

**COMMISSION OF SILICON VALLEY CLEAN WATER
JOINT POWERS AUTHORITY
SPECIAL MEETING – Monday, February 25, 2019
8:00 a.m.**

Place: Pelican Conference Room
Silicon Valley Clean Water
1400 Radio Road, 2nd Floor
Redwood City, California

COMMISSIONERS

COUNCIL MEMBER WARREN LIEBERMAN, PhD., BELMONT – CHAIR

BOARD MEMBER GEORGE B. OTTE, P.E., WEST BAY SANITARY DISTRICT – SECRETARY

COUNCIL MEMBER ALICIA AGUIRRE, REDWOOD CITY – MEMBER

MAYOR MARK OLBERT, SAN CARLOS – MEMBER

MANAGER: TERESA A. HERRERA

ATTORNEY FOR THE AUTHORITY: CHRISTINE C. FITZGERALD

CONTROLLER: KIMBRA MCCARTHY

TREASURER: MATTHEW ANDERSON

AMERICANS WITH DISABILITIES ACT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact SVCW (650) 591-7121. Notification in advance of the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting.

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Any member of the public may address and ask questions of the Chair under this item relating to any matter within the Commission's jurisdiction that does not appear as a separate item on the Agenda. An opportunity will be provided for members of the public to address the Chair and ask questions about any item that is listed on the agenda at the time the

Commission considers the item and before action is taken. If you address the Commission on a non-agenda item, please be aware that the Ralph M. Brown Act (Gov. C. § 54950 et seq.) prohibits the Commission from acting on or discussing such matters at this meeting. Any such item may be referred to staff for a decision with regard to placing it on a future agenda for discussion, action or a report.

5. SAFETY MOMENT and REPORTS

A. Safety Moment

B. Manager's Report

C. Financial Reports

1. Investment Report

January 2019

2. Quarterly Financial Report

December 31, 2018

D. Engineering Projects Status Update

E. Commission Requested Staff-Level Action Items

F. RESCU Program Design-Build Project Status Update

6. MATTERS OF COMMISSION MEMBER'S INTEREST

7. CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR

8. BUSINESS ITEMS

A. CONSIDERATION OF MOTION APPROVING NOMINATION AND ELECTION OF COMMISSION VICE CHAIRMAN

Proposed Action:

Move approval of MOTION TO NOMINATE AND ELECT VICE-CHAIRMAN OF THE COMMISSION OF SILICON VALLEY CLEAN WATER

B. CONSIDERATION OF MOTION APPROVING CONTRACT CHANGE ORDER TO NEW 12KV SWITCHGEAR PROJECT

Proposed Action:

Move approval of MOTION APPROVING CONTRACT CHANGE ORDER FOR NEW 12KV SWITCHGEAR PROJECT (CIP #9807) IN THE AMOUNT OF \$452,504 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – JF SHEA/PARSONS JOINT VENTURE

C. CONSIDERATION OF RESOLUTION AND MOTIONS APPROVING DESIGN-BUILD AGREEMENTS FOR STAGE 1 OF THE PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501)

Proposed Actions:

- i. Move adoption of RESOLUTION APPROVING DESIGN BUILD AGREEMENT FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501); AUTHORIZING EXECUTION OF AGREEMENT AND AUTHORIZING MANAGER TO APPROVE CONTRACT CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT PRICE FOR SAID PROJECT – SHEA/PARSONS JOINT VENTURE - \$7,995,000
- ii. Move approval of TASK ORDER SCOPE AND BUDGET FOR OWNER’S ADVISOR SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$1,100,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BROWN AND CALDWELL
- iii. Move approval of TASK ORDER SCOPE AND BUDGET FOR OWNER’S ADVISOR SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$247,360 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – FREYER AND LAURETA
- iv. Move approval of TASK ORDER SCOPE AND BUDGET FOR AUTOMATION DESIGN SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$147,465 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – CASCADE INTEGRATION AND DESIGN
- v. Move approval of TASK ORDER SCOPE AND BUDGET FOR CONSTRUCTION QUALITY ASSURANCE SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$789,360 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – TANNER PACIFIC INC.
- vi. Move approval of TASK ORDER SCOPE AND BUDGET FOR PROJECT MANAGEMENT FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$1,459,584 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – COLLABORATIVE STRATEGIES CONSULTING INC.
- vii. Move approval of TASK ORDER SCOPE AND BUDGET FOR PROGRAM MANAGEMENT ASSISTANCE FOR THE RESCU PROGRAM (CIP #9500) IN AN AMOUNT NOT TO EXCEED \$593,600 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – WEST YOST ASSOCIATES

9. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code §54956.9(d)(1)

Case Name: Board of Administration, California Public Employees' Retirement System, *In the Matter of the Appeal Regarding the Uniform Allowance of Silicon Valley Clean Water* (Agency Case No. 2016-0818; OAH Case No. 2017070696)

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9 (One Potential Case)

C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property Description: City of San Carlos, CA (APN: 046-081-230)

SVCW Negotiators: SVCW Manager, Teresa A. Herrera; Bruce Burnworth (MPF Consulting, Inc.)

Negotiating Parties: City of San Carlos, Public Works

D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property Description: 930 Governor's Bay, Redwood City, CA (APN: 095-380-210) SVCW

Negotiators: Lillian Jewell (Hamner, Jewell & Associates);

SVCW Manager, Teresa A. Herrera

Negotiating Parties: Young/Leung

Under Negotiation: Price and terms

E. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property Description: 928 Governor's Bay, Redwood City, CA (APN: 095-380-220) SVCW

Negotiators: Lillian Jewell (Hamner, Jewell & Associates);

SVCW Manager, Teresa A. Herrera

Negotiating Parties: Lau/Chang

Under Negotiation: Price and terms

10. RECONVENE IN OPEN SESSION – Announce action taken in Closed Session, if any.

11. ADJOURN

CONSENT CALENDAR

NOTICE TO PUBLIC

All matters listed under CONSENT CALENDAR are considered to be routine. There may be discussion on items on the CONSENT CALENDAR. All items will be enacted by one motion with a roll call vote unless members of the Commission, staff, or public request specific items be removed from the CONSENT CALENDAR for separate action.

7. A. APPROVAL OF MINUTES – January 28, 2019 Meeting
- B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED JANUARY 25, 2019, JANUARY 31, 2019, FEBRUARY 1, 2019, AND FEBRUARY 8, 2019 AND NECESSARY PAYMENTS THROUGH FEBRUARY 8, 2019
- C. CONSIDERATION OF RESOLUTION ADOPTING SVCW POLICY 2019-01, STATEMENT OF DEBT DISCLOSURES AND PROCEDURES POLICY

 Proposed Action:
 Move adoption of RESOLUTION APPROVING AND ADOPTING ADMINISTRATIVE POLICY 2019-01, DEBT DISCLOSURE PROCEDURES
- D. CONSIDERATION OF MOTION ACCEPTING REPAIRS TO THE TREATMENT PLANT 12KV ELECTRICAL SUPPLY

 Proposed Action:
 Move approval of MOTION TO ACCEPT EMERGENCY REPAIR OF THE 12kv TREATMENT PLANT POWER SUPPLY (CIP #9808) CONTRACT AND AUTHORIZE FILING OF NOTICE OF COMPLETION FOR POWER ENGINEERING CONSTRUCTION CO. AND DW NICHOLSON CORP.

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AGENDA ITEM 5A

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February is American Heart Healthy Month

February is National Heart Month and inspires us to examine one of the most pressing health concerns in the United States and to make positive changes to our lifestyles. 80 percent of cardiovascular diseases may be preventable with education and action. Simple lifestyle changes can make a big impact when it comes to heart health. Show your heart some love with these tips.

Get active



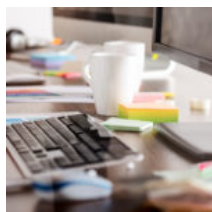
Heart pumping physical activity not only helps to prevent cardiovascular disease but can also improve overall mental and physical health. The American Heart Association recommends five 30 minutes moderate exercise sessions each week. While this may seem daunting, it is important to note that these sessions can be broken up into two or three 10 or 15-minute segments throughout the day. Walking, jogging, biking and swimming are all great forms of exercise. It is important to remember that something is always better than nothing. Opting to take the stairs and parking farther back in the parking lot are great ways to squeeze in activity when the time is short.

Eat smart



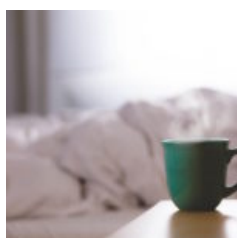
A healthy diet full of heart-smart foods is essential to a healthy heart and lifestyle. Salmon, nuts, berries, and oats are just a few of the heart “superfoods” that may help reduce the risk of atherosclerosis. Dark chocolate is also on the list and is a great way to satisfy a sweet tooth (in moderation).

Stress less



Stress increases cortisol, which leads to weight gain, a key risk factor for heart disease. In addition, stress can lead to other unhealthy habits, making it harder to stick to a heart-healthy program. Stress can also decrease overall happiness and increase the risk for anxiety and depression. Many of the items on this list can also help with reducing stress, in addition to practicing positive self-talk and incorporating mindfulness meditation breaks throughout the day.

Sleep more



Sleeping restores the body, helps decrease stress and increases overall happiness. To reap the full benefits, clocking seven hours each night is key. A calming bedtime routine and going to bed and waking at the same time each day are all great ways to establish healthy sleep patterns. Getting ample sunshine and physical activity throughout the day also aid in improving sleep quality.

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AGENDA ITEM 5B

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Memorandum

TO:	SVCW COMMISSIONERS
COPY TO:	
FROM:	TERESA HERRERA, SVCW MANAGER <i>JTH</i>
SUBJECT:	NEW REPORT FOR COMMISSION MEETINGS

Moving forward, the Commission will receive the attached table under the Manager's Report item on the Commission agenda. This will indicate to the Commission upcoming action items and will be updated each month, as items become known.

These items will be added to respective meeting agendas; however, if an item is not on any particular meeting agenda, it cannot be discussed in detail.

Note that this table will not include CIP and Capital related projects as those are included in Agenda Item 5D, Engineering Report Updates.

I hope the Commission members will find this table useful.

Recurring and Upcoming Commission Actions
Updated for February 2019 Meeting

January	February	March	April
Long - Range Financial Plan		Budget Workshop	Budget Adoption Approve WIFIA Loan Agreement
May	June	July	August
	Update Debt Policy Approve Resolution 77-6 "Personnel Resolution"	Commission Chair, Vice Chair, and Secretary Appointment Update Investment Policy	Conflict of Interest Update (Biennial)
September	October	November	December
			Commission Meeting schedule for following year Audited Financial Statements

 - Recurring Commission Actions

 - Upcoming Commission Actions

AGENDA ITEM 5C1

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SILICON VALLEY CLEAN WATER

JOINT POWERS AUTHORITY ~ A PUBLIC ENTITY



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650.591.7121 | FAX: 650.591.7122
WWW.SVCW.ORG

CITY OF SAN CARLOS | CITY OF REDWOOD CITY | CITY OF BELMONT | WEST BAY SANITARY DISTRICT

SILICON VALLEY CLEAN WATER INVESTMENT LISTING January 31, 2019

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Cost	Estimated Annual \$ Yield Earnings		
Annual OPS and CAP Budget Reserve										
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	02/01/2020	5.000%	3.12	15,445	15,599	16,294	487		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.55	60,000	59,902	60,743	1,526		
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	2.47	30,000	29,355	30,263	724		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.57	50,000	50,405	50,644	1,294		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/13/2019	4.500%	2.62	100,000	101,197	103,311	2,648		
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.51	30,000	29,585	30,191	741		
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.50	100,000	98,234	99,751	2,455		
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	2.49	100,000	97,813	99,790	2,437		
FEDERAL NATL MTG ASSN GTD REMIC	NR	09/25/2019	2.171%	2.37	122,908	122,294	124,521	2,902		
FEDERAL NATL MTG ASSN	AA+	09/25/2020	1.750%	2.66	100,000	98,723	100,475	2,629		
FEDERAL HOME LN MTG CORP MULTICLASS	NR	11/25/2019	1.869%	3.12	111,252	110,439	111,095	3,441		
FEDERAL HOME LN MTG CORP	AA+	05/30/2019	1.750%	2.41	30,000	29,931	30,127	721		
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.53	30,000	29,747	30,078	751		
FEDERAL HOME LN MTG CORP MULTICLASS	N.A.	04/15/2020	4.000%	3.83	257	257	265	10		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	12/01/2019	5.500%	3.01	5,651	5,663	5,976	170		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	03/01/2020	5.500%	4.32	136	135	140	6		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	04/01/2020	5.000%	3.12	7,758	7,885	8,190	246		
SMALL BUSINESS ADMIN GTD LN POOL	N.A.	02/25/2019	5.075%	-	599	599	621	-		
UNIVERSITY CALIF REVS FOR PREV GEN	AA	07/01/2019	1.796%	2.77	50,000	49,830	49,928	1,380		
MONTGOMERY CNTY MD CTF5 PARTN COPS	N.A.	11/01/2019	1.200%	2.73	100,000	98,794	100,019	2,697		
RICHMOND VA GO PUB IMPT BDS C	AA	07/15/2021	2.599%	2.68	100,000	99,859	102,935	2,671		
PORT MORROW ORE TRANSMISSION F REV	AA	09/01/2021	2.737%	2.82	100,000	99,751	103,258	2,817		
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.71	110,000	111,236	114,357	3,012		
FEDERAL HOME LN MTG CORP	AA+	12/30/2019	1.500%	2.76	80,000	79,149	80,000	2,183		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.75	60,000	59,268	60,000	1,627		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.79	40,000	39,418	40,000	1,101		
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.61	80,000	78,938	80,000	2,058		
FEDERAL HOME LN MTG CORP	AA+	05/15/2020	1.600%	2.63	150,000	148,242	150,000	3,903		
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.51	70,000	68,984	69,795	1,731		
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	2.47	70,000	68,018	69,371	1,678		
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	2.47	35,000	34,911	35,749	861		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/29/2020	1.830%	2.56	140,000	138,636	140,578	3,546		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.55	140,000	138,615	140,487	3,540		
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	2.46	90,000	87,638	89,277	2,156		
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	2.45	90,000	87,361	89,062	2,139		
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.65	30,000	29,629	30,000	786		
ALTRIA GROUP INC SR NT	BBB	08/09/2022	2.850%	3.50	30,000	29,346	30,230	1,027		
US TREASURY NOTE	NR	03/15/2020	1.625%	2.54	50,000	49,499	49,813	1,257		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/11/2020	1.620%	2.73	140,000	138,030	138,371	3,768		
FEDERAL HOME LN MTG CORP	AA+	03/26/2021	2.700%	2.82	50,000	50,006	49,938	1,411		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/15/2020	2.500%	2.74	100,000	99,999	99,925	2,738		
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.88	100,000	100,032	100,000	2,878		
FEDERAL NATL MTG ASSN	AA+	10/19/2022	3.000%	3.17	50,000	50,024	50,000	1,587		
US TREASURY NOTE	NR	07/31/2020	2.000%	2.92	20,000	19,854	19,847	580		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.21	80,000	80,201	80,000	2,575		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.98	100,000	100,317	100,000	2,988		
US TREASURY NOTE	NR	11/30/2020	1.625%	2.48	100,000	98,473	97,686	2,441		
US TREASURY NOTE	NR	09/15/2021	2.750%	2.44	80,000	80,634	79,756	1,963		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	3.40	60,000	60,095	60,000	2,046		
CASH & EQUIVALENTS	-	-	-	2.31	-	193,227	193,227	4,464		
Annual OPS and CAP Budget Reserve Total					\$	3,555,775	\$	3,596,085	\$	94,803
Capital Improvement Program Reserve										
APPLE INC SR FLT NT	AA+	02/07/2020	2.851%	2.85	100,000	100,150	99,821	2,856		
CALIFORNIA ST GO BDS TAXABLE	AA-	10/01/2019	6.200%	3.34	100,000	102,307	104,087	3,413		
CHEVRON CORPORATION SR NT	AA	03/03/2019	4.950%	1.84	100,000	100,220	101,483	1,839		
CISCO SYS INC SR GLBL NT	A+	01/15/2020	4.450%	2.66	125,000	127,018	128,151	3,379		
EXXON MOBIL CORP SR FLT NT	AA+	03/15/2019	2.938%	3.03	100,000	100,019	99,935	3,026		
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	02/01/2019	5.000%	-	227	228	239	-		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.55	340,000	339,446	342,193	8,649		
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	2.47	100,000	97,851	100,876	2,413		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/06/2020	5.300%	2.84	450,000	464,567	474,098	13,212		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/03/2019	5.320%	2.81	50,000	50,632	51,857	1,429		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/11/2020	2.875%	2.52	60,000	60,337	61,683	1,523		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/24/2019	1.520%	2.63	250,000	249,160	250,000	6,553		
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2019	5.125%	2.61	60,000	60,853	62,144	1,589		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	4.625%	2.59	200,000	205,724	208,370	5,326		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.57	25,000	25,202	25,322	647		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	4.125%	2.65	125,000	126,653	128,795	3,358		
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/13/2020	4.125%	2.58	700,000	712,369	725,659	18,386		
FEDERAL NATL MTG ASSN	AA+	01/21/2020	1.625%	2.56	100,000	99,119	100,675	2,540		
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.51	50,000	49,308	50,318	1,236		
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.50	170,000	166,998	169,564	4,173		
FEDERAL NATL MTG ASSN	AA+	12/28/2020	1.875%	2.48	325,000	321,428	329,115	7,978		
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	2.49	240,000	234,751	239,851	5,850		
FEDERAL HOME LN MTG CORP MULTICLASS	NR	06/25/2020	3.531%	3.09	100,000	100,518	106,188	3,110		
FEDERAL HOME LN MTG CORP	AA+	03/27/2019	3.750%	2.30	500,000	501,045	505,728	11,524		
FEDERAL HOME LN MTG CORP	AA+	05/30/2019	1.750%	2.41	50,000	49,885	50,212	1,202		
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.53	50,000	49,578	50,130	1,252		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	04/01/2019	5.000%	-	223	226	235	-		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	07/01/2019	4.821%	4.28	129,883	130,517	144,089	5,586		
MICROSOFT CORP NT	AAA	06/01/2019	4.200%	2.40	100,000	100,533	101,177	2,411		
MONTGOMERY CNTY MD CTF5 PARTN COPS	N.A.	11/01/2019	1.200%	2.73	100,000	98,794	100,019	2,697		
RICHMOND VA GO PUB IMPT BDS C	AA	07/15/2021	2.599%	2.68	100,000	99,859	102,935	2,671		
BANK NEW YORK MTN BK ENT FR	A+	11/27/2020	2.450%	2.72	100,000	99,252	101,724	2,697		

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Estimated Annual	
							Cost	\$ Yield Earnings
GILEAD SCIENCES INC SR NT	A-	09/01/2020	2.550%	2.86	100,000	99,433	102,154	2,843
WISCONSIN ST GEN FD ANNUAL APP REV	AA-	05/01/2021	1.616%	2.68	100,000	97,647	100,080	2,618
PORT MORROW ORE TRANSMISSION F REV	AA	09/01/2021	2.737%	2.82	225,000	224,440	232,331	6,338
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.71	165,000	166,855	171,536	4,518
FEDERAL NATL MTG ASSN	AA+	05/26/2021	1.800%	2.68	260,000	254,808	260,000	6,834
FEDERAL HOME LN MTG CORP	AA+	12/30/2019	1.500%	2.76	260,000	257,234	260,000	7,095
FEDERAL HOME LN MTG CORP	AA+	12/30/2020	1.750%	2.63	340,000	334,907	340,000	8,798
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.75	80,000	79,024	80,000	2,170
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.79	120,000	118,254	120,000	3,304
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.61	80,000	78,938	80,000	2,058
FEDERAL HOME LN MTG CORP	AA+	05/15/2020	1.600%	2.63	220,000	217,422	220,000	5,725
FEDERAL HOME LN MTG CORP	AA+	10/26/2021	2.000%	2.62	220,000	216,968	220,000	5,691
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/27/2022	2.300%	2.60	220,000	218,495	219,505	5,677
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.51	290,000	285,789	288,978	7,173
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	2.47	140,000	136,035	138,742	3,356
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	2.47	310,000	309,213	315,227	7,625
FEDERAL NATL MTG ASSN	AA+	01/05/2022	2.000%	2.49	610,000	601,625	608,456	14,974
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.55	170,000	168,319	170,592	4,299
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	2.46	170,000	165,538	168,635	4,072
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	2.45	170,000	165,016	168,229	4,041
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2022	1.900%	2.66	165,000	161,362	165,556	4,287
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/03/2022	1.900%	2.64	165,000	161,321	165,348	4,264
FEDERAL NATL MTG ASSN	AA+	04/05/2022	1.875%	2.49	170,000	166,733	170,498	4,148
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2022	1.850%	2.60	130,000	126,987	130,836	3,300
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.65	120,000	118,516	120,000	3,145
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/04/2022	2.100%	2.81	220,000	216,905	220,000	6,089
FEDERAL HOME LN MTG CORP	AA+	10/12/2021	2.000%	2.63	120,000	118,276	120,000	3,109
BANK AMER CORP FR	A	05/13/2021	5.000%	2.93	75,000	78,104	79,599	2,287
CONSTELLATION BRANDS INC SR GLBL NT	BBB-	11/06/2020	2.250%	3.05	25,000	24,585	24,942	749
HOME DEPOT INC SR GLBL NT	A	04/01/2021	2.000%	2.53	80,000	78,988	79,838	2,000
LORILLARD TOB CO SR NT	BBB	05/01/2020	6.875%	3.38	25,000	26,061	26,634	881
MORGAN STANLEY SR NT	A-	01/27/2020	2.650%	2.91	80,000	79,752	80,383	2,323
ORACLE CORP SR GLBL	A+	05/15/2022	2.500%	2.86	80,000	79,054	80,069	2,264
PHILIP MORRIS INTL INC SR NT	A	03/26/2020	4.500%	2.78	25,000	25,482	25,918	708
STARBUCKS CORP SR GLBL	BBB+	02/04/2021	2.100%	2.88	80,000	78,799	79,979	2,268
3M CO FR	A+	06/26/2022	2.000%	2.71	100,000	97,675	99,090	2,650
FEDERAL HOME LN MTG CORP	AA+	12/29/2021	2.250%	2.68	120,000	118,939	120,000	3,191
FEDERAL HOME LOAN BKS CONS BDS	AA+	10/26/2022	2.280%	2.68	100,000	98,792	99,600	2,650
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/11/2020	1.620%	2.73	400,000	394,372	395,347	10,766
FEDERAL HOME LOAN BKS CONS BDS	AA+	11/29/2021	1.875%	2.47	300,000	295,296	296,489	7,279
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/15/2021	2.200%	2.68	300,000	298,068	298,050	7,979
FEDERAL NATL MTG ASSN	AA+	11/26/2019	1.750%	2.59	300,000	298,116	299,264	7,721
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	05/17/2021	1.970%	2.75	100,000	98,743	98,615	2,712
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/15/2020	2.500%	2.74	160,000	159,998	159,880	4,381
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	11/22/2021	2.740%	2.98	100,000	100,001	99,975	2,982
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/01/2021	2.750%	2.97	60,000	60,001	59,970	1,780
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/01/2020	2.450%	2.81	90,000	89,767	89,978	2,522
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	03/07/2022	2.850%	2.98	100,000	100,001	100,000	2,976
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/20/2021	2.840%	2.96	100,000	100,001	100,000	2,962
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	03/29/2021	2.710%	2.88	80,000	80,002	80,000	2,305
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/29/2022	3.000%	3.08	100,000	100,003	100,000	3,076
FEDERAL HOME LN MTG CORP	AA+	12/14/2022	2.250%	2.83	25,000	24,969	24,663	705
FEDERAL HOME LN MTG CORP	AA+	11/24/2021	2.650%	2.88	100,000	100,005	99,750	2,878
FEDERAL HOME LN MTG CORP	AA+	02/24/2023	3.000%	3.12	80,000	80,010	79,984	2,492
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2022	2.130%	2.97	129,630	126,691	126,397	3,760
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.88	100,000	100,032	100,000	2,878
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/16/2021	1.680%	2.69	100,000	97,879	97,005	2,632
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/18/2022	2.830%	3.04	150,000	150,062	150,000	4,566
FEDERAL HOME LN MTG CORP	AA+	03/15/2023	3.000%	3.17	150,000	150,032	149,850	4,760
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/27/2023	3.000%	3.20	150,000	150,062	150,000	4,802
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/27/2022	1.700%	2.67	150,000	145,637	144,383	3,887
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/14/2021	2.810%	2.95	100,000	100,002	100,000	2,951
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/20/2022	3.090%	3.21	200,000	200,004	199,850	6,416
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/28/2022	3.060%	3.10	100,000	100,135	100,000	3,106
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.21	160,000	160,402	160,000	5,150
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.98	120,000	120,380	120,000	3,586
FEDERAL HOME LN MTG CORP	AA+	06/28/2023	3.250%	3.26	160,000	160,301	159,920	5,224
FEDERAL NATL MTG ASSN	AA+	11/27/2020	1.500%	2.73	100,000	98,070	97,509	2,672
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/27/2022	3.230%	3.28	180,000	180,095	179,827	5,914
US TREASURY NOTE	NR	09/15/2021	2.750%	2.44	120,000	120,952	119,634	2,945
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2023	3.200%	3.20	150,000	150,003	149,025	4,802
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	05/08/2023	3.440%	14.75	180,000	180,009	180,000	26,544
FEDERAL HOME LN MTG CORP	AA+	09/27/2023	3.200%	3.23	150,000	150,372	149,400	4,862
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	3.40	250,000	250,398	250,000	8,524
CASH & EQUIVALENTS	-	-	-	2.31	-	1,645,367	1,645,367	38,008
Capital Improvement Program Reserve Total						\$ 17,993,266	\$ 18,179,557	\$ 505,559
Stage 2 Capacity Reserve								
CISCO SYS INC SR GLBL NT	A+	01/15/2020	4.450%	2.66	75,000	76,211	76,891	2,027
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	02/01/2019	5.000%	-	227	228	239	-
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	11/01/2020	4.500%	3.11	5,954	6,055	6,207	188
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.55	100,000	99,837	101,238	2,544
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	2.47	100,000	97,851	100,876	2,413
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/11/2020	2.875%	2.52	60,000	60,337	61,683	1,523
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/24/2019	1.520%	2.63	200,000	199,328	200,000	5,242
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2019	5.125%	2.61	50,000	50,711	51,787	1,325
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.57	100,000	100,809	101,288	2,588
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/13/2020	4.125%	2.58	125,000	127,209	129,521	3,283
FEDERAL NATL MTG ASSN	AA+	01/21/2020	1.625%	2.56	100,000	99,119	100,675	2,540
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.51	100,000	98,616	100,635	2,471
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.50	100,000	98,234	100,599	2,455
FEDERAL NATL MTG ASSN	AA+	12/28/2020	1.875%	2.48	175,000	173,077	177,216	4,296
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	2.49	180,000	176,063	180,205	4,387
FEDERAL HOME LN MTG CORP	AA+	03/27/2019	3.750%	2.30	250,000	250,523	252,850	5,762
FEDERAL HOME LN MTG CORP	AA+	05/30/2019	1.750%	2.41	100,000	99,770	100,424	2,404
FEDERAL HOME LN MTG CORP	AA+	08/01/2019	1.250%	2.49	100,000	99,381	100,442	2,477
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.53	100,000	99,155	100,260	2,505
FEDERAL NATL MTG ASSN GTO PASSTHRU	N.A.	12/01/2020	4.000%	3.05	22,628	23,270	23,710	710
FEDERAL NATL MTG ASSN GTO PASSTHRU	N.A.	07/01/2019	4.821%	4.28	108,635	109,165	120,517	4,672
JPMORGAN CHASE & CO SR NT	A	03/01/2021	2.550%	2.91	50,000	49,628	50,681	1,442
LANCASTER CNTY NEB SCH DIST NO SCH	AA+	01/15/2021	4.550%	3.24	50,000	51,373	52,254	1,666
NORFOLK VA GO CAP IMPT BDS 2010 B	AA	03/01/2019	4.650%	2.61	100,000	100,158	101,330	2,617
UNIVERSITY CALIF REV FND PREV GEN	AA	07/01/2019	1.796%	2.77	50,000	49,830	49,928	1,380
MONTGOMERY CNTY MD CTF FARTN COPS	N.A.	11/01/2019	1.200%	2.73	100,000	98,794	100,019	2,697
BANK NEW YORK MTN BK ENT FR	A+	11/27/2020	2.450%	2.72	150,000	148,878	152,586	4,045
GILEAD SCIENCES INC SR NT	A-	09/01/2020	2.550%	2.86	150,000	149,150	153,231	4,264
WISCONSIN ST GEN FD ANNUAL APP REV	AA-	05/01/2021	1.616%	2.68	100,000	97,647	100,080	2,618
FEDERAL HOME LN MTG CORP	AA+	08/25/2021	1.500%	2.68	90,000	88,530	90,000	2,368
METRO WASTEWTR RECLAMATION DIS REV	AA+	04/01/2019	4.718%	2.64	100,000	100,320	101,809	2,652
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.71	55,000	55,618	57,179	1,506

							Estimated Annual				
Broker/Dealer	Composite	Coupon	Yield to				\$ Yield				
Investment Name	Credit	Maturity	Rate	Maturity	Par Value	Market Value	Cost	Earnings			
FEDERAL HOME LN MTG CORP	AA+	03/30/2021	1.500%	2.60	60,000	58,726	60,000	1,525			
FEDERAL HOME LN MTG CORP	AA+	09/30/2021	1.250%	3.52	100,000	98,412	99,900	3,460			
FEDERAL NATL MTG ASSN	AA+	09/30/2019	1.250%	2.66	60,000	59,494	59,985	1,583			
FEDERAL NATL MTG ASSN	AA+	05/26/2021	1.800%	2.68	60,000	58,802	60,000	1,577			
FEDERAL HOME LN MTG CORP	AA+	12/30/2020	1.750%	2.63	100,000	98,502	100,000	2,588			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.75	80,000	79,024	80,000	2,170			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.79	60,000	59,127	60,000	1,652			
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.61	40,000	39,469	40,000	1,029			
FEDERAL HOME LN MTG CORP	AA+	10/26/2021	2.000%	2.62	150,000	147,933	150,000	3,880			
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/27/2022	2.300%	2.60	150,000	148,974	149,663	3,870			
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.51	260,000	256,225	258,975	6,431			
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	2.47	80,000	77,734	79,281	1,918			
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	2.47	120,000	119,695	122,023	2,952			
FEDERAL NATL MTG ASSN	AA+	01/05/2022	2.000%	2.49	220,000	216,979	219,544	5,401			
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.55	260,000	257,429	260,905	6,575			
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	2.46	260,000	253,175	257,913	6,228			
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	2.45	260,000	252,377	257,292	6,181			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2022	1.900%	2.66	290,000	283,606	290,977	7,535			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/03/2022	1.900%	2.64	290,000	283,533	290,612	7,494			
FEDERAL NATL MTG ASSN	AA+	04/05/2022	1.875%	2.49	300,000	294,234	300,879	7,321			
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2022	1.850%	2.60	85,000	83,030	85,547	2,158			
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.65	180,000	177,773	180,000	4,718			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/04/2022	2.100%	2.81	280,000	276,060	280,000	7,749			
FEDERAL HOME LN MTG CORP	AA+	10/12/2021	2.000%	2.63	180,000	177,413	180,000	4,664			
HOME DEPOT INC SR GLBL NT	A	04/01/2021	2.000%	2.53	60,000	59,241	59,879	1,500			
ORACLE CORP SR GLBL	A+	05/15/2022	2.500%	2.86	120,000	118,582	120,103	3,396			
PHILIP MORRIS INTL INC SR NT	A	03/26/2020	4.500%	2.78	55,000	56,061	57,020	1,558			
STARBUCKS CORP SR GLBL	BBB+	02/04/2021	2.100%	2.88	60,000	59,099	59,984	1,701			
FEDERAL HOME LN MTG CORP	AA+	12/29/2021	2.250%	2.68	80,000	79,293	80,000	2,127			
FEDERAL HOME LOAN BKS CONS BDS	AA+	11/29/2021	1.875%	2.47	120,000	118,118	118,596	2,912			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	11/22/2021	2.740%	2.98	100,000	100,001	99,975	2,982			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	03/07/2022	2.850%	2.98	80,000	80,001	80,000	2,381			
FEDERAL HOME LN MTG CORP	AA+	02/24/2023	3.000%	3.12	60,000	60,008	59,988	1,869			
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.88	140,000	140,045	140,000	4,029			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/18/2022	2.830%	3.04	150,000	150,062	150,000	4,566			
FEDERAL HOME LN MTG CORP	AA+	03/15/2023	3.000%	3.17	150,000	150,032	149,850	4,760			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/14/2021	2.810%	2.95	100,000	100,002	100,000	2,951			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/20/2022	3.090%	3.21	100,000	100,002	99,925	3,208			
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/28/2022	3.060%	3.10	100,000	100,135	100,000	3,106			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.21	200,000	200,502	200,000	6,438			
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.98	160,000	160,507	160,000	4,782			
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/10/2023	1.500%	3.75	200,000	195,382	192,000	7,331			
US TREASURY NOTE	NR	11/30/2020	1.625%	2.48	160,000	157,557	156,297	3,906			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/27/2022	3.230%	3.28	200,000	200,106	200,000	6,571			
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/30/2021	2.000%	2.60	200,000	197,358	194,471	5,129			
FEDERAL HOME LOAN BKS CONS BDS	AA+	10/25/2021	3.170%	3.11	200,000	200,634	200,000	6,236			
FEDERAL NATL MTG ASSN	AA+	10/28/2020	0.014	2.73	40,000	39,268	38,822	1,072			
US TREASURY NOTE	NR	09/15/2021	0.0275	2.44	60,000	60,476	59,817	1,473			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	05/08/2023	0.0344	14.75	300,000	300,015	300,000	44,240			
FEDERAL HOME LN MTG CORP	AA+	09/27/2023	0.032	3.23	150,000	150,372	149,400	4,862			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	05/06/2022	0.0327	3.81	200,000	200,028	200,000	7,619			
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	0.0337	3.40	100,000	100,159	100,000	3,409			
CASH & EQUIVALENTS	-	-	-	2.31	-	490,358	490,358	11,327			
Stage 2 Capacity Reserve Total						\$	11,116,000	\$	11,236,339	\$	341,169
Subtotal, Bank of the West						\$	32,665,040	\$	33,011,981	\$	941,530
Bank of New York (Trustee)											
2009 Reserve Account - Federal National Mortgage Assn 3136G3Q73	Aaa	7/26/2019	1.150%	1.16		4,748,500	4,780,000		54,970		
2009 Reserve Account - BMW BK North Amer Salt Lake 05580ACK8	Aa	7/24/2019	2.000%	2.01		149,477	150,000		3,000		
2009 Reserve Account - Morgan Stanley Treas Sec X9USDMORS			0.000%	2.25		191,546	161,769		4,303		
2009 Reserve Account - Morgan Stanley Treas Sec X9USDMORS	-		0.000%	2.25		62,656	62,656		1,407		
2009 Revenue FD Account - Morgan Stanley Treas Sec Portfolio X9USDMORS	-		0.000%	2.25		3,836	3,829		86		
2009 Revenue FD Account - Morgan Stanley Treas Sec INST X9USDMORS	-		0.000%	2.25		1,810,760	1,810,760		40,675		
2014 Revenue Account - Goldman FS Money MKT INST 474 X9USDGLD4	-		0.000%	2.62		11	11		0		
2014 Revenue Account - Goldman Sachs Fin Sq Instl X9USDGLD4	-		0.000%	2.64		414	414		11		
2014 Revenue Account - Cash	-		0.000%	-		2,488,564	2,488,564		-		
2014 Interest Account - Goldman Sachs Fin Sq Instl X9USDGLD4	-		0.000%	2.66		13	13		0		
2014 Principal Account - Goldman Sachs Fin Sq Instl X9USDGLD4	-		0.000%	2.65		7	7		0		
2014 COI Account - Cash	-		0.000%	-		2	2		-		
2015 Project Account - Cash	-		0.000%	-		2	2		-		
2015 Revenue Account - JP Morgan Prime MMKT Instl X9USDJPMP	-		0.000%	2.5		163	163		4		
2015 Revenue Account - Cash	-		0.000%	-		744,606	744,606		-		
2009 Escrow - Tunisia Government Aid Bonds 066716AG6	Aaa	7/16/2019	1.686%	1.69		40,162,066	40,944,692		680,672		
2009 Escrow - Cash	-		0.000%	-		951,716	951,716		-		
Subtotal, Bank of New York (Trustee)						\$	51,314,337	\$	52,099,203	\$	785,130
Less Amounts held in Escrow for 2009 Bond Defeasance						\$	(41,113,782)	\$	(41,896,408)	\$	(680,672)
Net Total, Bank of New York (Trustee)						\$	10,200,555	\$	10,202,795	\$	104,458
Zions Bank (Trustee)											
US Treasury Notes 912828C24	Aaa	2/28/2019	1.500%	2.09	15,500,000	15,489,677	15,411,602		323,734		
US Treasury Notes 912828P95	Aaa	3/15/2019	1.000%	2.11	10,300,000	10,283,211	10,186,941		216,976		
US Treasury Notes 912828S78	Aaa	4/30/2019	1.250%	2.12	16,430,000	16,381,219	16,268,909		347,282		
US Treasury Notes 912828SX9	Aaa	5/31/2019	1.125%	2.14	13,550,000	13,491,776	13,384,330		288,724		
Toronto Dominion Bank NY Cert Depos 89113XZJ6	P-1	3/8/2019	2.500%	2.50	6,300,000	6,297,414	6,300,000		157,435		
CAMP Pool	NR			2.62		8,911,781	8,911,781		233,489		
2018 Revenue Account - Cash	-		0.000%	2.02		2,816,361	2,816,361		56,890		
2018 Acquisition Account - Cash	-		0.000%	-	5,964,625	6,867,073	6,828,303		-		
Total, Zions Bank (Trustee)						\$	80,538,512	\$	80,108,227	\$	1,624,530
Uninvested Operating Cash							6,204,892		6,204,892		-
California Local Agency Investment Fund							713,065		713,065		16,793
Total Working Capital							6,917,956.99		6,917,956.99		16,793


Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Estimated Annual \$ Yield Earnings
TOTAL CASH & INVESTMENTS, UNRESTRICTED AND WITH TRUSTEE						\$ 130,322,064	\$ 130,240,960 \$ 2,687,311
						Weighted Average Yield to Maturity % 2.06%	

Summary by Investment Type:	Market Value
US Treasuries	\$ 58,582,194
Agencies	30,372,643
Commercial Paper / Corporate Bonds	2,190,796
Municipal Bonds / Notes	1,803,111
Money Market / Certificates of Deposit	36,660,255
Local Agency Investment Fund	713,065
TOTAL	\$ 130,322,064

Summary by Purpose / Restriction Level	Market Value
Working Capital	\$ 6,917,957
Operations & Capital Budget Reserve	3,555,775
Capital Improvement Program Reserve	17,993,266
Stage 2 Capacity Reserve	11,116,000
Debt Reserve	10,200,555
Debt Proceeds	80,538,512
TOTAL	\$ 130,322,064

Summary by Liquidity:	Market Value
0-1 years	\$ 105,363,489
1 years	8,013,814
2 years	9,363,768
3-5 years	7,580,993
TOTAL	\$ 130,322,064

SVCW has sufficient liquid resources available to meet expenditure requirements per SVCW's investment policy.
All SVCW investments are in compliance with SVCW's Investment Policy.



1/31/2019

M. Anderson

AGENDA ITEM 5C2

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FINANCE STATUS REPORT**ISSUE**

Review of the Operating Fund Financial Update as of December 31, 2018. This Update is for the Second Quarter of the 2018-19 Fiscal Year.

DISCUSSION

Staff presents to the Commission a financial update each quarter of the fiscal year. The below points highlight key findings found in the attached summary table.

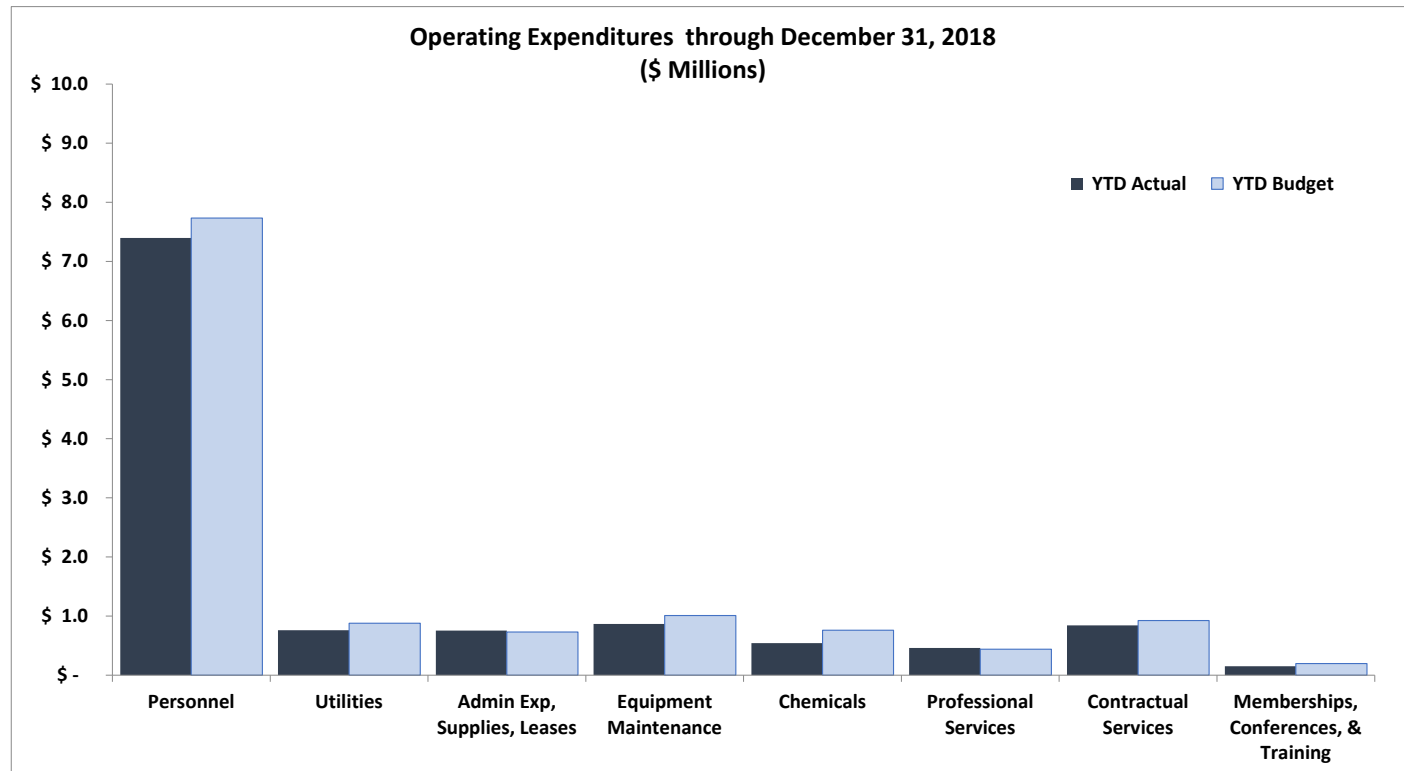
Revenue: Year to date, actual revenue trailed budget by \$174 thousand (1.4%). All Member contributions were paid in full and on time. Revenue from grease and septic haulers is off budget by approximately \$100 thousand due to the station being offline for repairs. Revenue from laboratory and source control is behind scheduled budget and is expected to catch up to meet final fiscal year revenue projections.

Expense: Through the second quarter operating expenses were \$11.8 million, or 7.1% less than the \$12.7 million year-to-date budget. Notable variances include:

- Personnel expense was \$339 thousand (4.4%) below budget due to a combination of vacancies in the Laboratory and Operations Divisions.
- Utilities expense was \$117 thousand (13.4%) below budget due to higher-than-expected cogeneration engine performance.
- Admin Expense, Supplies, and Leases were \$24 thousand (3.3%) higher than budget resulting from a one-time purchase of an on-site security camera system not anticipated in the budget preparation.
- Equipment Maintenance costs were \$144 thousand (14.2%) below budget. Less spending on fleet management and IT equipment offset additional spending on equipment maintenance parts and service.
- Chemicals expense was \$217 thousand (28.5%) less than budget as chemical dosing at San Carlos pump station was lower than expected due to exceptionally wet weather, less ferric dosing at the influent line during repair work, and sodium bisulfite expenses lower due to wet weather.
- Professional Services expense was \$23 thousand (5.4%) higher than budget due to unanticipated legal fees.
- Contractual Services expense was \$80 thousand (8.7%) less than budgeted related to lower costs for miscellaneous cleaning services than anticipated.
- Memberships, Conferences, & Training expense was \$46 thousand (23.8%) less than budget. Several divisions have not attended conferences in the first half of the year as was expected.

SVCW Operating Revenue and Expenditures versus Budget - Through December 31, 2018

Description	YTD Actual	YTD Budget	\$ Better/ (Worse)	% Better/ (Worse)	Comment
Revenue:	\$ 12,333,620	\$ 12,352,410	\$ 173,564	1.4%	<i>Less than budgeted receipt on grease and septic hauling and laboratory services. Cogen grant revenue anticipated to be paid in June</i>
Expenditures:					
Personnel	\$ 7,395,754	\$ 7,734,748	\$ 338,994	4.4%	<i>Position vacancies in Laboratory and Operations and backfills in Operations during first half of the fiscal year.</i>
Utilities	761,093	878,558	117,465	13.4%	<i>Cogen performance exceeding budget.</i>
Admin Exp, Supplies, Leases	754,054	729,746	(24,308)	(3.3%)	<i>One-time purchase of on-site security camera system.</i>
Equipment Maintenance	866,816	1,010,831	144,015	14.2%	<i>Less spending on fleet management and IT equipment offset additional spending on Equipment Maintenance Services and Parts</i>
Chemicals	543,803	760,884	217,081	28.5%	<i>Overall chemical prices were 43% less than budget. \$141K reduction in Nitrate spending due to not dosing at San Carlos during exceptionally wet weather. \$43K underspent on Sodium Bisulfite due to seasonality. \$31K less spending on Ferric while repair work being done to an influent line.</i>
Professional Services	461,546	437,928	(23,618)	(5.4%)	<i>Unanticipated legal fees.</i>
Contractual Services	842,832	923,617	80,785	8.7%	<i>BioForce Tech has not been operational due to air permit delays</i>
Memberships, Conferences, & Training	149,985	196,794	46,809	23.8%	<i>Maintenance and IT did not attend Conferences budgeted. Lab and IT has not done Training budgeted.</i>
TOTAL Expenditures:	\$ 11,775,884	\$ 12,673,106	\$ 897,222	7.1%	



AGENDA ITEM 5D

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**ENGINEERING REPORT: JANUARY 2018
CAPITAL IMPROVEMENT PROGRAM**

Pump Stations Rehabilitation and Replacement (9501): Rehabilitate or Replace three pump stations and connect them to the new Gravity Pipeline. Replace the Belmont Force Main.

The RESCU Program includes rehabilitation or replacement of the Belmont, Redwood City, and Menlo Park Pump Stations, as well as the construction of the Belmont Force Main to connect the Belmont system to the Gravity Pipeline. Preliminary design work was completed by Brown and Caldwell. SVCW will deliver these projects as a combined Progressive Design Build Project, with Brown and Caldwell acting as Owner's Advisor. SVCW received Statements of Qualifications from four qualified Design Builders and shortlisted two. Shea Parsons Joint Venture (SPJV) was the best value selection based on the Proposal criteria. SVCW staff has negotiated a Stage 1 contract with SPJV to perform 60% design services for the project.

Planned Commission Actions: Award Design-Build Project – February 2019
Approve Professional Services Task Orders –
February 2019

Emergency Repair of the 12kV Vault (9808): Respond to emergency condition of existing main 12 kV service.

On September 14, 2017 the Commission approved the emergency expenditure of funds for the repair of essential facilities. On November 9, 2017 The Commission approved a total budget amount of \$2,347,412 which included the initial emergency authorization of \$300,000 to perform work on a time and material basis to resolve the failing 12kV electrical vault. Beecher Engineering, Power Engineering and DW Nicholson designed a permanent repair to reroute the 12 kV conduits that supply power to the Solids Handling Building (SHB) and ultimately to all plant equipment and processes.

A new concrete vault was placed on the main structure side of the tunnel and is incorporated into the pile-supported tunnel structure. A new conduit run was constructed along the building to the new vault at the tunnel. Power Engineering completed excavation under the SHB by the transformers and constructed a new duct bank structure under the transformers to connect the 12kV power lines to the new vault at the tunnel. The underground tunnel is pile supported and will offer the most stable pathway between the buildings to ensure the new conduits and vault will not subside in the future.

Planned Commission Actions: Accept Project and File Notice of Completion –
February 2019

CCT Concrete and Steel Protective Coatings Project (9017): Repair cracks in concrete walls and ceiling of CCT, repair and replace valves, replace coatings on steel piping inside tank.

A condition assessment of the interior of the Chlorine Contact Tank highlighted many cracks in the concrete ceiling and walls and failed coatings on valves and steel piping within the tank. Leaky valves have also been identified that need to be rehabilitated and replaced. The work to rehabilitate the tank has been staged over several dry weather seasons. The upcoming construction contract includes work to rehabilitate passes 2 and 3 over the 2019 and 2020 dry weather season. Design was completed by Kennedy/Jenks.

Planned Commission Actions: Award Construction Contract – March 2018

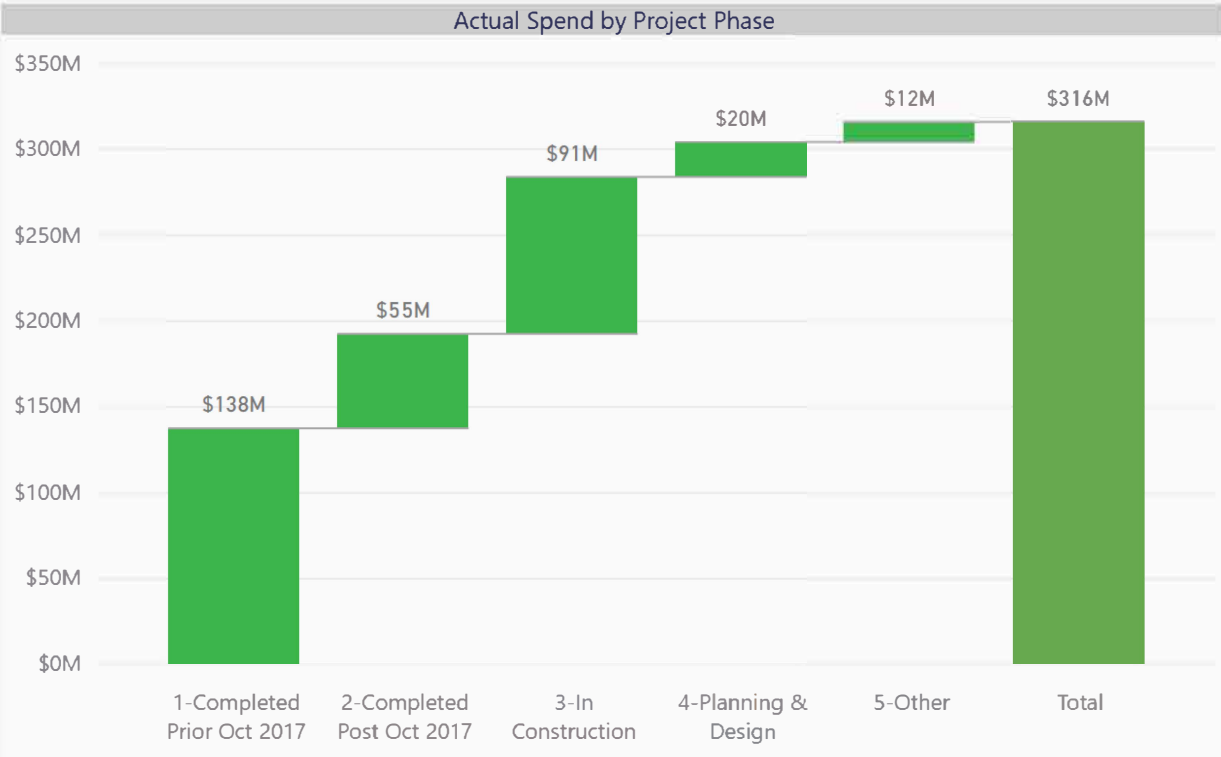
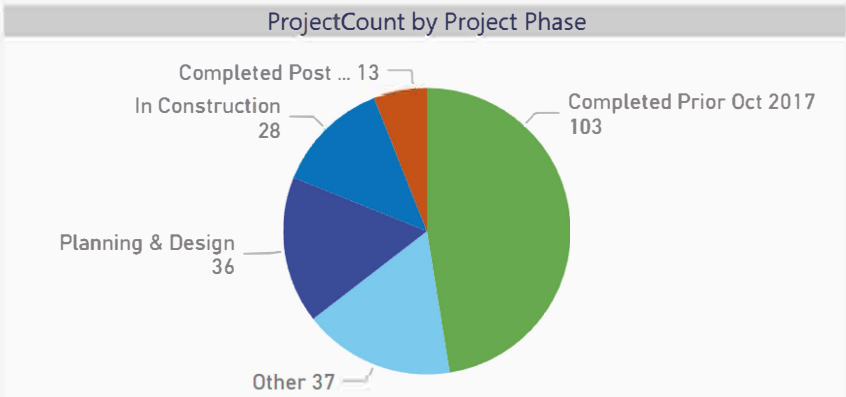
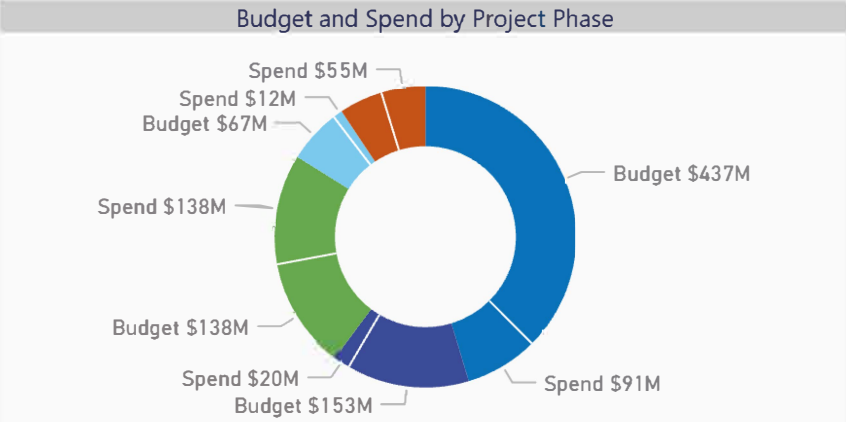
Digester 1 Rehabilitation (CIP #9215): Perform steel repairs and replace coatings on Digester 1, including piping and changes to level monitoring system.

Digester Nos. 3 and 2 were rehabilitated and upgraded in 2011 and 2013, respectively. Digester No. 1 is the only digester that has not been rehabilitated under the CIP program. Several repairs are needed on Digester No. 1, including the replacement of deteriorated mix piping and nozzles, and replacement of coatings and insulation on the exterior of the cover. Kennedy/Jenks has completed the design for the Digester 1 rehabilitation.

Planned Commission Actions: Award Construction Contract – April 2018

CIP Spend Analysis

	Project Phase	Project Count	2018 CIP Budget	Actual Spend	Remaining	% Unspent
	Completed Prior Oct 2017	103	\$138,103,158	\$137,638,396	\$464,762	0.34%
	Completed Post Oct 2017	13	\$54,325,725	\$54,992,538	\$-666,814	-1.23%
	In Construction	28	\$437,398,793	\$91,208,556	\$346,190,236	79.15%
	Planning & Design	36	\$152,865,372	\$20,372,458	\$132,492,915	86.67%
	Other	37	\$66,873,374	\$11,777,219	\$55,096,155	82.39%
Total		217	\$849,566,422	\$315,989,167	\$533,577,255	62.81%



This report is a snapshot of CIP spending and displays the cost of projects as they evolve from un-initiated to completed. Within each phase, actual expenditures is compared to the 2017 CIP Budget Plan to arrive at dollars remaining.

"Planning/Design" budget values are not fully encumbered and therefore not meant for comparison to actual expenditures. Only upon completion of the planning and design phase will project budget and actual expenditures be recategorized to "In Construction" and a good measure of budget adherence.

"In Construction" dollar values reflect encumbrances (Budget) and expenditures (Actual Spent to date); comparing these numbers describes budget adherence.

"Other" phase includes projects that are administrative in nature (e.g. SRF loan expenses, Insurance, etc) and/or projects that have not been initiated.

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AGENDA ITEM 5E

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Silicon Valley Clean Water
Commissioners' Requested Action Items
Updated: 02/19/2019

AGENDA ITEM 5E
FEBRUARY 25, 2019

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
1/28/2019		No new items at this meeting						
12/6/2018	1	Private property easements: keep Commission apprised if/when impasse during easement negotiations	2/25/2019	✓				Pursue amenable terms regarding how to appropriately measure any settlement caused by tunneling activities.
11/8/2018	1	Draft Letter to County Manager for Commissioner Chair Signature	11/9/2018			✓	11/8/2018	Letter related to intended use of existing 48-in Force Main after Gravity Pipeline is put into use.
10/11/2018	1	No new items at this meeting						
8/23/2018	1	Item 8B error in bid summary sheet; note in minutes	10/11/2018			✓	10/3/2018	
7/12/2018	1	Provide interim financials for end of FY17-18	8/23/2018			✓	8/11/2018	Interim financials provided; audited financials to be presented to Commission in October/November 2018
	2	Reschedule December meeting to late November or early December	8/23/2018			✓	7/15/2018	December Commission meeting scheduled for December 6
	3	Prepare Commission member on-boarding package	first quarter 2019			✓	1/11/2019	Binder provided to RWC Commissioner. Will be provided to others at January meeting.
6/28/2018	1	No new items at this meeting						
6/14/2018	1	8B - Front of Plant project, report back if allowance is used	N/A			✓	12/6/2018	Report provided to Commission: Allowance for 40 additional piles or 1,530 extra length of piles. Of the allowance, an additional 76 feet of pile was used; this translates to \$5,890 used of the \$358,575 allowance.
	2	8C - Line of Credit; report back if proportion of use changes from JPA apportionment	N/A			✓	6/15/2018	Confirmed that use is proportional to JPA apportionment; should use of the LOC proportionally change, report this to Commission.
	3	8E - JPA Amendment; re-initiate "clean up" to JPA	N/A		✓			Make required and requested changes to the JPA a priority. Letter distributed to member agencies requesting input. Input received and Manager to schedule a meeting time with member agency staff to review.
5/10/2018	1	No new items at this meeting						
4/12/2018	1	Prepare letter Opposing AB1912	N/A			✓	4/17/2018	Prepare for John Seybert signature. Include all Commission names and who they're representing.

Silicon Valley Clean Water
Commissioners' Requested Action Items
Updated: 02/19/2019

AGENDA ITEM 5E
FEBRUARY 25, 2019

Commission Meeting Date	Action Item		Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
	2	FY18-19 Operating Budget	1-2 weeks			✓	5/2/2018	Send e-version, along with Benchmarking Chart of SVCW costs compared to other Bay Area WWTP costs, to Commissioners (Benchmarking Only), Member Agency Finance Directors and Tech Committee members.
3/8/2018	1	Reflect in LRFP how SVCW's procurement process and management strategies are saving costs	N/A			✓	1/28/2019	In response to the fact that SVCW staff is implementing significant projects with relatively little overhead costs.
	2	Recycled Water Workshop in Stanford	April			✓	4/12/2018	Reported highlights from the Recycled Water Workshop held at Stanford on March 9
	3	Operating Budget Benchmarking	April			✓	4/12/2018	Benchmark SVCW's operating budget increase with other agencies in the Bay Area; reported out at April meeting.
> One Year	1	When SVCW can begin exporting power to grid, make public for positive public relations standpoint	N/A		✓			The anticipated timeframe for SVCW to begin exporting power is late summer/fall 2019. Public notice will be prepared and distributed.
	2	Project delay costs	N/A	✓			Ongoing	Inform Commission of any potential delays that could add time and costs to projects they have authorized.
	3	Greendale property construction progress	2/28/2019		✓			One item of work remains to complete; the Engineering Director is handling coordination with the contractor. A summary of costs was presented to the Commission at the October 2018 meeting.
	4	Connection Fees	NA		✓			Additional plant capacity evaluation is underway to ensure proper flow numbers are used in the calculations. Will be incorporated into upcoming JPA changes.

AGENDA ITEM 5F

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Overview



RESCU Program describes eleven projects which constitute full replacement and rehabilitation of SVCW's conveyance system. RESCU includes the Gravity Pipeline, Front of Plant, Pump Stations, and Belmont Force Main projects. The Front of Plant includes six and Pump Stations includes four of the eleven projects. The Conveyance System Improvements Environmental Impact Report completed and adopted by the SVCW Commission in April 2017 covers work to be done under all the RESCU Program projects.

Available Budget

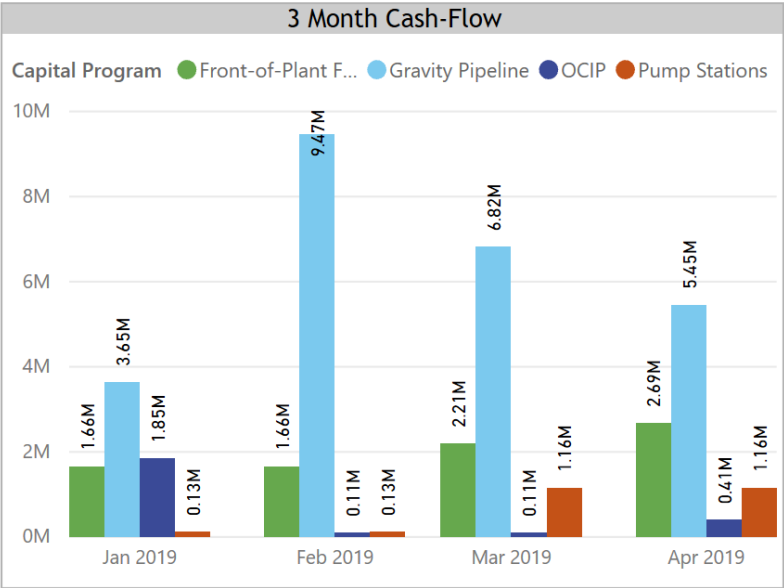
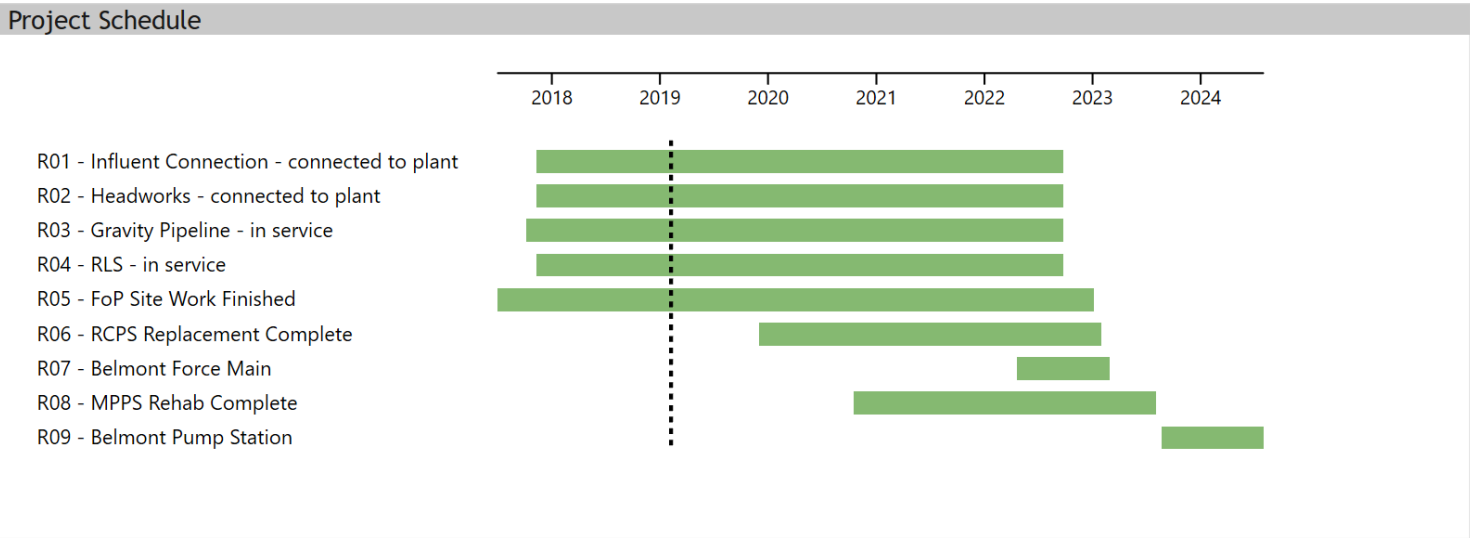
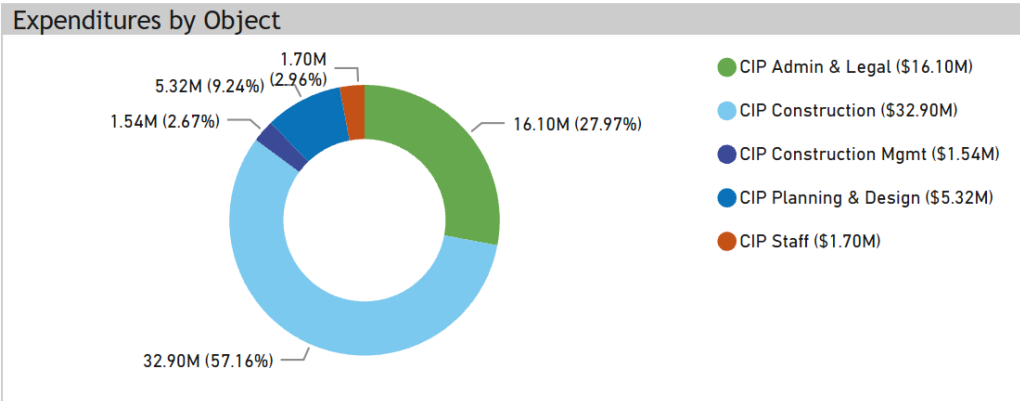
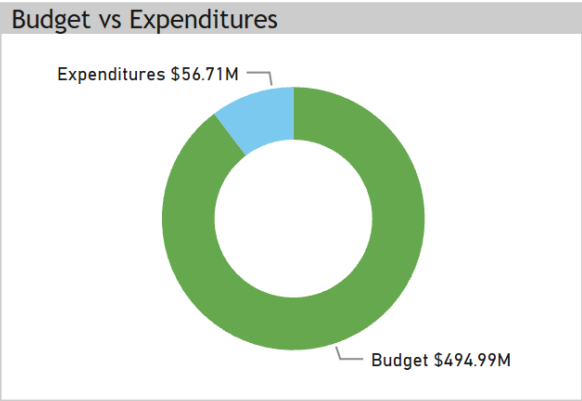
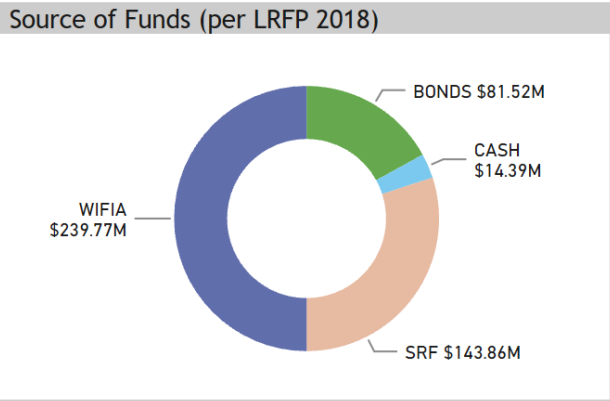
\$494.99M

Total Expenditure

\$56.71M

Remaining Budget

\$438.27M



As of : 2019 - 01

Front of Plant Progressive DB Project



The Front of Plant (FoP) Project consists of the design, construction, permitting, start-up, commissioning, and final acceptance for the Receiving Lift Station (RLS), Surge and Flow Splitter (SFS), Headworks Facility, Odor Control Facilities, Influent Connector Pipe, Storage and Chemical Offload Facilities, Civil site work, Emergency Overflow pipe to storage basin and related process support systems. Work is being implemented under a Progressive Design-Build procurement process in stages.

Available Budget

\$137.81M

Total Expenditure

\$28.14M

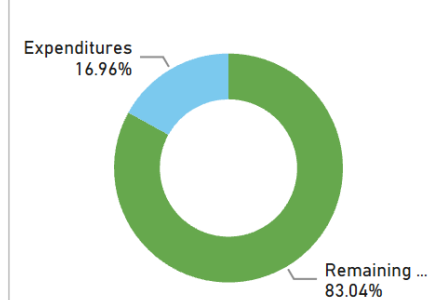
Remaining Budget

\$109.67M

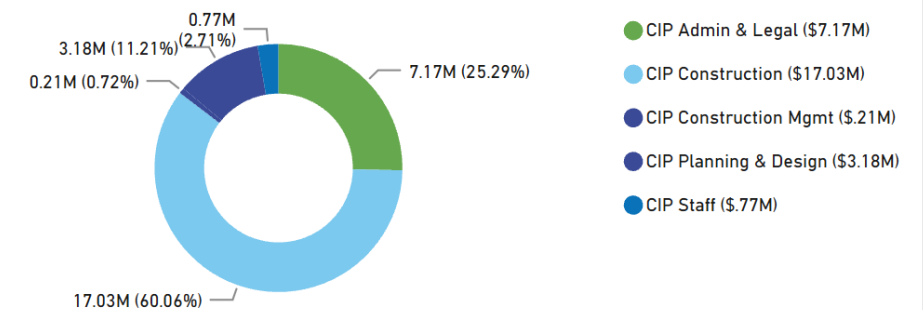
Milestone Schedule

	Start	Finish
100 Percent (%) Design Documents	12/6/2018	7/31/2019
Stage 2C - RLS Shaft Construction	10/11/2018	2/25/2020
Headworks Completed/Early Start-Up	12/6/2018	10/24/2021
SFS/RLS Operational	12/6/2018	8/28/2022
Stage 2D - Balance of Stage 2 Work Final Completion	12/6/2018	10/20/2022

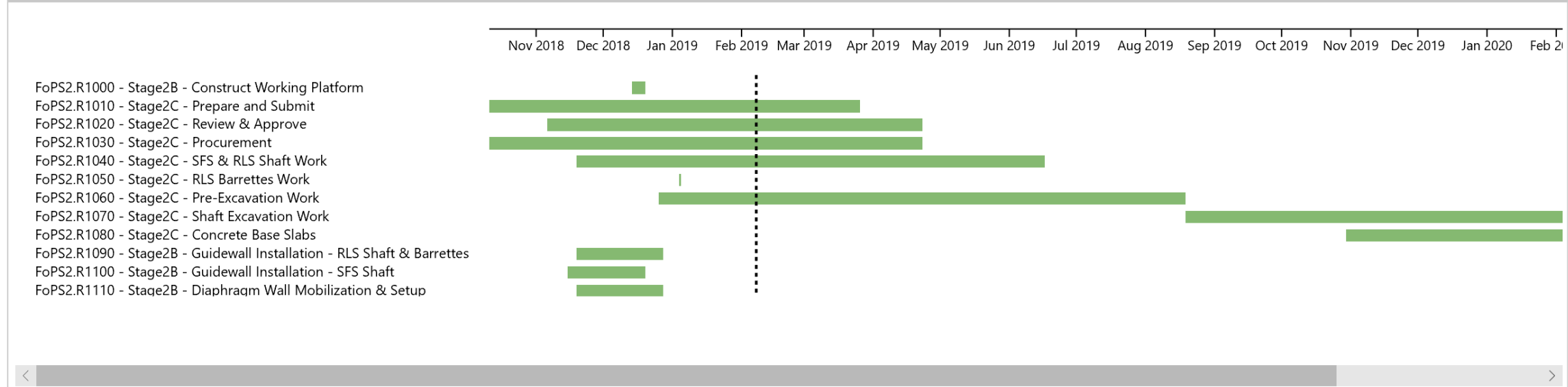
Budget vs Expenditures



Expenditures by Object



Schedule



As of : 2019 - 01

Major Accomplishments this Period

▼	
Design	<ul style="list-style-type: none"> - SPJV reviewing SVCW's follow-up responses to the 60% design package resubmittal and continue developing the 100% design package - Continued design of instrumentation and controls for RLS control strategies - Continued development of all FoP control narratives - Delivered Master Equipment List
Procurement of Trade Packages	<ul style="list-style-type: none"> - Stage 2D Amendment was approved at the December Commission - Completed review of the major equipment list with preferred manufacturers - WIFIA applications are in progress
Construction	<ul style="list-style-type: none"> - Completed the installation of guidewalls for the RLS and SFS shaft construction - Completed twelve of the installation of fifteen barettes for the RLS shaft

Upcoming Key Activities

Continue detailing RLS and Headworks facilities
 Complete the installation of the RLS and SFS Support of Excavation Walls
 Procurement of major equipment

3 - Month Look Ahead

	▲	Start	End	February	March	April
Installation of RLS and SFS Support of Excavation Walls		November 12, 2018	June 17, 2019	X	X	X
Develop 100% Design Package		December 6, 2018	July 31, 2019	X	X	X
Installation of RLS Barrettes		January 4, 2019	February 19, 2019	X		
Headworks Facility Civil Work		March 7, 2019	August 1, 2019		X	X

Safety Spot Light

Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

Gravity Pipeline Progressive DB Project



The Gravity Pipeline (GP) Project consists of the design, construction, permitting, start-up, commissioning, and closeout of approximately 17,600 feet of wastewater gravity FRP pipe inside a concrete-segment tunnel. The work includes three shafts and will interface directly with the Front of Plant (FoP) Project at the Surge & Flow Shaft (SFS). Work is being implemented under a Progressive Design-Build procurement process.

Available Budget

\$253.25M

Total Expenditure

\$26.86M

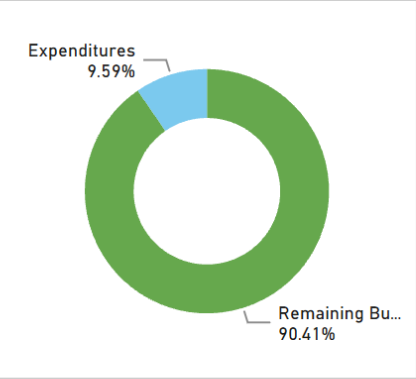
Remaining Budget

\$226.39M

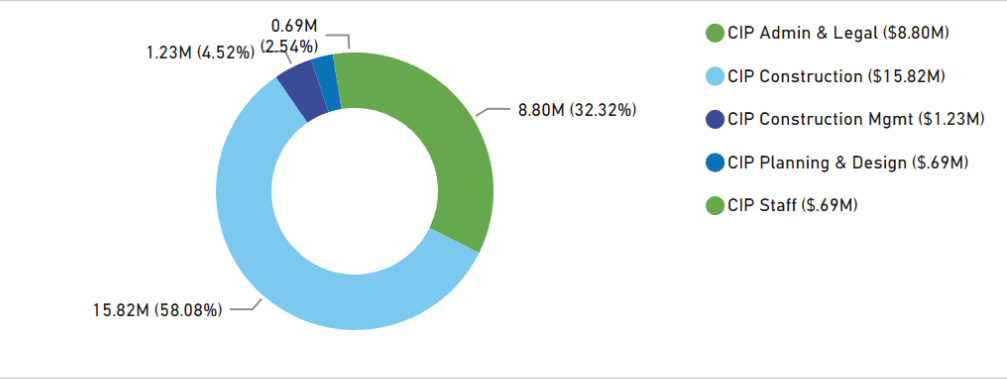
Milestone Schedule

	Start	Finish
Notice to Proceed - Stage 1 Services		10/13/2017
Stage 1 Services Complete	10/13/2017	1/21/2019
100 Percent (%) Design Documents		7/31/2019
TBM Procurement and Delivery		7/5/2019
Airport Access Shaft Construction	12/14/2018	7/26/2019
Procurement of BCDC permit		5/31/2019
Bair Island Shaft Construction	6/20/2019	3/30/2020
TBM Drive (AAS to Bair Island)	10/9/2019	5/7/2020
San Carlos Shaft Construction	8/20/2020	1/7/2021
TBM Drive (AAS to SFS)	9/10/2020	8/13/2021
FRP Pipe Installation	7/27/2021	5/16/2022
Final Commissioning		7/13/2022

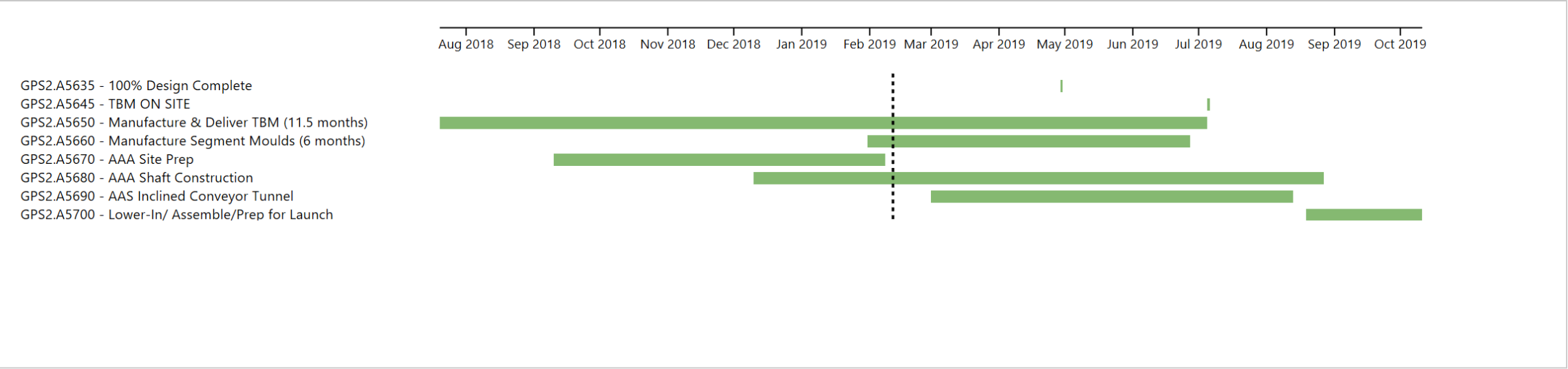
Budget vs Expenditures



Expenditures by Object



Schedule



As of : 2019 - 01

Major Accomplishments this Period

▼	
Design	-Continued Construction Phase Instrumentation & Monitoring design -Completed Tunnel Segment Drawings
Procurement of Trade Packages	- Signed agreement with tunnel segment supplier - Continued discussions with FRP pipe manufacturers - Outreach in conformance with SRF and WIFIA funding requirements
Construction	-SOE subcontractor completed installation of 4 slurry wall panels

Upcoming Key Activities

San Carlos/Bair Island Piping Design
Airport Access Shaft Trailers/Utility Installation
Inclined Conveyor Design
BCDC Permit in Progress

3 - Month Look Ahead

	▲	Start	End	February	March	April
100% Design Completion		August 10, 2018	April 22, 2019	X	X	X
AAS Slurry Wall Installation		January 4, 2019	March 19, 2019	X	X	
Shaft Instrumentation Installation		March 19, 2019	April 16, 2019		X	X

Safety Spot Light

Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

Pump Stations



All SVCW pump stations require replacement or rehabilitation. Menlo Park PS will be rehabilitated. Redwood City PS will be replaced. Belmont PS will be rehabilitated. San Carlos PS is no longer needed due to the new gravity pipeline; flows from San Carlos and Belmont will enter into the gravity pipeline via a drop structure at the current San Carlos pump station site. Flows from the MPPS and RCPS will flow through the new 48-inch force main to a drop structure at Inner Bair Island. This project also includes replacement of the Belmont Force Main and will be implemented via a Progressive Design-Build Process.

Available Budget

\$103.93M

Total Expenditure

\$1.73M

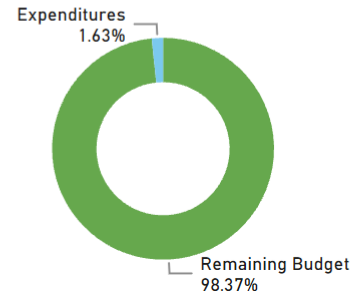
Remaining Budget

\$102.20M

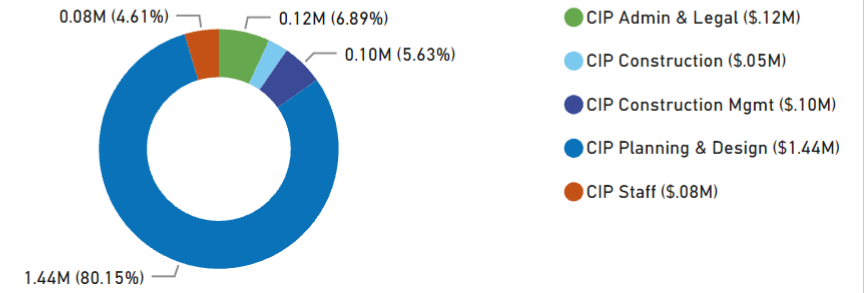
Milestone Schedule

	Start	Finish
PSI Project Procurement process approved by Commission	7/13/2018	7/13/2018
Recommend Award of DB Agreement to Commission	2/25/2019	2/25/2019
Basis of Design Report (BODR)	2/26/2019	7/16/2019
30 Percent (%) Design Documents	7/17/2019	9/11/2019
60 Percent (%) Design Documents	9/12/2019	11/4/2019
Stage 1 Services Complete	1/9/2020	1/9/2020

Budget vs Expenditures



Expenditures by Object



Schedule

Feb 2019 Mar 2019 Apr 2019 May 2019 Jun 2019 Jul 2019 Aug 2019 Sep 2019 Oct 2019 Nov 2019 Dec 2019 Jan 2020 Feb 2020 Mar 2020 Apr 2020 May 2020

- PSS1.A1080 - Approve DB & Issue NTP
- PSS1.A1090 - Negotiate with Selected Team
- PSS1.A1100 - Evaluation Committee Recommendation
- PSS1.A1400 - Obtain BCDC Permit - PS
- PSS1.A1420 - DJPA/WRA TO for Mitigation Monitoring - PS



Major Accomplishments this Period

▼	
Design	<div><div>- Completed interviews with the DB firms</div><div>- Recommended that the Comission award the Design-Build Project to Shea-Parsons JV for Stage 1 Services</div></div>

Upcoming Key Activities

Select Design Buildier
Issue NTP for Stage 1 Services
Begin development of the Basis of Design Report

3 - Month Look Ahead

	▲ Start	End	February	March	April
Commision Approval to Award Contract	February 25, 2019	February 25, 2019	X		
Stage 1 Notice of Award	February 25, 2019	February 25, 2019	X		
Basis of Design Report	February 28, 2019	July 16, 2019	X	X	X

Safety Spot Light

Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

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AGENDA ITEM 7A

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**MINUTES OF SILICON VALLEY CLEAN WATER
SPECIAL MEETING – January 28, 2019
8:00 a.m.**

ITEM 1

CALL TO ORDER

The meeting was called to order at 8:00 a.m.

ITEM 2

ROLL CALL - Commissioners Duly Appointed by Each Agency

Council Member Warren Lieberman, PhD., Belmont – Chair
Board Member George B. Otte, P.E., West Bay Sanitary District – Secretary
Council Member Alicia Aguirre, Redwood City – Member
Mayor Mark Olbert, San Carlos – Member

Staff, Consultants and Visitors Present

Teresa A. Herrera, SVCW Manager
Christine C. Fitzgerald, SVCW Legal Counsel
Jennifer Flick, Human Resources Manager
Matt Anderson, SVCW Chief Financial Officer/Assistant Manager
Monte Hamamoto, SVCW Chief Operating Officer
Kim Hackett, SVCW Authority Engineer
Arvind Akela, SVCW Engineering Director
Jessica Mangual, SVCW Administrative Clerk
EJ Shalaby, Senior Consultant, DNS Strategic Partners
Molly Flowerday, City of Redwood City
Steven Machida, City of San Carlos
Bill Tanner, Tanner Pacific, Inc.
Mark Minkowski, Kennedy/Jenks
Aren Hansen, Brown & Caldwell
Robert Porr, Fieldman, Rolapp & Associates
Nate Olson, Cascade Integration and Development
Paul E. Gaspari, Weintraub Tobin

ITEM 3

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by those in attendance.

ITEM 4

PUBLIC COMMENT

There were no public comments.

ITEM 5

SAFETY MOMENT AND REPORTS

The safety moment stressed the importance of safe driving in the rain.

A brief verbal summary of two conferences attended by the Manager, the California Sanitation Risk Management Authority Conference and the Liebert, Cassidy, Whitmore Conference, was provided.

Those in audience attendance at the meeting introduced themselves for benefit of the new Commissioners.

Brief verbal descriptions of the financial report, the engineering project status update, Commission requested staff level action items list, and the RESCU program summary update were provided.

ITEM 6A

MATTERS OF COMMISSION MEMBER'S INTEREST

Chairman Lieberman formerly welcomed the two new Commissioners, Mayor Mark Olbert of San Carlos and Council Member Alicia Aguirre of Redwood City.

The 2019 Commission Meeting Calendar dates were approved with the exception of the February 18, 2019; this meeting was moved to Monday, February 25, 2019.

ITEM 7

CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR ITEMS 7A THROUGH 7D

Motion/Second: Mr. Olbert / Ms. Aguirre

The Motion carried by Unanimous Roll Call Vote

ITEM 8A

CONSIDERATION OF MOTION TO APPROVE TASK ORDERS TO CASCADE INTEGRATION & DEVELOPMENT FOR SCADA AUTOMATION PROGRAMMING

Proposed Actions:

- i. Move approval of TASK ORDER SCOPE AND BUDGET FOR PROGRAMMING SERVICES IN THE AMOUNT OF \$220,618 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS (Capital Project #293) - CASCADE INTEGRATION & DEVELOPMENT
- ii. Move approval of TASK ORDER SCOPE AND BUDGET FOR AUTOMATION PROGRAMMING SERVICES IN THE AMOUNT OF \$160,376 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS (CIP #9222) – CASCADE INTEGRATION & DEVELOPMENT

Motion/Second: Mr. Olbert / Ms. Aguirre

The Motion carried by Unanimous Roll Call Vote

ITEM 8B

CONSIDERATION OF MOTION TO RECEIVE AND ACCEPT PRESENTATION OF LONG- RANGE FINANCIAL PLAN – 2019 UPDATE

Proposed Action:

- i. MOVE APPROVAL OF RECEIPT AND ACCEPTANCE OF SILICON VALLEY CLEAN WATER LONG RANGE FINANCIAL PLAN – 2019 UPDATE

Motion/Second: Mr. Olbert / Ms. Aguirre

The Motion carried by Unanimous Roll Call Vote

ITEM 9

CLOSED SESSION

Closed Session was called to order at 9:00 a.m.

ITEM 10

RECONVENE FROM CLOSED SESSION

Open Session reconvened at 9:33 a.m.

Ms. Fitzgerald reported as to Item 9A no reportable action was taken and direction was given to Counsel. As to Item 9B no reportable action was taken and direction was given to staff.

ITEM 11

ADJOURN

There being no further business. The meeting adjourned at 9:35 a.m.

Minutes prepared by Teresa A. Herrera

George Otte, Secretary

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AGENDA ITEM 7B

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SVCW WARRANT REGISTER

SVCW Warrant Register dated January and February 2019, were scanned and a copy was emailed to Commissioners and Legal Counsel on February 14, 2019.

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AGENDA ITEM 7C

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**CONSIDERATION TO ADOPT ADMINISTRATIVE POLICY 2019-01,
DEBT DISCLOSURE PROCEDURES**

ISSUE

Adopt SVCW Policy 2019-01, Debt Disclosure Procedures Policy

BACKGROUND

SVCW anticipates participating in federal governmental loan programs including the federal Water Infrastructure Finance and Innovation Act (WIFIA). It is important to have policies and procedures in place to ensure SVCW staff are aware of and prepared to meet federal debt disclosure requirements.

DISCUSSION

Proposed Administrative Policy 2019-01 will establish the procedures in connection to debt obligations so as to ensure that SVCW continues to comply with all applicable disclosure obligations and requirements under federal securities laws.

The purpose, background, and procedures are outlined in the attached debt disclosure procedures policy.

The SVCW Manager recommends approval of SVCW Administrative Policy 2019-01.

FINANCIAL IMPACT

There are no direct financial impacts to this action.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING AND ADOPTING ADMINISTRATIVE POLICY 2019-01, DEBT DISCLOSURE PROCEDURES

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Rev: Issue**Rev Date: 02/25/2019****Issue Date: 02/25/2019**

Approved by the SVCW Commission at Meeting of February 25, 2019 by Resolution No. SVCW 19-03

SUBJECT: **Debt Disclosure Procedures**

APPLICABLE CODES AND REGULATIONS:

Section 17 of the Securities Act of 1933 and Section 10(b) of the Securities and Exchange Act of 1934, and regulations adopted by the Securities and Exchange Commission under those acts, particularly “Rule 10b-5” under the 1934 Act

PURPOSE:

These Debt Disclosure Procedures (the “Procedures”) memorialize and communicate procedures in connection with obligations, including notes, bonds, loans and other debt obligations, issued by or on behalf of the Silicon Valley Clean Water (the “Authority”) so as to ensure that the Authority continues to comply with all applicable disclosure obligations and requirements under the federal securities laws.

BACKGROUND:

The Authority may from time to time issue revenue bonds, notes, loans or other debt obligations (collectively, “Obligations”) payable directly or indirectly by all or certain of its members (the “Members”) in order to fund or refund capital investments, other long-term programs and working capital needs. In offering Obligations to the public, and at other times when the Authority makes certain reports, the Authority must comply with the “anti-fraud rules” of federal securities laws. (“Anti-fraud rules” refers to Section 17 of the Securities Act of 1933 and Section 10(b) of the Securities and Exchange Act of 1934, and regulations adopted by the Securities and Exchange Commission under those acts, particularly “Rule 10b-5” under the 1934 Act.)

The core requirement of these rules is that potential investors in Obligations must be provided with all “material” information relating to the offered Obligations. The information provided to investors must not contain any material misstatements, and the Authority must not omit material information which would be necessary to provide to investors a complete and transparent description of the Obligations and the Authority’s financial condition. In the context of the sale of securities, a fact is generally considered to be “material” if there is a substantial likelihood that a reasonable investor would consider it to be important in determining whether or not to purchase the securities being offered.

When Obligations are issued to the public, the two central disclosure documents which are prepared are a preliminary official statement (“POS”) and a final official statement (“OS”, and collectively with the POS, “Official Statement”). The Official Statement generally consists of (i) the forepart (which describes the specific transaction including maturity dates, interest rates,

redemption provisions, the specific type of financing, the project and other matters particular to the financing, (ii) a section which provides information on the Authority (the “Authority Section”), (iii) appendices prepared by Members participating in the financing which provide information about the participating Members and their wastewater collection and treatment systems or wastewater treatment system, including their financial condition, other operating information and audited financial statements (each a “Member Section”) and (iv) various other appendices, including the Authority’s audited financial report, form of the proposed legal opinion, and forms of continuing disclosure undertakings of the Authority and the Members that participate in the financing. Investors use the Official Statement as one of their primary resources for making informed investment decisions regarding the Obligations.

DISCLOSURE PROCEDURE:

When the Authority determines to issue Obligations, the Chief Financial Officer requests the involved departments to commence preparation of the portions of the Official Statement (including particularly the Authority Section) for which they are responsible and the participating Members to prepare their Member Sections. While the general format and content of the Official Statement, including the Member Sections, may not normally change substantially from offering to offering, except as necessary to reflect major events, the Chief Financial Officer, other relevant Authority staff and relevant Member staff are responsible for reviewing and preparing or updating the portion of the Official Statement which are within their particular areas of knowledge. Once the draft POS has been substantially updated, the entire draft POS is shared with the SVCW Manager for review and input. The Chief Financial Officer will also confirm that each Member Section has been shared with the City Manager or District Manager of such Member.

Members of the financing team, including Bond and Disclosure Counsel and a municipal advisor (the “Municipal Advisor”), assist staff, including Member staff, in determining the materiality of any particular item, and in the development of specific language in the Authority Section or the Member Section. Members of the financing team also assist the Authority in the development of a “big picture” overview of the Authority’s financial condition, included in the Authority section and each Member’s staff with respect to the Member Section. This overview highlights particular areas of interest. Bond and Disclosure Counsel has a confidential, attorney-client relationship with officials and staff of the Authority.

The Chief Financial Officer or a member of the financing team at the direction thereof schedules one or more meetings or conference calls of the financing team (which includes Authority officials, General Counsel, Bond and Disclosure Counsel, the Authority’s Municipal Advisor (and the underwriters of the Obligations, and the underwriters’ counsel, if the proposed financing is being undertaken as a negotiated transaction)) and Member representatives. New drafts of the forepart of the draft POS, the Authority Section and the Member Sections are then circulated and discussed. Such communications may occur via electronic means rather than by meetings or conference calls. During this part of the process, there is substantial contact among Authority staff, participating Member representatives and other members of the financing team to discuss issues which may arise, determine the materiality of particular items and ascertain the prominence in which the items should be disclosed.

Prior to distributing a POS to potential investors, there is typically a formal conference call which includes Authority officials involved in the preparation of the POS and members of the financing team (and the underwriters and the underwriters' counsel, if the financing is a negotiated transaction) during which the POS is reviewed in its entirety to obtain final comments and to allow the underwriters (if the proposed financing is being undertaken as a negotiated transaction), to ask questions of the Authority's senior officials. This is referred to as a "due diligence" meeting. Formal due diligence meetings may also occur with each participating Member.

A substantially final form of the POS is provided to the members of the Authority Commission in advance of approval to afford such members an opportunity to review the POS, ask questions and make comments. The substantially final form of the POS is approved by the Commission which generally authorizes certain senior staff to make additional corrections, changes and updates to the POS in consultation with General Counsel and Bond and Disclosure Counsel.

A substantially final form of each Member Section is provided to the respective Member in advance of approval to afford the city council or governing board of each Member an opportunity to review its Member Section, ask questions and make comments. The substantially final form of such Member Section is approved by the city council or governing board of the Member which generally authorizes certain senior staff to make additional corrections, changes and updates to its Member Section in consultation with counsel, and Bond and Disclosure Counsel.

At the time the POS is posted for review by potential investors, senior Authority officials and senior staff from each participating Member execute certificates deeming certain portions of the POS, or the participating Members Section, as applicable, complete (except for certain pricing terms) as required by SEC Rule 15c2-12.

Between the posting of the POS for review by potential investors and delivery of the final OS to the underwriter for redelivery to actual investors in the Obligations, any changes and developments will have been incorporated into the POS, including particularly the Authority Section and Member Sections, if required. If necessary, to reflect developments following publication of the POS or OS, as applicable, supplements will be prepared and published.

In connection with the closing of the transaction, one or more senior Authority officials and senior staff of participating Member execute certificates stating that certain portions of the OS, as of the date of each OS and as of the date of closing, does not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements contained in the Official Statement in light of the circumstances under which they were made, not misleading. General Counsel and counsel for each Member also provide opinion letters (generally addressed to the underwriters) advising that information contained in the Authority Section or Member Section, as applicable (or specified portions thereof) as of its date did not, and as of the date of the closing, does not contain any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. General Counsel or counsel to the Member, as applicable does not opine to the underwriters or to other third parties as to any financial, statistical, economic or demographic data or forecasts, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, and certain other matters which are customarily excluded. Bond and Disclosure Counsel also provides a negative assurance letter (addressed to the underwriters) with respect to the

Authority Section. Bond and Disclosure Counsel does not give negative assurances to the underwriters or to other third parties as to any financial, statistical, economic or demographic data or forecasts, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, or information contained in appendices to the OS, and certain other matters which are customarily excluded.

AUTHORITY SECTION

The information contained in the Authority Section is developed by personnel under the direction of the Chief Financial Officer, with the assistance of the financing team. In certain circumstances, additional officials will be involved, as necessary. The following principles govern the work of the respective staff that contribute information to the Authority Section:

- Authority staff members involved in the disclosure process are responsible for being familiar with their responsibilities under federal securities laws as described above.
- Authority staff involved in the disclosure process should err on the side of raising issues when preparing or reviewing information for disclosure. Officials and staff are encouraged to consult General Counsel, Bond and Disclosure Counsel or members of the financing team if there are questions regarding whether an issue is material or not.
- Care should be taken not to shortcut or eliminate any steps outlined in the Procedures on an ad hoc basis. However, the Procedures are not necessarily intended to be a rigid list of procedural requirements, but instead to provide guidelines for disclosure review. If warranted, based on experience during financings or because of additional SEC pronouncements or other reasons, the Authority should consider revisions to the Procedures.
- The process of updating the Authority Section from transaction to transaction should not be viewed as being limited to updating tables and numerical information. While it is not anticipated that there will be major changes in the form and content of the Authority Section at the time of each update, everyone involved in the process should consider the need for revisions in the form, content and tone of the sections for which they are responsible at the time of each update.
- The Authority must make sure that the staff involved in the disclosure process is of sufficient seniority such that it is reasonable to believe that, collectively, they are in possession of material information relating to the Authority, its operations and its finances.

Authority staff and members of the finance team are also made available to the participating Members to assist in the development of the Member Sections. The Authority has suggested that each Member adopt disclosure policies to assist with the Member's compliance with federal securities law which detail how the participating Members Section will be prepared.

TRAINING:

Periodic training for Authority staff involved in the preparation of the Official Statement (including the Authority Section) is coordinated by the finance team and the Chief Financial Officer. These training sessions are provided to assist staff members involved in identifying relevant disclosure information to be included in the Authority Section. The training sessions also provide an overview of federal laws relating to disclosure, situations in which disclosure rules

apply, the purpose of the Official Statement and the Authority Section, a description of previous SEC enforcement actions and a discussion of recent developments in the area of municipal disclosure. Attendees at the training sessions are provided the opportunity to ask questions of finance team members, including Bond and Disclosure Counsel, concerning disclosure obligations and are encouraged to contact members of the finance team at any time if they have questions. The Authority may provide Members the opportunity to attend such training.

ANNUAL CONTINUING DISCLOSURE REQUIREMENTS:

In connection with the issuance or execution and delivery of Obligations, the Authority has entered into contractual agreements (“Continuing Disclosure Certificates”) to provide its audited financial statements and notice of certain events relating to the Obligations specified in the Continuing Disclosure Certificates. The Authority must comply with the specific requirements of each Continuing Disclosure Certificate. The Authority’s Continuing Disclosure Certificates generally require that the annual reports be filed no later than nine months after the end of the Authority’s fiscal year (currently March 31 of each year, based on a fiscal year ending on June 30), and material event notices are generally required to be filed within 10 business days of their occurrence.

Specific events which require “material event” notices are set forth in each particular Continuing Disclosure Certificate.

The Chief Financial Officer shall be responsible for preparing and filing the annual reports and material event notices required pursuant to the Continuing Disclosure Certificates, including outreach to participating Members to obtain any operating information which may be required in order for the Authority to complete its annual reports. Particular care shall be paid to the timely filing of any changes in credit ratings on Obligations (including changes resulting from changes in the credit ratings of insurers of particular Obligations).

Effective February 27, 2019, Authority General Counsel, Authority Manager, other senior staff or other executive positions within SVCW will provide written notice to the Chief Financial Officer of receipt by Silicon Valley Clean Water (“SVCW”) of any default, event of acceleration, termination event, modification of terms (only if material or may reflect financial difficulties), or other similar events (collectively, a “Potentially Reportable Event”) under any agreement or obligation to which SVCW is a party and which may be a “financial obligation” as discussed below. Such written notice should be provided by General Counsel to the Chief Financial Officer as soon as General Counsel is placed on written notice by SVCW staff, consultants, or external parties of such event or receives written notice of such event so that the Chief Financial Officer can determine, with the assistance of disclosure counsel, whether notice of such Potentially Reportable Event is required to be filed on EMMA pursuant to the disclosure requirements of SEC Rule 15c2-12. If filing on EMMA is required, the filing is due within 10 business days of such Potentially Reportable Event to comply with the continuing disclosure undertaking for the various debt obligations of SVCW.

General Counsel, Authority Manager, other senior staff or other executive positions within SVCW, as applicable, will report to the Chief Financial Officer the execution by SVCW of any agreement or other obligation which might constitute a “financial obligation” for purposes of Rule 15c2-12 and which is entered into after February 27, 2019. Amendments to existing SVCW agreements or

obligations with “financial obligation” which relate to covenants, events of default, remedies, priority rights, or other similar terms should be reported to the Chief Financial Officer as soon as General Counsel or such other senior staff is placed on written notice by SVCW staff, consultants, or external parties of such event or receives a written notice of such amendment requests. Notice to the Chief Financial Officer is necessary so that the Chief Financial Officer can determine, with the assistance of disclosure counsel, whether such agreement or other obligation constitutes a material “financial obligation” for purposes of Rule 15c2-12. If such agreement or other obligation is determined to be a material “financial obligation” or a material amendment to a “financial obligation” described above, notice thereof would be required to be filed on EMMA within 10 business days of execution or incurrence. The types of agreements or other obligations which could constitute “financial obligations” and which could need to be reported on EMMA are discussed in the memorandum from disclosure counsel attached hereto as **Exhibit A**.

Exhibit A
Administrative Policy No. 2019-01 Debt Disclosure Procedures
January 19, 2019 Memorandum from Stradling Yocca Carlson & Rauth

An amendment to Securities and Exchange Commission (the “SEC”) Rule 15c2-12 (the “Rule”) becomes effective as to underwriters of publicly offered municipal securities on February 27, 2019 (the “Effective Date”). As a result, we would expect that with respect to any debt offered publicly by Silicon Valley Clean Water (“SVCW”) after the Effective Date to which the Rule applies, SVCW will be required to enter into a continuing disclosure undertaking pursuant to which it will agree to provide notice on the EMMA electronic reporting system (“EMMA”) of the incurrence of any “financial obligation” if material and will be obligated to disclose default on and certain other information with respect to any “financial obligation” regardless of when the financial obligation was incurred.

The Rule provides a general definition of a “financial obligation.” While the impetus for the proposed changes to the Rule was a perception by the SEC and others that municipal issuers were increasingly entering into bank or other private placement debt, the final amendment to the Rule defines “financial obligation” more broadly to include “a debt obligation, derivative instrument or a guarantee of either a debt obligation or a derivative instrument.”

To date the SEC has provided limited guidance on the specific application of the definition of “financial obligation”. The SEC release accompanying the final amendment does suggest a key concept is that a “financial obligation” involves the borrowing of money. In public comments representatives of the SEC have declined to provide a definition of a “guarantee” or a “debt” but did indicate that the SEC will not necessarily look to state law definitions of a “guarantee” or “debt”.

SVCW will need to monitor agreements or other obligations entered into by SVCW after the Effective Date, and any modifications to such agreements or other obligations, carefully to determine whether they constitute “financial obligations” under the Rule and, if material, would need to be disclosed on EMMA within 10 business days of execution or incurrence.

In addition, if SVCW receives a notice of default or an event of default or of an acceleration, termination event, modifications of or other similar event on any agreement or other obligation after the Effective Date, SVCW will need to determine whether such agreement or obligation constitutes a financial obligation (regardless of when originally incurred) and whether such default or other event reflects financial difficulty (ie, reduction in overall liquidity, creditworthiness or debt owner’s rights).

Types of agreement or other obligations which are likely to be “financial obligations” under the Rule include:

- Bank loans or other obligations which are privately placed;
- State or federal loans;
- Commercial paper or other short-term indebtedness for which no offering document has been filed on EMMA;
- Letters of credit, surety policies or other credit enhancement with respect to SVCW’s publicly offered debt;

- Letters of credit, including letters of credit which are provided to third parties to secure SVCW's obligation to pay or perform (an example of this is a standby letter of credit delivered to secure SVCW's obligations for performance under a mitigation agreement);
- Capital leases for property, facilities, fleet or equipment; and
- Agreements which guarantee the payment or performance obligations of a third party (regardless of whether the agreements constitute guarantees under California law).

Types of agreements which could be a "financial obligation" under the Rule include:

- Payment agreements which obligate SVCW to pay a share of another public agency's debt service (for example, an agreement with a joint powers agency whereby SVCW agrees to pay a share of the joint powers agency's bonds, notes or other obligations); and
- Service contracts with a public agency or a private party pursuant to which SVCW is obligated to pay a share of such public agency or private party's debt service obligation (for example, certain types of P3 arrangements).

Types of agreements which may be a "financial obligation" subject to the Rule include:

- Any agreement the payments under which are not characterized as an operation and maintenance expenses for accounting purposes if such agreement could be characterized as the borrowing of money;

The above list is based on disclosure counsel advice as of January 19, 2019. The Chief Financial Officer will continue to work with General Counsel and disclosure counsel to refine the definition of financial obligation going forward based on future SEC guidance.

AGENDA ITEM 7D

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**12kV TREATMENT PLANT MAIN POWER SUPPLY (CIP #9808)
ACCEPTANCE OF EMERGENCY REPAIR**

ISSUE

Acceptance of Repairs to the Treatment Plant 12kV Main Electrical Supply (CIP #9808).

BACKGROUND

At the September 14, 2017 meeting, the Commission was informed that a critical 12kV electrical vault located on the south side of the Solids Handling Building (SHB) was collapsing due to soil subsidence and creating a potential power supply disruption to the treatment plant. This power supply is the single main feed for all treatment plant processes and equipment. The Commission adopted Resolution No. SVCW 17-57, declaring the existence of an emergency condition, approving emergency expenditure of funds and ratifying necessary agreements for the repair of essential facilities up to \$300,000. At the November 9, 2017 meeting, the Commission approved additional expenditures up to \$2,347,412 and a ten percent contingency for repair of the treatment plant 12kV main power supply.

DISCUSSION

SVCW staff and consultants worked with contractors Power Engineering and DW Nicholson to design a permanent solution to support the 12kV conduits that supply power to the treatment plant. Several alternate pathways were investigated, and it was determined that using the existing underground tunnel as a bridge between the main building and the SHB for the final duct bank and vault design was the best solution to the problem. The underground tunnel is pile supported and offers the most stable pathway between the buildings to ensure new conduits and vault will not subside in the future. The design included two Automatic Transfer Switches (ATS) that provide for electrical connections of mobile generators. These were used for final 12kV connections to the transformers and are available for future use in case of any long-term power disruptions.

Final acceptance testing of the new 12kV power supply and ATS system was successfully completed on December 18, 2018. The contractors have completed all corrective work items. The work by DW Nicholson and Power Engineering on this project was exemplary and well executed. Construction was completed in August 2018 but due to the shortage of emergency generators in the aftermath of California wildfires, the testing of the system could not be completed until December.

FINANCIAL IMPACT

Funding for this emergency work was from CIP Project #9808, with the total expenditures of \$2,538,327. Due to the emergency nature of the work, all costs were paid on a time and material basis.

RECOMMENDATION

Move approval of MOTION TO ACCEPT EMERGENCY REPAIR OF THE 12kV TREATMENT PLANT POWER SUPPLY CONTRACT (CIP #9808) AND AUTHORIZE FILING NOTICE OF COMPLETION FOR POWER ENGINEERING CONSTRUCTION CO. AND DW NICHOLSON CORP.

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AGENDA ITEM 8A

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SVCW NOMINATION AND ELECTION OF COMMISSION VICE-CHAIRMAN

ISSUE

Consider Nomination and Election of Commission Vice Chairman

BACKGROUND

Under SVCW Bylaws, the Commission is required to elect a Chairman and Vice-Chairman and appoint a Secretary in July of each year. The positions of Chairman and Secretary are currently filled, and the position of Vice-Chairman was vacated by a former Commissioner in December 2018.

DISCUSSION

It is recommended that the Commission nominate and elect a new Vice-Chairman. this person will preside over the Commission in the Chairman's absence.

FINANCIAL IMPACT

There is no financial impact as a result of this action.

RECOMMENDATION

Move approval of MOTION TO NOMINATE AND ELECT VICE-CHAIRMAN OF THE COMMISSION OF SILICON VALLEY CLEAN WATER

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AGENDA ITEM 8B

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**NEW 12kV SWITCHGEAR PROJECT (CIP #9807)
AUTHORIZATION OF CONTRACT CHANGE ORDER FOR PG&E INITIATED WORK
TO INSTALL NEW 12KV PRIMARY SERVICE**

ISSUE

Approval of Contract Change Order for the New 12kV Switchgear Project (CIP #9807)

BACKGROUND

Electrical utility power for the SVCW treatment plant is currently provided from a single 12kV Pacific Gas and Electric Company (PG&E) connection located near the old plant entrance. This PG&E power service enters the plant's main 12kV switchgear where it is metered and then distributed to all plant electrical loads.

On March 8, 2018, the Commission awarded a construction contract to its lowest responsible bidder Shea-Parsons Joint Venture (SPJV) for the new 12kV Switchgear Project (CIP #9807). Construction has been progressing well since March 2018. The new 12kV switchgear will meet the following objectives for SVCW:

- Expand the Plant's power delivery system to meet new upcoming electrical demands of the Front of Plant Project,
- Add redundancy to the Plant's electrical system,
- Allow connections for onsite electrical generation and storage facilities,
- Allow for SVCW to export excess generated power to the utility grid.

By introducing a new PG&E service and associated switchgear, necessary CPUC Rule 21 protection equipment will be installed which will, in turn, allow power to be exported to the PG&E grid. The new switchgear is being constructed and energized with little impact to the existing switchgear, thus greatly simplifying the construction and start-up for the new Front of Plant facilities (receiving lift station and headworks). Finally, the new 12kV switchgear is being placed above the 100-year flood plain elevation, ensuring a robust power system to serve the treatment plant (the current switchgear is at ground level and therefore vulnerable to sea level rise and the extreme case of a levee failure.)

The new switchgear is scheduled to connect to PG&E primary service by late summer 2019 and begin start up in fall 2019. To accomplish this, in Spring 2018 SVCW submitted the construction documents to PG&E for its approval of cable routing and design of the interconnection structure located near the Shore Dogs Park. PG&E approved the design in September 2018 and a service agreement between PG&E and SVCW for the new service connection was prepared and approved by the Commission at the October 2018 meeting.

DISCUSSION

The contractor for the work, SPJV, is also the Design-Builder for the Front of Plant project. Having the same entity perform work on the two projects provides significant benefit to both projects as the coordination between them is simplified. SPJV was part of the design coordination with PG&E and provided SVCW with vital input about potential construction conflicts and opportunities for saving money. One of the key concepts was

to move the PG&E - SVCW tie-in point from the old Plant entrance gate to the interconnection structure near the Shore Dogs park. This offers tremendous benefit to SVCW in that PG&E's facilities will remain off SVCW property rather than inside the treatment plant boundary. This allows SVCW and SPJV to design and locate the 12kV conduit and cabling in a manner which best serves SVCW's two projects (in the previous scenario, PG&E had sole input to conduit and cable routing).

One of the main conflicts with the PG&E-proposed conduit and cable routing was that it interfered with the new 60-inch influent connector pipe that will take water from the new headworks to the existing plant influent box. Had the PG&E-proposed routing remained, the 60-inch pipe would have had to be placed at a very deep elevation; any time excavation goes deeper, costs rise significantly. Under the proposed concept change, SVCW staff and SPJV developed a 12kV routing that will lower the cost of pipeline construction by an estimated \$2.5 million. Upon approval of the subject contract change order, money that would have been provided to PG&E for the conduit and cable will now be transferred to SPJV (estimated at \$150,000). New scope required includes larger conduits and cable, two new concrete vaults and concrete pad for a PG&E switch.

Staff recommends approving a 12kV Switchgear project contract change order to SPJV in the amount of \$452,504. There is no additional contract time added in this contract change order work.

FINANCIAL IMPACT

Work under this project will be funded from the New 12kV Primary Switchgear project (CIP #9807), which has an allocated capital budget of \$10.6 million. The original bid contract value at the time of contract award to SPJV was \$7,527,000. Previous change orders have been issued, which has brought the total change order percentage to -1.4%. With the approval of this contract change order, the total contract value will be \$7,873,756 or 4.61%. As of the January 2019, approximately \$5,160,000 has been expended on design, construction and administrative tasks.

RECOMMENDATION

Move approval of CONTRACT CHANGE ORDER FOR NEW 12KV SWITCHGEAR PROJECT (CIP #9807) IN THE AMOUNT OF \$452,504 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – JF SHEA/PARSONS JOINT VENTURE

AGENDA ITEM 8C

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**PUMP STATIONS IMPROVEMENT PROJECT AND RESCU PROGRAM
DESIGN BUILD AGREEMENT, OWNER' ENGINEERING ADVISORS SERVICES,
CONSTRUCTION QUALITY ASSURANCE SERVICES, AND
RESCU PROGRAM MANAGEMENT SERVICES**

ISSUE

Approve Design-Build Agreement for Pump Stations Improvements with Shea/Parsons Joint Venture; Approve Task Orders for Brown and Caldwell, Cascade Integration and Development, and Freyer & Laureta for Owner's Engineering Advisory Services; Approve a Task Order for Construction Quality Assurance Services for Tanner Pacific; Approve a Task Order for Collaborative Strategies Consulting for Project Management Services associated with Pump Stations Improvements Project (CIP #9501). Approve RESCU Program Management Services Task Order for West Yost Associates (CIP #9500).

BACKGROUND

SVCW's Regional Environmental Sewer Conveyance Upgrade (RESCU) Program includes conveyance system improvements to transport wastewater from member agencies' collection systems to the SVCW wastewater treatment plant. RESCU encompasses three components: Gravity Pipe, Front of Plant, and Pump Stations Improvements. Gravity Pipe and Front of Plant are currently in construction. The Pump Stations Improvements (PSI) project is the subject of this agenda item and includes four elements: 1) Menlo Park Pump Station 2) Redwood City Pump Station 3) Belmont Pump Station and 4) Belmont Force Main.

In January 2016, the Commission approved Policy No. 2016-01 which established procedures for implementing Design-Build processes for delivery of capital projects over \$1 million in value. In July 2018, the Commission approved Progressive Design Build Requests for Qualifications for the Pump Stations Improvement Project. Staff rigorously followed Policy No. 2016-01 for implementation of the Pump Stations Improvement Design-Build procurement process.

In summary, the following process was used to lead to the recommendation of a Design-Build company for the PSI project:

- Manager appointed a Design-Build (D-B) Procurement Team
- Procurement Team prepared documents setting forth scope and estimated price of project ("Procurement Documents")
- Procurement Team prepared the Request for Qualifications (RFQ)
- Manager submitted Procurement Documents to Commission for approval concurrent with recommendation to issue RFQ
- Prequalification process commenced, including the requirement for use of a skilled and trained workforce
- Procurement Team prepared a Request for Proposal to be issued to short-listed D-B firms
- Upon receipt of proposals, Procurement Team evaluated and ranked the firms and provided Manager with recommendation on highest ranked D-B firm.

- Manager submits to the Commission the proposed firm with a recommendation to award the contract (subject of this Commission action item).
- The award of the D-B contract is publicly announced by Manager with a statement regarding the basis of the award.

DISCUSSION

Design-Build Entity Selection and Agreement. Four D-B entities submitted Statements of Qualifications from which the Procurement Team shortlisted two firms and issued a Request for Proposal. The two shortlisted firms were:

- Walsh Construction with Carollo Engineering as the design engineer
- JF Shea/Parsons Joint Venture with Parsons as the design engineer

The Procurement Team conducted an exhaustive and thorough process considering each firm, including: evaluating and scoring the proposals based on the published criteria, performing reference checks, making site visits to previously constructed projects, conducting interviews and reviewing cost proposals. The Procurement Team came to a unanimous decision to recommend that the contract be awarded to the JF Shea/Parsons Joint Venture (SPJV) team.

Prior to bringing the recommendation to the Commission, SVCW management met with SPJV management to negotiate the terms of the Design-Build Agreement. The Design Build Agreement includes the following key components:

- Defines the Design-Build Team (names individuals and firms) and relationship of the parties
- Owner's Obligations
- Design-Builder's Obligations
- Subcontractors
- Compensation and contract time
- Changes and payment terms
- Indemnification
- Insurance and bonds
- Warranty of the Work
- Various miscellaneous provisions

The recommended award to the Shea/Parsons JV is on the basis of best value considering the criteria and point system described in the Request for Proposals. Key criteria include superior qualifications, deep level of experience with pump station rehabilitation work, the team's overall approach to the project, and pricing. The negotiated contract amount for Stage 1 Shea/Parsons JV services is \$7,995,000.

The proposed Design-Build Agreement addresses both Stage 1 (the subject of this Commission action item) and Stage 2. Stage 1 brings the current design (20% completion level) to 60% design level and includes preparation and negotiation of pricing for Stage 2. Stage 2 includes completing the design and constructing the project. The D-B Agreement

addresses key terms for both Stage 1 and Stage 2; an amendment to the Agreement will be presented to the Commission when Stage 1 is complete, and Stage 2 defined.

Consideration will be given during Stage 1 to an approach that would lower project costs by possibly phasing Stage 2 to include early procurement of major equipment such as pumps and screening equipment and could also include early release of construction work such as pile foundation work.

Prior to bringing the Stage 2 amendment(s) to the Commission, the Owners Engineering Advisor and Quality Assurance teams each will independently review the cost estimates prepared by SPJV. This is used to facilitate Stage 2 pricing negotiations and to ensure SVCW is receiving pricing reflective of a competitive marketplace.

In addition to the Stage 1 cost, SPJV also provided an indicative cost for project construction, as it is currently conceptualized and based on the 20% design documents that were provided with the Request for Qualifications. While it is expected that the design-build process will result in significant changes and will uncover cost saving opportunities, the indicative cost estimate provided by SPJV for Stage 2 services totaled \$95,150,828. Taking into account other costs to the project for QA, Owners Advisors, and Project Management and Administration, this indicative cost would bring the project over the currently allocated CIP budget. The project team, including SPJV, are dedicated to finding innovative solutions to bring the project costs down to the maximum extent possible while maintaining the overall project objectives.

Owner's Project Team. Also recommended for approval in this action item are Task Orders for Brown and Caldwell, Cascade Integration and Development, and Freyer & Laureta for Owner's Engineering Advisor Services, Tanner Pacific for Construction Quality Assurance Services and Collaborative Strategies Consulting for Project Management Services. Together, all these authorizations will round out the requirements for the PSI Stage 1 work over the next 11 months.

Owner's Engineering Advisor Services. Brown and Caldwell services as Owner's Engineering Advisor will include assisting SVCW staff with the technical detail coordination involved in the Stage 1 work, review of project design as it progresses, and preparation of an independent cost estimate for Stage 2. Brown and Caldwell will also provide input as the Stage 2 Design-Build amendment is negotiated. Brown and Caldwell prepared the 20% design, performed hydraulic modeling, and established the design criteria that will be used in the project.

Owner's Civil Engineering Advisor Services. Freyer & Laureta Stage 1 scope will be to assist SVCW staff in tasks specifically related to site civil work including topographical surveys, soils composition analysis, site grading and paving, and storm water management. Freyer & Laureta provided preliminary site civil details included in the 20% design.

Owner's SCADA Integration Services. Cascade Integration and Development (CID) is SVCW's preferred SCADA integrator who will assist with facility automation design services during Stage 1. Their services include electrical and instrumentation design reviews and design progression of the project's SCADA and automation system. CID has performed these tasks on SVCW's design-build and design-bid-build projects for many years and is fully versed in the requirements to ensure seamless communication between all of SVCW's facilities.

Construction Quality Assurance Services Tanner Pacific Construction Quality Assurance Stage 1 Services will include assisting the SVCW project team with document management, development of construction schedules and sequencing plans, review of plans for constructability, input on approaches to protect existing structures and facilities. The Tanner Pacific team will develop a document management system conforming to the RESCU Program protocol. The system is based on Microsoft SharePoint using Teams as the interface. This system has been used by SVCW staff and its support consultants across all RESCU projects as well as the respective Design-Build teams for file and information sharing.

Project Management Services. Collaborative Strategies Consulting has been performing project management services for the PSI project through the early project development phase and through the procurement phase. Moving forward, responsibilities as project manager will include strategic planning, oversight of the DB entity and consultants, communication with SVCW staff and management, coordination with other RESCU projects, and overall responsibility for schedule and budget of the project. The duration of the CSC Task Order includes Stage 1 activities and extends through Stage 2 of the project to ensure continuity of the project management process for SVCW. CSC has provided project management services successfully for SVCW for seven years, including the 48" Force Main Reliability Improvements Project.

A summary of the authorization amounts for each item included in this agenda item is:

Shea/Parsons PDB Agreement, Stage 1:	\$7,995,000
BC Owner's Engineering Advisor Stage 1:	\$1,100,000
F&L Owner's Engineering Advisor Stage 1:	\$247,360
CID Integration Stage 1:	\$147,465
TPI Quality Assurance, Stage 1:	\$789,360
CSC Project Management, Stages 1 and 2:	\$1,459,584

The total authorization requested for the six items described above is \$11,738,769.

Program Management Services. West Yost Associates and SVCW management have negotiated a scope and budget for continuing RESCU program management services. WYA has provided program management services to SVCW since 2008, including services for RESCU since its inception. WYA tasks include strategy development, program schedule maintenance, coordination with SVCW Owner's Representative, Program issues list and process work flows maintenance and decision-making documentation. Their task order covers 24 months with a not-to-exceed fee of \$593,600.

FINANCIAL IMPACT

The scope represented by this work will be funded from the Pump Stations Improvement Project (CIP #9501) which has an allocated budget in the 2018 CIP Update of \$103.93 million. To date, approximately \$1,730,000 million has been expended. The total not-to-exceed amount for the six actions for the PSI Project is \$11,738,769.

The Program Management scope will be funded via CIP Project #9500, which funding derives from all three RESCU projects combined. The not-to-exceed budget is \$593,600.

RECOMMENDATION

- i. Move adoption of RESOLUTION APPROVING DESIGN BUILD AGREEMENT FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501); AUTHORIZING EXECUTION OF AGREEMENT AND AUTHORIZING MANAGER TO APPROVE CONTRACT CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT PRICE FOR SAID PROJECT – SHEA/PARSONS JOINT VENTURE - \$7,995,000
- ii. Move approval of TASK ORDER SCOPE AND BUDGET FOR OWNER'S ADVISOR SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$1,100,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BROWN AND CALDWELL
- iii. Move approval of TASK ORDER SCOPE AND BUDGET FOR OWNER'S ADVISOR SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$247,360 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – FREYER AND LAURETA
- iv. Move approval of TASK ORDER SCOPE AND BUDGET FOR AUTOMATION DESIGN SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$147,465 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – CASCADE INTEGRATION AND DESIGN
- v. Move approval of TASK ORDER SCOPE AND BUDGET FOR CONSTRUCTION QUALITY ASSURANCE SERVICES FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$789,360 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – TANNER PACIFIC INC.
- vi. Move approval of TASK ORDER SCOPE AND BUDGET FOR PROJECT MANAGEMENT FOR PUMP STATIONS IMPROVEMENT PROJECT (CIP #9501) IN AN AMOUNT NOT TO EXCEED \$1,459,584 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – COLLABORATIVE STRATEGIES CONSULTING INC.

- vii. Move approval of TASK ORDER SCOPE AND BUDGET FOR PROGRAM MANAGEMENT ASSISTANCE FOR THE RESCU PROGRAM (CIP #9500) IN AN AMOUNT NOT TO EXCEED \$593,600 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – WEST YOST ASSOCIATES