

**MINUTES OF SILICON VALLEY CLEAN WATER
REGULAR MEETING – DECEMBER 14, 2017
8:00 a.m.**

ITEM 1

CALL TO ORDER

Commission Chair Seybert called the meeting to order at 8:00 a.m.

ITEM 2

ROLL CALL - Commissioners Duly Appointed by Each Agency

Council Member John Seybert, Redwood City – Chair
Council Member Warren Lieberman, PhD., Belmont– Vice Chair
Mayor Robert Grassilli, San Carlos – Secretary
Board Member George . Otte, P.E., West Bay Sanitary District

Staff, Consultants and Visitors Present

Christine C. Fitzgerald, SVCW Legal Counsel
Daniel T. Child, SVCW Manager
Teresa Herrera, SVCW Assistant Manager / Chief Engineering Officer
Matt Anderson, SVCW Chief Financial Officer / Administration Manager
Monte Hamamoto, SVCW Chief Operating Officer
Arvind Akela, SVCW Senior Engineer
Bill Bryan, SVCW Senior Engineer
Bruce Burnworth, SVCW Senior Engineer
Eric Hansen, SVCW Senior Engineer
Jennifer Flick, SVCW Human Resources Director
Linda Bruemmer, SVCW Administrative Services Director
Robert Huffstutler, SVCW Operations Director
Ilana Schmidt, SVCW Administrative Assistant
E.J. Shalaby, DNS Strategic Partners, LLC
Carolyn Kerans, City of Redwood City
Molly Flowerday, City of Redwood City
Bill Tanner, Tanner Pacific, Inc.
Aren Hansen, Brown and Caldwell
Mark Minkowski, Kennedy/Jenks
Sheldon Chavan, Chavan and Associates

ITEM 3

PLEDGE OF ALLEGIANCE

Linda Bruemmer, SVCW Administrative Services Director, led those attending the meeting in the recital of the Pledge of Allegiance.

ITEM 4
PUBLIC COMMENT

There was no Public Comment.

Commission Chair Seybert requested a moment of silence to honor the unfortunate loss of former Belmont Mayor, Mr. Eric Reed. Commissioner Lieberman emphasized the importance of treasuring the people in our lives because one never knows when something may happen.

ITEM 5A
SAFETY MOMENT

Mr. Child discussed safe driving during the holidays.

ITEM 5B
MANAGER'S REPORT

SVCW Events: Mr. Child thanked those who attended Linda Bruemmer's Retirement Lunch as well as SVCW's Annual Holiday Potluck. Mr. Child emphasized how much it means to employees that Commissioners take time out of their busy schedules to attend.

Employee Benefits Insurance Carrier Change: Mr. Child informed the Commission that a new broker has been selected, Shepherd & Associates. Commissioner Grassilli asked if there was an RFP or RFQ and Mr. Child replied that the Agency was approached and from there sought out other quotes. Mr. Child says this plan will save approximately \$50,000 a year and covers employee's dental, vision, AD+D (accidental death and dismemberment) and long-term disability insurance needs.

Recycled Water: Mr. Child said that at the January meeting staff plans to present the Commission with a resolution endorsing the development of alternative reclaimed water uses including potable reuse. He added the San Mateo County Medical Association had recently issued an endorsement supporting the use of recycled water as a supplemental potable water source. Mr. Child stated this endorsement was important from a public perception and acceptance standpoint.

ITEM 5C
FINANCIAL REPORTS

There were no questions on the financial reports.

ITEM 6
MATTERS OF COMMISSION MEMBER'S INTEREST

There were no matters of Commission member's interest.

ITEM 7

CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR

Commission Chair Seybert read aloud the items being considered for approval on the Consent Calendar.

Motion/Second: Commissioner Grassilli / Commissioner Lieberman

The Motion carried by Unanimous Roll Call Vote.

ITEM 8A

CONSIDERATION OF RESOLUTION APPROVING AND ADOPTING REVISION C TO ADMINISTRATIVE POLICY 2016-01

Ms. Herrera provided a brief overview of SVCW's Design-Build Policy. She stated there are two proposed amendments. The first is clarifying the Commission approval process for Design-Build and procurement documents. Currently, the Commission approves both the use of Design-Build for any particular project and then approves the procurement documents. This was written around the idea that procurement documents would be tied to a Request for Qualifications, however, in reality that is not always the case - many times the procurement documents are actually tied to the Request for Proposals later in the procurement process. The policy now sets forth clear guidelines in this respect. The second change is increasing the SVCW Manager's change order authorization for Design-Build contracts to \$300,000 in those cases where there's an immediate need and it is required to keep the project moving forward without delays. As with any change order over \$50,000, the Commission will be informed of the event and asked for approval and ratification at the next Commission meeting.

Commissioner Grassilli confirmed Mr. Child's current change order authorization amount is \$50,000. Mr. Child reminded the Commission of a former discussion about increasing his change order amount and establishing a Commission subcommittee to provide oversight to larger change order needs. After legal counsel review, the concept of a standing Commission subcommittee to address the issues would still require Brown Act compliance and didn't accomplish the goal of speeding up the process to avoid schedule delays. Mr. Child said he believes it makes sense to tie this need to his currently authorized Emergency Action amount of \$300,000 to allow the contractor to keep working while a special meeting of the Commission is called to approve the needed work.

Commissioner Lieberman asked Mr. Child to provide a contextual feel as to why the \$300,00 is appropriate as it appears to be an arbitrary number. Mr. Child agreed that it is arbitrary, but stated he wanted to tie it to something that existed, which is why he proposed tying it to his authorization amount for emergency situations. Mr. Child stated he believes this is enough to keep a project moving forward while calling a Commission meeting to ratify the action and authorize any additional funds that may be needed to complete the job.

Ms. Fitzgerald, SVCW's General Counsel, emphasized that this situation would not meet the criteria of an emergency, but is more an action to address a critical need.

Ms. Herrera added that this is particularly important for the tunnel project because it's a 24/7 operation and once it starts moving there may be times when an immediate decision will be required to keep the project moving. An event that causes the work to stop can result in significant negative ramifications. She said stopping a tunnel boring machine is a big deal and will be much costlier down the line.

Commissioner Grassilli asked if an amount has come up in the last ten years that has approached \$300,000 and Mr. Child replied that it had not, but this is the first time SVCW had embarked on a project of this type and cost. Commissioner Grassilli stated this is more related to the dollar amount being spent on the project rather than the \$300,000 itself.

Commissioner Otte agreed with Commissioner Grassilli and said this dollar amount makes sense for this contract because it's \$300 Million dollars, but not all Design-Build projects will be as costly and require change order authorization of \$300,000.

Commissioner Seybert replied that the policy states the change order authorization can still only be up to 10% value of the contract value. Also, if Commissioners don't want it to apply to future projects, then future projects would have to come forth and at that point the Commission can establish limits for the project. Mr. Seybert added that in Redwood City, this is essentially a change of a budgeted expense and ties it to a known factor.

Commissioner Seybert commented that one of the things with policies that he finds interesting is that you find out five or six years later, or worse, future Commissioners find out even later that there was this policy put in place that had really great ideas and met the needs of a project but never sunsets. Commissioner Seybert recommended the Commission approve an amended resolution, and the minutes reflect, that this policy sunsets on December 31, 2024.

Commissioner Lieberman also recommended there be language in the policy reflecting what action will take place on that date, i.e. the policy reverts back to the prior version or revert to another policy.

With the prior changes incorporated into the document and in the minutes of this meeting, the Commission voted on the amended resolution.

Motion/Second: Commissioner Lieberman / Commissioner Otte

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION C TO ADMINISTRATIVE POLICY 2016-01, ESTABLISHING A PROCEDURE IMPLEMENTING THE DESIGN-BUILD PROCESS FOR DELIVERY OF CONSTRUCTION PROJECTS AND ESTABLISHING A CONSTRUCTION CHANGE ORDER AUTHORIZATION OF UP TO \$300,000 FOR THE MANAGER TO ADDRESS IMMEDIATE NEEDS TO EXPIRE AS OF DECEMBER 31, 2024 UNLESS EXTENDED

The Resolution carried by Unanimous Roll Call Vote.

ITEM 8B

CONSIDERATION OF MOTION AND RESOLUTION APPROVING UPDATE TO SOLE SOURCE SPECIFIC EQUIPMENT AT SVCW FACILITIES

Ms. Herrera displayed a graphic showing where new 12kV switchgear will be located at the front of the plant and recommended suspending the competitive bidding process and purchasing 12kV switchgear, to match existing SVCW equipment, from Schweitzer Engineering. From a dollar standpoint, this purchase is expected to be approximately 15% of the contract value, or about \$400,000 of the estimated \$2.6 Million contract.

Commissioner Seybert asked if this is to match to existing equipment? Ms. Herrera stated that yes that is the case, as there are two other locations in SVCW facilities with this equipment.

Motion/Second: Commissioner Lieberman / Commissioner Otte

- i. Move approval TO SUSPEND COMPETITIVE BIDDING REQUIREMENTS BASED ON PUBLIC CONTRACTS CODE (PCC) SECTION 3400 WHICH AUTHORIZES THE SILICON VALLEY CLEAN WATER TO PROCURE SPECIFIC EQUIPMENT OR VENDORS WITHOUT SPECIFYING "OR EQUAL" VENDORS AND EQUIPMENT (SOLE SOURCE) (5/7th weighted vote required)

The Motion carried by Unanimous Roll Call Vote.

- ii. Move adoption of RESOLUTION ALLOWING FOR THE SOLE SOURCE SPECIFICATION AND PROCUREMENT OF STANDARDIZED 12KV SWITCHGEAR EQUIPMENT - Schweitzer Engineering Laboratories

The Resolution carried by Unanimous Roll Call Vote.

ITEM 9

CLOSED SESSION

There was no Closed Session held.

ITEM 10

ADJOURN

Commissioner Grassilli requested through the Chair that the Commission Meeting be adjourned in honor of Linda Bruemmer who is retiring at the end of the year. Commissioners

thanked her for her years of dedicated service at Silicon Valley Clean Water and stated that she will be missed dearly.

There being no further business, the meeting adjourned at 8:40 a.m.



Robert Grassilli, Secretary

By: Daniel T. Child, Manager