



Metro Finance Committee
(Finance Advisory Committee to Metro JPA)

TO: Finance Committee Members and Metro Commissioners
DATE: Wednesday, April 25, 2012
TIME: 8:30 a.m.
LOCATION: Atkins Global, 3570 Carmel Mountain Road, Suite 300, San Diego, CA 92130*
PLEASE NOTE NEW OFFICE ADDRESS. DIRECTIONS FOLLOW AGENDA

* The location and time of future meetings is subject to change

THIS NOTICE HAS BEEN DISTRIBUTED TO THE METRO COMMISSIONERS AND FINANCE COMMITTEE MEMBERS.

1. Roll Call
2. Public Comments
Persons speaking during Public Comment may address the Metro Finance Committee on any subject matter within the jurisdiction of the Metro Finance Committee that is not listed as an agenda item. Comments are limited to three (3) minutes. Please complete a Speaker Slip and submit it prior to the meeting.
3. Approval of Minutes from the November 30, 2011 Finance Committee Meeting (**Attachment**)
4. Status of Fieldman Rolapp Open Contract (Paula de Sousa)
5. JPA 2012 Year-End Projections (Karen Jassoy)
6. Atkins 2013 Contract (Karyn Keese) (**Attachment**)
7. Treasurers 2013 Contract (Karen Jassoy) (**Attachment**)
8. Webmaster 2013 Contract (Paula de Sousa) (**Attachment**)
9. JPA 2013 Draft Budget (Karen Jassoy)
10. Review of Items to be Brought Forward to the Metro Commission/Metro JPA
11. Other Business of the Finance Committee
12. Adjournment

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

Materials provided to the Metro Finance Committee related to any open-session item on this agenda are available for public review by contacting Karyn Keese (858)514.1008 during normal business hours.

Finance Committee 2012 Meeting Schedule

January 25	May 23	September 26
February 22	June 27	October 24
March 28	July 25	November 28
April 25	August 22	December 26

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

The Metro Finance Committee requests individuals who require alternative agenda format or special accommodations to access, attend, and/or participate in the Metro Finance Committee meetings, contact Margaret O'Donnell at (619)525.1354, at least forty-eight hours in advance of the meetings.



Below are the directions to the new office.

3570 Carmel Mountain Rd.
Suite 300 (3rd floor)
San Diego, CA 92130

Google Maps <http://g.co/maps/jtw99>

Directions:

Northbound:

I-805 N

Take the CA-56 Bypass E exit

Merge onto Interstate 5 Local Bypass N

Take Exit 32 for Carmel Mountain Rd

Turn right onto Carmel Mountain Rd

Turn left onto Gateway Ridge Ct.

I-5 N

Slight right onto **Interstate 5 Local Bypass N** (signs for **CA-56 E**)

Take Exit 32 for Carmel Mountain Rd

Turn right onto Carmel Mountain Rd

Turn left onto Gateway Ridge Ct.

Southbound:

I-5 S

Slight right onto **Interstate 5 Local Bypass S** (signs for **Carmel Mountain Rd**)

Take Exit 32 for Carmel Mountain Rd

Turn left onto Carmel Mountain Rd

Turn left onto Gateway Ridge Ct.

Westbound:

CA-56 W

Merge onto **Interstate 5 Local Bypass S** (signs for **Carmel Mountain Rd**)

Take Exit 32 for Carmel Mountain Rd

Turn left onto Carmel Mountain Rd

Turn left onto Gateway Ridge Ct.

ITEM 3



Metro Wastewater JPA Finance Committee
November 30, 2011
Draft Minutes

Meeting called to order: 8:35 a.m. at Best Best & Krieger, 655 Broadway, 15th Floor, San Diego, CA 92101 by Committee Chairman Ovrom.

1. Roll Call

Attendees:

Al Ovrom, Committee Chairman, Metro Wastewater JPA Finance Committee
Merrilee Boyack, Vice Committee Chairperson, Metro Wastewater JPA Finance Committee
Louis Natividad, Committee Member
Ed Spriggs, Committee Member (Arrived at 8:45 am)

Support Staff:

Karen Jassoy, Treasurer
Karyn Keese, Atkins
Paula de Sousa, BBK

City of San Diego Staff:

Guann Hwang
Lee Ann Santos-Jones
Christi Dadachanji
Edgar Patino
Tom Fong

General Public:

None

2. Public Comment

There was no public comment.

3. Approval of Minutes from the June 29, 2011 Finance Committee Meeting

Upon motion by Vice Chair Boyack, seconded by Committee Member Natividad the June 29, 2011 Regular Meeting Minutes were approved unanimously

4. Pump Station #2 Power Reliability and Surge Protection Project

Committee Member Spriggs arrived at 8:45 a.m., during discussion of item 4.

Guann Hwang gave a presentation to the Committee regarding this project. This project will provide power reliability as required by the Environmental Protection Agency, surge protection, and the reduction of dependence on SDG&E Power. The total projected project cost is anticipated to be \$31.23 million dollars from FYE11 to FYE 15. The current request is for \$1.75 million to cover the costs of consultant design fee. The consultant will conduct an evaluation of the electrical system at PS2. They will also conduct an independent analysis of all the feasible alternatives, including those identified in the City's Business Case, and identify the most optimal alternative for implementation. They will prepare a Technical Memorandum by July 2012. The Committee requested that the Technical Memorandum be reviewed by Metro TAC when it is in draft form.

Upon motion by Vice Chair Boyack, seconded by Committee Member Natividad the Committee unanimously approved moving this item forward to the January 1012 Metro JPA/Commission meeting.

5. Metro CIP, 2012 & Forecast

Guann Hwang gave a presentation to the Committee regarding the 2012 to 2016 CIP. The CIP is going to be funded using a mixture of low interest State Loans and pay-as-you go financing. The issuance of debt is not anticipated by City staff. Committee Member Spriggs noted that the numbers on the CIP schedule for the PS2 project are different from those presented under Item 4. City staff stated that the project cost numbers in Item 4 staff report are more recent. The CIP schedule was prepared as part of the FYE 2012 budget process and will be updated with new numbers during the FYE 2013 budget process.

Upon motion by Vice Chair Boyack, seconded by Committee Member Natividad the Committee unanimously approved moving this item forward to the January 1012 Metro JPA/Commission meeting.

6. Revisions to 2010 Exhibit E Audit Agreed Upon Procedures

Karyn Keese reviewed the FY10 Exhibit E Audit Calendar and proposed changes in the Audit Procedures. The City has just provided the JPA representatives with the audit sample to select transactions from. The main changes to the Audit Procedures are:

- Increased payroll sample from 25 to 50
- Deletion of San Diego Data Processing billing testing as they now fall under the general sample testing.
- The increase in JPA representative non-payroll related transaction testing from 100 to 200 this year.

Upon motion by Vice Chair Boyack, seconded by Committee Member Natividad the Committee unanimously concurred with the changes to the Audit Procedures for 2010 and approved moving this item forward to the January 1012 Metro JPA/Commission meeting.

7. June 30, 2011 Metro Wastewater JPA Financial Statements

Karen Jassoy reviewed the FYE 2011 JPA Financial Statements. The JPA's ending cash balance was \$108,079. The JPA budget was \$4,453 over budget at year end, primarily due to the JPA's involvement in the City of San Diego Recycled Water Study.

Upon motion by Committee Member Natividad, seconded by Vice Chair Merrilee Boyack the Committee unanimously accepted the Treasurer's Report and the FYE 2011 JPA Financial Statements and approved moving this item forward to the January 1012 Metro JPA/Commission meeting.

8. Review of Other Items from the November Metro TAC Meeting

Ms. Keese and Ms. de Sousa reviewed the discussion held at Metro TAC regarding the Padre Mass Balance Corrections Calculation and solids overcharge. The City has prepared a summary containing two scenarios, one going back 5 years and another scenario going back 12 years. City of San Diego staff stated that the City Attorney for the City of San Diego provided an opinion to City staff that the statute of limitation is 4 years however City staff is recommending going back 12 years. PA pay back periods to the City of San Diego of 3, 4, & 5 years were discussed. The City will want TAC to make a recommendation to the JPA on the period of the reconciliation (5 years vs. 12 years) and the length of time to pay it back to the City.

The next step is for the City to finalize the excel spreadsheet (several years will be forecasted since they will not "true up" costs from 2009 until early next year). Rita Bell and Karyn Keese were elected to review the documentation and report back to Metro TAC. This item will also go to the Metro Finance Committee and the Metro JPA/Commission Board as action items after Metro TAC has completed its review.

This was an information item only and no action was required.

9. Other Business of the JPA

The Finance Committee recommended that items 3, 4, 5, 6, and 7 should be moved forward to the January 2012 Metro JPA/Commission meeting.

The 2012 Finance Committee calendar was discussed. It was decided that the Finance Committee will meet the 4th Wednesday of each month to facilitate moving items forward to the Metro JPA/Commission Board Meeting agenda. The calendar for 2012 is as follows:

January 25	May 23	September 26
February 22	June 27	October 24
March 28	July 25	November 28
April 25	August 22	December 26

10. Adjournment

The meeting was adjourned at 9:50 a.m. It was decided that there would not be a meeting of the Finance Committee in December. The next regularly scheduled meeting of the Finance Committee will be January 24, 2012 at the new Atkins Office located at 3570 Carmel Mountain Road, Suite 300, San Diego, CA 92130.

ITEM 6

**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN METRO WASTEWATER JOINT POWERS AUTHORITY
AND ATKINS NORTH AMERICA, INC.**

This agreement is made and entered into as of _____, 2012, by and between the METRO WASTEWATER JOINT POWERS AUTHORITY (hereinafter referred to as the "Metro JPA"), a joint powers authority organized and operating pursuant to California Government Code section 6500 *et seq.*, and ATKINS NORTH AMERICA, INC. (hereinafter referred to as "Consultant").

RECITALS

A. The Metro JPA would like to retain the services of Consultant to provide as-needed technical, financial and administrative support services as set forth in more detail herein for the fiscal year of 2012-13.

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

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

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

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

2. Compensation.

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

b. In no event shall the total amount paid for services rendered by Consultant pursuant to Exhibit "A" exceed the sum of \$129,192.00 for fiscal year 2012-13. Periodic payments shall be made within thirty (30) days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

If changes in the work seem merited by Consultant or the Metro JPA, and informal consultations with the other party indicate that a change is warranted, it shall be processed by the Metro JPA in the following manner: a letter outlining the changes shall be forwarded to the

Metro JPA by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the Metro JPA and executed by both parties before performance of such services, or the Metro JPA will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this agreement.

4. Maintenance of Records.

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

5. Time of Performance.

Consultant shall perform its services in a prompt and timely manner and shall commence performance on July 1, 2012, and upon execution of this Agreement by both parties.

6. Delays in Performance.

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

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

7. Compliance with Law.

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

8. Standard of Care

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

9. Assignment and Subconsultant

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

10. Independent Consultant

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

11. Integration

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

12. Insurance

a. Commercial General Liability

(i) The Consultant shall take out and maintain, during the performance of all work under this agreement, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the Metro JPA.

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

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)

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

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply
- (6) Contractual Liability with respect to this Agreement
- (7) Broad Form Property Damage
- (8) Independent Consultants Coverage

(iv) All such policies shall name the Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers as Additional Insureds under the policy.

(v) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Metro JPA.

b. Automobile Liability

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

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 12/93) covering automobile liability, Code 1 (any auto).

(iii) The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by the Metro JPA.

(iv) All such policies shall name the Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers as Additional Insureds under the policies.

c. Workers' Compensation/Employer's Liability

(i) At all times during the performance of Services under this Agreement, the Consultant shall maintain workers' compensation in compliance with applicable statutory requirements and Employer's Liability Coverage in amounts indicated herein.

(ii) Such insurance shall include an insurer's Waiver of Subrogation in favor of the Metro JPA and will be in a form and with insurance companies acceptable to the Metro JPA.

(iii) If insurance is maintained, the workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Metro JPA.

(iv) Before beginning work, the Consultant shall furnish to the Metro JPA satisfactory proof that he/she has taken out for the period covered by the work under this agreement, full compensation insurance for all persons employed directly by him/her or through subconsultants in carrying out the work contemplated under this agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV or the Labor Code of the State of California and any acts amendatory thereof. Consultant shall require all subconsultants to obtain and maintain workers' compensation coverage of the same type and limits as specified in this section.

d. Professional Liability (Errors and Omissions)

At all times during the performance of the work under this Agreement the Consultant shall maintain professional liability insurance, in a form and with insurance companies acceptable to Metro JPA and in an amount indicated herein.

e. Public Liability, Property Damage, Automobile Liability, Employer's Liability, and Professional Liability (Errors and Omissions)

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

Combined Single Limit

Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability	\$1,000,000 per claim and aggregate (errors and omissions)

f. Evidence Required

Prior to execution of the agreement, the Consultant shall file with the Metro JPA evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent). All evidence of insurance shall be certified by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(i) All policies shall contain a provision for 30 days advance written notice by the insurer(s) to the Metro JPA of any cancellation. Statements that the carrier "will endeavor" and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on certificates.

(ii) All policies shall contain a provision stating that the Consultant's policies are primary insurance and the insurance of the Metro JPA or any named insureds shall not be called upon to contribute to any loss.

h. Qualifying Insurers

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

(ii) Insurance carriers shall be qualified to do business in California and maintain an agent for process within the state. Such insurance carrier shall have not less than an "A-" policyholder's rating and a financial rating of not less than "Class VII" according to the latest Best Key Rating Guide.

i. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the Metro JPA, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this agreement, including but not limited to, the provisions concerning indemnification. Neither the Metro JPA nor the Board, nor any member of the Board, nor any of the directors, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of the Agreement.

(ii) If at any time during the life of the agreement, the Consultant fails to maintain in full force any insurance required by the agreement documents, the Metro JPA may acquire the necessary insurance for the Consultant and deduct the cost thereof from the appropriate progress payments due the Consultant.

(iii) The Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.

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

13. Indemnification

Consultant agrees to protect, save, defend and hold harmless Metro JPA and its Board and each member of the Board, officers, agents and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death or any person, or damage to property, or interference with use of property, including loss of use, arising out of or in any way connected with the negligent performance or willful misconduct under this agreement by Consultant, Consultant's agents, officers, employees, subconsultants, or independent consultants hired by Consultant. The only exception to Consultant's responsibility to protect, save, defend and hold harmless Metro JPA, is due to the sole negligence, willful misconduct or active negligence of Metro JPA. This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits does not act as a limitation upon the amount of indemnification to be provided by Consultant.

14. Laws, Venue, and Attorneys' Fees

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

15. Termination or Abandonment

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

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

16. Notice

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

METRO JPA:	CONSULTANT:
Metro Wastewater JPA c/o	Atkins North America, Inc.
La Mesa City Hall	3570 Carmel Mountain Road, Suite 300
8130 Allison Ave, La Mesa, CA 91942	San Diego, CA 92130
Attn: c/o Greg Humora, City of La Mesa	Attn: Karyn Keese

and shall be effective upon receipt thereof.

17. Data

Consultant shall be entitled to rely upon the accuracy of data and information provided by the Metro JPA without independent review or evaluation unless such review or evaluation is specified in the scope of services.

18. Third Party Rights

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

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first written above.

METRO WASTEWATER JPA:

ATKINS NORTH AMERICA INC.:

By: _____
Ernest Ewin
Chairperson

By: _____

APPROVED AS TO FORM:

Paula C. P. de Sousa
General Counsel
METRO WASTEWATER JPA

EXHIBIT A
Scope of Services

SCOPE OF SERVICES
METRO TAC/JPA/COMMISSION
AS-NEEDED ENGINEERING AND FINANCIAL SERVICES

April 17, 2012

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

I. Scope of Services

The effort by ATKINS will be divided into five major categories, one for routine services, two for specific financial tasks, one for anticipated technical tasks, and one for general Metro TAC support.

A. Routine Meetings

The routine meetings will include the following tasks:

1. Attendance at the Metro TAC meetings, preparation of minutes and agendas.
2. Attendance and preparation of agendas for the Metro Commission/JPA meetings.
3. Prepare agendas, minutes, and technical support to the Metro Finance Committee.

B. Routine Audit Review – Public Utilities Department (PUD), Wastewater Operations Branch Exhibit E Audit Review – FYEs 2010 and 2011

1. Review and negotiate the auditors Scope of Work
2. Attend Entrance and Exit Conferences with the Auditors
3. Select audit sample
4. Attend Interim Bi-Weekly work meetings with the Auditors (maximum of 5 per audit)
5. Review the Draft and Final Audit numbers and test results

6. Review all audit samples for contract compliance and accounting accuracy
7. Review the annual general services cost allocation
8. Review output for any special projects (In the past this has included the reconciliation of the Shames and other municipal lawsuits, and the Clean Water Program management contract to insure that only Metro costs have/had been charged to the PAs)
9. Present the results to the Metro Finance Committee, Metro TAC, and Metro Wastewater JPA / Commission
10. Monitor closeout process to insure timely payment of refunds (if any) and the accuracy of any additional billings' (if any) to PAs

C. Routine Review of MWWWD Budget – FYE 2013

1. Line item review of the proposed CIP projects to verify that they are a part of the Wastewater Agreement. Provide a preliminary review of the O&M costs to identify areas of concern for the PAs
2. Identify budget items that show major deviation from previous years, and discuss these deviations with the City
3. Attend meetings with the City of San Diego Public Utilities staff to identify the nature and magnitude of the budget items
4. Provide updates on budget issues to the Metro TAC, the Finance Committee, and the Metro Wastewater JPA/Commission meetings

D. 2012 Wastewater Rate Case and Independent Auditor Finance Review and Analysis of Wastewater Fund -- The PUD will have two major financial projects under development during FYE 2013. The first is the preparation of the next four year rate for City of San Diego's municipal customers and projected rates for Metro TAC including CIP. Atkins in the past has participated in the development of this rate case to insure the proper sequencing of expenses (especially CIP). In addition, San Diego is in the process of hiring an outside auditor to review the sources and uses of funds from the last PUD wastewater rate case. We have formally requested from City staff the participation in these two important projects.

E. FYE 2013 Recycled Water Financial Projects

1. Review of Recycled Water Pricing Study – In December 2009 the City asked its consultant to address the difference between wholesale and retail customers and their recycled water rates. The City's original proposed unitary rate structure is of major concern to the PAs. A second draft of the pricing study was due out for review in July 2011 but to date has not been received. It is our understand that while recycled water is not in the scope of the PUD's

2012 rate case that it will be a companion report to it for possible adoption during the 2012 rate case 218 process.

The PAs goal for this study is to insure that the rates are fair and equitable to all parties, and set at appropriate levels that balance the facilitation of increased use of recycled water per the City's agreement with the environmental community, while providing additional monies to operate the system. Atkins will review the 2012 draft in-depth to insure that the PAs goals are reached. (Note: This is a carry-over from 2011)

2. Continued Support and Resolution of Recycled Water Contractual Issues – During 2011 the City's Public Utilities Director recognized the PAs right to the revenues from the sales of recycled water at the South Bay plant. The sales of recycled water will be included starting with the 2009 audit as an income credit. However several housekeeping issues remain to be resolved such as the completion of the repayment schedule for the North City Optimized System Debt and continued discussions over allocation of the capacity reservation leases paid by Otay Water District and Olivenhain Municipal Water District. Atkins will support the effort in resolving these issues in FYE 2013.
 3. Recycled Water Cost Allocations – With the completion of the Recycled Water Master Plan, the next phase will be the possible implementation of selected capital projects. Atkins will provide a white paper to the Metro TAC and the Metro JPA/Commission on cost allocations used by other regional agencies such as West Basin Municipal Water District, the City of Los Angeles, and Los Angeles Water & Power for funding recycled water projects (i.e. what is a wastewater versus water expense for a capital project). In addition, Atkins will work with the PUD and Metro TAC subcommittee to provide financial guidance regarding the value of secondary treated wastewater and cost sharing allocations.
- F. Metro TAC Staff Support – This task includes 6 hours per month for unforeseen financial analysis. Atkins will support, as-needed, the items contained in the Metro TAC 2012 Work plan. One key issue that will continue during FYE 2013 is the reallocation of Metro costs due to the overbilling of Padre Dam Municipal Water District for their sewage strengths. In addition, Atkins has been asked by the Metro JPA/Commission to support the records retention process and the consolidation of Atkins, Board Secretary, and Best, Best, & Krieger records.
- G. General Engineering Support – This task includes 6 hours per month for engineering technical support as requested by Metro TAC and the Metro JPA/Commission. This will include engineering support for such items as the next Waiver of Secondary Treatment at Point Loma, the San Diego Recycled Water capital projects, and IRWMP. This will also include review and participation in the PUD 2012 Master Plan Update and attendance at Metro TAC.

II. ADDITIONAL SERVICES AS REQUESTED

- A. Participate in the MWWWD Strategic Business Plan.
- B. Independent cost review of CIP.
- C. Review of ongoing background material not envisioned.
- D. Prepare for and attend additional meetings beyond what is included in Section I.
- E. Attendance at IROC in support of the Metro JPA/Commission representatives.
- F. Provide additional follow-up on the additional items identified.
- G. Provide additional technical support on specific projects as directed by the Metro TAC, Finance Committee, and Metro JPA/Commission Chairmen.
- H. Provide technical support, as requested, to fulfill other Metro JPA/Commission objectives.

EXHIBIT B

Schedule of Charges/Payments

LABOR ESTIMATEProject Name: **As-Neede Financial & Engineering Services****FYE2013**Client/Owner: **Metro Wastewater JPA**Project Manager: **Karyn Keese**Prepared By: **Karyn Keese**

Proj/Prop No.:

Date: **April 19, 2012****ATKINS****FEE SUMMARY**

<u>ITEM</u>	<u>TOTAL</u>
Labor	\$128,480
Outside Services	\$0
Direct Costs	\$712
TOTAL	\$129,192

BILLING RATES**ENGINEERING SERVICES**

Engineering Aide - EA	\$70
Engineer I - EI	\$105
Engineer II - EII	\$115
Engineer III - EIII	\$120
Senior Engineer I - SEI	\$130
Senior Engineer II - SEII	\$140
Senior Engineer III - SEIII	\$145
Supervising Engineer I - SPEI	\$155
Supervising Engineer II - SPEII	\$170
Principal Engineer I - PRI	\$180
Principal Engineer II - PRII	\$196
Principal Engineer III - PRIII	\$175
Principal Engineer IV - PRIV	\$219

ADMINISTRATIVE SERVICES

Admin Assistant I/Clerk - AI	\$60
Admin Assistant II (N6) - AII	\$65
Admin Assistant III (N7) - AIII	\$75
Sr. Admin Assistant I (N8) - SAI	\$80
Sr. Admin Assistant II (N9) - SAII	\$85
Sr. Admin Assistant III - SAIII	\$100
Senior Administrator - SA	\$110

OTHER PROFESSIONAL SERVICES

Professional I/GIS Analyst - PI	\$88
Professional II/GIS Analyst II - PII	\$101
Sr. Prof. I/Sr. GIS Analyst I - SPI	\$122
Sr. Prof II/Sr. GIS Analyst II - SPII	\$135
Sr. Prof III/Sr. GIS Analyst III - SPIII	\$150
Supervising Professional - SP	\$170
Principal Professional - PP	\$190

PUBLIC AFFAIRS SERVICES

Project Manager - PM	\$170
Comm Relations Specialist - CRS	\$140
Assistant Project Manager - APM	\$125
Account Coordinator - AC	\$80

ENVIRONMENTAL SCIENCE

Research Assistant - RA	\$60
Assistant Scientist - AS	\$85
Scientist I - SI	\$100
Scientist II - SII	\$120
Scientist III - SIII	\$130
Senior Scientist I - SSI	\$140
Senior Scientist II - SSII	\$165
Senior Scientist III - SSIII	\$185
Senior Scientist IV - SSIV	\$220

CONSTRUCTION RELATED SERVICES

Contract Administrator - CA	\$85
Sr. Contract Administrator - CAS	\$110
Construction Mgmt Rep. I* - CMI	\$90
Construction Mgmt Rep. II* - CMII	\$100
Senior Field Representative* - SFR	\$115
Prevailing Wage Field Rep. - PWFR	\$125
Senior Project Engineer - SPEC	\$135
Construction Manager - CM	\$130
Senior Construction Manager - SCM	\$143
(* non-prevailing wage)	

DESIGN & GRAPHIC SERVICES

CADD Technician I (N7) - CTI	\$70
CADD Technician II (N8) - CTII	\$85
CADD Technician III (N9) - CTIII	\$95
Graphics Designer I (N10) - GDI	\$95
Graphics Designer II (N11) - GDII	\$100
Designer I - DI	\$100
Designer II - DII	\$110
Senior Designer I - SDI	\$120
Senior Designer II - SDII	\$135
Senior Designer III - SDIII	\$140

CA Offices: Carlsbad, Los Angeles, Orange, Sacramento, San Bernardino, San Diego, San Francisco

TASK DESCRIPTION		LABOR CODE/STAFF HOURS											TOTALS	
Pt	Task	Task/Sub	PP	All	-	-	-	-	-	-	-	-	HOURS	FEE
			kk	0	-	-	-	-	-	-	-	-		
1000 Routine Support Services														
		Support Metro TAC	52										52	\$9,880
		Attend Metro Commission	30										30	\$5,700
		Support Metro Finance	72	12									84	\$14,460
		Subtotal											166	\$30,040
2000 2010 & 11 Exhibit E Audit														
		Review Audit Scope	8										8	\$1,520
		Entrance/Exit Conference	8										8	\$1,520
		Interim Work Meetings	40										40	\$7,600
		Review Draft & Final Numbers	48										48	\$9,120
		Special Audit Projects	16										16	\$3,040
		Prepare Report/Presentation	12										12	\$2,280
		Present Metro TAC/Metro Com.	8										8	\$1,520
		Subtotal											140	\$26,600
3000 Budget Review														
		Line Item Review	20										20	\$3,800
		Variance Analysis	20										20	\$3,800
		Presentation	8										8	\$1,520
		Subtotal											48	\$9,120
4000 Special Projects														
4001		General Metro TAC Support	70	12									82	\$14,080
4002		Rate Case & Rate Case Audit	40										40	\$7,600
4003		Resolve Reclaimed Issues	46										46	\$8,740
4004		Reclaimed Water Pricing Study	40										40	\$7,600
4005		Reclaimed Cost Allocations	50										50	\$9,500
		Subtotal											258	\$47,520
TOTAL - THIS PAGE														
			PP	All	-	-	-	-	-	-	-	-	PAGE TOTALS	
TOTAL - ALL PAGES			588	24									612	\$113,280
			668	24									692	\$128,480

ITEM 7

**FOURTH AMENDMENT TO THE AGREEMENT
FOR TREASURER SERVICES BETWEEN METRO
WASTEWATER JOINT POWERS AUTHORITY
AND PADRE DAM MUNICIPAL WATER
DISTRICT**

THIS FOURTH AMENDMENT is made and entered into this ____ day of July, 2011, by and between the Metro Wastewater Joint Powers Authority (herein referred to as "Metro JPA"), a joint powers authority organized and operating pursuant to California Government Code section 6500 *et seq.*, and the Padre Dam Municipal Water District (herein referred to as the "District"), collectively referred to herein as the "Parties."

RECITALS

A. WHEREAS, the Parties did enter into an agreement for treasurer services (hereinafter referred to as the "Agreement") on May 29, 2008 for the District to provide treasurer services to Metro JPA until June 30, 2009; and

B. WHEREAS, the Parties entered into a First Amendment to the Agreement on July 1, 2009 to extend the treasurer's service until June 30, 2010; and

C. WHEREAS, the Parties entered into a Second Amendment to the Agreement on June 3, 2010 to extend the treasurer's service until June 30, 2011; and

D. WHEREAS, the Parties entered into a Third Amendment to the Agreement on December __, 2010 to assign Karen Jassoy, Padre Dam Chief Financial Officer/Director of Finance, to provide the treasurer services referenced in the Agreement; and

E. WHEREAS, the Parties seek to continue the treasurer contract.

NOW THEREFORE, in consideration of the mutual obligations of the Parties herein expressed, the Parties agree as follows:

1. Section 4 of the original Agreement is amended as necessary to extend the end date of treasurer services until June 30, 2012.

2. All other terms and conditions of the original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Fourth Amendment to the Agreement is executed by Metro JPA and by the District on the day and year first written above.

METRO WASTEWATER JOINT
POWERS AUTHORITY

PADRE DAM MUNICIPAL WATER
DISTRICT

By: _____
Ernest Ewin
Chair

By: _____
Allen Carlisle
General Manager

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: _____
Paula C. P. de Sousa
General Counsel
Metro Wastewater Joint Powers Authority

ITEM 8

**FOURTH AMENDMENT TO THE AGREEMENT FOR
PROFESSIONAL SERVICES BETWEEN METRO
WASTEWATER JOINT POWERS AUTHORITY
AND AR CONSULTING**

THE FOURTH AMENDMENT is made and entered into this ____ day of _____, 2012, by and between Metro Wastewater Joint Powers Authority (hereinafter referred to as the "Metro JPA"), a joint powers authority organized and operating pursuant to California Government Code section 6500 *et seq.*, and Abel Rodriguez, dba AR Consulting (hereinafter referred to as "Consultant").

RECITALS

A. Whereas Metro JPA and Consultant did enter into an agreement for professional services (hereinafter referred to as "Agreement") on September 11, 2008 for Consultant to provide Website maintenance, and related services; and

B. WHEREAS, Section 2 and Section 12 of the Agreement provide that the Agreement may be modified or altered by a writing signed by both parties; and

C. WHEREAS, both Metro JPA and Consultant mutually desire to amend the Agreement to extend the time of performance and to adjust the monthly compensation for services provided by Consultant.

NOW THEREFORE, in consideration of the mutual obligations of the parties herein expressed, Metro JPA and Consultant agree as follows:

1. Section 4 of the original Agreement, as amended, is amended as necessary to extend the end date of Consultant services until September 11, 2013.

2. Exhibit A, Section 3 (a) of the original Agreement as amended, is amended as follows:

AR CONSULTING will invoice client the sum of \$60 monthly for the services listed above. Invoices are payable Net 30 from the date billed.

3. All other terms and conditions of the original Agreement, as amended, shall remain in full force and effect.

IN WITNESS WHEREOF, this Fourth Amendment to Agreement is executed by Metro JPA and by Consultant on the day and year first written above.

METRO WASTEWATER JOINT POWERS AUTHORITY		AR CONSULTING
By: _____ Ernest Ewin		By: _____ Abel Rodriguez

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP	
By: _____ Paula C. P. de Sousa General Counsel Metro Wastewater Joint Powers Authority	