



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

**AGENDA**

**Thursday, February 7, 2008  
12:00 p.m.**

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

“The mission of the Metro Commission is to create an equitable partnership with the San Diego City Council on wastewater issues in the San Diego region that ensures fair rates for participating agencies, concern for the environment, and regionally balanced decisions through data analysis, collaboration among all stakeholders, and open dialogue.”

Documentation  
Included

1. ROLL CALL
2. PUBLIC COMMENT
- X 3. **ACTION** - APPROVE MINUTES OF JANUARY 10, 2007
4. METRO TAC UPDATE
  - Capacity Study
  - Transportation Study
- X 5. SBWRP FUEL CELL POWER PURCHASE AGREEMENT
- X 6. SBWRP PHOTOVOLTAIC POWER PURCHASE AGREEMENT
- X 7. SIX MONTH FINANCIAL STATEMENT ENDING DECEMBER 31, 2007
8. DISCUSS METRO WASTEWATER JPA STRATEGIC PLANNING WORKSHOP
9. **ACTION** – CONSIDER DATE CHANGE FOR THE JUNE 5 QUARTERLY MEETING WITH MAYOR JERRY SANDERS TO MAY 29
- X 10. CONSIDERATION OF FORMING AN AD HOC BYLAWS REVIEW COMMITTEE

Documentation  
Included

11. IROC UPDATE
12. FINANCE AD HOC COMMITTEE
13. WAIVER AD HOC COMMITTEE
14. PROPOSED AGENDA ITEMS FOR THE NEXT METRO COMMISSION/WASTEWATER JPA MEETING (March 6, 2008)
15. METRO COMMISSIONERS' AND JPA BOARD MEMBERS' COMMENTS
16. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION  
Initiation of litigation pursuant to subdivision (c) of Section 54956.9 (1 case)
17. ADJOURNMENT OF METRO COMMISSION AND JPA

\*Item 2 - This portion of the agenda provides an opportunity for members of the public to address the Commission and/or JPA items within the jurisdiction of the Commission and/or JPA that have not previously been before the Commission and/or JPA. Comments are limited to three (3) minutes per individual. **Note:** Any member of the Public may address the Commission and/or JPA on any Agenda Item. Please complete a Speaker's Slip in advance of the specific item being called. For alternative agenda format or disabled access to Metro Commission, please call M. Barrett at (619) 236-6585. \*The Metro Commission and/or JPA may take action on any item listed in this Agenda whether or not it is listed "For Action." All items are for Metro Commission and JPA consideration unless otherwise specified.

# **Agenda Item 3**



**Metro Commission and  
Metro Wastewater JPA Meeting**

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

**January 10, 2008  
Draft Minutes**

Chairman Abarbanel called the meeting to order at 12:00 p.m. A quorum of the Metro Wastewater JPA and Metro Commission was declared, and the following representatives were present:

**1. ROLL CALL**

<u>Agencies</u>	<u>Representatives</u>		<u>Alternate</u>
City of Chula Vista	Cheryl Cox	X	
City of Coronado	Al Ovrom	X	
City of Del Mar	Henry Abarbanel	X	
City of El Cajon	Mark Lewis	X	
City of Imperial Beach	Mayda Winter	X	
City of La Mesa	Ernie Ewin	X	
Lemon Grove			
Sanitation District	Jerry Jones	X	
City of National City	Luis Natividad	X	
City of Poway	Merrilee Boyack		No representative
City of San Diego	Jerry Sanders		Jim Barrett
County of San Diego	Dianne Jacob		Daniel Brogadir
Otay Water District	Mark Robak	X	
Padre Dam MWD	Augie Caires	X	
Metro TAC Chair	Scott Huth		Greg Humora

**2. PUBLIC COMMENT**

There was no public comment.

At this time Mr. Jim Barrett, Director of Public Utilities, was introduced. He noted that the water and wastewater departments have been combined into one department. Besides representing his department, Mr. Barrett will also be representing Mayor Sanders in his absence.

**3. APPROVE MINUTES FROM THE MEETING OF DECEMBER 6, 2007**

Upon motion by Commissioner Robak, seconded by Vice Chair Winter, with the City of Poway absent, the minutes of December 6, 2007 were unanimously approved.

**4. METRO TAC UPDATE**

Metro TAC Vice Chair, Greg Humora, noted that although TAC did not meet in December, the wastewater transportation agreement is moving forward to each of the participating agencies for review by their individual legal counsels.

**5. AS NEEDED ENGINEERING 2008 - 2011**

Mr. Amer Barhoumi, Associate Engineer for the City of San Diego, presented this item to the Commission. He noted the cost is not to exceed \$8 million for fiscal years 2008-2011 for task orders to

be available for sewer revenue funds 41506, 41508, and 41509. It was confirmed that task orders for Metro projects will go before Metro TAC before proceeding.

Upon motion by Commissioner Robak, seconded by Commissioner Caires, with the City of Poway absent, the Commissioners voted unanimously to approve this project.

**6. AD HOC COMMITTEE TO DISCUSS OPTIONS TO THE WAIVER, PLAN B**

Ad Hoc Committee members will include Commissioners Caires, Ewin, Ovrom, Vice Chair Winter, and Chairman Abarbanel. A meeting will be scheduled within the next two weeks with the Mayor's staff.

**7. IROC PARTICIPATION WITH THE METRO WASTEWATER JPA**

Upon motion by Commissioner Caires, seconded by Vice Chair Winter, with the City of Poway absent, the Commissioners voted unanimously for an IROC representative to be invited to attend the Metro Wastewater JPA meetings as a non-voting member.

**8. IROC UPDATE**

There was no report.

**9. FINANCE AD HOC COMMITTEE**

Commissioner Ewin reported their next meeting will include financial advisors for the City of San Diego and the Metro Wastewater JPA to discuss the upcoming bond. He also noted the FY '06 audit work has recommenced.

**10. REGIONAL JOINT GOVERNANCE AD HOC COMMITTEE**

There was no report.

**11. PROPOSED AGENDA ITEMS FOR THE NEXT METRO COMMISSION/WASTEWATER JPA MEETING (February 7, 2008)**

- Consideration of forming an ad hoc bylaws review committee (Commissioner Caires)

**12. METRO COMMISSIONERS' AND JPA BOARD MEMBERS' COMMENTS**

Commissioner Robak noted that it is politically incorrect to have bottled water at the meetings and requested tap water on the dais for future meetings.

**13. ADJOURNMENT OF METRO COMMISSION AND JPA**

At 12:24 p.m., there being no further business, Chairman Abarbanel declared the meeting adjourned.

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Recording Secretary

# **Agenda Item 5**

January 16, 2008

**City of San Diego  
Metropolitan Wastewater Department**

**Project Name:** South Bay Water Reclamation Plant (SBWRP) Fuel Cell Power Purchase Agreement with BOC Merchant Production, Inc. (SBFC PPA/BOC)

**Name of Project Presenter:** Tom Alspaugh

**Background:**

The SBWRP buys its electricity from SDG&E on a Time of Use rate tariff and has an average electrical consumption of about 2 MW with a peak demand of over 2.8 MW. The Point Loma Wastewater Treatment Plant (PLWTP) has sold its excess digester gas to BOC to be cleaned, processed, compressed and trucked to three (3) 1.2 MW fuel cells located in San Diego county. MWWD has been successful in negotiating a Letter of Interest to enter into a ten (10) year Power Purchase Agreement (PPA) with BOC to receive one of these 1.2 MW fuel cells for the SBWRP.

**Discussion:**

BOC and MWWD have negotiated a Power Purchase Agreement (PPA) for the SBWRP for a 1.2 MW Fuel Cell Energy brand molten carbonate fuel cell, fueled with renewable digester trucked from the PLWTP. The price for the electricity purchased by the SBWRP from the fuel cell will be 10.6¢/kWh and will not increase for five (5) years. The first year, most of the avoided SDG&E costs will be in avoided demand charges rather than avoided energy charges. During the last five (5) years of this ten (10) year contract, the price will escalate at the rate of the regional Industrial Electrical Power. The fuel cell and the truck unloading station will be installed at BOC's cost on SBWRP land leased by the City to BOC. This type of project was stipulated as a possible option in the PLWTP digester gas sales agreement and required no special solicitation or sole source letter. BOC and SDG&E acknowledge that the South Bay Water Reclamation Plant Photovoltaic Power Purchase Agreement with SunEdison, Inc. will also be going on simultaneously.

**Cost:**

The SBFC PPA with BOC is projected to save the SBWRP approximately \$75,000 in its first year of operation. Future SDG&E electrical cost increases may increase these projected savings. The project is 100% funded by BOC.

**Schedule:**

Metro Commission Approval	February 7, 2008
NR&C	February 27, 2008
City Council First Reading	March 17, 2008
City Council Final Approval	March 26, 2008
Notice To Proceed	May 9, 2008
Fuel Cell Startup	December 16, 2008

# **Agenda Item 6**

January 16, 2008

**City of San Diego  
Metropolitan Wastewater Department**

**Project Name:** South Bay Water Reclamation Plant (SBWRP) Photovoltaic Power Purchase Agreement with SunEdison, Inc. (SBPV PPA/SunEdison)

**Name of Project Presenter:** Tom Alspaugh

**Background:**

The SBWRP buys its electricity from SDG&E on a Time of Use rate tariff and has an average electrical consumption of about 2 MW with a peak demand of over 2.8 MW. SunEdison was selected by the City through a Request for Proposal (RFP) process to supply five – 1 MW Photovoltaic (PV) Power Purchase Agreements over a five (5) year period. This project will be SunEdison's third installation for the City. MWWD has successfully negotiated a Letter of Interest with SunEdison, Inc. to provide solar electricity for the SBWRP.

**Discussion:**

SunEdison, Inc. and MWWD will negotiate a Power Purchase Agreement (PPA) for the SBWRP where a 831 kW photovoltaic system will supply the electricity. The price for the electricity supplied by SunEdison, Inc. to the SBWRP will be 9.75¢/kWh, with a 1% escalation per year over the life of the 20 year agreement. Most of the avoided SDG&E costs are assumed to be in the form of energy with no demand charge avoidance. SunEdison has preliminarily selected the first Solar cadmium telluride thin film solar collectors. SunEdison acknowledges that the BOC Fuel Cell Power Purchase Agreement will potentially be active simultaneously.

**Cost:**

The SBPV PPA with SunEdison is expected to save the SBWRP approximately \$15,000 per year. Future SDG&E electrical cost increases may increase our savings. The project is 100% funded by SunEdison, Inc.

**Schedule:**

Metro Commission Approval	February 7, 2008
NR&C	February 27, 2008
City Council First Reading	March 26, 2008
City Council Final Approval	April 8, 2008
Notice To Proceed	May 23, 2008
Fuel Cell Startup	December 16, 2008

# **Agenda Item 7**

Metro Wastewater JPA

**Treasurer's Report**  
**Six months ending December 31, 2007**  
Unaudited

Metro Wastewater JPA

**Treasurer's Report**  
**Six Months Ending December 31, 2007**  
Unaudited

<b><u>Beginning Cash Balance at July 1, 2007</u></b>		<b>\$ 26,619</b>
<b><u>Operating Results</u></b>		
Membership dues & Interest income	\$ 126,316	
Expenses	\$ (103,597)	
Net Income (Loss)	\$ 22,719	
Net change in receivables & payables (see cash flow statement)	\$ 31,161	
<b>Cash provided (used) from operating activities</b>		<b>\$ 53,880</b>
<b><u>Ending Cash Balance at December 31, 2007</u></b>		<b><u>\$ 80,499</u></b>

Submitted by:

*Doug Wilson, Treasurer*  
29-Jan-08

**Metro Wastewater JPA - C/O Padre Dam MWD**  
**Balance Sheet**  
 As of December 31, 2007

	<u>Dec 31, 07</u>	<u>Jun 30, 07</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
California Bank & Trust	76,886	24,063	52,822
California Bank - checking	3,613	2,555	1,058
<b>Total Checking/Savings</b>	80,499	26,619	53,880
<b>Accounts Receivable</b>			
Accounts Receivable	75,814	-13,680	89,494
<b>Total Accounts Receivable</b>	75,814	-13,680	89,494
<b>Total Current Assets</b>	156,313	12,939	143,374
<b>TOTAL ASSETS</b>	<u>156,313</u>	<u>12,939</u>	<u>143,374</u>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Accounts Payable	27,379	31,724	-4,345
<b>Total Accounts Payable</b>	27,379	31,724	-4,345
<b>Other Current Liabilities</b>			
Unearned Membership Billings	125,000	0	125,000
<b>Total Other Current Liabilities</b>	125,000	0	125,000
<b>Total Current Liabilities</b>	152,379	31,724	120,655
<b>Total Liabilities</b>	152,379	31,724	120,655
<b>Equity</b>			
Retained Earnings	-18,785	59,659	-78,444
Net Income	22,719	-78,444	101,163
<b>Total Equity</b>	3,934	-18,785	22,719
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>156,313</u>	<u>12,939</u>	<u>143,374</u>

Metro Wastewater JPA - C/O Padre Dam MWD  
**Profit & Loss Budget vs. Actual**  
 July through December 2007

	<u>Jul - Dec 07</u>	<u>Budget</u>	<u>\$ Over Budget</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>Membership Dues</b>	125,000	125,000	(0)
<b>Interest_ Income</b>	1,316	750	566
<b>Total Income</b>	126,316	125,750	566
<b>Expense</b>			
<b>PBS&amp;J</b>	56,832	53,000	3,832
<b>Public Information</b>	15,739	16,780	(1,041)
<b>Legal</b>	10,899	15,000	(4,101)
<b>Per Diem - Agency</b>	8,400	9,000	(600)
<b>Administrative Support - Padre</b>	4,677	7,000	(2,323)
<b>Financial Consulting</b>	2,816	2,500	316
<b>Metro/JPA/TAC meeting expenses</b>	1,940	2,500	(560)
<b>Per Diem - Chairman</b>	1,350	2,250	(900)
<b>Dues and Subscriptions</b>	521	100	421
<b>Automobile Expense</b>	311	25	286
<b>Bank charges</b>	72	108	(36)
<b>Office Supplies</b>	41		
<b>Miscellaneous</b>	0	267	(267)
<b>Annual Retreat - strategic plan</b>	0	2,650	(2,650)
<b>Supplies</b>	0	183	(183)
<b>Contingencies</b>	0	2,500	(2,500)
<b>Total Expense</b>	103,597	113,863	(10,266)
<b>Net Ordinary Income</b>	22,719	11,887	10,832
<b>Net Income</b>	<u>22,719</u>	<u>11,887</u>	<u>10,832</u>

Metro Wastewater JPA - C/O Padre Dam MWD  
Statement of Cash Flows  
July through December 2007

	<u>Jul - Dec 07</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	22,719
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-89,494
Accounts Payable	-4,345
Unearned Membership Billings	125,000
Net cash provided by Operating Activities	<u>53,880</u>
Net cash increase for period	53,880
Cash at beginning of period	26,619
Cash at end of period	<u><u>80,499</u></u>

**Metro Wastewater JPA - C/O Padre Dam MWD**  
**A/R Aging Summary**  
**As of December 31, 2007**

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>&gt; 90</u>	<u>TOTAL</u>
City of Chula Vista	0.00	9,847.00	0.00	0.00	0.00	9,847.00
City of Coronado	0.00	1,262.00	0.00	0.00	0.00	1,262.00
City of Del Mar	0.00	355.00	0.00	0.00	0.00	355.00
City of El Cajon	0.00	4,513.00	0.00	0.00	0.00	4,513.00
City of Imperial Beach	0.00	1,183.00	0.00	0.00	7,632.00	8,815.00
City of La Mesa	0.00	2,703.00	0.00	0.00	0.00	2,703.00
City of Lemon Grove	0.00	1,208.00	0.00	0.00	0.00	1,208.00
City of National City	0.00	2,755.00	0.00	0.00	0.00	2,755.00
City of Poway	0.00	1,709.00	0.00	0.00	0.00	1,709.00
County of San Diego	0.00	5,725.00	0.00	0.00	36,922.00	42,647.00
<b>TOTAL</b>	<b>0.00</b>	<b>31,260.00</b>	<b>0.00</b>	<b>0.00</b>	<b>44,554.00</b>	<b>75,814.00</b>

# **Agenda Item 10**



## **MEMORANDUM**

Date: February 7, 2008

To: Metro Commissioners

From: Augie Caires, Commissioner

Subject: Formation of an Ad Hoc Bylaws Review Committee

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It is recommended that Chair Abarbanel appoint a Committee of up to five Commissioners to take a thorough look at the JPA Bylaws and update as needed, returning with any recommended changes at the April meeting. The Committee would work with our Legal Counsel and the Chair of Metro TAC during the review process.