

**MINUTES OF SILICON VALLEY CLEAN WATER
SPECIAL MEETING – April 13, 2017**

ITEM 1

CALL TO ORDER

The meeting was called to order at 4:04 p.m.

ITEM 2

ROLL CALL - Commissioners Duly Appointed By Each Agency

Mayor John Seybert, Redwood City – Chair

Council Member Warren Lieberman, PhD., Belmont– Vice Chair

Board Member George S. Otte, P.E., West Bay Sanitary District

Mayor Robert Grassilli, San Carlos – Secretary

Staff, Consultants and Visitors Present

Christine C. Fitzgerald, SVCW Legal Counsel

Daniel T. Child, SVCW Manager

Teresa Herrera, SVCW Assistant Manager/Authority Engineer

Linda Bruemmer, SVCW Administrative Services Director

Jennifer Flick, SVCW Human Resources Director

Monte Hamamoto, SVCW Wastewater Superintendent

Kim Hackett, SVCW Engineering Director

Bruce Burnworth, SVCW Senior Engineer

Bill Bryan, SVCW Senior Engineer

Cindy Hui, SVCW Financial Analyst

Ilana Schmidt, SVCW Administrative Assistant

Robert Huffstutler, SVCW Operations Director

Keith McClure, SVCW Operations Supervisor

Derek Rampone, City of Redwood City

Jay Walter, City of San Carlos

Pooja Nagreth, David J. Powers & Associates

Akoni Danielson, David J. Powers & Associates

John Schwarz, JHS Consulting

Michael Goymerac, Kennedy/Jenks Consultants

Justin Senior, WRA, Inc.

Michael Thill, Kingworth & Rodkin, Inc.

Richard Laureta, Freyer & Laureta, Inc.

Tamra Cihla, OpTerra Energy Services

David Baldwin, Op Terra Energy Services

Aren Hansen, Brown & Caldwell

ITEM 3

PLEDGE OF ALLEGIANCE

Mr. Child led those attending the meeting in the recital of the Pledge of Allegiance.

ITEM 4**PUBLIC COMMENT**

There was no Public Comment.

ITEM 5A**SAFETY MOMENT**

Mr. Child discussed the importance of Spring cleaning and suggested some important items to be cleaned that are often overlooked.

ITEM 5B**MANAGER'S REPORT**

Mr. Child began by stating that SVCW submitted the WIFIA Letter of Intent ahead of deadline and are now waiting for notification of acceptance, scheduled for late June 2017.

Mr. Child noted that two SVCW employees were recently recognized and won Regional Awards from the California Water Environment Association. Ramon Castro won the Operator of The Year and Enrique Salvatierra won Laboratory Technician of the Year.

ITEM 5C**FINANCIAL REPORTS**

Mr. Seybert asked if there were any questions on the Financial Report. There were none.

ITEM 6**MATTERS OF COMMISSION MEMBER'S INTEREST**

Mr. Seybert stated that he and other Commissioners had mentioned it would be better to return the SVCW Commission meetings to morning meetings. He asked staff to look into switching back to morning meetings.

ITEM 7**CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR**

Motion/Second: Mr. Grassilli / Mr. Otte

The motion carried by unanimous roll call vote.

ITEM 8A

CONSIDERATION OF RESOLUTIONS CERTIFYING SVCW'S CONVEYANCE SYSTEM FINAL ENVIRONMENTAL IMPACT REPORT, ADOPTING FINDINGS AND MITIGATION MONITORING PROGRAM AND APPROVING PROJECT

Ms. Herrera provided an overview map of the Project. She stated the purpose of the project is ensuring the reliability of the conveyance system and the treatment plant facilities. Ms. Herrera continued to explain the Environmental Impact Report (EIR) process and timeline from selecting Alternative 4BE to EIR Adoption at the April 2017 Commission Meeting. Ms. Herrera provided an in-depth explanation of the main purpose of CEQA, the general contents of an EIR and importantly, if any mitigation is required from findings in the EIR. She was pleased to share the EIR findings would not result in any significant and unavoidable impacts and noise impacts are the only item requiring significant mitigation. Ms. Herrera concluded with anticipated construction periods and outlined the next steps upon certification of the EIR by the Commission.

The Consultants that prepared the EIR were present at the meeting. Commissioner Lieberman requested that the Consultants responsible for preparing the EIR make a verbal confirmation that it was prepared in full compliance of CEQA. John Schwarz (JHS Consulting), Akoni Danielson and Pooja Nagreth (David J. Powers and Associates) verbally confirmed that the EIR has been prepared in full accordance and compliance with the law.

Commissioner Seybert asked, if since there are no identified significant unavoidable impacts, does that mean SVCW would not be required to take necessary actions to address them. Mr. Danielson from David J. Powers assured no additional action was required. The Commission also asked if there are any mitigations which are considered outside normal construction and Mr. Danielson replied there were not. Mr. Seybert also asked how many EIRs Mr. Danielson has worked on. Mr. Danielson responded that in the twenty years of experience he has working on environmental documents, he has contributed to approximately two-hundred EIRs. Mr. Seybert encouraged continued proactive communications with the Redwood Shores community as construction activities ensue and recommended working with the Redwood Shores Community Association.

Motion / Second: Mr. Grassilli / Mr. Lieberman

- i. Move adoption of RESOLUTION OF THE SILICON VALLEY CLEAN WATER COMMISSION CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT PREPARED FOR THE SVCW WASTEWATER CONVEYANCE SYSTEM AND TREATMENT PLANT RELIABILITY IMPROVEMENT PROJECT (SCH# 2016022055) IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED
- ii. Move adoption of RESOLUTION OF THE SILICON VALLEY CLEAN WATER COMMISSION MAKING CERTAIN FINDINGS CONCERNING MITIGATION MEASURES AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL

QUALITY ACT FOR THE SVCW WASTEWATER CONVEYANCE SYSTEM AND TREATMENT PLANT RELIABILITY IMPROVEMENT PROJECT (SCH# 2016022055) FOR WHICH AN ENVIRONMENTAL IMPACT REPORT HAS BEEN PREPARED, AND APPROVING THE PROJECT

The Resolutions carried by unanimous roll call vote.

ITEM 8B

CONSIDERATION OF RESOLUTION APPROVING PROGRESSIVE DESIGN-BUILD REQUEST FOR QUALIFICATIONS

Ms. Herrera discussed the two projects requesting approval to go forth with RFQ's which are the Gravity Pipeline and Front of Plant Projects. These two projects compliment Alternative 4BE of the RESCU Program. Ms. Herrera described the future alignment of the gravity pipeline and its connection with the front of the plant, emphasizing the rationale behind starting both projects simultaneously. Ms. Herrera displayed a flow chart for procuring Design-Build (D-B) teams and thanked Brown and Caldwell (Front of Plant) and Kennedy/Jenks (Gravity Pipeline) for their tremendous work effort as Engineering Owners Advisors for their respective projects.

Commissioner Grassilli asked what the time frames are for selection of the D-B Team and start of construction. Ms. Herrera said in approximately six months she anticipates coming to the Commission with a recommendation, based on the actual proposals received, to hire the D-B Team(s) and the construction process would begin very soon thereafter. After RFQ's are received, Design-Build teams will submit their Statement of Qualifications. The Statement of Qualifications will be evaluated by SVCW and a shortlist of the best qualified firms will be prepared by SVCW. From there, a Request for Proposals (RFP) will be submitted to the Design-Build teams identified as the best qualified from the SOQ process and, as previously stated, it is anticipated that the process will be complete with D-B Team(s) identified and recommended to the Commission at the October 2017 meeting.

Due to the high level of complexity of this work, Commissioner Seybert mentioned it might be a good idea to have the proposing D-B teams make a presentation to the Commission. Mr. Grassilli expressed concern that they may think the Commission can wave a magic wand and override staff recommendation and he feels it is better for SVCW Management to do the evaluation of the proposals and make the appropriate recommendations to the Commission. Commissioner Seybert agreed and requested that upon receipt of the RFQ's, Ms. Herrera provide a presentation to the Commission on the firms selected to make proposals.

Motion / Second: Mr. Otte / Mr. Lieberman

Move adoption of RESOLUTION APPROVING REQUEST FOR QUALIFICATIONS PROCUREMENT DOCUMENTS IN CONNECTION WITH THE WASTEWATER CONVEYANCE SYSTEM AND TREATMENT PLANT RELIABILITY IMPROVEMENT

PROJECT AND AUTHORIZE MANAGER TO ISSUE REQUEST FOR QUALIFICATIONS TO INTERESTED DESIGN-BUILD ENTITIES

The Resolution carried by unanimous roll call vote.

ITEM 8C

CONSIDERATION OF MOTIONS APPROVING TASK ORDERS FOR WASTEWATER TREATMENT PLANT AND CONVEYANCE SYSTEM RELIABILITY IMPROVEMENT PROJECTS GRAVITY PIPELINE AND FRONT OF PLANT

Ms. Herrera displayed the flow chart for Progressive Design-Build and the role of SVCW as Owner's. She added the task orders considered for adoption are for Consultants playing critical roles in support and assistance during the Progressive Design-Build selection process. Hanson Bridgett is responsible for Construction Legal Services, Water Environmental Technical Consulting for Operations and Maintenance input and Technical Edge for automation and SCADA oversight. Ms. Herrera said the recommended task orders will cover the duration of the project rather than having to bring back several task orders to the Commission. In conclusion, Ms. Herrera emphasized that successful projects have excellent project teams and she is extremely confident in the selection SVCW has made.

Commissioner Seybert asked if there is any concern about six-year contracts and what would happen if staff changed. Mr. Child said these are time and material contracts, so if someone goes away and there is not a suitable replacement, SVCW would just not issue work and could move on to another firm. Mr. Child also stated that in this case he is not concerned due to the outstanding past performance and established relationship with these consultants.

Commissioner Lieberman asked if somebody is assigned to this effort and then leaves, how much is remaining for the next person. Mr. Child replied that it depends and can be significant. Mr. Lieberman asked if a commitment from the company can be provided and he would prefer having some form of reassurance that SVCW will not be picking up the cost in the event of this happening. Mr. Child agreed and will work with the firms to ensure the needs and best interest of SVCW are well covered.

Motion / Second: Mr. Lieberman / Mr. Grassilli

- i. Move approval of TASK ORDER SCOPE AND BUDGET FOR OPERATIONAL CONSULTING SERVICES DURING DESIGN-BUILD IN AN AMOUNT OF \$2.16 MILLION AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – WATER ENVIRONMENTAL TECHNICAL CONSULTING
- ii. Move approval of TASK ORDER SCOPE AND BUDGET FOR ELECTRICAL, INSTRUMENTATION, AND AUTOMATION CONSULTING SERVICES DURING

DESIGN-BUILD IN AN AMOUNT OF \$2.16 MILLION AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – TECHNICAL EDGE

- iii. Move approval of TASK ORDER SCOPE AND BUDGET FOR LEGAL SERVICES FOR DESIGN-BUILD IN AN AMOUNT OF \$460 THOUSAND AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – HANSON BRIDGETT

The Motions carried by unanimous roll call vote.

ITEM 8D

CONSIDERATION OF MOTION APPROVING TASK ORDER AMENDMENT FOR FRONT OF PLANT SITE SOIL STABILIZATION

Ms. Herrera said this amendment is for work that has already begun by Freyer & Laureta. She explained that the young bay mud requires stabilization to prepare for construction work in the future. She displayed an image of the front of the plant where the soil stabilization will take place along with plans for a new roadway to accommodate a new staff entrance and needed parking. Ms. Herrera explained the original task order was for lime stabilization only and the amendment will cover preparations for future construction. Staff anticipates bidding this next month and bringing the award to the Commission at the June 2017 Commission Meeting.

Mr. Grassilli asked how long the project will take and Ms. Herrera replied the goal is to be finished in October, right before rainy season.

Commissioner Seybert asked if there are any concerns about the public in the nearby areas. Mr. Child said he doesn't believe so due to outreach efforts and maintaining open communications with the Redwood Shores community and The Audubon Society. Commissioner Seybert shared that in his years of experience, when the public knows what is going on and what is coming up, it alleviates calls coming in and staff time spent on explaining in a reactive mode. Mr. Child confirmed that SVCW will continue the high level of communication that has been in place over the past several years and will work closely with the community to keep them informed of upcoming activities. Mr. Child also stated it is the intention of staff to provide live video feed of the actual construction activities on our website and will make that information known to the community as well.

Motion / Second: Mr. Lieberman / Mr. Grassilli

Move approval of AMENDMENT TO TASK ORDER 2016-05 SCOPE AND BUDGET FOR FRONT OF PLANT SOILS STABILIZATION IN AN AMOUNT NOT TO EXCEED \$46,740 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – FREYER & LAURETA, INC.

The Motion carried by unanimous roll call vote.

ITEM 8E

CONSIDERATION OF RESOLUTIONS APPROVING FISCAL YEAR 2017-18 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET

Mr. Anderson highlighted three changes in the budget since March and incorporated feedback provided by the Commission. The first change is in the gross operating budget increase by forty-five thousand dollars to incorporate the findings of the recently completed Compensation Study that relate to non-represented personnel. This is not a large increase across the board and is specific to those few positions that fell beneath the bottom level of the new projected salary ranges. The second change is an increase in the revenue funded capital by \$323,424 reflecting the updated cost of valve installation at the pump stations and Flow Equalization Facility. The third change is for reserve designations reducing the amount by \$100,597 due to the recognition of investment earnings on the Operating Reserve funds. Mr. Anderson shared that the only significant difference from the Long-Range Financial Plan provided in January 2017 is the reimbursement of reserves due to emergency repairs. Mr. Anderson concluded with recommendation for the Commission to adopt Fiscal Year 2017-18 Final Budget.

Motion / Second: Mr. Grassilli / Mr. Lieberman

- i. Move adoption of RESOLUTION OF THE SILICON VALLEY CLEAN WATER COMMISSION ADOPTING FISCAL YEAR 2017-18 REVENUE PLAN IN THE AMOUNT OF \$23,291,325 IN NET OPERATING REVENUES REQUIRED AND \$1,546,000 FOR REVENUE-FUNDED CAPITAL PROJECTS
- ii. Move adoption of RESOLUTION OF THE SILICON VALLEY CLEAN WATER COMMISSION ADOPTING FISCAL YEAR 2017-18 CASH RESERVE DESIGNATIONS IN THE AMOUNT OF \$2,030,298
- iii. Move adoption of RESOLUTION OF THE SILICON VALLEY CLEAN WATER COMMISSION ADOPTING FISCAL YEAR 2017-18 DEBT SERVICE EXPENDITURES IN AN AMOUNT OF \$12,347,586
- iv. Move adoption of RESOLUTION OF THE SILICON VALLEY CLEAN WATER COMMISSION AUTHORIZING SVCW MANAGER TO IMPLEMENT, MANAGE AND APPROVE EXPENDITURES AUTHORIZED WITHIN THE FISCAL YEAR 2017-2018 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET AS ADOPTED BY THE SILICON VALLEY CLEAN WATER COMMISSION

The Resolutions carried by unanimous roll call vote.

ITEM 9

CLOSED SESSION

Closed Session was called to order at 4:53 p.m.

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

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

Case Name: *In the Matter of the Calculation of Final Compensation of David A. Hall, Respondent, and Silicon Valley Clean Water, Respondent* (Board of Administration, California Public Employees' Retirement System, Agency Case No. 2015-1236 OAH NO. 2016030664)

C. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code §54956.9 (12 potential cases): CalPERS' Determination to Exclude Performance Pay from Retirement Benefit Calculations and Opportunity to Appeal Determination

D. PUBLIC EMPLOYEE PERFORMANCE EVALUATION ((Government Code §54957)

Title: Manager

ITEM 10

RECONVENE IN OPEN SESSION

Open Session reconvened at 4:58 p.m. Ms. Fitzgerald reported that discussion was held on the above items and instructions were given to Staff and Counsel by the Commission and no action was taken.

ITEM 11

ADJOURN

There being no further business, the meeting adjourned at 4:59 p.m.



Robert Grassilli, Secretary

By: Daniel T. Child, Manager