



Monthly Metro TAC Chair Report March 2025

A summary of action items, presentations, discussions and updates heard at the regularly scheduled Metro Technical Advisory Committee held on March 19, 2025.

Presentations:

1. Draft Second Amended Restated Agreement (Adriana Ochoa)

- Both Karyn Keze and Lisa Celeya gave short introductions to the topic to express the amount of hard work that has gone into the draft and appreciation for all involved. Adriana Ochoa presented the background on why the SARA was needed, including the parking lot items brought forward from the ARA. Each parking lot item was addressed and the specific SARA sections involving each item were individually referenced. Then sections with new language not related to the parking lot items were discussed, including four approval processes to modify the SARA (Administrative Agreements), revised language in regard to the allocation of liability for penalties, fines, or enforcement actions from regulatory agencies, and updates to the procedures to resolve billing issues. The “highlights” of the SARA were covered, but everyone was encouraged to read the entire agreement using the staff report and PowerPoint as reference guidelines. The presentation concluded with the timeline goals provided by the Pure Water Ad Hoc.
- TAC members asked questions on the timeline and steps for approval. Some members expressed concern with the speed of the proposed timeline, but the Executive Team assured staff that they will all have the time that their agency needs to review and approve the document. The TAC was reminded who made up the Ad Hoc membership, but TAC wanted it noted at the JPA meeting that for most PA's this is the first time they are receiving the document in its entirety and will do their best to meet the proposed timeline within the constraints of each agency.

Action Items:

1. Semi-Annual Pure Water Program Update and Three Related Action Items (Sarah Brower).

- Sara Brower introduced herself and shared the latest Pure Water Phase 1 schedule with the goal being to start Pure Water production in mid-2026 and ramp up through early 2027 to 30 MGD. There has been significant progress at the North City Wastewater Treatment Plant, the North City Pure Water Plant, and the Metro-Biosolids Center that are all necessary for project start up. They have also completed 70 percent of pipeline work and most of the work at the Miramar Reservoir. The presentation reminded everyone about the impacts to the industrial waste program, the financing status, the outreach efforts, and the labor agreement/hiring status. An update on planning for Phase 2 was also given.
- **Action Item 2a** - Extension of insurance coverage for an Owner-Controlled Insurance Program (OCIP) for the Pure Water Phase 1 Project. (Akram Bassyouni/Reyhaneh Martin)
 - City staff reminded TAC of the original OCIP contract and informed TAC it was set to expire in July 2025. Phase 1 is currently ~70% complete, so it will extend beyond this date. Having an OCIP has saved the project approximately \$4-\$6 million in insurance cost to date. The City is requesting an extension with an approximately \$1,757,195 cost to the PA's.
 - Staff asked for clarification on the wastewater cost split for the project and how it relates to the original costs split. City and Metro staff confirmed the split will be audited at the end of the project and adjusted accordingly.
 - Staff unanimously approved the action item.
- **Action Item 2b** - Amendment No. 4 to the Agreement for Design Engineering and Construction Support Services for the Morena Pump Station and Conveyance System Projects. (Akram Bassyouni/Parita Ammerlahn)
 - AECOM is the design engineer for the Morena Pump Station and Morena Pipeline projects. They are requesting an amendment at a cost of \$697,750 to the PAs to cover the continuing design efforts for the project.
 - TAC requested clarification on what Muni projects are included in this task, which the City agreed to provide.
 - Staff unanimously approved the action item.

- **Action Item 2c** - Roadway restoration in excess of \$2M for Morena Conveyance North (Akram Bassyouni/Kate Gasparro)
 - This request was for additional street improvements related to the Morena Conveyance North project. The roadways were in better condition in 2018 when the project was originally planned and have significantly deteriorated since that time. PUD/Metro will only pay for areas just beyond the trench influence area (approximately 63% of the total project). Metro's total project responsibility would be \$3,452,707.
 - TAC asked for clarification on Metro's responsibility for the road overlay. Lisa Celeya let TAC know that the project was sued over the medians by the community and that is why the project is responsible for the improvements. The City also clarified that it is required to improve the ADA ramps for any trenching projects. TAC expressed concern that this is the opinion of City of San Diego on ADA requirements that is not necessarily shared by all PAs.
 - Staff moved to approve with a provision that additional information be provided to further clarify the requirements and cost split for the ADA ramp and median improvements to the JPA Board.

Information Items:

1. Proposed City of San Diego Recycled Water Rate Adjustment

- Before discussion began, it was noted by Executive Director Keze that a letter about the subject topic was received from Otay just after the beginning of the TAC meeting. A letter was previously sent by the Olivenhain Municipal Water District. Poway will be sending a letter which should be received by the end of the week. Since the letters have not yet been reviewed/received this item will be addressed at the next TAC meeting. Lisa Celeya let TAC know that in December 2024 the City released the recycled water rate adjustment study and clarified that recycled water is a revenue to the Metro system. There was a significant increase in fees proposed caused by a variety of reasons including a decrease in annual sales and the loss of Metropolitan Water District subsidies. The projected rates are based on full cost recovery. Meetings are being held with Olivenhain, Otay, and Poway to discuss the proposed rates. A vote of the San Diego City Council is scheduled in September and the City is open to considering feedback, phasing, and other proposals. Otay expressed concern over the cost increases in relation to it becoming uneconomical to purchase recycled water from South Bay, which could result in decreased revenue for Metro. TAC decided that this item won't go to the JPA until May to allow for additional discussion at next month's TAC meeting.

Standing Items to be Brought to JPA:

Agenda Item 4: Metro Wastewater (General) (Lisa Celeya)

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

- Possibly to be combined for JPA with Semi-Annual Pure Water Program Update presentation

Agenda Item 6: Metro Wastewater Financial (Adam Jones)

Agenda Item 7: JPA Executive Director (Karyn Keze)

Agenda Item 8: Metro TAC Chair (Blake Behringer)

Upcoming Metro Meetings:

Recent Meetings

- **I&I Metro TAC Subcommittee:**

- **Date:** March 20, 2025
- **Format:** MS Teams only.

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Upcoming Meetings

- **Metro JPA:**

- **Date:** April 3, 2025
- **Format:** In-Person only.
- **Main Topic:** See above.
- **North City Plant tour following the meeting**

- **Metro TAC:**

- **Date:** April 16, 2025
- **Format:** Zoom only.

- **I&I Metro TAC Subcommittee:**

- **Date:** TBD in April
- **Format:** MS Teams only.