



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

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

**DATE:** Wednesday, May 25, 2016

**TIME:** 8:30 a.m.

**LOCATION:** MWWD, 9192 Topaz Way, (Conf. Room 2C – Second Floor) – Breakfast will be provided

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

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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 May 27, 2015 Finance Committee Meeting (**Attachment**)
4. **PRESENTATION AND POSSIBLE ACTION:** FY 2013 Exhibit E Audit Report (Edgar Patino/MGO) (**Attachment**)
5. **PRESENTATION AND POSSIBLE ACTION:** FY 2017 Metro Budget (Mark Gonzalez/Edgar Patino) (**Attachment pending**)
6. **ACTION:** Consideration and Possible Action to Recommend Approval of the FY 2017 Metro Wastewater JPA Budget (Paula de Sousa Mills/Karyn Keese) (**Attachments**)
7. **ACTION:** Consideration and Possible Action to Recommend Approval of the FY 2017 Atkins Contract for Engineering Services (Karyn Keese) (**Attachments**)
8. **ACTION:** Consideration and Possible Action to Recommend Approval of the FY 2017 Contract with The Keze Group, LLC for Financial Services (Karyn Keese) (**Attachments**)
9. **ACTION:** Consideration and Possible Action to Recommend Approval of the 3rd Amendment to Agreement for Treasurer Services with Padre Dam Municipal Water District for FY 2017 (Karyn Keese) (**Attachments**)
10. **ACTION:** Consideration and Possible Action to Recommend Approval of the 1st Amendment to the Webmaster Contract with Vision Internet Providers for FY 2017 (Greg Humora) (**Attachments**)
11. **ACTION:** Consideration and Possible Action to Recommend Approval of the 1st Amendment to the Contract for Administrative Service from Lori Anne Peoples for FY 2017 (Karyn Keese) (**Attachments**)

12. **INFORMATION**: Outcome of Metro Wastewater Debt Refundings (**Attachments**) (Edgar Patino/Karyn Keese)
13. Other Business of the Finance Committee
14. 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 (619) 733-8876 during normal business hours.*

<b><u>Finance Committee 2016 Meeting Schedule</u></b>		
January 27	May 25	September 28
February 24	June 29	October 26
March 30	July 27	November 30
April 27	August 31	December 28

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***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.*

## Attachment 3

Minutes from May 27, 2015

## **Metro Finance Committee**

### **Meeting Minutes**

**DATE OF MEETING:** May 27, 2015

**TIME:** 8:30 AM

**LOCATION:** Atkins North America Conference Room

#### **MEETING ATTENDANCE:**

##### **Commissioners:**

John Mullin, Chair, City of Poway  
Jim Peasley, Vice Chair, Padre Dam  
Jose Lopez, Otay  
Steve Miesen, Chula Vista  
Ed Spriggs, Imperial Beach

Lee Ann Jones Santos, City of San Diego  
Edgar Patino, City of San Diego  
Seth Gates, City of San Diego  
Karyn Keese, Atkins  
Jud Warren, Atkins  
Karen Jassoy, Padre Dam Treasurer  
Paula de Sousa, BBK  
Kevin Starkey, MGO  
Miyuki Freeman, MGO

#### **1. Roll Call**

Meeting attendance is noted above. There was a quorum for the meeting.

#### **2. Public Comments**

There were no public attendees and no comments.

#### **3. Introductions**

As there were several new people at the meeting introductions were made.

#### **4. ACTION: Consideration and Possible Action to Approve Change of Meeting Time and Location**

On a motion by Jim Peasley, seconded by John Mullin it was determined that the new meeting location for the Finance Committee will be at MOC II. It was approved unanimously. Edger Patino will determine the conference room location.

#### **5. Discussion: June 4<sup>th</sup> Strategic Planning Preparation**

Karyn Keese discussed the planning for the June 4<sup>th</sup> Metro Commission/Strategic planning session at Pt. Loma. Metro TAC Chairman Greg Humora would like the report out from the Finance Committee at the beginning of the Metro Commission/JPA agenda to facilitate the approval of the JPA Budget and supporting contracts. Metro TAC has approved them as well and will support the Finance Committee as needed. This should allow for the Metro Commission/JPA meeting to stay within an hour and leave more time for strategic planning.

#### **6. ACTION: Acceptance of the 2011 and 2012 Exhibit E Audits**

Kevin Starkey from MGO handed out the draft of the 2012 audit (Attachment A to these minutes). He discussed that this audit is much more intensive than a normal government audit. A normal government audit would have a sample size of 40 while the Exhibit E audit has a sample size of 500 to insure compliance with the Regional Agreement. Karyn Keese discussed the fact that with the City Staff addition of a dedicated internal accountant that number of accounting errors has decreased significantly over the last five years. The 2013 audit should be completed in July 2015

and the 2014 audit in September 2015. On a motion by Jim Peasley and seconded by Ed Spriggs the Finance Committee accepted the 2011 and 2015 Exhibit E audits and recommended they should be moved on to the Metro Commission/JPA for their review and potential acceptance.

**7. ACTION: Consideration and Possible Action to Approve the Minutes of the April 29, 2015 Regular Meeting**

On a motion by Jim Peasley, seconded by Steve Miesen the minutes were approved. Ed Spriggs abstained as he was not at the April 29 meeting,

**8. ACTION: Consideration and Possible Action to Recommend Approval of the FYE 2016 City of San Diego Metro Sewer Budget**

Seth Gates reviewed the draft budget for the Metro System (Attachment B to these minutes). Edgar Patino stated that for now the budget is lower than last year by \$8 million but that could change based on the Pure Water Program if it is accelerated based on the drought. On a motion by Jim Peasley, seconded by Steve Miesen the draft budget was approved and recommended it should be moved on to the Metro Commission/JPA for their review and potential acceptance.

**9. ACTION: Consideration and Possible Action to Recommend Approval of the Billing Issues Reconciliation**

Edgar Patino and Karyn Keese reviewed the billing issues reconciliation. The reconciliation has been approved by the PAs attorney's group and Karyn, Edgar, & MGO agree on the numbers. With the closure of the 2011 and 2012 audits credits/debits will extend from 2007 to 2012 and checks/bills will be sent before the end of this fiscal year. On a motion by Jim Peasley, seconded by Jose Lopez the billing reconciliation was approved and recommended it should be moved on to the Metro Commission/JPA for their review and potential acceptance. Ed Spriggs abstained as he has not had time to talk to his staff about this.

**10. ACTION: Consideration and Possible Action to Recommend Approval of South Bay Recycled Water Revenues**

Edgar Patino and Karyn Keese reviewed the revenues from the sales of recycled water from the South Bay Plant due to the wastewater fund from the water fund since 2007. The sales are based on County Water Authority audits less water operating expenses. The total is \$10.5 million through 2014 and is allocated to each agency based on their proportionate share of Metro expenditures each year. In the future the revenues will be allocated as an income credit during the Exhibit E audit process and will lower each PAs annual bill. On a motion by Jim Peasley, seconded by Jose Lopez the recycled water reconciliation was approved and recommended it should be moved on to the Metro Commission/JPA for their review and potential acceptance.

**11. ACTION: Consideration and Possible Action to Recommend Approval of Metro Wastewater/JPA Proposed Budget for FYE 2016**

Karen Jassoy reviewed the proposed Metro Commission/JPA budget. The only change is that money has been added for the two-year JPA audit both for Padre Dam's management of the audit and the auditor's fees. On a motion by Jim Peasley, seconded by John Mullin the Metro Commission/JPA 2016 budget was approved and recommended it should be moved on to the Metro Commission/JPA for their review and potential acceptance.

**12. ACTION: Consideration and Possible Action to Recommend Approval of Amendment to the Treasurer's Contract for FY 2015-16**

Karen Jassoy reviewed the annual amendment to the Treasurers' Contract. The only change to the contract is adding some additional dollars as discussed in Item 11 for the facilitation on the JPA Audit. . On a motion by Jim Peasley, seconded by John Mullin the Amendment to the Treasurers Contract was approved and recommended it should be moved on to the Metro Commission/JPA for their review and potential acceptance.

**13. ACTION: Consideration and Possible Action to Recommend Approval of FY 2015-2016 Atkins Contract**

Items 13 and 14 were taken up as one item. Karyn Keese announced that she will be retiring from Atkins as of July 1, 2015 but not from the JPA. When she started working for the JPA she had her own firm and will now be going back to this. The spreadsheet provided in the agenda packet outlined the split of the contract between Atkins and The Keze Group (TKG). Scott Tulloch will remain at Atkins and his budget has increased from \$29,606 to \$40,000 due to anticipated needs in the next fiscal year due to cost allocation presentations to PAs and accelerated Pure Water Program Costs. His hourly rate remains the same. TKG has decreased their hourly rate from the standard Atkins billing rate and has decreased their hours for Exhibit E auditing because only two years will be under audit. The net effect of the split of the contract is a decrease of \$3,600 for the upcoming fiscal year. On a motion by Jim Peasley, seconded by Steve Miesen the Items 13 and 14 were approved and recommended they should be moved on to the Metro Commission/JPA for their review and potential acceptance.

**14. ACTION: Consideration and Possible Action to Recommend Approval of FY 2015-2016 The Keze Group, LLC Contract... Included in Item 13.**

**15. Other Business of the Finance Committee**

There was no other business of the Finance Committee.

**16. Review of Items to be Brought Forward to the next Metro Commission/Metro JPA Meeting**

All action items will be brought forward to the Metro Commission at their June 4<sup>th</sup> meeting.

**17. Adjournment (To the next Regular Meeting, June 24, 2015)**

## Attachment 4

FY 2013 Exhibit E Audit

**CITY OF SAN DIEGO PUBLIC  
UTILITIES DEPARTMENT**

Schedule of Allocation for Billing to Metropolitan  
Wastewater Utility and Independent Auditor's Reports

For the Fiscal Year Ended June 30, 2013



Certified  
Public  
Accountants



**CITY OF SAN DIEGO PUBLIC UTILITIES DEPARTMENT**  
Schedule of Allocation for Billing to Metropolitan Wastewater Utility  
and Independent Auditor's Reports  
For the Fiscal Year Ended June 30, 2013

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## **Independent Auditor's Report on the Schedule of Allocation for Billing to Metropolitan Wastewater Utility**

To the Honorable Mayor and City  
Council of the City of San Diego  
San Diego, California

### **Report on the Schedule**

We have audited the accompanying Schedule of Allocation for Billing to Metropolitan Wastewater Utility (the Schedule) of the City of San Diego Public Utilities Department (PUD), an enterprise fund of the City of San Diego, California (the City) for the fiscal year ended June 30, 2013, and the related notes to the Schedule.

### ***Management's Responsibility for the Schedule***

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the modified cash basis of accounting described in Note 3; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the Schedule in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the Schedule referred to above presents fairly, in all material respects, the modified cash basis allocation of billing to the Metropolitan Wastewater Utility of the PUD pursuant to the Regional Wastewater Disposal Agreement (Agreement) between the City and the Participating Agencies in the Metropolitan Wastewater System dated May 18, 1998 and amended on May 15, 2000 and June 3, 2010, for the fiscal year ended June 30, 2013, in accordance with the modified cash basis of accounting described in Note 3.

***Basis of Accounting***

We draw attention to Note 3 of the Schedule, which describes the basis of accounting. The Schedule is prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2016 on our consideration of the PUD's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over the Schedule and compliance and the results of that testing, and not to provide an opinion on internal control over the Schedule or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the PUD's internal control over the Schedule and compliance.

A handwritten signature in blue ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

San Diego, California  
April 22, 2016

**CITY OF SAN DIEGO PUBLIC UTILITIES DEPARTMENT**  
Schedule of Allocation for Billing to Metropolitan Wastewater Utility  
For the Fiscal Year Ended June 30, 2013

	<b>Operating Expenses</b>		
	<b>Municipal System</b>	<b>Metropolitan System</b>	<b>Total</b>
<b>Transmission</b>			
Main Cleaning .....	\$ 11,004,826	\$ -	\$ 11,004,826
Sewer Pump Stations.....	5,134,321	-	5,134,321
Other Pump Stations.....	5,965,141	786,603	6,751,744
Pump Station 1.....	-	2,263,634	2,263,634
Pump Station 2.....	-	7,247,501	7,247,501
Other Muni Agencies.....	3,266,434	-	3,266,434
Pipeline Maintenance and Repair.....	9,550,440	1,619	9,552,059
Wastewater Collection (WWC) Engineering and Planning.....	2,151,394	-	2,151,394
<b>Total Transmission.....</b>	<b>37,072,556</b>	<b>10,299,357</b>	<b>47,371,913</b>
<b>Treatment and Disposal</b>			
Point Loma Wastewater Treatment Plant (PTLWWTP).....	-	22,354,603	22,354,603
North City Water Reclamation Plant (NCWRP).....	-	7,577,722	7,577,722
South Bay Water Reclamation Plant (SBWRP).....	-	7,242,551	7,242,551
Metropolitan Biosolids Center (MBC).....	-	14,757,955	14,757,955
Gas Utilization Facility (GUF).....	-	1,848,547	1,848,547
Wastewater Treatment and Disposal (WWTD) Plant Engineering.....	-	819,172	819,172
<b>Total Treatment and Disposal.....</b>	<b>-</b>	<b>54,600,550</b>	<b>54,600,550</b>
<b>Quality Control</b>			
Sewage Testing and Control.....	2,303,815	424,406	2,728,221
Marine Biology and Ocean Operations.....	-	5,593,666	5,593,666
Wastewater Chemistry Services.....	-	5,599,723	5,599,723
Industrial Permitting and Compliance.....	3,240,053	-	3,240,053
<b>Total Quality Control.....</b>	<b>5,543,868</b>	<b>11,617,795</b>	<b>17,161,663</b>
<b>Engineering</b>			
Program Management and Review.....	2,295,455	2,757,735	5,053,190
Environmental Support.....	1,387,450	100,807	1,488,257
<b>Total Engineering.....</b>	<b>3,682,905</b>	<b>2,858,542</b>	<b>6,541,447</b>
<b>Operational Support</b>			
Central Support: Clean Water Operations Management Network (Comnet).....	249,669	3,970,487	4,220,156
Operational Support.....	1,455,715	7,583,942	9,039,657
<b>Total Operational Support.....</b>	<b>1,705,384</b>	<b>11,554,429</b>	<b>13,259,813</b>
<b>General and Administration</b>			
Business Support Administration.....	21,582,594	17,264,932	38,847,526
Operating Division Administration.....	8,388,235	5,387,324	13,775,559
<b>Total General and Administration.....</b>	<b>29,970,829</b>	<b>22,652,256</b>	<b>52,623,085</b>
<b>TOTAL OPERATING EXPENSES.....</b>	<b>77,975,542</b>	<b>113,582,929</b>	<b>191,558,471</b>
<b>CAPITAL IMPROVEMENT EXPENSE.....</b>	<b>92,343,850</b>	<b>23,558,956</b>	<b>115,902,806</b>
<b>DEBT SERVICE ALLOCATION.....</b>	<b>47,327,214</b>	<b>55,910,778</b>	<b>103,237,992</b>
<b>METROPOLITAN SYSTEM INCOME CREDITS.....</b>			
Operating Revenue.....	-	(5,837,310)	(5,837,310)
CIP - Revenue Bond Issue.....	-	-	-
Operating - Grant Revenue.....	-	(8,797)	(8,797)
CIP - Grant/SRF Revenue.....	-	(3,145,264)	(3,145,264)
<b>TOTAL METROPOLITAN SYSTEM INCOME CREDITS.....</b>	<b>-</b>	<b>(8,991,371)</b>	<b>(8,991,371)</b>
<b>TOTAL ALLOCATION FOR BILLING PURPOSES.....</b>	<b>\$ 217,646,606</b>	<b>\$ 184,061,292</b>	<b>\$ 401,707,898</b>

See Accompanying Notes to the Schedule of Allocation for Billing to Metropolitan Wastewater Utility.

**CITY OF SAN DIEGO PUBLIC UTILITIES DEPARTMENT**  
Notes to the Schedule of Allocation for Billing to Metropolitan Wastewater Utility  
For the Fiscal Year Ended June 30, 2013

**Note 1 – General**

The City of San Diego Public Utilities Department (the PUD) operates and maintains the Metropolitan Wastewater System (the Metropolitan System) and the Municipal Wastewater Collection System (the Municipal System). The Participating Agencies and the City of San Diego (the City) have entered into the Regional Wastewater Disposal Agreement dated May 18, 1998 and amended on May 15, 2000 and June 3, 2010, for their respective share of usage and upkeep of the Metropolitan Wastewater Utility. The accompanying Schedule of Allocation for Billing to Metropolitan Wastewater Utility (the Schedule), represents the allocation of expenses for billing related to the Metropolitan Wastewater Utility of the Participating Agencies.

The Metropolitan System and Municipal System are accounted for as enterprise funds and reported in the Sewer Utility Fund in the City's Comprehensive Annual Financial Report.

**Note 2 – Participating Agencies**

The Participating Agencies consist of the following municipalities and districts:

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

The San Diego County Sanitation District was formed on July 1, 2011. The following former districts were reorganized and combined to form the San Diego County Sanitation District:

- East Otay Mesa Sewer Maintenance District
- Lakeside Sanitation District
- Alpine Sanitation District
- Winter Gardens Sewer Maintenance District
- Spring Valley Sanitation District

The reorganization does not affect the allocation of expenses for billing related to the Metropolitan System.

**Note 3 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The Schedule has been prepared for the purpose of complying with the Regional Wastewater Disposal Agreement between the City and the Participating Agencies as discussed in Note 1 above, and is presented on a modified cash basis of accounting. As a result, the Schedule is not intended to be a presentation of the changes in the financial position of the City or the PUD in conformity with generally accepted accounting principles. The more significant differences are:

1. Purchases of capital assets are presented as capital improvement expenses.
2. Depreciation expense on capital assets is not reported in the Schedule.
3. Payments of principal and interest related to long-term debt are reported as debt service allocation.

## **CITY OF SAN DIEGO PUBLIC UTILITIES DEPARTMENT**

### **Notes to the Schedule of Allocation for Billing to Metropolitan Wastewater Utility (Continued) For the Fiscal Year Ended June 30, 2013**

4. Exclusion in the Schedule for unbudgeted expenses related to compensated absences, liability claims, capitalized interest, pollution remediation, other postemployment benefits, net pension obligation, and landfill closure and postclosure care costs.

The preparation of the Schedule requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Note 4 –Capital Improvement Expense**

Construction costs incurred during the fiscal year to maintain and improve the Metropolitan Wastewater Utility and equipment purchases used in the maintenance of the Metropolitan Wastewater Utility are included in capital improvement expense.

Metropolitan Wastewater Utility capital improvement income credits include, if any, contributions-in-aid-of-construction received from Federal and State granting agencies and reimbursements from bond proceeds.

#### **Note 5 –Debt Service Allocation**

Debt service allocation represent a portion of the principal and interest payments relating to the Senior Sewer Revenue Bonds Series 2009A, the Senior Sewer Revenue Refunding Bonds Series 2009B and 2010A, and the outstanding State Revolving Fund (SRF) loans from the State of California.

#### **Note 6 – Metropolitan System Income Credits**

Metropolitan System income credits are revenues earned by the Metropolitan System for costs incurred during the current or previous fiscal years. The PUD has agreed to share the income credits from the South Bay Water Reclamation Facility in accordance with the 1998 Regional Wastewater Disposal Agreement. An agreement was reached in the fiscal year 2015 regarding revenue generated from the South Bay Water Reclamation Facility and revenue sharing payments were issued for the fiscal years from 2006 through 2014 to Participating Agencies. Hence, the revenue sharing payments for fiscal year 2013 are not included in the fiscal year 2013 Schedule.

#### **Note 7 – Total Allocation for Billing Purposes**

Costs to be billed to Participating Agencies include all individual construction projects costs and operation and maintenance expenses attributable to the Metropolitan System. Costs are apportioned back to the Participating Agencies based on their percentage of each of the totals of flow, suspended solids and chemical oxygen demand (COD). Each Participating Agency and the City are sampled quarterly, with plants sampled daily. The percentages are determined from cumulative samples and monitored flow.

For construction projects, percentages were allocated to flow, suspended solids and COD based on each of the project's design and function. The percentages are weighted by total project costs and combined to determine the final three derived percentages. Total annual costs are then allocated based on the three derived percentages and the measured flow, suspended solids and COD of each Participating Agency.

Operation and maintenance (O&M) costs as a percentage of flow, suspended solids and COD are evaluated based on four cost categories: pump stations, plant operations, technical services and cogeneration. These percentages are weighted by the annual O&M costs for each category, and combined to determine a derived percentage for administrative costs. All O&M costs are then allocated based on the measured flow, suspended solids and COD of each Participating Agency.

## **CITY OF SAN DIEGO PUBLIC UTILITIES DEPARTMENT**

Notes to the Schedule of Allocation for Billing to Metropolitan Wastewater Utility (Continued)  
For the Fiscal Year Ended June 30, 2013

### **Note 8 – Administrative Protocol**

In May 2010, the City of San Diego and all Participating Agencies signatory to the Regional Wastewater Disposal Agreement established an Administrative Protocol (Protocol) which was effective beginning in fiscal year 2010. The Protocol established a requirement that the Participating Agencies maintain a 1.2 debt service coverage ratio on parity debt, fund a 45 day operating reserve, and earn interest on the operating and unrestricted reserve accounts. All interest earned during fiscal year 2013 was credited to the operating reserve, which ended the fiscal year with a 45-day reserve.

### **Note 9 – Subsequent Events**

#### **Padre Dam Overbilling Sludge Issue**

The City of San Diego investigated an issue submitted by Padre Dam regarding possible overcharges and in April 2011, confirmed that Padre Dam was indeed overcharged. Thereafter, beginning in May 2011, the overcharge issue was generally discussed by the City of San Diego, Padre Dam and all other Participating Agencies, at many, if not all, Metro TAC meetings until April 2013, with the hope and goal of resolving the issue to the satisfaction of all parties. On December 5, 2013, Padre Dam and the City of San Diego issued a proposal with two options for consideration to Participating Agencies. In the fiscal year 2015 an agreement was reached regarding the Padre Dam overcharge and corrections were issued for the fiscal years 2009 through 2012 as part of the audit and closeout procedures.

#### **North City Wastewater Treatment Plant Billing Issue**

In February 2013, the City of San Diego discovered an additional billing issue associated with the North City Water Reclamation Plant wherein the City of San Diego may have omitted flow and under billed itself. In the fiscal year 2015, final agreement consensus was reached regarding how to account for the City's flow through the North City Reclamation Plant and correction was made for the fiscal years 2009 through 2012 as part of the audit and closeout procedures.



**Independent Auditor's Report on Internal Control Over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of the Schedule  
of Allocation for Billing to Metropolitan Wastewater Utility Performed  
in Accordance with *Government Auditing Standards***

To the Honorable Mayor and City  
Council of the City of San Diego  
San Diego, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Schedule of Allocation for Billing to Metropolitan Wastewater Utility (the Schedule) of the City of San Diego Public Utilities Department (PUD), an enterprise fund of the City of San Diego, California (the City), for the fiscal year ended June 30, 2013, and the related notes to the Schedule, and have issued our report thereon dated April 22, 2016. Our report contained an explanatory paragraph indicating that the Schedule was prepared for the purpose of complying with, and in conformity with, the accounting practices prescribed by the Regional Wastewater Disposal Agreement between the City of San Diego and the Participating Agencies in the Metropolitan Wastewater System dated May 18, 1998 and amended on May 15, 2000 and June 3, 2010.

**Internal Control over Financial Reporting**

In planning and performing our audit of the Schedule, we considered the PUD's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule, but not for the purpose of expressing an opinion on the effectiveness of the PUD's internal control. Accordingly, we do not express an opinion on the effectiveness of the PUD's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the PUD's Schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of Schedule amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

San Diego, California

April 22, 2016

TABLE A

CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT  
FISCAL YEAR 2013 UNIT COSTS  
FUNCTIONAL-DESIGN COST ALLOCATION METHOD

TREATMENT PARAMETER	FY 2013 BUDGET	UNITS	COST PER UNIT
WASTEWATER FLOW	AMOUNT \$90,083,602	62,402 (a)	\$1,443.60 /per Million Gallons
SUSPENDED SOLIDS	\$49,713,890	172,265 (b)	\$288.59 /per Thousand Pounds
CHEMICAL OXYGEN DEMAND	\$44,263,800	322,443 (c)	\$137.28 /per Thousand Pounds
TOTAL	\$184,061,292	100%	

- (a) Units of Flow - Million Gallons Per Year  
 (b) Units of SS - Thousands of Pounds per Year  
 (c) Units of COD - Thousands of Pounds per Year

TABLE B

CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT  
PROJECTED DISTRIBUTION OF SYSTEM WASTEWATER COSTS - FISCAL YEAR 2013  
FUNCTIONAL-DESIGN BASED ALLOCATION METHOD

AGENCY	ALLOCATION OF COSTS BY FLOW, SUSPENDED SOLIDS AND CHEMICAL OXYGEN DEMAND			TOTAL FLOW, SS & COD	TOTAL PAID FOR FY 2013	DIFFERENCE
	FLOW (a)	SS (a)	COD (a)			
CHULA VISTA	\$8,906,346	\$5,048,619	\$4,543,864	\$18,498,829	\$18,527,820	(\$28,991)
CORONADO	\$911,971	\$361,648	\$349,898	1,623,518	\$2,104,076	(\$480,558)
DEL MAR	\$311,979	\$182,786	\$140,936	635,701	\$790,380	(\$154,679)
EAST OTAY MESA	\$18,411	\$9,019	\$7,746	35,176	\$75,840	(\$40,664)
EL CAJON	\$4,027,522	\$1,723,497	\$1,605,872	7,356,891	\$8,840,232	(\$1,483,341)
IMPERIAL BEACH	\$1,223,822	\$597,409	\$497,218	2,318,450	\$2,379,436	(\$60,986)
LA MESA	\$2,561,488	\$1,090,629	\$963,397	4,615,514	\$4,990,204	(\$374,690)
LAKEVIEW/ALPINE	\$1,798,047	\$798,093	\$686,708	3,282,847	\$3,493,160	(\$210,313)
LEMON GROVE	\$1,159,342	\$482,715	\$491,460	2,133,518	\$2,291,448	(\$157,930)
NATIONAL CITY	\$2,217,448	\$1,095,163	\$1,085,171	4,397,782	\$4,863,816	(\$466,034)
OTAY	\$89,743	\$407,834	\$134,795	632,372	\$1,009,692	(\$377,320)
PADRE DAM	\$1,200,277	\$1,158,076	\$672,032	3,030,385	\$3,905,820	(\$875,435)
POWAY	\$1,619,310	\$847,495	\$628,654	3,095,459	\$3,522,780	(\$427,321)
SPRING VALLEY	\$3,841,540	\$1,918,667	\$1,538,548	7,298,754	\$7,491,184	(\$192,430)
WINTERGARDENS	\$522,330	\$219,893	\$164,619	906,842	\$955,904	(\$49,062)
SUBTOTAL PARTICIPATING AGENCIES	\$30,409,576	\$15,941,543	\$13,510,918	\$59,862,037	\$65,241,792	(\$5,379,755)
SAN DIEGO	\$59,674,027	\$33,772,347	\$30,752,881	\$124,199,255		
TOTAL	\$90,083,602	\$49,713,890	\$44,263,800	\$184,061,292		





TABLE D  
CITY OF SAN DIEGO - METROPOLITAN WASTEWATER DEPARTMENT  
ALLOCATION OF FISCAL YEAR 2013 ACTUAL COSTS  
FUNCTIONAL-DESIGN BASED ALLOCATION METHOD

DESCRIPTION	FY 2013 ACTUAL COSTS	ALLOCATION OF COSTS					TOTAL COSTS	
		FLOW %	FLOW COSTS	SS %	SS COSTS	COD %		COD COSTS
OPERATION AND MAINTENANCE:								
TRANSMISSION AND SYSTEM MAINTENANCE	\$10,299,357	100.0%	\$10,299,357	0.0%	\$0	0.0%	\$0	\$10,299,357
OPERATIONS & MAINTENANCE	51,932,831	36.5%	18,939,316	34.3%	17,802,946	29.3%	15,190,669	51,932,831
TECHNICAL SERVICES	11,193,389	30.0%	3,358,017	40.0%	4,477,356	30.0%	3,358,017	11,193,389
COGENERATION	328,354	0.0%	0	60.0%	197,012	40.0%	131,342	328,354
METRO ADMIN & GENERAL EXPENSES - 41508	21,043,873	44.2%	9,300,665	30.5%	6,413,321	25.3%	5,329,887	21,043,873
METRO ADMIN & GENERAL EXPENSES - 41509	13,985,306	44.2%	6,181,022	30.5%	4,262,155	25.3%	3,542,129	13,985,306
TOTAL OPERATIONS AND MAINTENANCE	\$108,783,110	44.20%	\$48,078,377	30.48%	\$33,152,690	25.33%	\$27,552,043	\$108,783,110
CAPITAL IMPROVEMENT PROGRAM:								
PAY-AS-YOU-GO METRO 41508	0	55.8000%	0	22.0000%	0	22.2000%	0	0
PAY-AS-YOU-GO METRO 41509	19,367,404	55.8000%	10,807,012	22.0000%	4,260,829	22.2000%	4,299,564	19,367,404
DEBT SERVICE	55,910,778	55.8000%	31,198,214	22.0000%	12,300,371	22.2000%	12,412,193	55,910,778
TOTAL CAPITAL IMPROVEMENT PROGRAM	\$75,278,182	55.8%	\$42,005,226	22.0%	\$16,561,200	22.2%	\$16,711,756	\$75,278,182
TOTAL O&M & CAPITAL IMPROVEMENT PROGRAM	\$184,061,292	48.9%	\$90,083,602	27.0%	\$49,713,890	24.0%	\$44,263,800	\$184,061,292

# Attachment 5

## FY 2017 Metro Budget

# Public Utilities FY 2017 Proposed Budget - Metro

May 25, 2016



## Fiscal Year 2017 Proposed Budget

### Sewer Utility Funds

Non-General Fund	FY 2016 Adopted Budget	FY 2017 Proposed Budget	Change from FY 2016 Adopted Budget
Metropolitan Sewer Fund	\$222,230,642	\$221,733,360	(\$497,282)
Municipal Sewer Fund	\$145,718,597	\$135,535,866	(\$10,182,731)





## Fiscal Year 2017 Proposed Budget

### Metro Sewer Fund Summary

Non-General Fund	FTE	FY 2016 Adopted Budget	FTE	FY 2017 Proposed Budget	FTE	Change from FY 2016 Adopted Budget
Metro Sewer Fund	462.21	\$222,230,642	462.20	\$221,733,360	(0.01)	(\$497,282)
Revenue		\$89,818,922		\$89,148,822		(\$670,100)



## Fiscal Year 2017 Proposed Budget

### Expenditures by Category

Expenditures by Category	FY2016 Budget	FY2017 Proposed	FY2016-2017 Change
Personnel	\$ 47,902,063	\$ 48,943,078	\$ 1,041,015
Supplies	\$ 20,666,666	\$ 21,312,782	\$ 646,116
Contracts	\$ 52,616,525	\$ 52,838,733	\$ 222,208
Information Technology	\$ 5,772,103	\$ 5,068,982	\$ (703,121)
Energy and Utilities	\$ 19,854,473	\$ 17,392,348	\$ (2,462,125)
Other	\$ 415,526	\$ 398,834	\$ (16,692)
Contingencies	\$ 3,500,000	\$ 3,500,000	\$ -
Transfers Out <sup>1</sup>	\$ 69,410,933	\$ 68,884,271	\$ (526,662)
Capital Expenditures	\$ 2,077,098	\$ 3,379,078	\$ 1,301,980
Debt	\$ 15,255	\$ 15,254	\$ (1)
<b>Total</b>	<b>\$ 222,230,642</b>	<b>\$ 221,733,360</b>	<b>\$ (497,282)</b>

<sup>1</sup> Includes \$59.7 million of Debt Service, prior to economic bond refunding savings for 2016 issuance.



# Summary of Major Changes

## Revenue

- Addition of \$134,000 for the South Bay Fuel Cell Monthly Site Lease
- Reduction of \$804,000 for State Revolving Fund Loan Proceeds



## Summary of Major Changes – cont.

### Expense

- Addition of \$5.1M for repairs to wastewater treatment and disposal facilities
- Addition of \$3.8M for consulting services for the Pure Water Program
- Addition of \$996,000 for marine biology and ocean operations
- Addition of \$983,000 for laboratory supplies, equipment, and facility improvements
- Addition of \$719,000 for SRF loan repayments to reflect amortization schedules for Fiscal Year 2017
- Reduction of \$3.3M for energy expense based on updated SDG&E estimated impacts
- Reduction of \$9.4M for previous FY one-time expenditures



## Fiscal Year 2017 CIP Budget Metro Fund

Project	FY 2017 Proposed Budget
PURE Water Program / ALA00001	\$38,000,000
PS2 Power Reliability & Surge Protection / S00312	\$7,000,000
Metropolitan Waste Water Department Trunk Sewers / AJB00001	\$3,600,000
I AM San Diego Project / S14000	\$3,495,805
Metro Treatment Plants / ABO00001	\$1,500,000
MBC Odor Control Facility Upgrades / S00323	\$1,100,000
<b>Total</b>	<b>\$54,695,805</b>



# Questions/Comments

# Public Utilities

## Metropolitan Sewer Utility Fund

### Department Expenditures

	FY2015 Actual	FY2016 Budget	FY2017 Proposed	FY2016-2017 Change
Metropolitan Wastewater - Metro	\$ 87,276,470	\$ 93,844,741	\$ -	\$ (93,844,741)
Public Utilities	108,442,891	128,385,901	221,733,360	93,347,459
<b>Total</b>	<b>\$ 195,719,361</b>	<b>\$ 222,230,642</b>	<b>\$ 221,733,360</b>	<b>\$ (497,282)</b>

### Department Personnel

	FY2015 Budget	FY2016 Budget	FY2017 Proposed	FY2016-2017 Change
Metropolitan Wastewater - Metro	269.40	271.08	0.00	(271.08)
Public Utilities	193.91	191.13	462.20	271.07
<b>Total</b>	<b>463.31</b>	<b>462.21</b>	<b>462.20</b>	<b>(0.01)</b>

### Significant Budget Adjustments

	FTE	Expenditures	Revenue
<b>Wastewater Treatment and Disposal</b> Addition of non-personnel expenditures for repairs to wastewater treatment and disposal facilities.	0.00	\$ 5,125,442	\$ -
<b>Pure Water Program</b> Addition of non-personnel expenditures for consulting services for the Pure Water Program.	0.00	3,843,445	-
<b>Salary and Benefit Adjustments</b> Adjustments to reflect the annualization of the Fiscal Year 2016 negotiated salary compensation schedule, changes to savings resulting from positions to be vacant for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiation adjustments.	0.00	1,018,003	-
<b>Marine Biology and Ocean Operations</b> Addition of non-personnel expenditures for consulting services associated with marine biology and ocean operations.	0.00	996,000	-
<b>Laboratory Supplies and Equipment</b> Addition of non-personnel expenditures for laboratory supplies, equipment, and facility improvements.	0.00	982,580	-
<b>State Revolving Fund (SRF) Adjustment</b> Addition of non-personnel expenditures for SRF loan repayments to reflect amortization schedules for Fiscal Year 2017.	0.00	719,071	-
<b>Contractual Services</b> Addition of non-personnel expenditures for miscellaneous contractual services.	0.00	73,920	-
<b>IAM Consulting Services</b> Addition of non-personnel expenditures for consulting services associated with the Infrastructure Asset Management (IAM, formerly EAM) project.	0.00	59,250	-
<b>Public Utilities Restructure</b> Reallocation among funds as a result of departmental efficiency efforts.	0.98	56,090	-

# Public Utilities

## Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
<b>Facility Studies</b> Addition of non-personnel expenditures for consulting services associated with environmental monitoring and technical services to assess facility needs.	0.00	50,000	-
<b>Non-Standard Hour Personnel Funding</b> Adjustment to expenditures according to a zero-based annual review of non-standard hour personnel funding requirements.	(0.63)	16,392	-
<b>Employee Rewards and Recognition Program</b> Addition of non-personnel expenditures to comply with the Employee Rewards and Recognition Program per Administrative Regulation 95.91.	0.00	14,918	-
<b>Supplemental Cost of Living Adjustment (COLA)</b> Adjustment to reflect the allocation of the pay-go costs for the continued funding of the Supplemental COLA Benefit.	0.00	(12,388)	-
<b>Reduction of Non-Personnel Expenditures</b> Reduction in non-personnel expenditures to align budget with anticipated expenditures.	0.00	(32,309)	-
<b>Infrastructure and Utilities Loan Program</b> Reduction of 0.24 Associate Management Analyst and 0.12 Senior Management Analyst associated with the centralization of the Infrastructure and Utilities Loan program under the Debt Management Department.	(0.36)	(45,973)	-
<b>Equipment/Support for Information Technology</b> Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements and priority analyses.	0.00	(703,121)	-
<b>Non-Discretionary Adjustment</b> Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	(3,284,818)	-
<b>One-Time Reductions and Annualizations</b> Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2016.	0.00	(9,373,784)	-
<b>Revised Revenue</b> Adjustment to reflect Fiscal Year 2017 revenue projections.	0.00	-	(670,100)
<b>Total</b>	<b>(0.01)</b>	<b>\$ (497,282)</b>	<b>\$ (670,100)</b>

## Expenditures by Category

	FY2015 Actual	FY2016 Budget	FY2017 Proposed	FY2016-2017 Change
<b>PERSONNEL</b>				
Personnel Cost	\$ 29,350,036	\$ 29,653,406	\$ 29,655,615	\$ 2,209
Fringe Benefits	18,476,931	18,248,657	19,287,463	1,038,806
<b>PERSONNEL SUBTOTAL</b>	<b>47,826,967</b>	<b>47,902,063</b>	<b>48,943,078</b>	<b>1,041,015</b>



# Public Utilities

## Expenditures by Category (Cont'd)

	FY2015 Actual	FY2016 Budget	FY2017 Proposed	FY2016-2017 Change
<b>NON-PERSONNEL</b>				
Supplies	\$ 18,711,282	\$ 20,666,666	\$ 21,312,782	\$ 646,116
Contracts	38,356,522	52,616,525	52,838,733	222,208
Information Technology	3,639,453	5,772,103	5,068,982	(703,121)
Energy and Utilities	17,947,115	19,854,473	17,392,348	(2,462,125)
Other	799,359	415,526	398,834	(16,692)
Contingencies	-	-	3,500,000	3,500,000
Reserves	-	3,500,000	-	(3,500,000)
Transfers Out	65,150,259	69,410,933	68,884,271	(526,662)
Capital Expenditures	3,503,661	2,077,098	3,379,078	1,301,980
Debt	(215,255)	15,255	15,254	(1)
<b>NON-PERSONNEL SUBTOTAL</b>	<b>147,892,394</b>	<b>174,328,579</b>	<b>172,790,282</b>	<b>(1,538,297)</b>
<b>Total</b>	<b>\$ 195,719,361</b>	<b>\$ 222,230,642</b>	<b>\$ 221,733,360</b>	<b>\$ (497,282)</b>

## Revenues by Category

	FY2015 Actual	FY2016 Budget	FY2017 Proposed	FY2016-2017 Change
Charges for Services	\$ 66,476,901	\$ 69,195,422	\$ 69,195,422	\$ -
Other Revenue	334,681	100,000	100,000	-
Rev from Money and Prop	1,697,932	-	134,400	134,400
Rev from Other Agencies	-	20,523,500	19,719,000	(804,500)
Transfers In	7,370,253	-	-	-
<b>Total</b>	<b>\$ 75,879,768</b>	<b>\$ 89,818,922</b>	<b>\$ 89,148,822</b>	<b>\$ (670,100)</b>

## Personnel Expenditures

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Proposed	Salary Range	Total
<b>FTE, Salaries, and Wages</b>						
20000011	Account Clerk	4.51	4.89	4.89	\$31,491 - \$37,918	\$ 179,342
20000007	Accountant 3	0.33	0.33	0.33	59,363 - 71,760	23,676
20000102	Accountant 4	0.33	0.33	0.33	66,768 - 88,982	29,365
90000102	Accountant 4	0.00	0.00	0.10	66,768 - 88,982	8,898
20000012	Administrative Aide 1	1.26	1.10	0.44	36,962 - 44,533	19,524
20000024	Administrative Aide 2	6.28	5.19	5.85	42,578 - 51,334	279,730
20000057	Assistant Chemist	26.00	24.00	23.00	53,789 - 65,333	1,401,994
20001140	Assistant Department Director	0.66	1.16	1.16	31,741 - 173,971	162,403
20001202	Assistant Deputy Director	0.00	1.00	1.00	23,005 - 137,904	80,454
90001202	Assistant Deputy Director	0.00	0.00	0.35	23,005 - 137,904	28,159
20000070	Assistant Engineer-Civil	8.22	8.42	8.42	57,866 - 69,722	547,603
20000087	Assistant Engineer-Mechanical	0.61	0.61	0.61	57,866 - 69,722	42,529
20000080	Assistant Laboratory Technician	1.00	1.00	1.00	33,696 - 40,602	40,602
20000041	Assistant Management Analyst	0.33	0.33	0.33	44,470 - 54,059	17,483
20001228	Assistant Metropolitan Wastewater Director	0.33	0.33	0.33	31,741 - 173,971	46,199
20000140	Associate Chemist	7.25	7.25	7.25	62,005 - 75,067	537,441
20000311	Associate Department Human Resources Analyst	1.65	1.65	1.65	54,059 - 65,333	102,728

# Public Utilities

## Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Proposed	Salary Range	Total
90000143	Associate Engineer-Civil	0.35	0.35	<b>0.00</b>	66,622 - 80,454	-
20000143	Associate Engineer-Civil	10.00	11.34	<b>10.73</b>	66,622 - 80,454	830,791
20000145	Associate Engineer-Civil	0.50	0.83	<b>1.16</b>	66,622 - 80,454	87,936
90000150	Associate Engineer-Electrical	0.00	0.00	<b>0.35</b>	66,622 - 80,454	25,626
20000150	Associate Engineer-Electrical	2.61	2.61	<b>3.22</b>	66,622 - 80,454	247,922
20000154	Associate Engineer-Mechanical	0.61	0.61	<b>0.61</b>	66,622 - 80,454	40,642
20000119	Associate Management Analyst	11.94	11.21	<b>11.04</b>	54,059 - 65,333	684,496
20000134	Associate Management Analyst	0.33	0.33	<b>0.33</b>	54,059 - 65,333	21,565
90000119	Associate Management Analyst	0.00	0.08	<b>0.08</b>	54,059 - 65,333	5,227
20000132	Associate Management Analyst	0.25	0.33	<b>0.33</b>	54,059 - 65,333	17,843
20000162	Associate Planner	0.66	0.34	<b>0.34</b>	56,722 - 68,536	21,467
20000655	Biologist 2	6.00	6.00	<b>6.00</b>	53,726 - 65,333	383,251
20000648	Biologist 3	1.00	1.50	<b>3.50</b>	62,005 - 75,067	234,051
20000649	Biologist 3	0.24	0.24	<b>0.24</b>	62,005 - 75,067	17,710
20000195	Boat Operator	1.00	1.00	<b>1.00</b>	43,493 - 51,896	46,559
20000205	Building Service Supervisor	1.34	1.34	<b>1.34</b>	45,718 - 55,286	74,079
20000224	Building Service Technician	2.34	2.34	<b>2.34</b>	33,322 - 39,666	85,648
20000539	Clerical Assistant 2	8.70	8.32	<b>5.99</b>	29,931 - 36,067	207,367
20000306	Code Compliance Officer	0.00	0.44	<b>0.44</b>	37,232 - 44,803	16,368
20000307	Code Compliance Supervisor	0.00	0.11	<b>0.11</b>	42,890 - 51,334	4,716
20000545	Contracts Processing Clerk	0.00	0.00	<b>0.33</b>	32,968 - 39,811	10,885
20001168	Deputy Director	2.60	2.44	<b>2.44</b>	46,966 - 172,744	292,800
90001168	Deputy Director	0.35	0.25	<b>0.00</b>	46,966 - 172,744	-
20000434	Electronics Technician	0.00	0.33	<b>0.33</b>	47,091 - 56,534	15,541
20000438	Equipment Painter	0.00	2.00	<b>2.00</b>	44,366 - 53,206	88,732
90000924	Executive Secretary	0.12	0.11	<b>0.00</b>	43,555 - 52,666	-
20000924	Executive Secretary	0.33	0.33	<b>0.33</b>	43,555 - 52,666	17,113
20000461	Field Representative	0.81	0.55	<b>0.55</b>	32,323 - 38,917	19,624
20000184	Fleet Parts Buyer	1.00	1.00	<b>1.00</b>	44,637 - 54,059	49,238
90000819	Golf Course Manager	0.10	0.04	<b>0.00</b>	59,488 - 71,760	-
20000501	Heavy Truck Driver 2	3.00	3.00	<b>3.00</b>	37,565 - 45,302	135,906
20000178	Information Systems Administrator	0.34	0.34	<b>0.34</b>	73,466 - 88,982	30,253
20000290	Information Systems Analyst 2	3.06	3.06	<b>2.04</b>	54,059 - 65,333	131,128
20000293	Information Systems Analyst 3	2.38	2.38	<b>2.38</b>	59,363 - 71,760	170,772
20000999	Information Systems Analyst 4	1.00	1.00	<b>1.00</b>	66,768 - 80,891	80,891
20000998	Information Systems Analyst 4	1.36	1.36	<b>1.36</b>	66,768 - 80,891	105,216
20000514	Instrumentation and Control Supervisor	1.00	1.00	<b>1.00</b>	56,410 - 68,224	68,224
90000515	Instrumentation and Control Technician	0.00	0.35	<b>0.35</b>	51,896 - 62,296	19,853
20000515	Instrumentation and Control Technician	8.00	8.00	<b>8.00</b>	51,896 - 62,296	455,522
20000497	Irrigation Specialist	0.81	0.33	<b>0.33</b>	37,814 - 45,261	14,746

# Public Utilities

## Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Proposed	Salary Range	Total
20000590	Laboratory Technician	17.00	19.00	<b>20.00</b>	40,622 - 49,067	931,306
20000618	Machinist	4.00	4.00	<b>4.00</b>	46,134 - 55,266	221,064
90001073	Management Intern	2.94	2.06	<b>0.74</b>	24,274 - 29,203	19,748
20000625	Marine Biologist 2	1.00	1.00	<b>1.00</b>	53,726 - 65,333	53,726
20000624	Marine Biologist 2	17.00	17.00	<b>17.00</b>	53,726 - 65,333	1,046,844
20000626	Marine Biologist 3	5.00	5.00	<b>4.00</b>	62,005 - 75,067	300,268
20000634	Organization Effectiveness Specialist 2	0.99	0.99	<b>0.99</b>	54,059 - 65,333	57,251
20000627	Organization Effectiveness Specialist 3	0.58	0.55	<b>0.55</b>	59,363 - 71,760	39,468
20000639	Organization Effectiveness Supervisor	0.33	0.66	<b>0.66</b>	66,768 - 80,891	51,817
20000667	Painter	3.00	3.00	<b>3.00</b>	41,600 - 49,962	143,839
20000680	Payroll Specialist 2	3.30	3.30	<b>3.30</b>	34,611 - 41,787	132,748
20000173	Payroll Supervisor	0.66	0.66	<b>0.66</b>	39,686 - 48,069	31,174
20000701	Plant Process Control Electrician	19.00	19.00	<b>19.00</b>	51,896 - 62,296	1,138,104
20000703	Plant Process Control Supervisor	3.00	3.00	<b>3.00</b>	56,410 - 68,224	203,649
20000705	Plant Process Control Supervisor	6.33	6.33	<b>6.33</b>	56,410 - 68,224	426,566
90000687	Plant Technician 1	1.00	0.00	<b>0.00</b>	37,814 - 45,261	-
20000687	Plant Technician 1	22.00	22.00	<b>21.00</b>	37,814 - 45,261	927,217
20000688	Plant Technician 2	25.00	25.00	<b>25.00</b>	41,454 - 49,504	1,183,142
20000689	Plant Technician 3	14.00	14.00	<b>14.00</b>	45,490 - 54,434	759,073
20000706	Plant Technician Supervisor	9.00	9.00	<b>9.00</b>	52,666 - 62,837	550,504
20000732	Power Plant Operator	4.00	4.00	<b>4.00</b>	49,712 - 59,342	208,478
90000733	Power Plant Supervisor	0.35	0.00	<b>0.00</b>	55,141 - 66,581	-
20000733	Power Plant Supervisor	2.00	2.00	<b>2.00</b>	55,141 - 66,581	133,162
21000184	Principal Backflow & Cross Connection Specialist	0.27	0.11	<b>0.11</b>	50,003 - 60,549	6,528
20000740	Principal Drafting Aide	0.99	0.88	<b>0.88</b>	50,003 - 60,549	52,978
20000743	Principal Engineering Aide	1.94	2.01	<b>2.01</b>	50,003 - 60,549	120,342
20000707	Principal Plant Technician Supervisor	2.00	2.00	<b>2.00</b>	63,024 - 76,045	152,090
20000227	Procurement Specialist	0.00	0.00	<b>1.00</b>	49,109 - 59,488	59,488
90001222	Program Manager	0.00	0.17	<b>0.00</b>	46,966 - 172,744	-
20001222	Program Manager	4.63	4.47	<b>4.47</b>	46,966 - 172,744	494,130
20000760	Project Assistant	0.12	0.12	<b>0.12</b>	57,866 - 69,722	7,887
20000761	Project Officer 1	0.24	0.24	<b>0.24</b>	66,622 - 80,454	19,030
90000761	Project Officer 1	0.10	0.04	<b>0.00</b>	66,622 - 80,454	-
20000766	Project Officer 2	0.54	0.44	<b>0.44</b>	76,794 - 92,851	35,558
20000763	Project Officer 2	0.73	0.73	<b>0.73</b>	76,794 - 92,851	66,162
20000768	Property Agent	0.00	0.11	<b>0.11</b>	59,363 - 71,760	6,528
20000783	Public Information Clerk	0.93	0.77	<b>0.77</b>	31,491 - 37,918	28,760
20000784	Public Information Officer	0.50	0.00	<b>0.00</b>	43,514 - 52,707	-
20001150	Public Utilities Director	0.33	0.33	<b>0.33</b>	59,155 - 224,099	62,039

# Public Utilities

## Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Proposed	Salary Range	Total
20000319	Pump Station Operator	10.00	10.00	<b>10.00</b>	43,493 - 51,917	508,118
20000320	Pump Station Operator Supervisor	1.00	1.00	<b>1.00</b>	47,674 - 56,888	56,888
20000560	Recycling Program Manager	0.33	0.22	<b>0.22</b>	76,731 - 92,893	20,436
20000559	Recycling Program Manager	0.27	0.11	<b>0.11</b>	76,731 - 92,893	10,224
20000847	Safety Officer	0.66	0.66	<b>0.66</b>	57,907 - 69,930	46,156
20000854	Safety Representative 2	3.31	3.31	<b>3.31</b>	50,461 - 61,027	198,996
20001042	Safety and Training Manager	0.99	0.99	<b>0.99</b>	66,768 - 80,891	79,700
90001042	Safety and Training Manager	0.00	0.35	<b>0.35</b>	66,768 - 80,891	25,706
20000869	Senior Account Clerk	0.76	0.76	<b>0.76</b>	36,067 - 43,514	30,239
21000183	Senior Backflow & Cross Connection Specialist	2.62	1.66	<b>1.66</b>	44,429 - 53,706	83,943
20000828	Senior Biologist	0.77	0.61	<b>0.61</b>	71,760 - 86,466	52,749
20000196	Senior Boat Operator	1.00	1.00	<b>1.00</b>	47,840 - 57,117	57,117
20000883	Senior Chemist	1.45	1.45	<b>1.45</b>	71,739 - 86,466	124,593
20000890	Senior Civil Engineer	0.33	0.33	<b>0.33</b>	76,794 - 92,851	30,189
20000885	Senior Civil Engineer	3.85	3.87	<b>3.87</b>	76,794 - 92,851	354,996
90000885	Senior Civil Engineer	0.35	0.35	<b>0.35</b>	76,794 - 92,851	29,564
20000927	Senior Clerk/Typist	1.00	1.00	<b>1.00</b>	36,067 - 43,514	42,644
20000312	Senior Department Human Resources Analyst	0.33	0.33	<b>0.33</b>	59,363 - 71,760	19,595
20000400	Senior Drafting Aide	3.64	3.64	<b>3.64</b>	44,429 - 53,706	182,755
20000905	Senior Electrical Engineer	1.00	1.00	<b>1.00</b>	76,794 - 92,851	92,851
90000015	Senior Management Analyst	0.00	0.00	<b>0.08</b>	59,363 - 71,760	4,749
20000015	Senior Management Analyst	4.61	5.52	<b>5.45</b>	59,363 - 71,760	372,012
20000880	Senior Marine Biologist	1.00	1.00	<b>1.00</b>	71,760 - 86,466	86,466
20000920	Senior Planner	0.81	0.44	<b>0.55</b>	65,354 - 79,019	41,964
20000918	Senior Planner	0.39	0.23	<b>0.34</b>	65,354 - 79,019	25,170
20000708	Senior Plant Technician Supervisor	7.33	7.33	<b>7.33</b>	60,070 - 72,467	529,619
20000968	Senior Power Plant Supervisor	1.00	1.00	<b>1.00</b>	63,357 - 76,440	76,440
90000968	Senior Power Plant Supervisor	0.35	0.35	<b>0.35</b>	63,357 - 76,440	24,352
20000938	Senior Wastewater Operations Supervisor	6.00	6.00	<b>6.00</b>	70,699 - 85,530	481,378
20000055	Senior Wastewater Plant Operator	1.00	1.00	<b>2.00</b>	56,534 - 67,621	121,451
20000950	Stock Clerk	5.34	5.34	<b>5.34</b>	30,056 - 36,275	186,765
20000955	Storekeeper 1	3.34	3.34	<b>3.34</b>	34,611 - 41,517	136,589
20000956	Storekeeper 2	2.00	2.00	<b>2.00</b>	37,835 - 45,718	89,748
20000954	Storekeeper 3	1.00	1.00	<b>1.00</b>	39,811 - 47,882	47,164
90000964	Student Engineer	0.68	0.54	<b>0.96</b>	26,707 - 32,011	28,036
20000313	Supervising Department Human Resources Analyst	0.33	0.33	<b>0.66</b>	66,768 - 80,891	50,263
20000995	Supervising Economist	0.41	0.41	<b>0.41</b>	66,768 - 80,891	33,167
20000990	Supervising Field Representative	0.27	0.11	<b>0.11</b>	35,651 - 42,890	4,716

# Public Utilities

## Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2015 Budget	FY2016 Budget	FY2017 Proposed	Salary Range	Total
20000985	Supervising Management Analyst	0.27	0.11	<b>0.11</b>	66,768 - 80,891	8,903
20000970	Supervising Management Analyst	3.98	3.90	<b>4.01</b>	66,768 - 80,891	312,810
21000177	Trainer	1.32	1.98	<b>1.98</b>	54,059 - 65,333	122,376
20001041	Training Supervisor	0.25	0.22	<b>0.22</b>	59,363 - 71,760	13,056
20000937	Wastewater Operations Supervisor	25.00	25.00	<b>25.00</b>	64,667 - 77,293	1,912,211
20000941	Wastewater Plant Operator	43.00	42.00	<b>41.00</b>	53,830 - 64,397	2,449,772
20000931	Wastewater Treatment Superintendent	4.00	4.00	<b>4.00</b>	81,578 - 98,675	356,453
90000931	Wastewater Treatment Superintendent	0.00	0.35	<b>0.70</b>	81,578 - 98,675	62,972
20001058	Welder	2.00	2.00	<b>2.00</b>	44,366 - 53,206	105,614
20000756	Word Processing Operator	6.28	5.32	<b>7.21</b>	31,491 - 37,918	262,813
	Bilingual - Regular					3,854
	Budgeted Vacancy Savings					(1,251,724)
	Exceptional Performance Pay-Classified					927
	Exceptional Performance Pay-Unclassified					1,045
	Geographic Info Cert Pay					2,655
	Night Shift Pay					83,714
	Overtime Budgeted					2,385,649
	Plant/Tank Vol Cert Pay					89,432
	Reg Pay For Engineers					191,248
	Sick Leave - Hourly					6,449
	Split Shift Pay					25,481
	Termination Pay Annual Leave					94,321
	Vacation Pay In Lieu					45,930
	Welding Certification					3,640
<b>FTE, Salaries, and Wages Subtotal</b>		<b>463.31</b>	<b>462.21</b>	<b>462.20</b>		<b>\$ 29,655,615</b>
		<b>FY2015 Actual</b>	<b>FY2016 Budget</b>	<b>FY2017 Proposed</b>	<b>FY2016-2017 Change</b>	
<b>Fringe Benefits</b>						
	Employee Offset Savings	\$ 151,005	\$ 148,220	\$ 140,439	\$ (7,781)	
	Flexible Benefits	3,012,771	3,641,986	4,395,635	753,649	
	Long-Term Disability	234,278	87,058	85,277	(1,781)	
	Medicare	394,077	364,613	365,355	742	
	Other Post-Employment Benefits	2,593,687	2,540,358	2,585,323	44,965	
	Retiree Medical Trust	11,275	13,053	17,589	4,536	
	Retirement 401 Plan	21,458	18,264	20,051	1,787	
	Retirement ADC	9,276,540	8,619,500	8,723,024	103,524	
	Retirement DROP	142,076	143,717	127,542	(16,175)	
	Risk Management Administration	373,508	453,907	446,368	(7,539)	
	Supplemental Pension Savings Plan	1,616,728	1,616,524	1,655,862	39,338	
	Unemployment Insurance	54,258	49,833	49,017	(816)	
	Workers' Compensation	595,271	551,624	675,981	124,357	
<b>Fringe Benefits Subtotal</b>		<b>\$ 18,476,931</b>	<b>\$ 18,248,657</b>	<b>\$ 19,287,463</b>	<b>\$ 1,038,806</b>	
<b>Total Personnel Expenditures</b>					<b>\$ 48,943,078</b>	

## Attachment 6

### FY 2017 Metro JPA Budget



**PROPOSED BUDGET  
FISCAL YEAR '17**

**Metro Wastewater JPA  
Proposed Budget FY '17**

	FY '16		FY '17			
	Budget (Approved)	Projected (Actual)	Budget (Proposed)	Difference from FY '16 Budget	Difference from FY '16 Projected	Notes on FY '17 Budget Preparation
INCOME						
Membership Dues	\$ 256,610	\$ 256,610	\$ 227,300	\$ (29,310)	\$ (29,310)	Revenue spread over 12 months. Total is budgeted to break even.
Interest Income	20	57	50	30	(7)	Estimate interest revenue increase for larger savings balance
Total Income	\$ 256,630	\$ 256,667	\$ 227,350	\$ (29,280)	\$ (29,317)	
EXPENSES						
Administrative Support-LP	\$ 4,000	\$ 2,708	\$ 8,000	\$ 4,000	\$ 5,292	Less meetings in FY '16; taking over minutes in FY '17
Bank Charges	200	-	200	-	200	Temporary waiver granted from bank
Contingencies	-	-	-	-	-	Reserves high enough - no need for additional contingency
Dues and Subscriptions	600	538	600	-	62	S.C. Alliance of Public Treatment Works
Financial Services						
Audit Fees	12,000	-	12,000	-	12,000	Audit will not be complete in FY '16; project completion in FY '17
Treasury Services-Padre	19,000	16,000	19,000	-	3,000	Per contract. Bi-Annual Audit in FY '17
JPA/TAC meeting expenses	5,000	5,000	5,000	-	(0)	Keep flat
Mileage Reimbursement	500	-	-	(500)	-	
Miscellaneous	250	-	250	-	250	
Per Diems - Board	18,000	9,800	18,000	-	8,200	Per diem bills received through 2/15/16. Keep flat for FY '17
Printing, Postage, Supplies	400	237	500	100	263	Merge Postage and printing lines
Professional Services						
Atkins (Engineering)	59,580	5,000	50,000	(9,580)	45,000	Lowered per discussion of estimated work for 2017
BB&K (Legal)	35,000	25,000	45,000	10,000	20,000	Increase; opening up regional agreement in 2017
Kese Group (Eng/Fin)	98,300	45,000	65,000	(33,300)	20,000	Lowered in FY '17. Recycled water task complete and no longer taking minutes
Telephone	1,400	523	1,400	-	877	Keep flat for Admin Assistant
Web Site Hosting & Maintenance	2,400	2,400	2,400	-	-	Budget \$200/month for web hosting
Total Expense	\$ 256,630	\$ 112,206	\$ 227,350	\$ (29,280)	\$ 115,144	
NET INCOME	\$ -	\$ 144,461	\$ -	\$ -	\$ (144,461)	

**RESERVE REQUIREMENT**

Fund Balance at 6/30/15	\$ 126,475
Projected Net Income for FY '16	144,461
Projected Fund Balance @ 6/30/16	270,936
FY '17 JPA Required Operating Reserve (4 Months Operating Expenses)	75,783
Projected Fund Balance @ 6/30/16 Over/(Under) Required Reserves	\$ 195,153

**EFFECT OF BILLING 1/2 EXPENSES**

Projected Fund Balance @ 6/30/16	\$ 270,936
1/2 Budgeted Expenses for FY '17 - PROPOSED BILLING	(113,675)
Projected Fund Balance @ 6/30/17	\$ 157,261
FY '17 JPA Required Operating Reserve	75,783
Over Required Reserve	\$ 81,478



**Metro Wastewater JPA  
Agency Cost Allocations FY '17**

	<b>Prior Year (FY '16)</b>	
	<b>Commission Flow Distribution %</b>	<b>Total Agency Billings</b>
Chula Vista	27.76%	\$ 63,105
Coronado	4.33%	\$ 9,841
County of SD *	18.81%	\$ 42,750
Del Mar	0.92%	\$ 2,089
El Cajon	13.57%	\$ 30,846
Imperial Beach	3.94%	\$ 8,947
La Mesa	8.06%	\$ 18,329
Lemon Grove	3.88%	\$ 8,814
National City	8.14%	\$ 18,500
Otay Water District	0.68%	\$ 1,552
Padre Dam MWD	4.28%	\$ 9,724
Poway	5.63%	\$ 12,805
<b>Total Flow</b>	<b>100.00%</b>	<b>\$ 227,302</b>

Total Required Agency Billings from P&L

<b>Proposed FY '17</b>	
<b>Commission Flow Distribution %</b>	<b>Total Agency Billings</b>
31.48%	<b>\$ 35,777</b>
3.10%	<b>\$ 3,524</b>
15.05%	<b>\$ 17,106</b>
1.11%	<b>\$ 1,258</b>
14.48%	<b>\$ 16,454</b>
4.31%	<b>\$ 4,899</b>
8.74%	<b>\$ 9,936</b>
4.15%	<b>\$ 4,713</b>
7.89%	<b>\$ 8,961</b>
0.42%	<b>\$ 472</b>
4.15%	<b>\$ 4,721</b>
5.13%	<b>\$ 5,829</b>
<b>100.00%</b>	<b>\$ 113,650</b>
	<b>\$ 113,650</b>

\* County of SD includes East Otay Mesa, Lakeside/Alpine, Spring Valley and Wintergardens

## Attachment 7

FY 2017 Atkins Contract  
for Engineering Services

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

This agreement ("Agreement") is made and entered into as of \_\_\_\_\_, ~~2015~~2016, 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"). Metro JPA and Consultant are sometimes referred to individually as "Party" and collectively as "Parties."

**RECITALS**

A. The Metro JPA would like to retain the services of Consultant to provide as-needed technical and engineering support services as set forth in more detail herein for the fiscal year of ~~2015~~2016-~~16~~2017.

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 ("Services").

2. Compensation.

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

b. In no event shall the total amount paid for services rendered by Consultant pursuant to Exhibit "A" exceed ~~\$59,580~~50,000. Periodic payments shall be made within thirty (30) days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

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

4. Substitution of Key Personnel. Consultant has represented to Metro JPA that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence and experience upon written approval of Metro JPA. In the event that Metro JPA and Consultant cannot agree as to the substitution of key personnel, Metro JPA shall be entitled to terminate this Agreement for cause, pursuant to provisions of Section 16 of this Agreement. The key personnel for performance of this Agreement are as follows: Scott Tulloch.

5. Maintenance of Records.

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

6. Time of Performance; Term.

Consultant shall commence and perform its services in a prompt and timely manner upon execution of this Agreement. This Agreement shall terminate on June 30, ~~2016~~2017, unless otherwise extended by a written amendment signed by both Parties, or otherwise earlier terminated as provided for herein.

7. Delays in Performance.

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

Should such circumstances occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the

circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

8. Compliance with Law.

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

9. Standard of Care.

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

10. Assignment and Subconsultant.

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

11. Independent Consultant.

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

12. Insurance.

a. Commercial General Liability.

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, 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) or exact equivalent

(2) The policy shall contain no endorsements or provisions (A) limiting coverage for contractual liability; (B) excluding cross liability for claims or suits

by one insured against another; or (C) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(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) The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26 or 21 29); or (2) cross liability for claims or suits by one insured against another.

(v) All such policies shall be endorsed 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 using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Metro JPA. Consultant shall guarantee that the insurer shall eliminate such deductibles or self-insured retentions as respects Metro JPA, its members, directors, officials, officers, employees, agents, and volunteers.

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, and provided that deductibles shall not apply to Metro JPA as an additional insured.

(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 Insurance 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 the Consultant has taken out for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by the Consultant 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 or Errors and Omissions Insurance appropriate to its profession, in a form and with insurance companies acceptable to Metro JPA and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The retroactive date, if any, of each such policy is to be no later than the effective date of this Agreement, and Consultant shall maintain such coverage continuously for a period of at least three (3) years following the completion of work under this Agreement.

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)

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

(iii) Requirement of specific coverage or minimum limits contained in this Agreement are not intended as a limitation on coverage, limits or any other requirement, or a waiver of any coverage normally provided by any insurance.

Notwithstanding the minimum limits set forth in this Section 12(e), any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Agreement.

f. Evidence Required.

Prior to execution of the Agreement, the Consultant shall file with the Metro JPA evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with all endorsements to the policies described therein. 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 thirty (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. In the event any insurer providing coverage required under this Agreement shall fail to provide the notice required in this section, Consultant shall be responsible to provide such notice to the Metro JPA. Consultant is responsible to replace any and all policies



required under this Agreement which are cancelled during the term of this Agreement no later than the effective date of cancellation.

(ii) All policies of Commercial General Liability and Automobile Liability insurance shall contain a provision stating that the Consultant's policies are primary insurance and the insurance of the Metro JPA, its members, or any named or additional insureds shall not be called upon to contribute to any loss. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to Metro JPA, its members, officials, officers, employees, agents and volunteers, or any other additional insureds.

(iii) All policies of Commercial General Liability and Automobile Liability insurance shall contain or shall be endorsed to contain a waiver of subrogation against the Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers; or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss, and Consultant hereby waives its own right of recovery against Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers, or any other additional insureds, and shall require similar waivers from each of its subconsultants.

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 admitted to do business in California and maintain an agent for process within the state or be otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law. 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 has the right but not the duty to acquire the necessary insurance for the Consultant and

deduct the cost thereof from the appropriate progress payments due the Consultant, or backcharge the Consultant for such costs in the event they exceed the amount of unpaid progress payments due the Consultant. In the alternative, Metro JPA may cancel this Agreement.

(iii) Consultant shall not allow any subconsultants to commence work on any subcontract relating to the work under the Agreement until they have provided evidence satisfactory to the Metro JPA that they have secured all insurance required under this Section. If requested by Consultant, Metro JPA may approve different scopes or minimum limits of insurance for particular subconsultants. The Consultant and Metro JPA shall be named as additional insureds on all subconsultants' policies of Commercial General Liability using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage.

(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.

To the fullest extent permitted by law, 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 of 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 provision shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Consultant.

### 14. California Labor Code Requirements.

Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify and hold Metro JPA, its member agencies, elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.

Effective March 1, 2015, if the services are being performed as part of an applicable “public works” or “maintenance” project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations (“DIR”). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. The project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

15. 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.

16. 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.

17. Notice.

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

<b>METRO JPA:</b>	<b>CONSULTANT:</b>
Metro Wastewater JPA c/o La Mesa City Hall 8130 Allison Ave., La Mesa, CA 91942 <b>Attn:</b> c/o Greg Humora, City of La Mesa	Atkins North America, Inc. 3570 Carmel Mountain Road, Suite 300 San Diego, CA 92130 <b>Attn:</b> <del>Mark—Elliott</del> <a href="#">Robert “Jud” Warren</a> , <a href="#">Project Director</a>

and shall be effective upon receipt thereof.

18. 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.

19. Third Party Rights.

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

20. 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.

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

**METRO WASTEWATER JPA:**

**ATKINS NORTH AMERICA INC.:**

By: \_\_\_\_\_  
Jim Peasley  
Chairperson

By: \_\_\_\_\_  
[Robert “Jud” Warren](#)  
[Project Director](#)

APPROVED AS TO FORM:

---

Paula C. P. de Sousa [Mills](#)  
General Counsel  
METRO WASTEWATER JPA

**EXHIBIT “A”**  
**Scope of Services and Budget**

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

The purpose of the As-Needed Engineering Consulting Contract for the Metro Wastewater JPA/Commission is to provide technical support to the PAs in meeting their objectives of Pure Water 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/Commission/JPA efforts, as well as the overall costs of the Metro Program.

**I. Scope of Services**

The effort by ATKINS will be divided into two major categories, one for routine services and one for Metro TAC engineering support by Scott Tulloch in support of attaining either an administrative fix by EPA or permanent legislation to attain secondary equivalency, and continued efforts working with the City of San Diego Pure Water Program staff on cost allocation, facilities planning, and collaboration with environmental stakeholders.

**A. Routine Services**

The routine services could include the following tasks:

1. Attendance at the Metro TAC meetings
2. Attendance Metro Commission/JPA meetings.
3. Independent cost review of Pure Water Program CIP
4. Provide additional technical support on specific projects as directed by the Metro TAC, Finance Committee, and/or Metro JPA/Commission Chairmen

**B. Metro TAC Engineering Support** – This task includes engineering technical support as requested by Metro TAC and the Metro Commission/JPA. This will include engineering support for such items as the current Waiver of Secondary Treatment at Point Loma and the “Secondary Equivalency Alternative” as outlined in the Metro TAC white paper. This will also include representing the JPA on the Water Reliability Coalition through the Friends of Infrastructure, Equinox Policy Committee Meetings, Pure Water Program Technical Advisory Committee Meetings, and any meetings as directed by the Metro TAC and/or the Commission/JPA to facilitate the secondary equivalency alternative, Pure Water Program, etc.

## **II. Additional Services As Requested**

- A. Review of ongoing background material not envisioned.
- B. Prepare for and attend additional meetings beyond what is included in Section I.
- C. Attendance at IROC in support of the Metro JPA/Commission representatives.
- D. Provide additional follow-up on the additional items identified.
- E. Provide technical support, as requested, to fulfill other Metro JPA/Commission objectives.

## **III. Proposed Budget**

- A. Routine Services: \$ 10,000
- B. Metro TAC Engineering Support:\$40,000

**Total Budget: \$50,000**



## Attachment 8

FY 2017 Keze Group, LLC  
Contract for Financial  
Services

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

This agreement ("Agreement") is made and entered into as of \_\_\_\_\_, ~~2015~~2016, by and between the METRO WASTEWATER JOINT POWERS AUTHORITY (hereinafter referred to as the "Metro JPA"), a joint powers authority organized and operating pursuant to California Government Code section 6500 *et seq.*, and THE KEZE GROUP, LLC (hereinafter referred to as "Consultant"). Metro JPA and Consultant are sometimes referred to individually as "Party" and collectively as "Parties."

**RECITALS**

A. 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 ~~2015~~2016-~~16~~2017.

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 ("Services").

2. Compensation.

a. Subject to paragraph 2(b) below, the Metro JPA shall pay for the Services in accordance with the Budget set forth in Exhibit "A."

b. In no event shall the total amount paid for services rendered by Consultant pursuant to Exhibits "A" exceed the budget of ~~\$98,300~~65,120 as set forth in Exhibit "A." In no event shall the billing rate for services rendered by Consultant pursuant to Exhibits "A" exceed \$160 per hour, as set forth in Exhibit "A." Periodic payments shall be made within thirty (30) days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

3. Additional Work.

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

4. Substitution of Key Personnel.

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

5. Maintenance of Records.

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

6. Term.

Consultant shall commence and perform the Services in a prompt and timely manner beginning July 1, ~~2015~~2016. This Agreement shall terminate on June 30, ~~2016~~2017, unless otherwise extended by a written amendment signed by both Parties or otherwise earlier terminated pursuant to Article 15 of this Agreement.

7. Delays in Performance.

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

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

8. Compliance with Law.

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

9. Standard of Care.

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

10. Assignment and Subconsultant.

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

11. Independent Consultant.

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

12. Insurance.

a. Commercial General Liability.

(i) The Consultant shall take out and maintain, during the performance of all work under this Agreement, 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) or exact equivalent

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

(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) The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26 or 21 29); or (2) cross liability for claims or suits by one insured against another.

(v) All such policies shall be endorsed to 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 using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the Metro JPA. Consultant shall guarantee that the insurer shall eliminate such deductibles or self-insured retentions as respects Metro JPA, its members, directors, officials, officers, employees, agents, and volunteers.

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, and provided that deductibles shall not apply to Metro JPA as an additional insured.

(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) To the extent applicable, at all times during the performance of Services under this Agreement, the Consultant shall maintain Workers' Compensation Insurance 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 the Consultant has taken out for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by the Consultant 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 or Errors and Omissions Insurance appropriate to its profession, in a form and with insurance companies acceptable to Metro JPA and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The retroactive date, if any, of each such policy is to be no later than the effective date of this Agreement, and Consultant shall maintain such coverage continuously for a period of at least three (3) years following the completion of work under this Agreement.~~

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

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

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

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

(iii) Requirement of specific coverage or minimum limits contained in this Agreement are not intended as a limitation on coverage, limits or any other requirement, or a waiver of any coverage normally provided by any insurance.

Notwithstanding the minimum limits set forth in this Section 12(e), any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Agreement.

f. Evidence Required.

Prior to execution of the Agreement, the Consultant shall file with the Metro JPA evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with all endorsements to the policies described therein. 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 thirty (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. In the event any insurer providing coverage required under this Agreement shall fail to provide the notice required in this section, Consultant shall be responsible to provide such notice to the Metro JPA. Consultant is responsible to replace any and all policies required under this Agreement which are cancelled during the term of this Agreement no later than the effective date of cancellation.

(ii) All policies of Commercial General Liability and Automobile Liability insurance shall contain a provision stating that the Consultant’s policies are primary insurance and the insurance of the Metro JPA, its members or any named or additional insureds shall not be called upon to contribute to any loss.

(iii) All policies of Commercial General Liability and Automobile Liability insurance shall contain or shall be endorsed to contain a waiver of subrogation against the Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers; or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss, and Consultant hereby waives its own right of recovery against Metro JPA, the Board and each member of the Board, its officers, employees, agents and Metro JPA designated volunteers, or any other additional insureds, and shall require similar waivers from each of its subconsultants.

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 admitted to do business in California and maintain an agent for process within the state or be otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law. 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 has the right but not the duty to acquire the necessary insurance for the Consultant and deduct the cost thereof from the appropriate progress payments due the Consultant, or backcharge the Consultant for such costs in the event they exceed the amount of unpaid progress payments due the Consultant. In the alternative, Metro JPA may cancel this Agreement.

(iii) Consultant shall not allow any subconsultants to commence work on any subcontract relating to the work under the Agreement until they have provided evidence satisfactory to the Metro JPA that they have secured all insurance required under this Section. If requested by Consultant, Metro JPA may approve different scopes or minimum limits of insurance for particular subconsultants. The Consultant and Metro JPA shall be named as additional insureds on all subconsultants' policies of Commercial General Liability using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage.

(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.

To the fullest extent permitted by law, 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 of 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 provision shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do 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:

<b>METRO JPA:</b>	<b>CONSULTANT:</b>
Metro Wastewater JPA c/o La Mesa City Hall 8130 Allison Ave., La Mesa, CA 91942 <b>Attn:</b> c/o Greg Humora, City of La Mesa	The Keze Group, LLC 4653 Carmel Mountain Road San Diego, CA 92130 <b>Attn:</b> 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 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.

19. 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.

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

**METRO WASTEWATER JPA:**

**THE KEZE GROUP, LLC.:**

By: \_\_\_\_\_  
Jim Peasley  
Chairperson

By: \_\_\_\_\_  
Karyn Keese

APPROVED AS TO FORM:

\_\_\_\_\_  
Paula C. P. de Sousa [Mills](#)  
General Counsel  
METRO WASTEWATER JPA

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

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/Commission/JPA efforts, as well as the overall costs of the Metro Program.

**I. SCOPE OF SERVICES**

The effort by The Keze Group, LLC (TKG) will be divided into five major categories, one for routine services, two for specific financial tasks, one for Pure Water Program support, and one for Metro TAC staff support.

**A. Routine Services**

The routine services will include the following tasks:

1. Attendance and preparation of agendas for Metro TAC meetings.
2. Attendance and preparation of agendas for the Metro Commission/JPA meetings.
3. Attendance at planning/work meetings with Public Utilities Department (PUD) staff.
4. Meetings with Metro TAC Chairman and other JPA officials.

**B. Routine Audit Review – Public Utilities Department (PUD), Wastewater Operations Branch Exhibit E Audit Review – FYEs 2015 and 2016**

1. Review and negotiate the auditors Scope of Work.
2. Attend Entrance and Exit Conferences with the Auditors.
3. Select operating, CIP, and non-operating revenue audit samples.
4. Attend Interim Bi-Weekly work meetings with the Auditors (maximum of 5 per audit).

5. Review all audit samples for contract compliance and accounting accuracy.
6. Review the annual general services cost allocation.
7. Review output for any special projects (In the past this has included the reconciliation of the Shames and other municipal lawsuits, and the Pure Water Program management contract) to insure that only appropriate Metro costs have/had been charged to the PAs).
8. Review South Bay recycled water sales and incentives to insure that appropriate revenues are credited to the PAs. Review other income credits to insure that non-operating revenues are credited to the PAs.
9. Review the draft and final audit numbers and sample test results. Prepare list of questions and work on resolution of issues regarding samples.
10. Present the results to the Metro Finance Committee, Metro TAC, and Metro Wastewater JPA / Commission.
11. 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 MWWD Budget – FYE 2017 and 2018

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. Pure Water Program Support – This task includes 10 hours per month to assist in facilitation of the Pure Water Program. Envisioned subtasks include revisions to the Pure Water Program financial forecast model to update project costs and timing, revenue sharing, and potential water purchases; assistance with the update to the Regional Wastewater Disposal Agreement; and continued cost allocation monitoring and updates.

E. Metro TAC Staff Support – This task includes 10 hours per month for financial analysis and consulting in support of varied Metro TAC Work Plan projects. TKG will support, as-needed, the items contained in the Metro TAC FYE 2017 Work Plan. One key issue that will continue during FYE 2017 is the North City optimized system debt service reconciliation and recycled water sales projections and the forecast for the eventual debt service pay-off to the Water Utility. Also, a billing formula needs to be prepared and implemented which will bill any PA that diverts their flow from the Metro System for the remaining debt service for existing Metro facilities and for ongoing capital projects required

to maintain them. In addition, the billing Protocol will need to be revised to reflect the cash flow needed for Pure Water Program costs.

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

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

## **III. PROPOSED BUDGET**

The proposed budget for the described scope of services is a not-to-exceed amount of \$65,120 for Fiscal Year Ending 2017. The hours and fees per task is summarized in Attachment A to this scope of services. The hourly billing rate is \$160.

Attachment A  
Summary of Costs by Tasks  
The Keze Group Metro JPA Contract FYE 2017

Task	Description	FYE2016 Adopted Budget	Proposed FYE2017 Budget	Reduction	FYE 2017 Hours
1	Routine Meetings	\$19,580	\$ 12,000	\$ (7,580)	75
2	Exhibit E Audit Review	\$16,000	\$ 9,600	\$ (6,400)	60
3	Review of PUD Budget	\$5,120	\$ 2,560	\$ (2,560)	16
4	FYE 2017 Water and Wastewater Rate Case	\$6,400	\$ 2,560	\$ (3,840)	16
5	FYE 2017 Recycled Water Financial Projects				
	a. Continued Support and Resolution of Recycled Water Issues	\$6,400	\$ -	\$ (6,400)	-
	b. Review of Recycled Water Pricing Study	\$6,400	\$ -	\$ (6,400)	-
	c. Pure Water Program Cost Allocation	\$19,200	\$ 19,200	\$ -	120
6	Metro TAC Staff Support	\$19,200	\$ 19,200	\$ -	120
	TOTAL	\$98,300	\$ 65,120	\$ (33,180)	407
Reduction in Scope/Fee from FYE 2016					-34%



## Attachment 9

FY 2017 3<sup>rd</sup> Amendment to  
Agreement with  
Padre Dam Municipal Water  
District for Treasurer Services

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

THIS ~~SECOND~~THIRD AMENDMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, ~~2015~~2016, by and between the Metro Wastewater Joint Powers Authority (hereinafter 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 (hereinafter referred to as the "District").

**RECITALS**

A. WHEREAS, Metro JPA and the District did enter into an agreement for treasurer services (hereinafter referred to as the "Agreement") on July 1, 2013 for the District to provide treasurer services to Metro JPA until June 30, 2014; and

B. WHEREAS, Section 4 of the Agreement provides that the treasurer services may be extended by the mutual agreement of both Parties; and

C. WHEREAS, On May 1, 2014, Metro JPA and the District entered into a first amendment to the Agreement ("First Amendment") to mutually amend the Agreement to extend the end date of Padre Dam's treasurer services until June 30, 2015; and

D. WHEREAS, On June 4, 2015, Metro JPA and the District entered into a second amendment to the Agreement ("Second Amendment") to mutually amend the Agreement to extend the end date of Padre Dam's treasurer services until June 30, 2016, and to increase the total amount that may be charged by the District for services to a not-to-exceed amount of \$19,000; and

~~D~~E. WHEREAS, Both Metro JPA and the District mutually desire to further amend the Agreement, as amended by the First Amendment and Second Amendment, to extend the time of performance for services provided by the District ~~and to increase the total amount that may be charged by the District for the services.~~

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

1. Section 4 of the Agreement, as amended by the First Amendment and Second Amendment, is further amended as necessary to extend the end date of Padre Dam's treasurer services until June 30, ~~2016~~2017.

2. Section 5 of the Agreement, as amended by the First Amendment and Second Amendment, is further amended as necessary to ~~increase~~maintain the not-to-exceed amount of \$19,000 as the total amount that may be charged ~~to a not-to-exceed amount of \$19,000 by the District~~ for services provided during the term of the extension provided for in this

~~Second~~Third Amendment.

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

~~[Signatures on following page]~~

IN WITNESS WHEREOF, this ~~Second~~Third Amendment to the Agreement for Treasurer Services is executed by Metro JPA and by the District on the day and year first written above.

**METRO WASTEWATER JPA:**

**PADRE DAM MUNICIPAL WATER DISTRICT:**

By: \_\_\_\_\_  
Jim Peasley  
Chairperson

By: \_\_\_\_\_  
Allen Carlisle  
General Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Paula C. P. de Sousa Mills  
General Counsel  
METRO WASTEWATER JPA

## Attachment 10

FY 2017 1st Amendment to  
Contract with  
Vision Internet Providers for  
Webmaster Services

**FIRST AMENDMENT TO AGREEMENT FOR  
PROFESSIONAL SERVICES BETWEEN METRO  
WASTEWATER JOINT POWERS AUTHORITY AND  
VISION INTERNET PROVIDERS**

THIS FIRST AMENDMENT ("Amendment") is made and entered into as of \_\_\_\_\_, 2016, 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 VISION TECHNOLOGY SOLUTIONS, LLC dba VISION INTERNET PROVIDERS, a Delaware limited liability company (hereinafter referred to as "Consultant"). Metro JPA and Consultant are sometimes referred to individually as "Party" and collectively as "Parties."

**RECITALS**

A. Metro JPA and Consultant entered into an Agreement for Professional Services (hereinafter referred to as the "Agreement") on February 5, 2014, for the Consultant to provide web hosting and as-needed maintenance, security, and technical support services.

B. Section 5 of the Agreement provides that the term of the Agreement expires on June 30, 2016, but it may be extended by a written amendment approved and executed by both Parties.

C. Both Metro JPA and the Consultant now seek to extend the term of the Agreement to June 30, 2017, and continuing thereafter on a month-to-month basis, unless terminated as provided for in the Agreement.

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

1. Section 5 of the Agreement is amended as necessary to extend the term of the Agreement to June 30, 2017, and commencing July 1, 2017, the term of the Agreement shall continue on a month-to-month basis, unless terminated by either Party pursuant to the terms of the Agreement.

2. Except as expressly stated in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

[Signatures on following page]

IN WITNESS WHEREOF, this First Amendment to the Agreement for Professional Services between Metro JPA and Vision Internet Providers is executed by Metro JPA and the Consultant on the day and year first written above.

**METRO WASTEWATER JPA:**

**VISION TECHNOLOGY SOLUTIONS, LLC  
dba VISION INTERNET PROVIDERS**

By: \_\_\_\_\_  
Jim Peasley  
Chairperson

By: \_\_\_\_\_  
David M. Nachman  
Chief Executive Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
Paula C. P. de Sousa Mills  
General Counsel  
METRO WASTEWATER JPA

## Attachment 11

FY 2017 1st Amendment to  
Contract with  
Lori Anne Peoples  
for Administrative Services

**FIRST AMENDMENT TO THE AGREEMENT FOR  
ADMINISTRATIVE SUPPORT SERVICES  
BY AND BETWEEN  
THE METRO WASTEWATER JOINT POWERS AUTHORITY  
AND LORI ANNE PEOPLES**

THIS FIRST AMENDMENT ("Amendment") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the Metro Wastewater Joint Powers Authority, existing and organized pursuant to the provisions of Government Code section 6500 *et seq.* ("Metro JPA") and Lori Anne Peoples ("Ms. Peoples"). Metro JPA and Ms. Peoples are sometimes individually referred to herein as the "Party" and collectively as the "Parties."

**RECITALS**

A. Metro JPA and Ms. Peoples entered into an Agreement for Administrative Support Services on April 11, 2014 ("Agreement") for Ms. Peoples to provide clerical support and related services to facilitate monthly Metro JPA, Metro JPA Committees, Metro Commission, and Metro TAC meetings, and any special meetings, as further described in the Agreement.

B. Section 2 of the Agreement provides that the Term of the Agreement may be extended in a writing signed by both Parties.

C. Both Metro JPA and Ms. Peoples mutually desire to extend the Term of the Agreement to June 30, 2018.

D. Section 4 of the Agreement states that Ms. Peoples will spend approximately twenty (20) hours per month providing Administrative Services to Metro Commission during the Term of the Agreement, and approximately four (4) hours per month providing Administrative Services to Metro JPA and Metro TAC during the Term of the Agreement.

E. Section 4 of the Agreement provides that upon mutual agreement of the Parties, the estimated monthly hours may be extended or modified to obtain increased or amended Administrative Services from Ms. Peoples as necessary.

F. Both Metro JPA and Ms. Peoples mutually desire to amend the Agreement to increase the estimated number of hours Ms. Peoples will spend providing Administrative Services to Metro JPA and Metro TAC to reflect that Ms. Peoples will assume the Metro TAC minute preparation function beginning on July 1, 2016.

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

1. Section 2 of the Agreement is amended to extend the Term of the Agreement to terminate on June 30, 2018.



2. Section 4 of the Agreement is amended to increase the estimated monthly hours Ms. Peoples will spend providing Administrative Services to Metro JPA and Metro TAC from four (4) hours to ten (10) hours.

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

IN WITNESS WHEREOF, this First Amendment to the Agreement for Administrative Support Services is executed by Metro JPA and by Ms. Peoples on the day and year first written above.

**METRO WASTEWATER JPA:**

**LORI ANNE PEOPLES:**

By: \_\_\_\_\_  
Jim Peasley  
Chairperson

By: \_\_\_\_\_  
Lori Anne Peoples

APPROVED AS TO FORM:

\_\_\_\_\_  
Paula C. P. de Sousa Mills  
General Counsel  
METRO WASTEWATER JPA

## Attachment 12

### Metro Wastewater Debt Refundings Outcome

**City of San Diego**  
**Public Utilities Department - Wastewater**  
**Bond Debt Service Savings by Metro/Muni Split**  
 Date Prepared: April 27, 2016

Purpose: To provide Participating Agencies with a year by year savings calculation for debt prior to refunding and after refunding  
 Sources: WW Debt Service Amortization Schedule at JUNE 30, 2015; WW Debt Service Amortization Schedule - March 30, 2016

FUND	2016 <sup>1</sup>	2017	2018	2019	2020	2021	2022
MUNI	(1,412,166.61)	(\$2,127,189.10)	(\$2,127,189.10)	(\$2,127,189.10)	(\$2,895,797.10)	(\$2,895,468.10)	\$3,689,871.40
METRO	(2,325,480.69)	(\$2,434,042.16)	(\$2,434,042.16)	(\$2,434,042.16)	(\$4,705,434.16)	(\$4,702,463.16)	(\$10,941,052.66)
TOTAL SAVINGS	(\$3,737,647.30)	(\$4,561,231.26)	(\$4,561,231.26)	(\$4,561,231.26)	(\$7,601,231.26)	(\$7,597,931.26)	(\$7,251,181.26)

<sup>1</sup> Includes adjustments for November 15 debt service payment that reflects 2015 advanced refunding schedule but is not included in the final 2016 refunding schedule.

City of San Diego  
Public Utilities De  
Bond Debt Service  
Date Prepared: Apr

Purpose: To provide Part  
Sources: WW Debt Servi

FUND	FISCAL YEAR						
	2023	2024	2025	2026	2027	2028	2029
MUNI	\$3,581,192.28	(\$4,524,239.26)	(\$4,526,130.99)	(\$7,486,899.08)	(\$10,031,886.13)	(\$2,640,192.67)	(\$2,639,262.61)
METRO	(\$8,736,736.04)	(\$944,429.50)	(\$939,587.77)	\$3,901,867.82	\$5,646,079.87	(\$2,026,638.59)	(\$2,027,143.65)
TOTAL SAVINGS	(\$5,155,543.76)	(\$5,468,668.76)	(\$5,465,718.76)	(\$3,585,031.26)	(\$4,385,806.26)	(\$4,666,831.26)	(\$4,666,406.26)

<sup>1</sup> Includes adjustments

City of San Diego  
Public Utilities De  
Bond Debt Service  
Date Prepared: Apr

Purpose: To provide Part  
Sources: WW Debt Servi

FUND	2030	2031	2032	2033	2034	2035	2036
MUNI	(\$2,165,498.51)	(\$2,163,188.51)	(\$2,163,562.51)	(\$2,166,087.00)	(\$2,165,812.02)	(\$2,162,413.00)	(\$2,162,160.00)
METRO	(\$295,295.25)	(\$294,980.25)	(\$295,031.25)	(\$295,375.50)	(\$295,338.00)	(\$294,874.50)	(\$294,840.00)
TOTAL SAVINGS	(\$2,460,793.76)	(\$2,458,168.76)	(\$2,458,593.76)	(\$2,461,462.50)	(\$2,461,150.02)	(\$2,457,287.50)	(\$2,457,000.00)

<sup>1</sup> Includes adjustments

City of San Diego  
Public Utilities De  
Bond Debt Service  
Date Prepared: Apr

Purpose: To provide Part  
Sources: WW Debt Servi

				GRAND
FUND	2037	2038	2039	TOTAL
MUNI	(\$2,162,402.00)	(\$2,162,567.00)	(\$2,162,094.00)	(\$59,798,330.72)
METRO	(\$294,873.00)	(\$294,895.50)	(\$294,831.00)	(\$38,053,479.26)
TOTAL SAVINGS	(\$2,457,275.00)	(\$2,457,462.50)	(\$2,456,925.00)	(\$97,851,809.98)

<sup>1</sup> Includes adjustments

Goldie Awards: \$97,851,810  
Difference: \$0.02