	\$ 490,682	\$ 515,412	\$ 541,389	\$ 568,676	\$ 597,338
	Fees from Olivenhain	\$ 19,663	\$ 19,663	\$ 19,663	\$ 19,663	\$ 19,663
	Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Meter Installation Revenue	\$ 275,000	\$ 25,000	\$ 200,000	\$ 30,000	\$ 30,000
	Capacity Fee Revenue	\$ 195,008	\$ 24,376	\$ 146,256	\$ 24,376	\$ 24,376
Subtotal Revenue Offsets		\$ 4,549,401	\$ 3,900,377	\$ 4,722,784	\$ 4,118,230	\$ 3,800,341

TOTAL NET REVENUE REQUIREMENTS	\$ 9,362,677	\$ 9,294,457	\$ 8,573,783	\$ 9,420,142	\$ 9,988,020
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Total Sales (HCF)	4,703,758	4,787,988	5,834,415	5,933,537	6,029,093
Calculated Recycled Water Rate, \$/HCF	\$ 1.99	\$ 1.94	\$ 1.47	\$ 1.59	\$ 1.66
Average Calculated Rate	\$ 1.73				

Proposed Base/Meter Charges

Monthly Base Fee		Proposed	Proposed	Proposed	Proposed	Proposed
Meter Size	Existing	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020
1"	\$8.63	21.54	21.54	21.54	21.54	21.54
1-1/2"	43.27	39.01	39.01	39.01	39.01	39.01
2"	65.96	60.01	60.01	60.01	60.01	60.01
3"	246.93	126.41	126.41	126.41	126.41	126.41
4"	411.53	224.31	224.31	224.31	224.31	224.31
6"	925.93	493.51	493.51	493.51	493.51	493.51
8"	1,234.59	843.13	843.13	843.13	843.13	843.13
10"	1,646.12	1,332.60	1,332.60	1,332.60	1,332.60	1,332.60

Proposed Rates

- The commodity rate for recycled water should be lower than the potable water rate to incentivize sales

Alternative	Commodity Rate HCF	Current Rate	Proposed Rate June, 2013	New Proposed Rate January 1, 2016 – June 30, 2020
1	Unitary	\$.80	\$2.261	\$1.73
2	Zone -North City	N/A	\$3.208	\$2.138
2	Zone -South Bay	N/A	\$1.300	\$1.173

Recycled Water Customers

North City	615
South Bay	7
Total	622

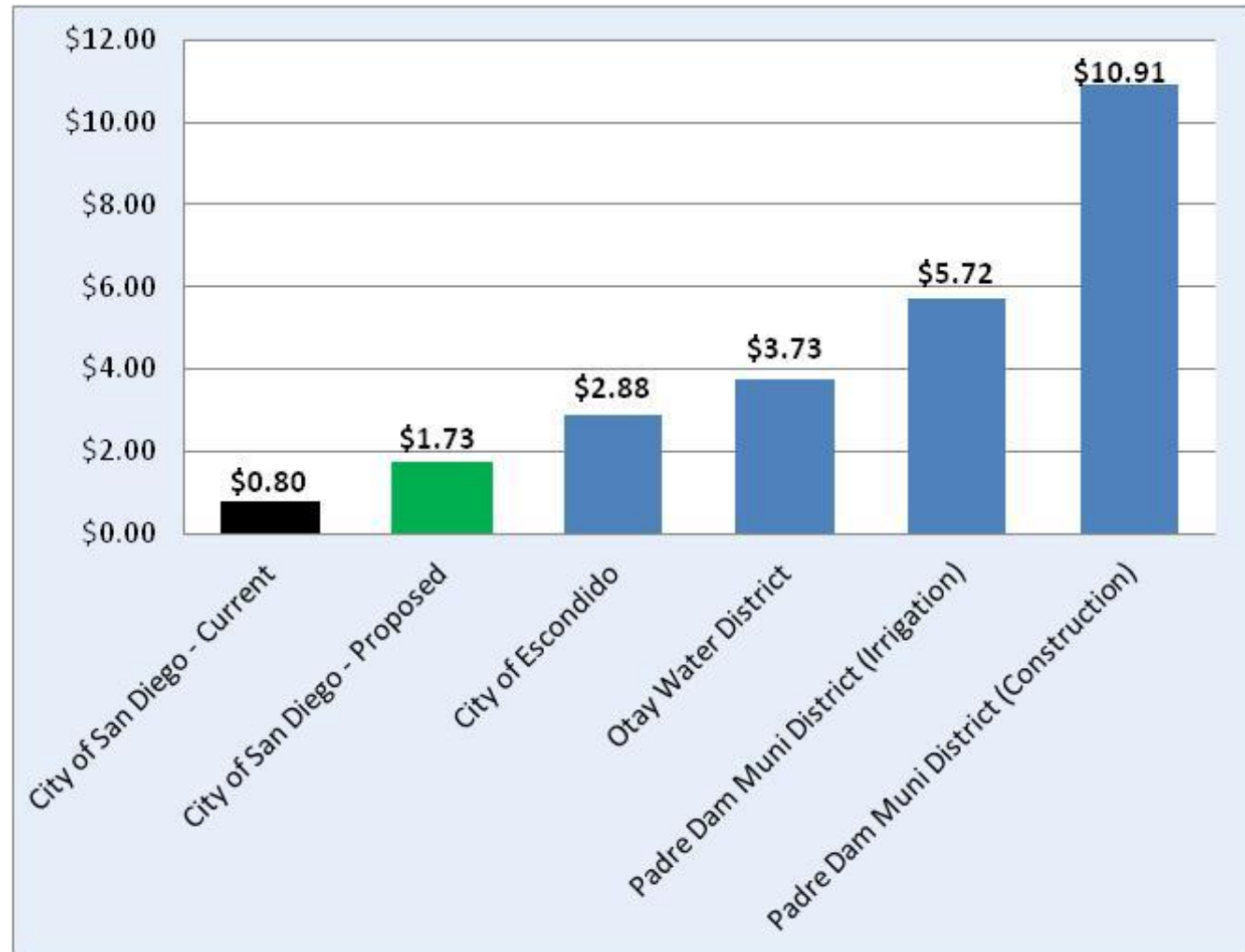
North City Zone Rate

North City					FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue Requirements									
O&M Costs					\$ 3,014,810	\$ 3,065,484	\$ 3,117,813	\$ 3,171,859	\$ 3,227,686
Treatment Costs					\$ 2,450,918	\$ 2,548,955	\$ 2,650,913	\$ 2,756,949	\$ 2,867,227
Capital Costs									
Existing Debt Service					\$ 4,920,429	\$ 4,868,831	\$ 4,912,343	\$ 4,912,635	\$ 4,911,869
Proposed Debt Service					\$ 47,061	\$ 94,121	\$ 94,121	\$ 94,121	\$ 94,121
Pay-as-you-go Capital					\$ 641,823	\$ 383,495	\$ -	\$ -	\$ -
Subtotal: Capital Costs					\$ 5,609,312	\$ 5,346,447	\$ 5,006,465	\$ 5,006,756	\$ 5,005,990
Total Revenue Requirements					\$ 11,075,039	\$ 10,960,886	\$ 10,775,190	\$ 10,935,564	\$ 11,100,904
Less: Revenue Offsets									
Credits from MWD and CWA					\$ 2,997,742	\$ 2,732,333	\$ 3,189,724	\$ 2,830,514	\$ 2,463,974
Base Charge Revenue (Projected)					\$ 554,743	\$ 566,768	\$ 608,525	\$ 627,358	\$ 646,914
Poway Contract Revenue					\$ 490,682	\$ 515,412	\$ 541,389	\$ 568,676	\$ 597,338
Fees from Olivenhain					\$ 19,663	\$ 19,663	\$ 19,663	\$ 19,663	\$ 19,663
Interest Revenue									
Meter Installation Revenue					\$ 275,000	\$ 25,000	\$ 200,000	\$ 30,000	\$ 30,000
Capacity Fee Revenue					\$ 195,008	\$ 24,376	\$ 146,256	\$ 24,376	\$ 24,376
Subtotal Revenue Offsets					\$ 4,532,838	\$ 3,883,552	\$ 4,705,557	\$ 4,100,587	\$ 3,782,266
TOTAL NET REVENUE REQUIREMENTS					\$ 6,542,202	\$ 7,077,334	\$ 6,069,633	\$ 6,834,978	\$ 7,318,638
Total Sales (HCF)					2,617,217	2,643,390	3,631,324	3,666,723	3,702,476
Calculated Recycled Water Rate, \$/HCF					\$ 2.50	\$ 2.68	\$ 1.67	\$ 1.87	\$ 1.98
Average 5 year rate					\$ 2.138				

South Bay Zone Rate

South Bay				FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue Requirements								
O&M Costs				\$ 224,364	\$ 227,371	\$ 230,466	\$ 233,652	\$ 236,931
Treatment Costs				\$ 1,808,622	\$ 1,880,967	\$ 1,956,205	\$ 2,034,454	\$ 2,115,832
Capital Costs								
Existing Debt Service				\$ 245,716	\$ 248,265	\$ 274,556	\$ 274,554	\$ 274,544
Proposed Debt Service				\$ 39,960	\$ 79,919	\$ 79,919	\$ 79,919	\$ 79,919
Pay-as-you-go Capital				\$ 317,482	\$ 82,627	\$ -	\$ -	\$ -
Subtotal: Capital Costs				\$ 603,157	\$ 410,812	\$ 354,475	\$ 354,473	\$ 354,463
Total Revenue Requirements				\$ 2,636,143	\$ 2,519,149	\$ 2,541,147	\$ 2,622,578	\$ 2,707,226
Less: Revenue Offsets								
Credits from MWD and CWA				\$ 5,608	\$ 5,664	\$ 5,720	\$ 5,778	\$ 5,836
Base Charge Revenue (Projected)				\$ 16,563	\$ 16,825	\$ 17,227	\$ 17,643	\$ 18,075
Poway Contract Revenue								
Fees from Olivenhain								
Interest Revenue								
Meter Installation Revenue								
Capacity Fee Revenue								
Subtotal Revenue Offsets				\$ 22,171	\$ 22,489	\$ 22,947	\$ 23,421	\$ 23,911
TOTAL NET REVENUE REQUIREMENTS				\$ 2,613,972	\$ 2,496,660	\$ 2,518,199	\$ 2,599,157	\$ 2,683,316
Total Sales (HCF)				2,086,541	2,144,598	2,203,091	2,266,814	2,326,617
Calculated Recycled Water Rate, \$/HCF				\$ 1.25	\$ 1.17	\$ 1.14	\$ 1.15	\$ 1.15
Average 5 year rate				\$ 1.173				

Recycled Water Rate Comparison



Questions ?

AGENDA ITEM 8

MetroTAC Update/Report

**MetroTAC
2014/15 Work Plan
September 2015 (Revised Per Metro TAC)**

MetroTAC Items	Description	Subcommittee Member(s)
SDG&E Rate Plan	SDG&E has submitted a Rate Plan that would not only change some rate structures but will also shorten the off peak hours for users such as utilities. BBK will continue to monitor and update Metro TAC and Commission/JPA members on protest measures.	Paula de Sousa
PUD Industrial Waste Program Update	9/13: A performance audit was performed on the PUD's IWCP. The audit produced two findings and made 8 recommendations. PUD has hired Brown & Caldwell to perform a fee study and assist implementation of an updated program. A subcommittee of the Metro TAC was formed to work with PUD staff and the consultant.	Roberto Yano Ed Walton
Management of Non-Disposables in Wastewater	9/13: Eric Minicilli handed out a position paper prepared by the NEWEA. 6/15 Chairman Humora provided attached from SCAP.	Eric Minicilli
Recycled Water Cost of Service	<i>8/15: Item added to work plan to monitor potential development of wholesale recycled water rate.</i>	Rita Bell Mike Obermiller Karyn Keese
2015/16 Transportation Rate Update	5/14: Metro TAC approved 2014 transportation rate w/caveat that PUD staff hires a consultant to review/revise methodology for 2015.	Al Lau Dan Brogadir Karyn Keese
PLWTP Permit Ad Hoc TAC	<i>8/15: Greg Humora and Scott Tulloch continue to meet with stakeholders. Cost allocation subcommittee continues to meet with City staff. Milestones are included in each month Metro TAC and Commission agenda packet</i>	Greg Humora Roberto Yano Mark Watton Scott Tulloch Rick Hopkins Jim Smyth Karyn Keese
IRWMP	<i>8/15 RAC minutes included in August Metro TAC agenda. Padre Dam received a \$6 million grant for their project.</i>	Bob Kennedy Steve Beppler Greg Humora
Fiscal Items	The Finance committee will continue to monitor and report on the financial issues affecting the Metro System and the charges to the PAs.	Greg Humora Karen Jassoy Karyn Keese
Recycled Water Revenue Issue	Per our Regional wastewater Agreement revenues from SBWTP are to be sewer revenues and proportionally shared with PA's. North City has similar requirements however the debt from the optimized system must first be repaid. <i>7/15: Recycled revenues from South Bay dispersed to PAs in June 2015. Karyn Keese will work with City staff to determine the remaining balance on the optimized system debt.</i>	Karyn Keese
"No Drugs Down the Drain"	The state has initiated a program to reduce pharmaceuticals entering the wastewater flows. There have been a number of collection events within the region.	Greg Humora
Strength Based Billing Evaluation	City of San Diego staff will hire an outside engineering consultant every three years to audit the Metro metered system to insure against	Al Lau Dan Brogadir Karyn Keese
Grease Recycling	To reduce fats, oils, and grease (FOG) in the sewer systems, more and more restaurants are being required to collect and dispose of cooking grease. Companies exist that will collect the grease and turn it into energy.	Eric Minicilli
Padre Dam Mass Balance Correction	<i>8/15: Final reconciliation was approved and checks/bills were sent in June 2015.</i>	Rita Bell Karyn Keese

MetroTAC Items	Description	Subcommittee Member(s)
Waiver	<i>8/15: Waiver was submitted on time. EPA has stated that they will not review until 2016.</i>	Greg Humora Scott Tulloch Karyn Keese
City of San Diego Recycled Water Pricing Study	<i>8/15: PUD staff presented recycled water rate study to SD Environmental Committee, IROC, and Metro TAC with two options: a unitary rate similar to the current rate structure or a zone rate. Metro TAC approved the unitary rate with a caveat that SD open negotiations with their wholesale customers on a wholesale rate.</i>	Karyn Keese Rita Bell
Pure Water Program Cost Allocation	A small working group was formed to discuss options to allocate PLWTP offset project costs among the water and wastewater rate payers; <i>8/15: Cost allocation group continues to meet on an every two week basis. Final numbers expected in December 2015.</i>	Greg Humora Scott Tulloch Roberto Yano Karyn Keese
Metro JPA Strategic Plan	6/18: Strategic planning session held at PLWTP. Goals for next coming years were set.	Greg Humora
Board Members' Items		
Rate Case Items	<i>8/15: City of San Diego staff presented water and recycled water rate case to San Diego Environmental Committee and IROC. Presented recycled water rate case to Metro TAC. Recycled water rate case to be presented to Metro JPA/Commission at their September 2015 meeting.</i>	Karyn Keese
Exhibit E	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to Schedule E will come directly to the Board as they develop <i>8/15: In June 2015 all audits from FE 2007 to FYE 2012 were trued up and each PA either received a refund or a bill based upon their paid annual sewer billing contributions versus actual costs for each year. FYE 2013 and FYE 2014 Exhibit E's are close to completion. FYE 2015 audit entrance conference is scheduled for August 31, 2015.</i>	Karen Jassoy Karyn Keese
Future bonding	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to bonding efforts will come directly to the Committee and the Board as they develop. <i>8/15: City of San Diego is potentially progressing with a refunding of outstanding sewer debt.</i>	Karen Jassoy Karyn Keese
Changes in water legislation	Metro TAC and the Board should monitor and report on proposed and new legislation or changes in existing legislation that impact wastewater conveyance, treatment, and disposal, including recycled water issues	Paula de Sousa
Border Region	Impacts of sewer treatment and disposal along the international border should be monitored and reported to the Board. These issues would directly affect the South Bay plants on both sides of the border. 2/12: This Item does not have a champion. Should we remove?	<i>Who should take over?</i>

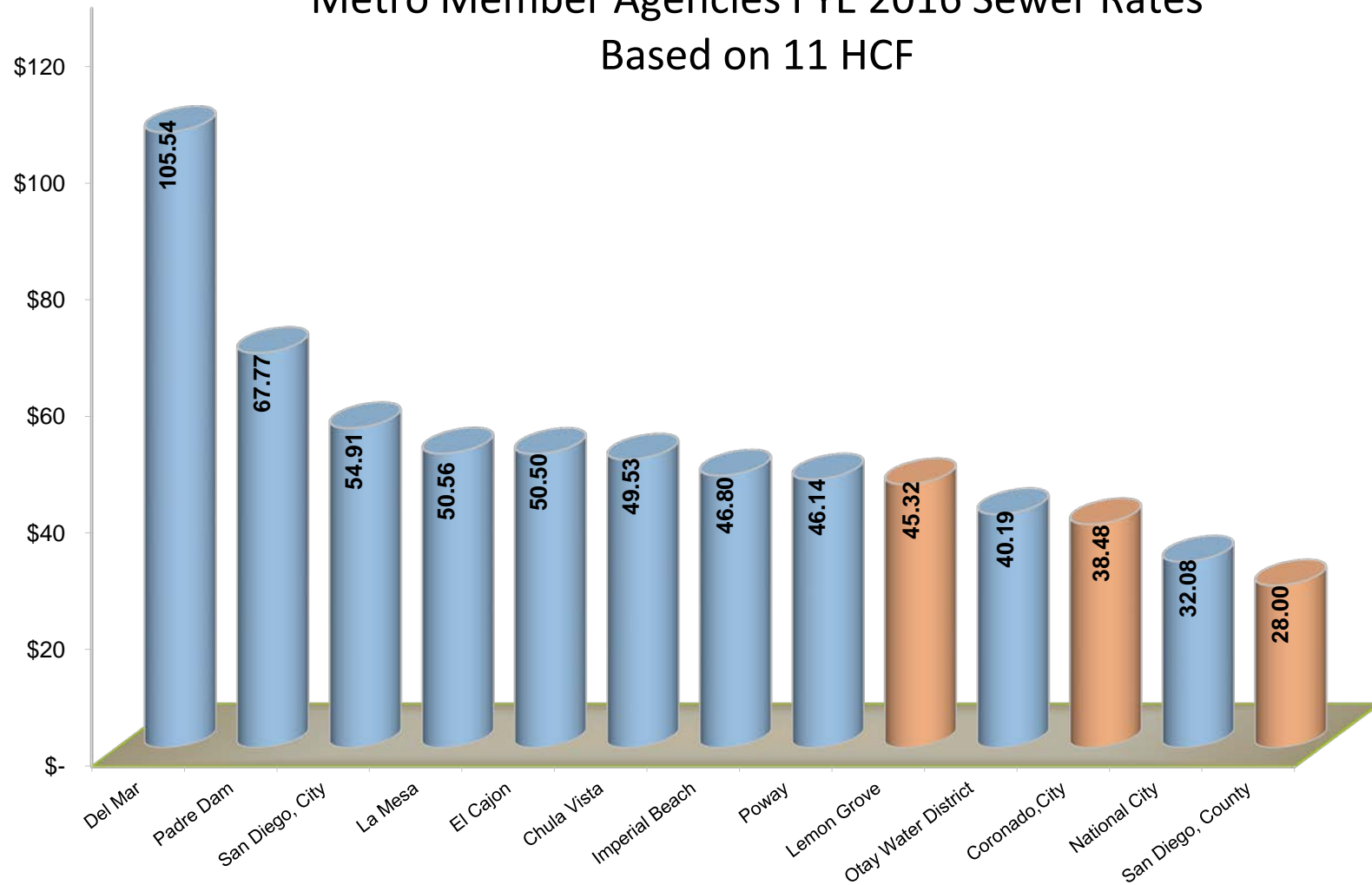
Completed Items	Description	Subcommittee Member(s)
City of San Diego Revised Procurement Process	8/12: San Diego City Engineer James Nagelvoort reported on recent changes to San Diego's procurement process to move projects through more quickly. Technically any CIP projects under \$30 million may no longer need to be reviewed by the Metro TAC or JPA prior to City Council approval. Chairman Humora requested San Diego prepare a summary of the recent changes and the decision points for consideration of the TAC at the September meeting. 10/4: Metro Commission requests further review by TAC to recommend an appropriate level for CIP's to be brought forth to the Commission. 11/12: MetroTAC recommended leaving the thresholds as they are today and therefore everything will go through TAC and then to the JPA for formal action. The policy will be placed on the JPA website. The Metro Commission approved the policy at their November 2012 meeting. San Diego's CIP will become a standing item on the Metro TAC agenda.	Metro TAC
Rate Case Items	1/12: San Diego is in the process of hiring a consultant to update their rate case. As part of that process, Metro TAC and the Finance Committee will be monitoring the City's proposals as they move forward. 6/12: San Diego hired Black & Veatch as their rate consultant. 2/13: Preliminary results were reported at the IROC Meeting of 2/19/13. Karyn Keese will be working with the IROC Finance Committee to review details. 3/13: Karyn Keese attended a joint workshop with IROC to review the draft revenue requirement for the Rate Case. 4/13: Next meeting with IROC on the rate case is 5/20/13. 5/13: Next special meeting with IROC is June 24, 2013. 6/13: San Diego is only moving forward with Water Rate Case due to needed rate increase. Wastewater does not appear to need a rate adjustment for two years.	Karyn Keese
Exhibit E	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to Schedule E will come directly to the Board as they develop. 2/13: 2010 and 2011 audits are ongoing. 3/13: The 2010 audit is complete and has been presented to Metro TAC & the Finance Committee. Will move forward to Commission at 6/13 meeting. 2011 field work is complete. 2012 sample selected. 9/13: 2012 preliminary fieldwork is complete. Waiting for PUD's answers to questions. 5/14: Fieldwork for all audits is complete (including 2013). True-ups have not been completed since 2008 due to the Padre Dam and North City billing issues.	Karen Jassoy Karyn Keese
Future bonding	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to bonding efforts will come directly to the Board as they develop. 10/26/11: San Diego is issuing an RFP for a cost of service study to support a future bond issue potentially in mid-2013. Kristin Crane to sit on the selection panel. 2/13: San Diego's preliminary rate case does not show the issuance of additional debt until FY 2018.	Karen Jassoy Karyn Keese Kristen Crane
City of San Diego Recycled Water Pricing Study	San Diego is working on a rate study for pricing recycled water from the South Bay plant and the North City plant. Metro TAC, in addition to individual PAs, has been engaged in this process and has provided comments on drafts San Diego has produced. We are currently waiting for San Diego to promulgate a new draft which addresses the changes we have requested. 10/26/11: draft study still not issued. 5/13: Recycled Water Study to be on July 2013 Metro TAC agenda per PUD staff. 6/24/13: Recycled Water Pricing Study goes to IROC. 7/10/13: Recycled Water Study goes to NR&C 9/13: PUD has hired Black & Veatch to review the study	Karyn Keese Rita Bell

Completed Items	Description	Subcommittee Member(s)
Pure Water Program Cost Allocation	A small working group was formed to discuss options to allocate PLWTP offset project costs among the water and wastewater rate payers; Concepts will be discussed at TAC and JPA Board in near future. 7/12: Subcommittee to meet with PUD staff & consultants to review TM 8 and economic model. 8/12: Subcommittee has meet with City staff and consultants. Economic model has been received. City will not pursue cost allocations until Demonstration Project is complete due to staffing constraints. 6/13: Ad Hoc TAC has started work on cost allocation concept. 5/14: Cost allocation workgroup will meet in May. 6/14: Cost allocation group has met twice. <i>7/14: Cost allocation group continues to meet on a every two week basis.</i>	Greg Humora Leah Browder Scott Tulloch Rick Hopkins Roberto Yano Kristen Crane Al Lau Bob Kennedy Karyn Keese
Fiscal Issues	The Finance committee will continue to monitor and report on the financial issues affecting the Metro System and the charges to the PAs. The debt finance and reserve coverage issues have been resolved. Refunds totaling \$12.3 million were sent to most of the PA's. 10/26/11: 2010 will be the first year where the PAs will be credited with interest on the debt service reserve and operational fund balances. Interest will be applied as an income credit to Exhibit E when that audit is complete.	Greg Humora Karen Jassoy Karyn Keese
Rate Case Items	1/12: San Diego is in the process of hiring a consultant to update their rate case. As part of that process, Metro TAC and the Finance Committee will be monitoring the City's proposals as they move forward. 6/12: San Diego hired Black & Veatch as their rate consultant. 2/13: Preliminary results were reported at the IROC Meeting of 2/19/13. Karyn Keese will be working with the IROC Finance Committee to review details. 3/13: Karyn Keese attended a joint workshop with IROC to review the draft revenue requirement for the Rate Case. 4/13: Next meeting with IROC on the rate case is 5/20/13. 5/13: Next special meeting with IROC is June 24, 2013. 6/13: San Diego is only moving forward with Water Rate Case due to needed rate increase. Wastewater does not appear to need a rate adjustment for two years.	Karyn Keese
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Future bonding	Metro TAC and the Finance Committee are active and will monitor this process. Individual items related to bonding efforts will come directly to the Board as they develop. 10/26/11: San Diego is issuing an RFP for a cost of service study to support a future bond issue potentially in mid-2013. Kristin Crane to sit on the selection panel. 2/13: San Diego's preliminary rate case does not show the issuance of additional debt until FY 2018.	Karen Jassoy Karyn Keese Kristen Crane
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Border Region	Impacts of sewer treatment and disposal along the international border should be monitored and reported to the Board. These issues would directly affect the South Bay plants on both sides of the border. 2/12: This Item does not have a champion. Should we remove?	<i>Who should take over?</i>

Completed Items	Description	Subcommittee Member(s)
SDG&E Rate Case	5/14: BBK prepared a draft letter for all PAs to send regarding SDG&E's latest proposal to the PUC regarding the change in off-peak hours. BBK will continue to monitor.	Paula de Sousa
Metro JPA Strategic Plan	6/12: Chairman Ewin to establish a subcommittee to monitor the progress of strategic plan initiatives.	<i>Who should take over?</i>
Metro JPA Strategic Plan	2/2011: committee to meet 2/28/11 to plan for retreat to be held on 5/5/11 Retreat held and wrap up presented to the Commission at their June Meeting. JPA strategic planning committee to meet to update JPA Strategic Plan and prepare action items. 1/12: Draft strategic plan reviewed by Board and referred to Metro TAC for input. MetroTAC has created a subcommittee to work on this project. 2/12: Metro TAC has completed their final review. Forwarded to Commission. 4/12: Adopted at April 2012 Metro JPA Meeting. Project complete.	Augie Caires Ernie Ewin
Recycled Water Study	As part of the secondary waiver process, San Diego agreed to perform a recycled water study within the Metro service area. That study is currently underway, and MetroTAC has representatives participating in the working groups. TM #8 Costs estimates are out and PAs provided comments on TM#8 and have asked for a technical briefing. 10/16/11: Final draft of report is due out in November 2011. 1/12: Final draft of report is due in March 2012. 3/12: Final draft available for comments until 3/19/12 4/12: PUD staff to give presentation to Metro JPA at their May meeting. 5/12 PUD staff presented the Recycled Water Study to the Metro JPA at their May meeting. Metro JPA approved the Study as a planning document. Study to move forward to SD City Council in July 2012 with letter of support from JPA. 7/12: City of San Diego approved the Recycled Water Study; Study submitted on time to Coastal Commission. Final report uploaded to JPA website. 11/12: San Diego received a letter from the Coastal Commission. Metro Commission consensus was that based on the tone of the Coastal Commission letter the region may be seeing some time line changes relative to San Diego's projections on the implementation of IPR and that the MetroTAC needs to manage all aspects including the Coastal Commission and multiple issues such as desalination water, Coastal Commissions attitude at this point and pending IPR programs we have heard about.	Scott Huth Al Lau Scott Tulloch Karyn Keese
IRWMP	4/12: Metro TAC received a presentation from Cathy Pieroni (City of San Diego) on the Integrated Regional Water Management Program (IRWMP). Group is still relatively informal but plans to become more structured during its upcoming 2 year plan update. There is a governance & finance work group that starts in the 3rd quarter of 2012 and at that point the JPA role will be examined. Padre Dam and Chula Vista are regular participants. 9/19: Cathy Pieroni gave an update. Recommendation by IRWM to the RAC to include a seat for the Metro JPA. Bob Kennedy will attend the October 3, 2012 meeting representing the JPA. 11/12: At their November 2012 meeting the Metro Commission unanimously appointed Bob Kennedy of Otay Water District as primary and Metro TAC Chairman Greg Humora as alternate to the IRWMP RAC. 2/13: On February 6, 2013 Bob Kennedy attended the IRWMP meeting. Metro JPA has been added as a permanent member of the Water Quality subcommittee of the RAC. The City of San Diego presented an overview of the Recycled Water Study. Next meeting scheduled for April 3, 2013. Closed 4/12 as the Metro JPA has become a member.	Bob Kennedy Greg Humora

Completed Items	Description	Subcommittee Member(s)
Ebola Protocol for Protection of Wastewater Staff	11/14: Members of Metro TAC discussed their concerns over protecting their wastewater crews from exposure to viruses such as Ebola. A recent panel of AWWA experts came to a conclusion that there are no current guidelines available from the CDC. Ann Sasaki stated that she will find if San Diego has a protocol on this and report back. It was suggested that ADS might have a protocol and should be contacted. SCAP has not released anything as well. 12/14: Tom Howard reported that the CDC has provided guidelines and will provide a copy of it to be included in the December minutes. 3/15: continued guidelines are being released.	Mike Obermiller Tom Howard
JPA Website Update	5/13: The Metro TAC would like to update the current website as it is outdated. A review of the current website and its limitations will be on the Metro TAC agenda in the next couple months. 9/13: Greg & Karyn have been working with Vision Internet to finalize a scope of work and contract. These will go to the JPA for approval at their October meeting. 1/14: The contract has been negotiated and approved and Vision has started on the framework for the website. 3/15: New website has launched.	Greg Humora Karyn Keese Lori Peoples
Role of Metro JPA regarding Recycled Water	As plans for water reuse unfold and projects are identified, Metro JPA's role must be defined with respect to water reuse and impacts to the various regional sewer treatment and conveyance facilities 2/12: Scott Huth removed as member due to new position. JPA/Metro TAC needs to appoint a new representative. 4/13: Scott Tulloch added to this subcommittee. Metro TAC member needed. 5/13: Greg Humora added to this work group. 6/13: This group was formalized by the JPA as the PLWTP Ad Hoc Technical Advisory Committee.	Greg Humora Karyn Keese Scott Tulloch
San Diego Wastewater 50th Anniversary Celebration	5/13: Cheryl Lester presented the draft plan for the Anniversary celebration. She requested Metro Commission/JPA participation. Commission Parks will represent the Commission/JPA. 9/13: The celebration was a big success and was well attended.	Sherryl Parks
SDG&E Rate Case	8/19: Karyn to check with Paula regarding latest SDG&E issues. 11/12: Sophie Akins from BBK will present updated information to Metro TAC.	Paula de Sousa
Salt Creek Diversion	9/2010: OWD, Chula Vista and San Diego met to discuss options and who will pay for project; Chula Vista and OWD are reviewing options. 2/2011: OWD and PBS&J reviewed calculations with PUD staff; San Diego to provide backup data for TAC to review. This option is also covered in the Recycle Water Study. 10/26/11: Back-up information has still not been received from staff. 8/12: San Diego to conduct business case evaluation and add to Capital Improvement Program as recommend by Metro Commission to San Diego City Council on July 17, 2012 in support of the Recycled Water Study. 5/14: PUD staff has prepared and presented a Business Case. This has been discussed at the March, April, & May Metro TAC meetings. 5/14: Metro TAC agreed with PUD staff recommendation that this project should not be pursued at this time. Otay abstained from the vote.	Roberto Yano Bob Kennedy Karyn Keese Rita Bell

Metro Member Agencies FYE 2016 Sewer Rates Based on 11 HCF



Metro TAC

Participating Agencies

Selection Panel Rotation

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

Lemon Grove	Mike James	MBC Dewatering Centrifuges Replacement (Passed)	01/2012
National City	Joe Smith	MBC Dewatering Centrifuges Replacement (Passed)	01/2012
Coronado	Godby, Kim	MBC Dewatering Centrifuges Replacement (Passed)	01/2012
Otay Water District	Bob Kennedy	MBC Dewatering Centrifuges Replacement (Accepted)/Strategic Planning Rep	01/2012
Del Mar	Eric Minicilli	New As Need Engineering Contract	02/2012
Padre Dam	Al Lau	PA Rep. for RFQ for As Needed Design Build Services (Passed)	05/2012
County of San Diego	Dan Brogadir	PA Rep. for RFQ for As Needed Design Build Services (Cancelled project)	05/2012
Chula Vista	Roberto Yano	As-Needed Condition Assessment Contract (Accepted)	06/2012
La Mesa	Greg Humora	New programmatic wastewater facilities condition (Awaiting Response)	11/2012
Poway	Tom Howard	Optimization Review Study	01/2013
El Cajon	Dennis Davies	PUD 2015 Annual Strategic Plan	1/15/14
Lemon Grove	Mike James	As-Needed Engineering Services (Passed)	7/25/14
National City	Kuna Muthusamy	As-Needed Engineering Services	7/25/14
Coronado	Ed Walton	Strategic Planning	01/2014
Otay Water District	Bob Kennedy	Strategic Planning (Volunteered, participated last year)	01/2014
Del Mar	Eric Minicilli	Pure Water Program Manager Services	9/1/14
Padre Dam	Al Lau	Pure Water Program Manager Services	9/1/14
County of San Diego	Dan Brogadir	As-Needed Condition Assessment Contract	3/24/2015
Chula Vista	Roberto Yano	Out on Leave	6/10/15
La Mesa	Greg Humora	North City to San Vicente Advanced Water Purification Conveyance System	6/10/15
Poway	Mike Obermiller		
El Cajon	Dennis Davies		
Lemon Grove	Mike James		
National City	Kuna Muthusamy		
Coronado	Ed Walton		
Otay Water District	Bob Kennedy		

AGENDA ITEM 9

Pt. Loma Permit Renewal

Point Loma Permit/Potable Reuse KEY MILESTONE DATES



08/24/2015

DATE	TASK	FOLLOW UP ACTION/STATUS
January	Begin outreach to regulators, legislators, key stakeholders and public	San Diego signed contract with Katz Assoc. 5/14
01/23/2014	San Diego meet with JPA on cost allocation. 1) Agree on methodology 2) Insert construction costs from facilities plan	San Diego to look at comparing PR facilities construction through secondary to secondary at Point Loma.
February	First draft of legislative language	Draft prepared
03/05/2014	San Diego (Ann, Brent, Bob, Allan) meet with EPA staff	Pure Water program was well received by EPA
10/08/2014	City of San Diego Environmental Committee	Consideration of Pt Loma Permit
10/16/2014	Metro Commission - VOTE on Supporting Permit	
11/18/2014	City of San Diego City Council Meeting	Consideration of Pt Loma Permit and Side Agreement. Passed 9-0
2015		
January	Submit NPDES Permit to the Environmental Protection Agency	Submitted!
	Prepare proposed lang for administrative fix to Clean Water Act	
	Be ready to provide lang for legislative fix to Clean Water Act	
05/20/2015	Present Phase 1 of cost allocation to Metro TAC	
06/04/2015	Metro JPA Strategic Planning Meeting at Pt Loma	
06/23/2015	Stakeholders meeting	
07/01/2015	Water Reliability Coalition Potable Reuse Media Training	
07/15/2015	Cost allocation meeting	
08/18/2015	Stakeholders meeting	
09/15/2015	City of San Diego City Council Request to set Prop 218 Public Hearing for water rate increase	
10/20/2015	Stakeholders meeting	
11/17/2015	City of San Diego Public Hearing for water rate increase	
December	Finalize Phase 2 of cost allocation	
December	Begin drafting updated wastewater disposal agreement	

Milestone Progress Dashboard

