

**COMMISSION OF SILICON VALLEY CLEAN WATER
JOINT POWERS AUTHORITY
REGULAR MEETING – Monday, May 20, 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

COUNCIL MEMBER ALICIA AGUIRRE, REDWOOD CITY – VICE CHAIR

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

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
- 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 RESOLUTION TO APPROVE CONTRACT CHANGE ORDERS TO TWO RESCU PROJECTS: GRAVITY PIPELINE AND FRONT OF PLANT

Proposed Action:

Move adoption of RESOLUTION AUTHORIZING THE SILICON VALLEY CLEAN WATER MANAGER TO APPROVE CONTRACT CHANGE ORDERS FOR GRAVITY PIPELINE PROJECT AND FRONT OF PLANT PROJECT IN AN AMOUNT NOT TO EXCEED \$800,000 SUBJECT TO CONFIRMATION OF ACTUAL COSTS UPON PROJECTS' COMPLETIONS

B. CONSIDERATION OF RESOLUTION AND MOTIONS AUTHORIZING SVCW TO ENTER INTO THE WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT (WIFIA) LOAN AND ISSUE 2019 WASTEWATER REVENUE NOTES

Proposed Actions:

- i. Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE EXECUTION AND DELIVERY OF A WIFIA LOAN AGREEMENT, THE ISSUANCE OF CERTAIN INTERIM FINANCING AND CERTAIN DOCUMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

- ii. Move approval of WIFIA REVIEW SERVICES IN AN AMOUNT NOT TO EXCEED \$350,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
- iii. Move approval of ADDITIONAL FUNDS FOR WIFIA LEGAL SERVICES IN AN AMOUNT NOT TO EXCEED \$50,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – STRADLING YOCCA CARLSON & RAUTH, P.C.

9. CLOSED SESSION

A. 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; Court of Appeal Case Number A155943 (SI065-005))

B. 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)

C. 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)

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 – April 15, 2019 Meeting

B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED APRIL 5, 2019, APRIL 19, 2019, AND MAY 1, 2019 AND NECESSARY PAYMENTS THROUGH MAY 1, 2019

C. CONSIDERATION OF RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING WITH CITY OF REDWOOD CITY FOR PUBLIC RELATIONS SERVICES

Proposed Action:

Move adoption of RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING WITH CITY OF REDWOOD CITY FOR PROFESSIONAL PUBLIC RELATIONS SERVICES AND AUTHORIZING MANAGER TO EXECUTE SAID MEMORANDUM OF UNDERSTANDING

D. CONSIDERATION OF RESOLUTION APPROVING MASTER SERVICES AGREEMENT WITH PFM ASSET MANAGEMENT LLC FOR INVESTMENT ADVISORY SERVICES

Proposed Action:

Move adoption of RESOLUTION AUTHORIZING EXECUTION OF A MASTER SERVICES AGREEMENT FOR INVESTMENT ADVISORY SERVICES – PFM ASSET MANAGEMENT, LLC

E. CONSIDERATION OF RESOLUTION ADOPTING THE UPDATED SVCW SEWER SYSTEM MANAGEMENT PLAN (SSMP)

Proposed Action

Move adoption of RESOLUTION APPROVING AND ADOPTING THE UPDATED SVCW SANITARY SEWER MANAGEMENT PLAN AND AUTHORIZING THE SVCW MANAGER TO RE-CERTIFY THE SAME

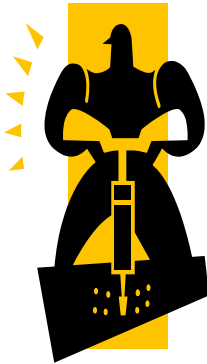
AGENDA ITEM 5A

This page intentionally left blank

SAFETY MOMENT

Hearing Loss Prevention

Hearing loss is one of the most common occupational illness in the United States. Noise is the most common cause of hearing loss. One third of hearing loss is preventable with proper hearing protection.



Examples of Sounds

- Rock Concert and firecrackers – 140 dB
- Loud bass in cars (when other cars feel vibration & hear noise) – 120 dB
- Chainsaw – 110 dB
- Wood shop and stereo headphones – 100 dB
- Lawn mowers and motorcycles – 90dB
- City traffic noise – 80 dB
- Normal conversation – 60 dB
- Refrigerator humming – 40 dB

How Loud is Too Loud

- You can't hear someone three feet away
- You have pain in your ears after leaving a noisy area
- You hear ringing or buzzing (tinnitus) in your ears immediately after noise exposure
- You suddenly have difficulty understanding speech after noise exposure
- You hear people talking but can't understand them.

Sound Level	Exposure Limit
85 dB (A)	8 hours
88 dB (A)	4 hours
91 dB (A)	2 hours
94 dB (A)	1 hour
97 dB (A)	30 minutes
100 dB (A)	15 minutes
103 dB (A)	7.5 minutes
106 dB (A)	3.75 minutes

Prevention

- Eliminate or reduce the noise level
- When noise can not be eliminated – use protection
- Limit the amount of time around noise
- Increase your distance from the source of the noise

Hearing loss can be:

- Mild (a loss up to 40 dB) - with trouble in hearing ordinary conversation
- Moderate (40-60 dB) - where voices must be raised to be heard
- Severe (over 60 dB loss) - where people must shout to be heard.

Other Dangers of Loud Noise

- Stress
- High Blood Pressure
- Increased Anxiety

This page intentionally left blank

AGENDA ITEM 5B

This page intentionally left blank

Recurring and Upcoming Commission Actions
Updated for May 2019 Meeting

January	February	March	April
Long - Range Financial Plan		Budget Workshop	Budget Adoption
May	June	July	August
Approve WIFIA Loan and Note Agreements	<ul style="list-style-type: none"> Update Debt and Investment Policies Approve Resolution 77-6 "Personnel Resolution" Initiate Manager Performance Evaluation 	Commission Chair, Vice Chair, and Secretary Appointment	Conflict of Interest Update (Biennial)
September	October	November	December
			Commission Meeting schedule for following year Audited Financial Statements

 - Recurring Commission Actions

 - Upcoming Commission Actions

This page intentionally left blank

AGENDA ITEM 5C

This page intentionally left blank

SILICON VALLEY CLEAN WATER

JOINT POWERS AUTHORITY ~ A PUBLIC ENTITY



1400 RADIO ROAD
REDWOOD CITY, CALIFORNIA 94065
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 April 30, 2019

Broker/Dealer	Composite							Estimated Annual
Investment Name	Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Cost	\$ Yield Earnings
Annual OPS and CAP Budget Reserve								
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	02/01/2020	5.000%	3.01	10,882	11,076	11,480	333
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.50	60,000	59,980	60,743	1,497
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	2.29	30,000	29,510	30,211	677
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.56	50,000	50,159	50,644	1,286
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/13/2019	4.500%	2.57	100,000	100,732	101,660	2,591
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.34	30,000	29,698	30,191	695
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.33	100,000	98,724	99,751	2,296
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	2.30	100,000	98,345	99,800	2,258
FEDERAL NATL MTG ASSN	AA+	09/25/2020	1.750%	2.37	100,000	99,159	100,357	2,354
FEDERAL HOME LN MTG CORP MULTICLASS	NR	11/25/2019	1.869%	2.91	98,039	97,591	97,902	2,838
FEDERAL HOME LN MTG CORP	AA+	05/30/2019	1.750%	2.41	30,000	29,984	30,127	723
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.43	30,000	29,848	30,039	726
FEDERAL HOME LN MTG CORP MULTICLASS	N.A.	04/15/2020	4.000%	3.80	77	77	80	3
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	12/01/2019	5.500%	2.85	2,455	2,455	2,596	70
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	03/01/2020	5.500%	3.92	60	60	62	2
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	04/01/2020	5.000%	3.00	5,830	5,943	6,154	178
UNIVERSITY CALIF REVS FOR PREV GEN	AA	07/01/2019	1.796%	2.62	50,000	49,940	49,928	1,309
MONTGOMERY CNTY MD CTFS PARTN COPS	N.A.	11/01/2019	1.200%	2.60	100,000	99,227	100,019	2,577
RICHMOND VA GO PUB IMPT BDS C	AA	07/15/2021	2.599%	2.55	100,000	100,272	102,935	2,553
PORT MORROW ORE TRANSMISSION F REV	AA	09/01/2021	2.737%	2.49	100,000	100,609	102,725	2,508
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.49	110,000	111,074	112,914	2,769
FEDERAL HOME LN MTG CORP	AA+	12/30/2019	1.500%	2.91	80,000	79,455	80,000	2,314
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.52	60,000	59,630	60,000	1,505
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.47	40,000	39,704	40,000	981
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.46	80,000	79,254	80,000	1,951
FEDERAL HOME LN MTG CORP	AA+	05/15/2020	1.600%	2.49	150,000	148,812	150,000	3,711
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.37	70,000	69,265	69,836	1,642
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	2.26	70,000	68,444	69,430	1,546
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	2.28	35,000	35,073	35,749	800
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/29/2020	1.830%	2.38	140,000	139,061	140,578	3,315
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.38	140,000	139,065	140,487	3,306
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	2.26	90,000	88,228	89,357	1,996
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	2.28	90,000	87,950	89,154	2,006
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.51	30,000	29,751	30,000	747
ALTRIA GROUP INC SR NT	BBB	08/09/2022	2.850%	3.03	30,000	29,834	30,202	905
US TREASURY NOTE	NR	03/15/2020	1.625%	2.41	50,000	49,662	49,876	1,194
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/11/2020	1.620%	2.43	140,000	138,662	138,779	3,368
FEDERAL HOME LN MTG CORP	AA+	03/26/2021	2.700%	2.76	50,000	50,019	49,938	1,379
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/15/2020	2.500%	2.79	100,000	100,020	99,925	2,794
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.82	100,000	100,060	100,000	2,825
US TREASURY NOTE	NR	07/31/2020	2.000%	2.35	20,000	19,915	19,847	467
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.16	80,000	80,174	80,000	2,537
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.96	100,000	100,227	100,000	2,962
US TREASURY NOTE	NR	11/30/2020	1.625%	2.31	100,000	98,934	97,686	2,286
US TREASURY NOTE	NR	09/15/2021	2.750%	2.24	80,000	80,941	79,756	1,812
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	3.36	60,000	60,037	60,000	2,017
US TREASURY NOTE	NR	12/31/2019	1.875%	2.44	240,000	239,069	239,016	5,821
US TREASURY NOTE	NR	04/30/2020	1.375%	2.39	50,000	49,496	49,492	1,183
US TREASURY NOTE	NR	09/30/2020	2.750%	2.33	50,000	50,289	50,270	1,172
CASH & EQUIVALENTS	-	-	-	2.36	-	70,242	70,242	1,658
Annual OPS and CAP Budget Reserve Total					\$	3,585,732	\$ 3,609,935	\$ 90,444
Capital Improvement Program Reserve								
APPLE INC SR FLT NT	AA+	02/07/2020	2.947%	2.60	100,000	100,153	99,821	2,603
CALIFORNIA ST GO BDS TAXABLE	A-	10/01/2019	6.200%	2.75	100,000	101,535	102,053	2,794
CISCO SYS INC SR GLBL NT	AA	01/15/2020	4.450%	2.54	125,000	126,556	128,151	3,216
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.50	340,000	339,888	342,193	8,484
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	2.29	100,000	98,365	100,703	2,256
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/06/2020	5.300%	2.67	450,000	462,096	466,133	12,324
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/03/2019	5.320%	2.54	50,000	50,491	50,932	1,282
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/11/2020	2.875%	2.35	60,000	60,402	61,267	1,421
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/24/2019	1.520%	2.40	250,000	249,670	250,000	5,980
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2019	5.125%	2.58	60,000	60,472	61,076	1,561
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	4.625%	2.45	200,000	204,934	208,370	5,019
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.56	25,000	25,080	25,322	643
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	4.125%	2.56	125,000	126,268	128,795	3,236
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/13/2020	4.125%	2.45	700,000	710,157	717,172	17,363
FEDERAL NATL MTG ASSN	AA+	01/21/2020	1.625%	2.43	100,000	99,430	100,675	2,413
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.34	50,000	49,496	50,318	1,158
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.33	170,000	167,831	169,564	3,904
FEDERAL NATL MTG ASSN	AA+	12/28/2020	1.875%	2.31	325,000	322,728	329,115	7,442

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Estimated Annual					
					Par Value	Market Value	Cost	\$ Yield Earnings		
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	2.30	240,000	236,028	239,817	5,419		
FEDERAL HOME LN MTG CORP MULTICLASS	NR	06/25/2020	3.531%	2.95	100,000	100,632	106,188	2,964		
FEDERAL HOME LN MTG CORP	AA+	05/30/2019	1.750%	2.41	50,000	49,973	50,212	1,205		
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.43	50,000	49,747	50,065	1,210		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	07/01/2019	4.821%	2.53	56,270	56,249	62,425	1,423		
MICROSOFT CORP NT	AAA	06/01/2019	4.200%	3.17	100,000	100,107	101,177	3,169		
MONTGOMERY CNTY MD CTFS PARTN COPS	N.A.	11/01/2019	1.200%	2.60	100,000	99,227	100,019	2,577		
RICHMOND VA GO PUB IMPT BDS C	AA	07/15/2021	2.599%	2.55	100,000	100,272	102,935	2,553		
BANK NEW YORK MTN BK ENT FR	A+	11/27/2020	2.450%	2.59	100,000	99,758	101,724	2,582		
GILEAD SCIENCES INC SR NT	A-	09/01/2020	2.550%	2.65	100,000	99,837	101,621	2,643		
WISCONSIN ST GEN FD ANNUAL APP REV	AA-	05/01/2021	1.616%	2.53	100,000	98,078	100,080	2,479		
PORT MORROW ORE TRANSMISSION F REV	AA	09/01/2021	2.737%	2.49	225,000	226,370	231,131	5,643		
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.49	165,000	166,610	169,371	4,154		
FEDERAL NATL MTG ASSN	AA+	05/26/2021	1.800%	2.60	260,000	256,238	260,000	6,667		
FEDERAL HOME LN MTG CORP	AA+	12/30/2019	1.500%	2.91	260,000	258,229	260,000	7,520		
FEDERAL HOME LN MTG CORP	AA+	12/30/2020	1.750%	2.65	340,000	336,335	340,000	8,899		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.52	80,000	79,506	80,000	2,007		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.47	120,000	119,113	120,000	2,944		
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.46	80,000	79,254	80,000	1,951		
FEDERAL HOME LN MTG CORP	AA+	05/15/2020	1.600%	2.49	220,000	218,258	220,000	5,443		
FEDERAL HOME LN MTG CORP	AA+	10/26/2021	2.000%	2.49	220,000	218,040	220,000	5,420		
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/27/2022	2.300%	2.40	220,000	220,029	219,505	5,272		
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.37	290,000	286,955	289,048	6,801		
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	2.26	140,000	136,888	138,859	3,092		
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	2.28	310,000	310,645	315,227	7,089		
FEDERAL NATL MTG ASSN	AA+	01/05/2022	2.000%	2.28	610,000	605,852	608,681	13,813		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.38	170,000	168,864	170,592	4,014		
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	2.26	170,000	166,653	168,786	3,770		
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	2.28	170,000	166,127	168,403	3,789		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2022	1.900%	2.37	165,000	162,822	165,556	3,857		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/03/2022	1.900%	2.36	165,000	162,723	165,305	3,837		
FEDERAL NATL MTG ASSN	AA+	04/05/2022	1.875%	2.27	170,000	167,984	170,430	3,818		
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2022	1.850%	2.41	130,000	128,149	130,735	3,087		
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.51	120,000	119,005	120,000	2,987		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/04/2022	2.100%	2.49	220,000	218,546	220,000	5,435		
FEDERAL HOME LN MTG CORP	AA+	10/12/2021	2.000%	2.52	120,000	118,834	120,000	2,996		
BANK AMER CORP FR	A	05/13/2021	5.000%	2.70	75,000	78,324	79,599	2,112		
CONSTELLATION BRANDS INC SR GLBL NT	BBB-	11/06/2020	2.250%	2.88	25,000	24,775	24,942	713		
HOME DEPOT INC SR GLBL NT	A	04/01/2021	2.000%	2.46	80,000	79,327	79,838	1,953		
LORILLARD TOB CO SR NT	BBB	05/01/2020	6.875%	3.42	25,000	25,906	26,634	886		
MORGAN STANLEY SR NT	A-	01/27/2020	2.650%	2.70	80,000	79,952	80,383	2,156		
ORACLE CORP SR GLBL	A+	05/15/2022	2.500%	2.69	80,000	79,586	80,069	2,140		
PHILIP MORRIS INTL INC SR NT	A	03/26/2020	4.500%	2.63	25,000	25,423	25,615	669		
STARBUCKS CORP SR GLBL	BBB+	02/04/2021	2.100%	2.64	80,000	79,162	79,979	2,086		
3M CO FR	A+	06/26/2022	2.000%	2.55	100,000	98,411	99,156	2,510		
US TREASURY NOTE	NR	03/15/2020	1.625%	2.41	1,000,000	993,240	992,852	23,887		
FEDERAL HOME LN MTG CORP	AA+	12/29/2021	2.250%	2.54	120,000	119,522	120,000	3,039		
FEDERAL HOME LOAN BKS CONS BDS	AA+	10/26/2022	2.280%	2.54	100,000	99,443	99,600	2,521		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/11/2020	1.620%	2.43	400,000	396,176	396,510	9,623		
FEDERAL HOME LOAN BKS CONS BDS	AA+	11/29/2021	1.875%	2.28	300,000	296,868	296,489	6,760		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/15/2021	2.200%	2.52	300,000	298,686	298,050	7,527		
FEDERAL NATL MTG ASSN	AA+	11/26/2019	1.750%	2.40	300,000	298,836	299,488	7,172		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	05/17/2021	1.970%	2.45	100,000	99,320	98,615	2,429		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/15/2020	2.500%	2.79	160,000	160,032	159,880	4,470		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	11/22/2021	2.740%	2.90	100,000	100,004	99,975	2,895		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/01/2021	2.750%	2.89	60,000	60,003	59,970	1,734		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/01/2020	2.450%	2.94	90,000	89,960	89,978	2,646		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	03/07/2022	2.850%	2.91	100,000	100,004	100,000	2,908		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/20/2021	2.840%	2.92	100,000	100,004	100,000	2,923		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	03/29/2021	2.710%	2.83	80,000	80,005	80,000	2,265		
FEDERAL HOME LN MTG CORP	AA+	12/14/2022	2.250%	2.76	25,000	25,004	24,685	690		
FEDERAL HOME LN MTG CORP	AA+	11/24/2021	2.650%	2.70	100,000	100,015	99,750	2,703		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2022	2.130%	2.59	129,630	128,552	126,397	3,333		
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.82	100,000	100,060	100,000	2,825		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/16/2021	1.680%	2.36	100,000	98,394	97,504	2,325		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/18/2022	2.830%	2.93	150,000	150,008	150,000	4,398		
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/27/2023	3.000%	3.01	150,000	150,002	150,000	4,514		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/27/2022	1.700%	2.49	150,000	147,044	144,383	3,654		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/14/2021	2.810%	2.91	100,000	100,005	100,000	2,905		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/28/2022	3.060%	3.05	100,000	100,078	100,000	3,049		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.16	160,000	160,347	160,000	5,073		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.96	120,000	120,272	120,000	3,554		
FEDERAL HOME LN MTG CORP	AA+	06/28/2023	3.250%	3.22	160,000	160,155	159,920	5,163		
FEDERAL NATL MTG ASSN	AA+	11/27/2020	1.500%	2.54	100,000	98,506	97,850	2,497		
US TREASURY NOTE	NR	09/15/2021	2.750%	2.24	120,000	121,411	119,634	2,718		
FEDERAL HOME LN MTG CORP	AA+	09/27/2023	3.200%	3.13	150,000	150,332	149,400	4,704		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	3.36	250,000	250,155	250,000	8,405		
US TREASURY NOTE	NR	12/31/2019	1.875%	2.44	1,000,000	996,120	995,898	24,256		
US TREASURY NOTE	NR	10/31/2020	2.444%	2.51	600,000	599,640	599,160	15,069		
US TREASURY NOTE	NR	04/30/2020	1.375%	2.39	410,000	405,863	405,836	9,700		
US TREASURY NOTE	NR	09/30/2020	2.750%	2.33	410,000	412,366	412,210	9,608		
CASH & EQUIVALENTS	-	-	-	2.36	-	416,938	416,938	9,840		
Capital Improvement Program Reserve Total					\$	18,397,721	\$	18,506,736	\$	464,643
Stage 2 Capacity Reserve										
CISCO SYS INC SR GLBL NT	A+	01/15/2020	4.450%	2.54	75,000	75,934	76,891	1,929		
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	11/01/2020	4.500%	3.05	4,084	4,169	4,257	127		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.50	100,000	99,967	101,238	2,495		
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	2.29	100,000	98,365	100,703	2,256		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/11/2020	2.875%	2.35	60,000	60,402	61,267	1,421		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/24/2019	1.520%	2.40	200,000	199,736	200,000	4,784		
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2019	5.125%	2.58	50,000	50,394	50,897	1,301		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.56	100,000	100,318	101,288	2,572		
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/13/2020	4.125%	2.45	125,000	126,814	128,026	3,101		
FEDERAL NATL MTG ASSN	AA+	01/21/2020	1.625%	2.43	100,000	99,430	100,675	2,413		

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Estimated Annual	
							Cost	\$ Yield Earnings
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.34	100,000	98,992	100,635	2,316
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.33	100,000	98,724	100,599	2,296
FEDERAL NATL MTG ASSN	AA+	12/28/2020	1.875%	2.31	175,000	173,777	177,216	4,007
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	2.30	180,000	177,021	180,128	4,064
FEDERAL HOME LN MTG CORP	AA+	05/30/2019	1.750%	2.41	100,000	99,945	100,424	2,410
FEDERAL HOME LN MTG CORP	AA+	08/01/2019	1.250%	2.39	100,000	99,696	100,221	2,386
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.43	100,000	99,494	100,130	2,421
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	12/01/2020	4.000%	2.94	17,916	18,442	18,772	542
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	07/01/2019	4.821%	2.53	47,065	47,047	52,213	1,190
JPMORGAN CHASE & CO SR NT	A	03/01/2021	2.550%	2.71	50,000	49,879	50,547	1,350
LANCASTER CNTY NEB SCH DIST NO SCH	AA+	01/15/2021	4.550%	3.26	50,000	51,267	52,254	1,673
UNIVERSITY CALIF REVFS FOR PREV GEN	AA	07/01/2019	1.796%	2.62	50,000	49,940	49,928	1,309
MONTGOMERY CNTY MD CTFS PARTN COPS	N.A.	11/01/2019	1.200%	2.60	100,000	99,227	100,019	2,577
BANK NEW YORK MTN BK ENT FR	A+	11/27/2020	2.450%	2.59	150,000	149,637	152,586	3,873
GILEAD SCIENCES INC SR NT	A-	09/01/2020	2.550%	2.65	150,000	149,756	152,432	3,964
WISCONSIN ST GEN FD ANNUAL APP REV	AA-	05/01/2021	1.616%	2.53	100,000	98,078	100,080	2,479
FEDERAL HOME LN MTG CORP	AA+	08/25/2021	1.500%	2.62	90,000	89,116	90,000	2,332
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.49	55,000	55,537	56,457	1,385
FEDERAL HOME LN MTG CORP	AA+	03/30/2021	1.500%	2.52	60,000	59,036	60,000	1,487
FEDERAL HOME LN MTG CORP	AA+	09/30/2021	1.250%	3.51	100,000	98,944	99,900	3,474
FEDERAL NATL MTG ASSN	AA+	09/30/2019	1.250%	3.11	60,000	59,705	59,985	1,854
FEDERAL NATL MTG ASSN	AA+	05/26/2021	1.800%	2.60	60,000	59,132	60,000	1,539
FEDERAL HOME LN MTG CORP	AA+	12/30/2020	1.750%	2.65	100,000	98,922	100,000	2,617
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.52	80,000	79,506	80,000	2,007
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.47	60,000	59,557	60,000	1,472
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.46	40,000	39,627	40,000	976
FEDERAL HOME LN MTG CORP	AA+	10/26/2021	2.000%	2.49	150,000	148,664	150,000	3,696
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/27/2022	2.300%	2.40	150,000	150,020	149,663	3,594
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.37	260,000	257,270	258,975	6,097
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	2.26	80,000	78,222	79,348	1,767
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	2.28	120,000	120,250	122,023	2,744
FEDERAL NATL MTG ASSN	AA+	01/05/2022	2.000%	2.28	220,000	218,504	219,619	4,982
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.38	260,000	258,263	260,905	6,139
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	2.26	260,000	254,881	258,143	5,765
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	2.28	260,000	254,077	257,558	5,796
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2022	1.900%	2.37	290,000	286,172	290,977	6,779
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/03/2022	1.900%	2.36	290,000	285,998	290,537	6,744
FEDERAL NATL MTG ASSN	AA+	04/05/2022	1.875%	2.27	300,000	296,442	300,759	6,738
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2022	1.850%	2.41	85,000	83,790	85,480	2,018
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.51	180,000	178,508	180,000	4,481
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/04/2022	2.100%	2.49	280,000	278,149	280,000	6,918
FEDERAL HOME LN MTG CORP	AA+	10/12/2021	2.000%	2.52	180,000	178,250	180,000	4,494
HOME DEPOT INC SR GLBL NT	A	04/01/2021	2.000%	2.46	60,000	59,495	59,879	1,465
ORACLE CORP SR GLBL	A+	05/15/2022	2.500%	2.69	120,000	119,378	120,103	3,210
PHILIP MORRIS INTL INC SR NT	A	03/26/2020	4.500%	2.63	55,000	55,930	56,353	1,472
STARBUCKS CORP SR GLBL	BBB+	02/04/2021	2.100%	2.64	60,000	59,372	59,984	1,564
US TREASURY NOTE	NR	03/15/2020	1.625%	2.41	720,000	715,133	714,853	17,199
FEDERAL HOME LN MTG CORP	AA+	12/29/2021	2.250%	2.54	80,000	79,682	80,000	2,026
FEDERAL HOME LOAN BKS CONS BDS	AA+	11/29/2021	1.875%	2.28	120,000	118,747	118,596	2,704
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	11/22/2021	2.740%	2.90	100,000	100,004	99,975	2,895
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	03/07/2022	2.850%	2.91	80,000	80,003	80,000	2,326
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.82	140,000	140,084	140,000	3,955
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/18/2022	2.830%	2.93	150,000	150,008	150,000	4,398
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/14/2021	2.810%	2.91	100,000	100,005	100,000	2,905
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/28/2022	3.060%	3.05	100,000	100,078	100,000	3,049
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.16	200,000	200,434	200,000	6,342
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.96	160,000	160,363	160,000	4,739
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/10/2023	1.500%	3.74	200,000	196,486	192,645	7,347
US TREASURY NOTE	NR	11/30/2020	1.625%	2.31	160,000	158,294	156,297	3,658
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/30/2021	2.000%	2.51	200,000	198,484	195,577	4,982
FEDERAL HOME LOAN BKS CONS BDS	AA+	10/25/2021	3.170%	3.10	200,000	200,574	200,000	6,212
FEDERAL NATL MTG ASSN	AA+	10/28/2020	1.400%	2.78	40,000	39,466	38,991	1,097
US TREASURY NOTE	NR	09/15/2021	2.750%	2.24	60,000	60,706	59,817	1,359
FEDERAL HOME LN MTG CORP	AA+	09/27/2023	3.200%	3.13	150,000	150,332	149,400	4,704
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	3.36	100,000	100,062	100,000	3,362
US TREASURY NOTE	NR	12/31/2019	1.875%	2.44	600,000	597,672	597,539	14,553
US TREASURY NOTE	NR	10/31/2020	2.444%	2.51	600,000	599,640	599,160	15,069
US TREASURY NOTE	NR	04/30/2020	1.375%	2.39	330,000	326,670	326,648	7,807
US TREASURY NOTE	NR	09/30/2020	2.750%	2.33	330,000	331,904	331,779	7,733
CASH & EQUIVALENTS	-	-	-	2.36	-	223,680	223,680	5,279
Stage 2 Capacity Reserve Total						\$ 11,925,677	\$ 11,995,028	\$ 302,565
Subtotal, Bank of the West						\$ 33,909,130	\$ 34,111,698	\$ 857,653
Bank of New York (Trustee)								
2009 Reserve Account - Federal National Mortgage Assn 3136G3I	Aaa	7/26/2019	1.150%	1.15		4,763,939	4,780,000	54,785
2009 Reserve Account - BMW BK North Amer Salt Lake 05580AC	Aa	7/24/2019	2.000%	2.00		149,809	150,000	2,996
2009 Reserve Account - Morgan Stanley Treas Sec X9USDMORS	-	-	0.000%	2.26		192,908	192,908	4,360
2009 Reserve Account - Morgan Stanley Treas Sec X9USDMORS	-	-	0.000%	2.26		62,656	62,656	1,416
2009 Revenue FD Account - Morgan Stanley Treas Sec Portfolio X9USDMORS	-	-	0.000%	2.26		5,628	5,628	127
2009 Revenue FD Account - Morgan Stanley Treas Sec INST X9USDMORS	-	-	0.000%	2.23		13	13	0
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%	2.63		414	414	11
2014 Revenue Account - Cash	-	-	0.000%	-		16	16	-
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%	2.64		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 MMTT Instl X9USDJPMP	-	-	0.000%	2.48		163	163	4
2015 Revenue Account - Cash	-	-	0.000%	-		6	6	-
2009 Escrow - Tunisia Government Aid Bonds 066716AG6	Aaa	7/16/2019	1.686%	1.69		40,297,312	40,944,692	681,025
2009 Escrow - Cash	-	-	0.000%	-		4,091	4,091	-
Subtotal, Bank of New York (Trustee)						\$ 45,476,991	\$ 46,140,623	\$ 744,725
Less Amounts held in Escrow for 2009 Bond Defeasance						\$ (40,301,403)	\$ (40,948,783)	\$ (681,025)
Net Total, Bank of New York (Trustee)						\$ 5,175,588	\$ 5,191,840	\$ 63,700


Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Cost	Estimated Annual \$ Yield Earnings
Zions Bank (Trustee)								
US Treasury Notes 912828SX9	Aaa	5/31/2019	1.125%	2.37	13,550,000	13,535,556	13,384,330	320,793
CAMP Pool	NR			2.59		37,378,477	37,378,477	968,103
2018 Acquisition Account - Euro		-	0.000%	-		4,658,290	4,782,068	-
Total, Zions Bank (Trustee)						\$ 55,572,323	\$ 55,544,875	\$ 1,288,895
Uninvested Operating Cash		-				1,040,320	1,040,320	-
California Local Agency Investment Fund		LAIF	-	2.445		\$ 1,823,133	\$ 1,823,133	44,576
Total Working Capital						2,863,453.08	2,863,453.08	44,576
TOTAL CASH & INVESTMENTS, UNRESTRICTED AND WITH TRUSTEE						\$ 97,520,494	\$ 97,711,867	\$ 2,254,824
							Weighted Average Yield to Maturity %	2.31%

Summary by Investment Type:	Market Value
US Treasuries	\$ 20,703,724
Agencies	27,601,492
Commercial Paper / Corporate Bonds	1,996,300
Municipal Bonds / Notes	1,607,262
Money Market / Certificates of Deposit	43,788,581
Local Agency Investment Fund	1,823,133
TOTAL	\$ 97,520,494

Summary by Purpose / Restriction Level	Market Value
Working Capital	\$ 2,863,453
Operations & Capital Budget Reserve	3,585,732
Capital Improvement Program Reserve	18,397,721
Stage 2 Capacity Reserve	11,925,677
Debt Reserve	5,175,588
Debt Proceeds	55,572,323
TOTAL	\$ 97,520,494

Summary by Liquidity:	Market Value
0-1 years	\$ 73,695,980
1 years	10,505,480
2 years	9,623,458
3-5 years	3,695,576
TOTAL	\$ 97,520,494

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.


M. Anderson 5/8/2019

AGENDA ITEM 5D

This page intentionally left blank

**ENGINEERING REPORT: APRIL 2019
CAPITAL IMPROVEMENT PROGRAM**

RESCU Program (6008, 9501, 9502): Design and construct conveyance system improvements.

SVCW has awarded progressive design build contracts to Barnard Bessac Joint Venture for the Gravity Pipeline (GP) Project and Shea Parsons Joint Venture for the Front of Plant (FoP) and Pump Stations Improvements (PSI) Projects. These projects are in varying states of design and construction. SVCW staff is tracking potential changes to the work to assure that they are completed within budget.

Changes in cost due to external forces (regulatory agencies or municipalities) outside the contractor's control will affect the contract price. Specifically, SVCW will be recommending Contract Change Orders to the GP and FoP due to Redwood City raising its local sales tax by 0.5%.

Additionally, the Bay Area Air Quality Management District's permit requirements required a change in odor control technology that will result in higher project costs. The impact of this change is still being determined and SVCW will recommend a Contract Change Order in the coming months to address this change.

Planned Commission Actions: Approve Contract Change Orders to GP and FoP for Sales Tax increase – May 2019
Approve Contract Change Order to FoP for Odor Control System – June or July 2019

Radio Road Wetlands Restoration (9237): Restore the parcel of land behind the dog park to make a suitable habitat for birds.

SVCW has been in discussions with California Department of Fish and Wildlife and the Audubon Society on a wetlands restoration project to provide habitat for migrating and fresh water birds. SVCW intends to apply for grant assistance for the construction of the project, and implementation of the construction project will depend on availability of grants and public support.

Planned Commission Actions: Approve Task Orders for Preliminary Design – June 2019

Electrical Panel Replacement and Generator Modifications (9033): Modify the plant standby generator system to improve reliability and capacity. Remove and replace aging electrical infrastructure.

Standby Generators 4 and 5 will be connected to the new 12kV switchgear under this project, allowing these generators to power all of the plant loads, including the front of plant. Implementing this project will eliminate the need to provide additional standby generators to the Front of Plant facilities. An aging Motor Control Center and other panels which are past the point of their useful life will be included in the scope of this

project. This project is planned to be performed as a Contract Change Order to the existing switchgear project.

Planned Commission Actions: Approve Contract Change Order – July 2019

Thickening Improvements – Phase 1 (9168): Procure and install two rotary drum thickeners to thicken primary sludge.

At the March 2017 meeting, the Commission authorized purchase of two rotary drum thickeners to replace the Gravity Thickeners which are past the point of their useful lives. Overaa Construction was awarded the construction contract to install the thickeners, which will thicken primary sludge before it enters the digesters. The rotary drum thickeners will also be used to facilitate future recuperative thickening of the digester contents to improve digester volatile solids destruction resulting in increased digester gas production.

Planned Commission Actions: Accept Project/File Notice of Completion – July 2019

CIP Spend Analysis

Project Phase	Project Count	2018 CIP Budget	Actual Spend	Remaining	% Unspent
Completed Prior Oct 2017	103	\$138,103,158	\$137,660,497	\$442,661	0.32%
Completed Post Oct 2017	14	\$58,806,039	\$59,554,061	\$-748,023	-1.27%
In Construction	28	\$432,888,860	\$118,849,680	\$314,039,180	72.54%
Planning & Design	36	\$163,404,992	\$19,590,822	\$143,814,169	88.01%
Other	36	\$56,363,374	\$12,324,734	\$44,038,640	78.13%
Total	217	\$849,566,422	\$347,979,793	\$501,586,628	59.04%

In Construction

\$433M

Planning & Design

Completed Prior

\$163M

\$138M

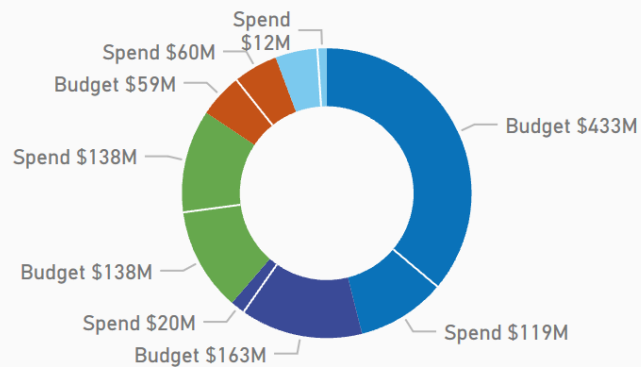
Completed Post

Other

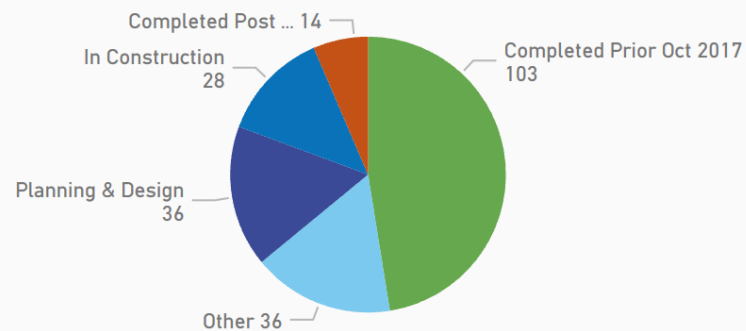
\$59M

\$56M

Budget and Spend by Project Phase



ProjectCount by Project Phase



Actual Spend by Project Phase



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.

As of : 2019 - 04

This page intentionally left blank

AGENDA ITEM 5E

This page intentionally left blank

Silicon Valley Clean Water
Commissioners' Requested Action Items
Updated: 05/20/2019

MAY 20, 2019
AGENDA ITEM 5E

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
3/18/2019		Emergency Declaration	4/15/2019			✓	4/10/2019	Ratify emergency declaration at April meeting
2/25/2019		No new items at this meeting						Direction provided to Counsel and staff re: closed session items only
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		✓			Reported to Commission status of two private property owners. One has agreed to terms; continue towards resolution with the other.
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			✓	1/28/2019	Binder provided to RWC Commissioner. Provided to other Commissioners 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.

Silicon Valley Clean Water
Commissioners' Requested Action Items
Updated: 05/20/2019

MAY 20, 2019
AGENDA ITEM 5E

Commission Meeting Date	Action Item		Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
	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.
	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.
> 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.

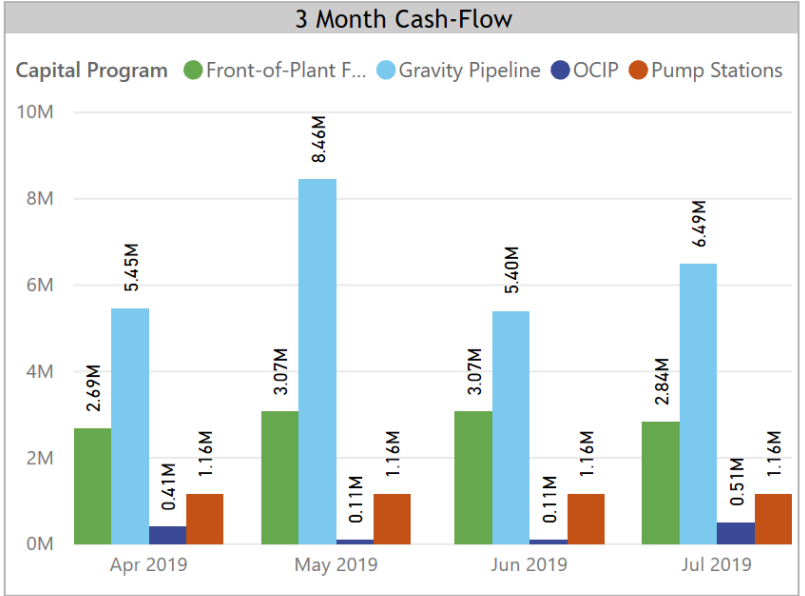
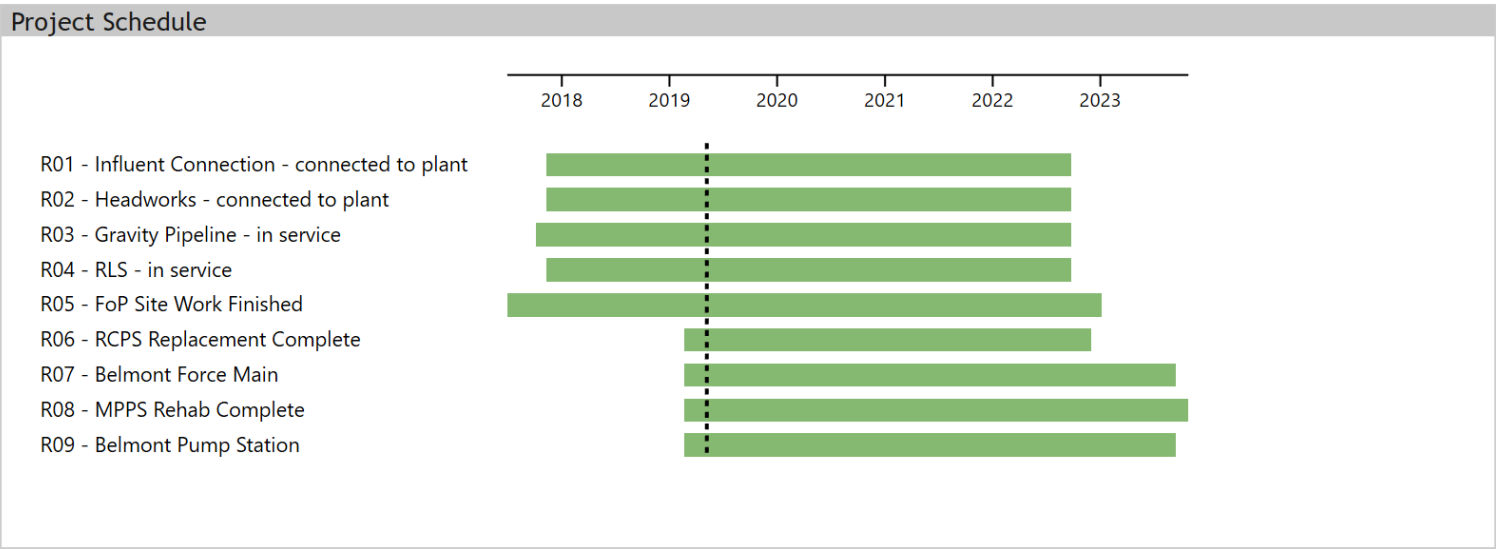
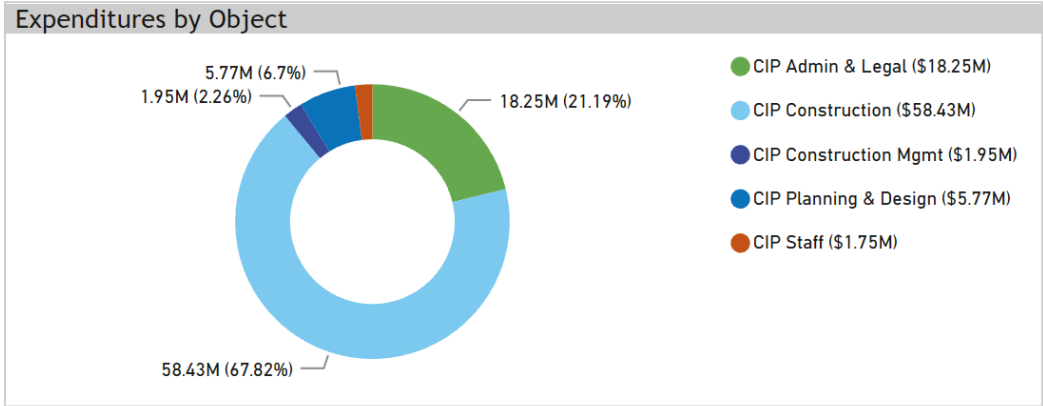
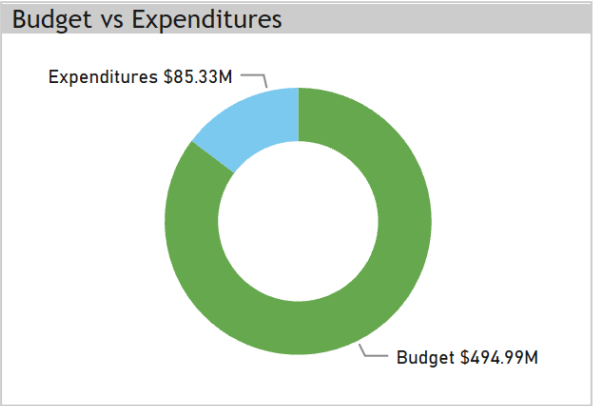
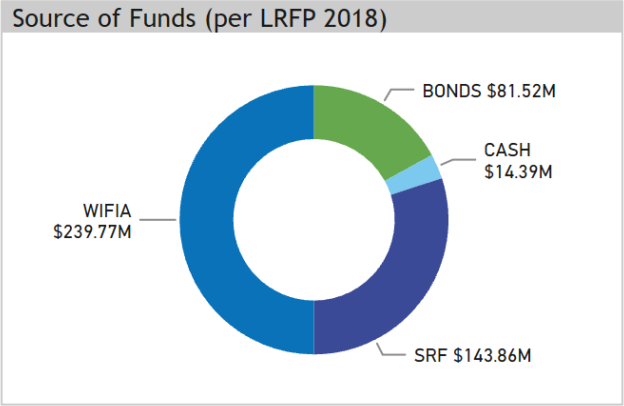
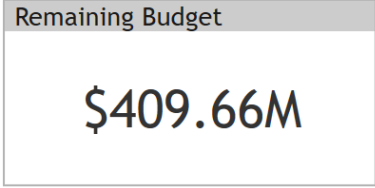
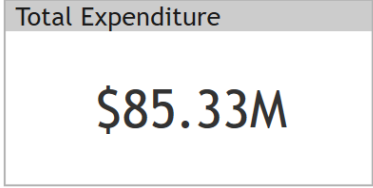
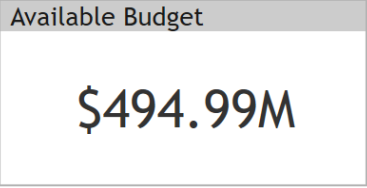
AGENDA ITEM 5F

This page intentionally left blank

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.



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

\$40.71M

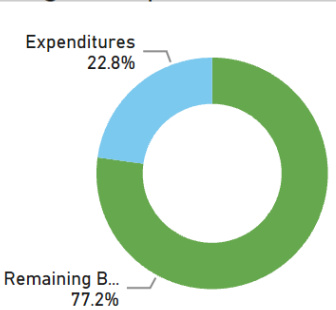
Remaining Budget

\$97.10M

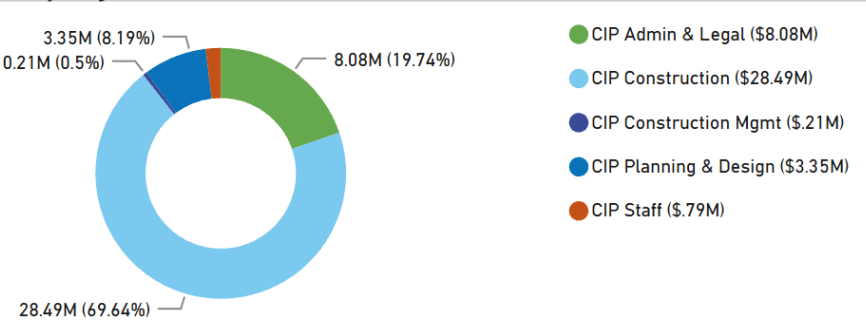
Milestone Schedule

	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

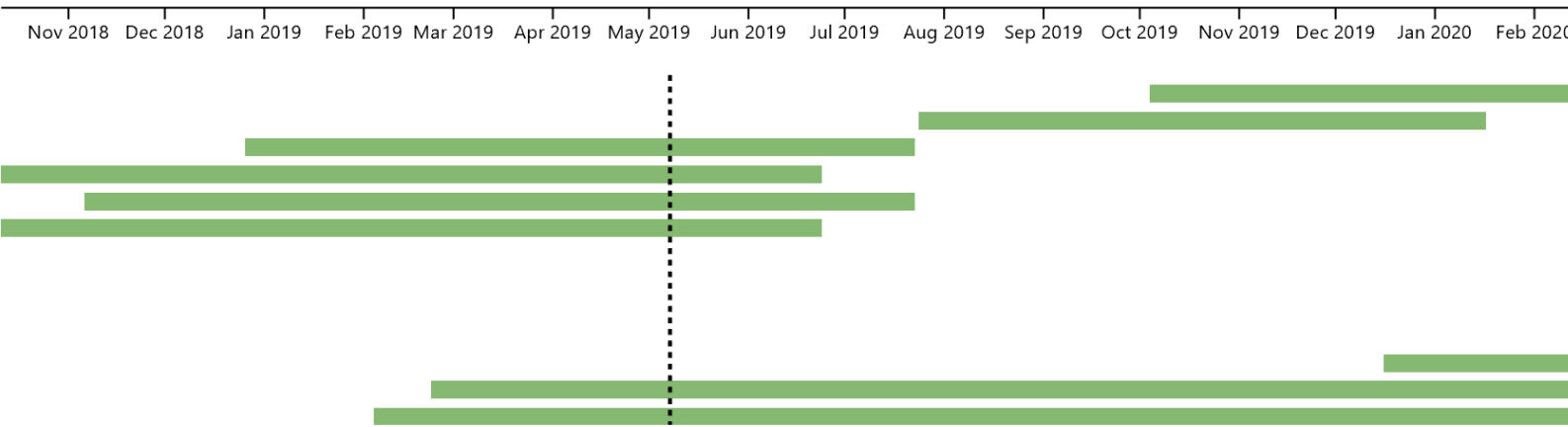
Budget vs Expenditures



Expenditures by Object



Schedule



Major Accomplishments this Period

Design	<ul style="list-style-type: none">- SPJV continues reviewing and implementing SVCW's follow-up responses to the 60% design package resubmittal and developing the 100% design package- Continued detailing the instrumentation and controls for RLS control strategies- Continued development of all FoP control narratives- Revised the Master Equipment List- Came to decision on the odor control system
Procurement of Trade Packages	<ul style="list-style-type: none">- Completed review of the major equipment list with preferred manufacturers- WIFIA and SRF requirements for trade packages are in progress- SPJV executed contracts with multiple subcontractors for upcoming work
Construction	<ul style="list-style-type: none">- Completed the installation of twelve of the sixteen support of excavation panels for the SFS/RLS shafts- Placed concrete slab and walls for the headcell area in the Headworks Facility

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	May	June	July
Installation of RLS and SFS Support of Excavation Walls	November 12, 2018	June 17, 2019	X	X	
Develop 100% Design Package	December 6, 2018	July 31, 2019	X	X	X
Headworks Facility Civil Work	March 7, 2019	August 1, 2019	X	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

\$42.27M

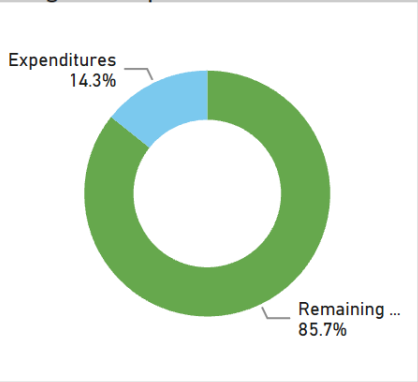
Remaining Budget

\$210.98M

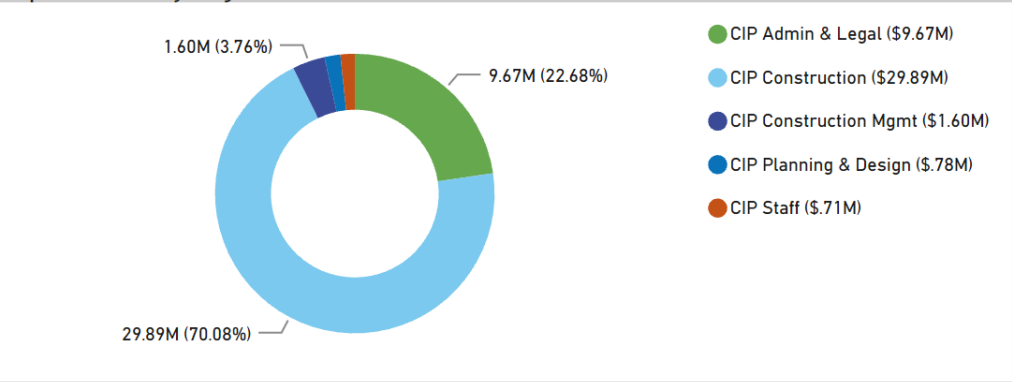
Milestone Schedule

	Start	Finish
▲		
Notice to Proceed - Stage 1 Services		10/13/2017
Stage 1 Services Complete	10/13/2017	1/21/2019
100% Design Documents		5/31/2019
TBM Procurement and Delivery		7/5/2019
Airport Access Shaft Construction	12/14/2018	8/9/2019
Procurement of BCDC permit		5/31/2019
Bair Island Shaft Construction	7/22/2019	4/28/2020
TBM Drive (AAS to Bair Island)	10/4/2019	5/1/2020
San Carlos Shaft Construction	9/21/2020	1/27/2022
TBM Drive (AAS to SFS)	9/10/2020	8/12/2021
FRP Pipe Installation	7/27/2021	5/9/2022
Final Commissioning		7/1/2022

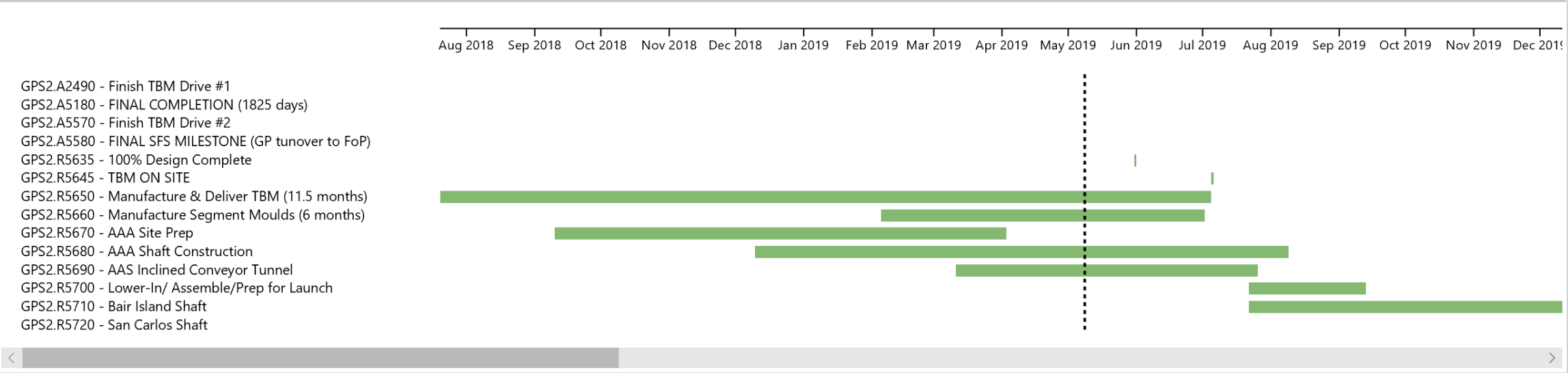
Budget vs Expenditures



Expenditures by Object



Schedule



As of : 2019 - 04

Major Accomplishments this Period

▼	
Design	<ul style="list-style-type: none"> -Finalized Construction Phase Instrumentation & Monitoring design -Continued Specification development -Continued coordination with Pump Stations Improvement project for San Carlos inlet connection -Continued FRP Pipe Specification and Durability Report development
Procurement of Trade Packages	<ul style="list-style-type: none"> - Continued discussions with FRP pipe manufacturers. SVCW reviewing durability report in parallel. - Outreach in conformance with SRF and WIFIA funding requirements -SVCW and BBJV witnessed the factory acceptance test for the TBM
Construction	<ul style="list-style-type: none"> -Instrumentation & Monitoring subcontractor continues installation of ground monitoring at Airport Access Shaft site -BBJV completed excavation of Airport Access Shaft -DrillTech began pipe ramming activity for the tunnel muck conveyor

Upcoming Key Activities

San Carlos/Bair Island Piping Design
Inclined Conveyor Tunnel Installation
Pipe Supplier Contract Execution
TBM Delivery
BCDC Permit in Progress
Installation of Ground Settlement Extensometers

3 - Month Look Ahead

	▲	Start	End	May	June	July
100% Design Completion		August 10, 2018	May 31, 2019	X		
Inclined Tunnel Muck Conveyor Installation		March 11, 2019	July 26, 2019	X	X	X
Airport Access Shaft Excavation		March 29, 2019	May 7, 2019	X		
Assemble TBM		July 8, 2019	September 13, 2019			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

\$2.34M

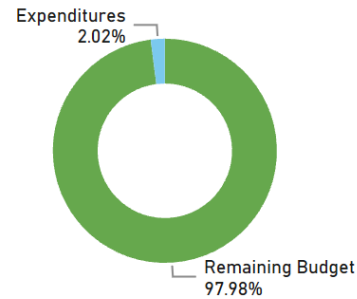
Remaining Budget

\$101.78M

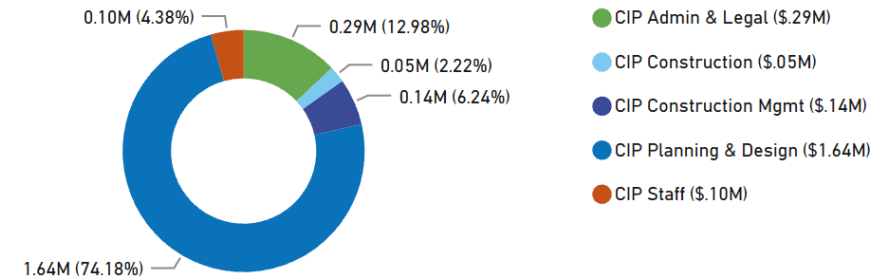
Milestone Schedule

	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

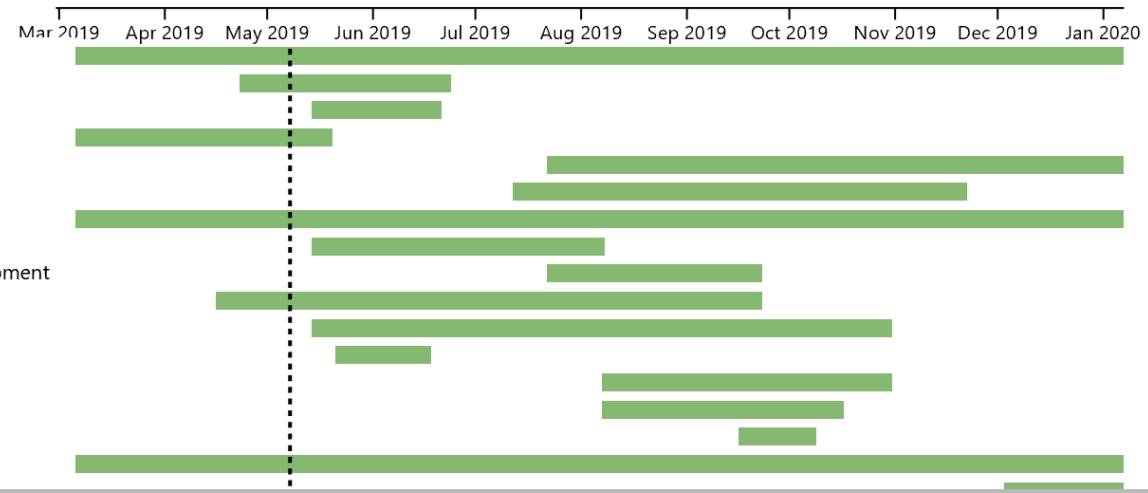


Expenditures by Object



Schedule

- PSS1.R1000 - Task 1: Background Document Review & Validation / Coordination with GP Project
- PSS1.R1020 - Task 3: Additional Geotechnical Investigations & Geotechnical Baseline Report
- PSS1.R1030 - Task 4: Additional Surveying, Mapping and Utility Locates
- PSS1.R1040 - Task 5: Alternative Analysis
- PSS1.R1050 - Task 6: BIM Model Development, Analysis & Support
- PSS1.R1060 - Task 7: Cost Modeling Development & Estimates
- PSS1.R1070 - Task 8: Scheduling
- PSS1.R1080 - Task 9: Modeling (Hydraulic, Physical, Air, Odor & Corrosion Control Modeling)
- PSS1.R1090 - Task 10: Process & Instrumentation Diagram (P&ID), Master Equipment & I/O List Development
- PSS1.R1100 - Task 11: Control Strategy / Narratives Development
- PSS1.R1110 - Task 12: Basis of Design Report & 30 Percent (%) Design Documents
- PSS1.R1120 - Task 13: Design & Construction Phasing Plan
- PSS1.R1130 - Task 14: 60 Percent (%) Design Package
- PSS1.R1140 - Task 15: Preliminary Startup, Testing and Acceptance Testing Plan
- PSS1.R1150 - Task 16: Preliminary Staffing & Staff Training Plan
- PSS1.R1160 - Task 17: Permitting & Public Outreach Support
- PSS1.R1170 - Task 18: Proposed Stage 2 Amendment



Major Accomplishments this Period

- Design
- Held RCPS Alternatives Analysis Workshop
 - Fine tuning alternatives selected in MPPS and RCPS Workshops
 - Ongoing coordination with GP project
 - Began planning for MPPS condition assessments

Upcoming Key Activities

- Belmont Alternatives Analysis Workshop
- MPPS System Outages for Condition Assessments
- Develop selected alternatives for MPPS and RCPS in further detail, including major equipment/decision cost estimates.

3 - Month Look Ahead

	Start	End	May	June	July
Alternative Analysis	February 28, 2019	June 3, 2019	X	X	
Basis of Design Report	February 28, 2019	July 16, 2019	X	X	X
Control Strategy / Narratives Development	April 16, 2019	September 23, 2019	X	X	X
Hazardous Materials and Contamination Survey	April 16, 2019	May 30, 2019	X		
Geotechnical Investigation Plan	April 23, 2019	May 24, 2019	X		
BODR & 30% Design Documents	May 14, 2019	October 31, 2019	X	X	X
Modeling	May 14, 2019	August 8, 2019	X	X	X
Surveying, Mapping, and Utility Locates	May 14, 2019	June 21, 2019	X	X	
Design and Construction Phasing Plan	May 17, 2019	June 14, 2019	X	X	
Cost Modeling Development and Estimates	July 12, 2019	November 22, 2019			X
P&ID, Master Equipment & I/O List Development	July 22, 2019	September 23, 2019			X

Safety Spot Light

Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

This page intentionally left blank

AGENDA ITEM 7A

This page intentionally left blank

**MINUTES OF SILICON VALLEY CLEAN WATER
REGULAR MEETING – April 15, 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
Council Member Alicia Aguirre, Redwood City – Vice Chair
Board Member George Otte, P.E., West Bay Sanitary District – Secretary
Mayor Mark Olbert, San Carlos

Staff, Consultants and Visitors Present

Teresa A. Herrera, SVCW Manager
Christine C. Fitzgerald, SVCW Legal Counsel
Jennifer Flick, Human Resources Director
Matt Anderson, SVCW Chief Financial Officer/Assistant Manager
Monte Hamamoto, SVCW Chief Operating Officer
Arvind Akela, SVCW Engineering Director
Eric Hansen, SVCW Senior Engineer
Emir Aksuyek, Engineering Intern
Robert Wandro, SVCW Laboratory Director
Carol Chiovare, SVCW Administrative Assistant
EJ Shalaby, Senior Consultant, DNS Strategic Partners
Derek Rampone, City of Redwood City
Molly Flowerday, City of Redwood City
Theresa Yee, City of Redwood City
Steven Machida, San Carlos Public Works
Demi Pacifuentes, Tanner Pacific, Inc.
Mark Minkowski, Kennedy/Jenks
Aren Hansen, Brown & Caldwell
Robert Donaldson, Collaborative Strategies Consulting

ITEM 3

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by those in attendance.

ITEM 4

PUBLIC COMMENT

There was no Public Comment

ITEM 5

SAFETY MOMENT AND REPORTS

The Safety Moment emphasized Spring cleaning and that cleaning can provide energy savings and household safety.

Under the Manager's Report, a briefing was provided on the Design/Build Conference in Cincinnati which reinforced that, according to industry standards, SVCW is "doing design-build right".

ITEM 6A

MATTERS OF COMMISSION MEMBER'S INTEREST

The Commissioners emphasized the importance of a good night's sleep for being able to effectively function in our daily lives.

Discussion occurred regarding use of Consent Calendar and Business Items and it was clarified that Consent Calendar is primarily used for routine and/or administrative type of items.

ITEM 7

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

Motion/Second: Mr. Olbert / Ms. Aguirre

The Motion carried by Unanimous Roll Call Vote

ITEM 8A

CONSIDERATION OF RESOLUTION TO RATIFY SVCW MANAGER'S DECLARATION OF EXISTENCE OF AN EMERGENCY CONDITION AND APPROVING REPAIR OF ESSENTIAL FACILITIES

Proposed Action:

Move adoption of RESOLUTION DECLARING EXISTENCE OF EMERGENCY CONDITION REQUIRING IMMEDIATE EXPENDITURE OF FUNDS IN FURTHERANCE OF PUBLIC HEALTH, WELFARE AND SAFETY AND APPROVING AND RATIFYING EXECUTION OF CONTRACTS FOR REPAIR OF ESSENTIAL PUBLIC FACILITIES RELATING THERETO (EFFLUENT PIPELINE) (4/5^{ths} weighted vote required)

Motion/Second: Mr. Olbert / Mr. Otte

The Motion carried by Unanimous Roll Call Vote

ITEM 8B

CONSIDERATION OF MOTION TO APPROVE TASK ORDER FOR LEGAL COUNSEL AND SVCW PROJECT REPRESENTATIVE FOR THE MAPLE STREET FORCE MAIN MODIFICATIONS PROJECT

Proposed Actions:

- i. Move approval of RESOLUTION AUTHORIZING EXECUTION OF LEGAL SERVICES AGREEMENT RELATED TO MAPLE STREET FORCE MAIN MODIFICATIONS PROJECT (CIP #9504) IN AN AMOUNT NOT TO EXCEED \$80,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – HANSON BRIDGETT LLC
- ii. Move approval of TASK ORDER FOR SERVICES RELATED TO MAPLE STREET FORCE MAIN MODIFICATIONS PROJECT (CIP #9504) IN AN AMOUNT NOT TO EXCEED \$177,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – COLLABORATIVE STRATEGIES CONSULTING INC.

Motion/Second: Ms. Aguirre / Mr. Olbert

The Motion carried by Unanimous Roll Call Vote

ITEM 8C

CONSIDERATION OF RESOLUTION APPROVING FISCAL YEAR 2019-20 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET

Proposed Actions:

- i. Move approval of RESOLUTION ADOPTING FISCAL YEAR 2019-20 REVENUE PLAN IN THE AMOUNT OF \$25,209,277 IN NET OPERATING REVENUES REQUIRED AND \$1,684,325 FOR REVENUE-FUNDED CAPITAL PROJECTS
- ii. Move approval of RESOLUTION ADOPTING FISCAL YEAR 2019-20 CASH RESERVE DESIGNATIONS IN THE AMOUNT OF \$1,052,583
- iii. Move approval of RESOLUTION ADOPTING FISCAL YEAR 2019-20 DEBT SERVICE EXPENDITURES IN AN AMOUNT OF \$20,287,459
- iv. Move approval of RESOLUTION AUTHORIZING SVCW MANAGER TO IMPLEMENT, MANAGE AND APPROVE EXPENDITURES AUTHORIZED WITHIN THE FISCAL YEAR 2019-20 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET AS ADOPTED BY THE SILICON VALLEY CLEAN WATER COMMISSION

Motion/Second: Ms. Aguirre / Mr. Olbert

The Motion carried by Unanimous Roll Call Vote

ITEM 9

CLOSED SESSION

There was no Closed Session held.

ITEM 10

RECONVENE IN OPEN SESSION

Not Used

ITEM 11

ADJOURN

There being no further business, the meeting adjourned at 9:10 a.m.

Minutes prepared by Teresa A. Herrera

George Otte, Secretary

AGENDA ITEM 7B

This page intentionally left blank

SVCW WARRANT REGISTER

SVCW Warrant Register dated April 1, 2019 - May 1, 2019, was scanned and a copy was emailed to Commissioners and Legal Counsel on May 6, 2019.

This page intentionally left blank

AGENDA ITEM 7C

This page intentionally left blank

**MEMORANDUM OF UNDERSTANDING WITH CITY OF REDWOOD CITY
FOR PUBLIC RELATIONS SERVICES**

ISSUE

Move approval of Memorandum of Understanding with City of Redwood City for Public Relations Services

BACKGROUND

Silicon Valley Clean Water (SVCW) has launched high-impact and high cost projects to rehabilitate its wastewater conveyance and treatment facilities. Additionally, SVCW continues to work with public agencies and private industry to develop innovative, efficient, and sustainable treatment alternatives. SVCW is recognized as a leader in the wastewater industry in its forward-thinking and partnership-oriented approach to meeting its mission.

RESCU projects have led to increased visibility in the community and public outreach to inform the community has necessarily increased. Since July of last year, the Manager has put an emphasis on public outreach efforts which allow SVCW's messages on project progress and positive ongoing work at the treatment plant to be communicated. Thus far, the increased outreach efforts have been successful and well received however, the efforts are somewhat disjointed and remain more reactive than proactive.

Previous Commission input to public outreach has been to keep public outreach efforts to a minimum and to do the outreach in a highly cost-efficient manner. In response to this previous direction, the outreach efforts are limited to email communications to a large email list, advertisements in the Redwood Shores Pilot, and a newly developed RESCU website. Occasional direct mailings and articles in trade magazines are issued. Finally, the Manager responds to speaking engagements in the local community and industry forums.

DISCUSSION

To address the need for increased outreach efforts while ensuring they are effective and cost efficient, the Manager has reached out to public information officers at different public agencies and private companies. Excellent input has been received from these conversations including the concept to share resources with the City of Redwood City and use the services of the City's Public Information Office. Beginning last year, the City's PIO has provided public relations services to the Port of Redwood City and the resulting products are professional, effective, and aligned with the Port's mission.

A scope of work has been outlined between SVCW and RWC PIO and will involve creating an overall public relations plan and activities in support of 1) Agency Communications and Branding, 2) Public Relations including Media Relations, 3) Website Redesign, 4) Social media Outreach, and 4) Community Outreach. Specific work tasks will be identified in coordination with SVCW and the RWC PIO and work will be performed on a time and expense basis. An allocation of effort up to 30 hours per month at a rate of \$150 per hour has been negotiated.

Report By: T.H.

7C-1

A Memorandum of Understanding between Redwood City and the Port of Redwood City was used as a template to create an MOU between SVCW and City of Redwood City. The MOU has been reviewed by SVCW staff and Legal Counsel and is currently in review by Redwood City staff and Counsel. If the Commission concurs with moving forward with an MOU for Professional Public Relations Services, the Manager will work with the City of Redwood City to finalize the MOU language.

FINANCIAL IMPACT

The not-to-exceed fee in any given month is \$4,500. Funds will derive from the SVCW Operating Budget.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING WITH CITY OF REDWOOD CITY FOR PROFESSIONAL PUBLIC RELATIONS SERVICES AND AUTHORIZING MANAGER TO EXECUTE SAID MEMORANDUM OF UNDERSTANDING

AGENDA ITEM 7D

This page intentionally left blank

**MASTER SERVICES AGREEMENT
INVESTMENT ADVISORY SERVICES - PFM ASSET MANAGEMENT LLC**

ISSUE

Approval of Master Services Agreement with PFM Asset Management LLC for Investment Advisory Services

BACKGROUND

Currently, SVCW has approximately \$33.8 million in cash reserves comprised of Operating Reserves (\$3.58 million), Capital Improvement Program Reserves (\$18.28 million), and Stage 2 Capacity Reserves (\$11.89 million). SVCW has an established investment policy (Policy No. 1992-01 Rev Q dated April 12, 2018) that describes investment objectives and authorizes the Chief Financial Officer to invest monies in accordance with California Government Code.

Since 2014 SVCW cash reserves have been professionally managed by Bank of the West's wealth management group. As a best practice SVCW recently requested proposals from four qualified investment advisors, including Bank of the West, PFM Asset Management LLC, Chandler Asset Management Inc., and Raymond James.

DISCUSSION

SVCW requested that proposals include the following experience and qualifications related to the following services:

1. A review of SVCW's Investment Policy and recommendations for changes to the policy.
2. A recommended investment strategy for Reserves that aligns with the Authority's Investment Policy and takes into account Authority's current balances and forecast of future balances.
3. Preparation of specifications, materials and bid packages for the solicitation and settlement of investments.
4. Managing the process of settling securities between any provider of securities and the Authority.
5. Representing the Authority in negotiation of terms and conditions for an Investment Agreement, including the closing of such investments if such is recommended and solicited.

Three proposals were received; Bank of the West declined to propose. After review of the proposals and each firms' qualifications and experience and specific investment team members, Staff recommends PFM Asset Management based on its combination of municipal advisory expertise, knowledge of California Government Code requirements, and its active management approach to meet clients' investments needs. The proposed PFM team is local to the Bay Area and has managed SVCW 2018 bond proceeds. Staff has had positive experience with PFM and is highly confident in their approach, ethics, and work product. PFM serves other wastewater agencies including

the California Sanitation Risk Management Association (CSRMA) of Sanitation Agencies (CASA) risk management insurance pool investments.

FINANCIAL IMPACT

Fees for the work will be determined according to an assets-managed fee schedule. The negotiated pricing is 10 basis points (0.10%) on the first \$25 million managed and 7.5 basis points (0.075%) on the next \$25 million. At the anticipated size of SVCW reserves, these rates produce an annual cost of approximately \$32 thousand over the next fiscal year. This is a 44% reduction from current fees.

RECOMMENDATION

Move adoption of RESOLUTION AUTHORIZING EXECUTION OF A MASTER SERVICES AGREEMENT FOR INVESTMENT ADVISORY SERVICES – PFM ASSET MANAGEMENT, LLC

AGENDA ITEM 7E

This page intentionally left blank

SEWER SYSTEM MANAGEMENT PLAN**ISSUE**

Adopt the Updated SVCW Sewer System Management Plan (SSMP)

BACKGROUND

A Sewer System Management Plan (SSMP) is a regulatory required document that describes the activities SVCW uses to manage its conveyance system effectively. Effective management of the conveyance system includes:

1. Maintaining and improving the condition of the conveyance system pipeline and pumping infrastructure to provide reliable service now and in the future;
2. Providing adequate sewer capacity to accommodate design peak wet weather flows;
3. Minimizing the number and impact of sanitary sewer overflows (SSOs). An SSO is defined as any overflow, spill, release, or diversion of untreated or partially treated wastewater from a sanitary sewer.

Requirements for preparation of an SSMP came into effect in California in 2006 due to the growing emphasis on reducing sanitary sewer overflows. It is required by both state and regional water quality control boards. When the SSMP is updated, it must include any significant program changes and it must be adopted and approved by the governing board (the SVCW Commission) in accordance with Section D-14 of the Statewide General Waste Discharge Requirements for Wastewater Collection Agencies. The Commission adopted the SSMP in 2008.

DISCUSSION

While SVCW does not operate a collection system, per se, the fact that it operates and maintains a conveyance system comprised of pump stations and pipelines means that it is subject to the regulations requiring an SSMP. The following paragraphs summarize the contents of the SSMP beginning with Paragraph A which describes how the SSMP was prepared, the statement that it meets the regulatory requirements and that the structure follows the guidelines. Paragraph B meets the requirements to describe SVCW treatment facility and capacity for treatment, SVCW's governing structure, the agency's organization and details of the conveyance facilities. Finally, in Paragraph C, an explicit statement is included noting that the SSMP meets requirements of both state and regional water boards.

A. Sewer System Management Plan

The SSMP has been prepared by SVCW's Operations Supervisor and was reviewed for correctness by the Chief Operations Officer. It is a compendium of the policies, procedures, and activities that are included in the planning, management, operation, and maintenance of the Wastewater Conveyance System.

The SSMP meets the requirements of the San Francisco Bay Regional Water Quality

Control Board and the State Water Resources Control Board.

The structure (section numbering and nomenclature) of the SSMP follows the General Waste Discharge Requirements for Wastewater Collection Agencies (GWDR), State Water Resources Control Board Order Number 2006-0003 dated May 2, 2006. The requirements of the San Francisco Bay Regional Water Quality Control Board, where they differ from the GWDR, are included.

B. Wastewater Treatment Plant/Facilities

SVCW is a Joint Powers Authority (JPA) providing wastewater transmission, treatment, and recycled water production services to more than 225,000 people and businesses in the southern San Mateo County region. The Authority was established in 1975 and the Wastewater Treatment Plant became operational in 1981. SVCW operates as a regional wastewater treatment facility for the cities of Belmont, Redwood City, San Carlos and the West Bay Sanitary District. The West Bay Sanitary District serves the southern portion of San Mateo County.

The SVCW treatment plant has a permitted capacity to treat 29 million gallons of wastewater per day with a peak wet weather capacity of 71 million gallons per day.

SVCW is based in Redwood City and is governed by a four-person Commission comprised of a council member from each of the three city member entities and a board member from the West Bay Sanitary District.

SVCW consists of four departments: Engineering, Operations consisting of Operations, Maintenance, Laboratory, and Environmental Services, Administration consisting of Human Resources and Office of the Manager, and Finance consisting of Finance, Purchasing, and Information Systems. Each Department has a Department Manager reporting to the SVCW Manager. SVCW employs a staff of 80 full and part-time positions.

The SVCW SSMP responsibility begins at the inlet gate of SVCW's wastewater pump stations for each member Agency. It includes a conveyance force main system that is 8.4 miles in length. From the Menlo Park pump station (serving West Bay Sanitary District) there is 14,600 ft of 33-inch Reinforced Steel Concrete Pipe. From the Redwood City pump station there is 12,900 feet of 48-inch High Density Polyethylene pipe using fused joints to ensure the integrity of the pipe. From the San Carlos pump station there is 15,000 feet of 54-inch Reinforced Concrete Pipe. From the Belmont pump station there is 1,100 feet of 24-inch pipe which connects to the 54-inch section of conveyance force main, with that conveyance force main continuing on to the SVCW Wastewater Treatment Plant.

C. SSMP Document Organization

The updated SSMP meets the requirements of both the RWQCB and the SWRCB as defined in the GWDR. Organization of the document is consistent with RWQCB guidelines, and the contents address both RWQCB and SWRCB requirements.

FINANCIAL IMPACT

There is no financial impact to this item.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING AND ADOPTIING UPDATED SVCW
SANITARY SEWER MANAGEMENT PLAN AND AUTHORIZING THE SVCW
MANAGER TO RE-CERTIFY THE SAME

This page intentionally left blank

AGENDA ITEM 8A

This page intentionally left blank

**CONTRACT CHANGE ORDERS FOR RESCU PROJECTS
GRAVITY PIPELINE AND FRONT OF PLANT**

ISSUE

Approve Contract Change Orders to Two RESCU Projects: Gravity Pipeline and Front of Plant

BACKGROUND

The Commission previously approved Stage 2 amendments to the Design-Build Agreements for two RESCU projects: the Gravity Pipeline Agreement with Barnard-Bessac Joint Venture (BBJV) and the Front of Plant Agreement with Shea-Parsons Joint Venture (SPJV). There were several Stage 2 amendments to each project to allow early work packages to begin while other aspects of the designs were being completed. The final amendments for each project were approved by the Commission in November 2018 and December 2018 for Gravity Pipeline and Front of Plant, respectively. The final amendments covered all work to complete design and construction for each project and both were negotiated as lump sum contract amounts.

Prices to complete the designs and construction for both projects were negotiated well in advance of the Commission authorizations and were intended to be all-inclusive through the end of the projects. As with any multi-year project, there are factors that arise during the course of implementation that can necessitate changes to the contract amounts. These are typically identified as “unforeseen conditions” found during construction but can also arise as a result of new legislation, regulations, tariffs, or taxes.

DISCUSSION

There have been two conditions that arose after negotiations to the Stage 2 contracts authorized in November and December 2018 that will cause unavoidable increases in price: 1) 0.05% increase in sales tax and 2) new air permit regulations by the Bay Area Air Quality Management District (BAAQMD). Effective April 1, 2019 there is a new sales tax that affects materials purchased in Redwood City. It is a 0.5% increase in sales tax that was not anticipated nor included in the negotiated costs for the two projects noted above. The precise cost of the additional tax cannot be certain until actual materials are purchased, however an estimate of approximately \$800 thousand has been calculated; \$500 thousand for materials needed for Gravity Pipeline and \$300 thousand for materials needed for Front of Plant. Items purchased prior to April 1, 2019 are not subject to this tax increase, therefore, only materials and equipment purchased after that date will incur the tax increase.

The estimated additional cost is based on the assumption that 50% of the remaining work to be done will be expended on materials and equipment. A sampling of materials and equipment still needing to be purchased under the Gravity Pipeline project include concrete segments for the tunnel walls, 3.2 miles of 11-foot diameter fiberglass reinforced plastic pipe which constitutes the gravity pipe, and concrete for drop shafts at Bair Island and San Carlos pump station sites. For the Front of Plant, all major equipment remains to be purchased (screens, grit removal equipment, odor control

systems, electrical systems, structural concrete, and the 5-foot diameter HDPE pipe for the influent connector pipe).

The proposed approach to the additional cost for the two projects is to “true up” final costs for each project at the end of the contracts and include only actual costs incurred for the tax increase. The actual cost will not be known until late 2022 however, staff did not want to wait until then to obtain Commission approval for pending change orders to the contract. Therefore, the proposed action is to approve contract change orders in an amount up to \$800 thousand to cover tax increase expenses for both the Gravity Pipeline project and the Front of Plant project. Upon knowing the actual costs, the amounts will be reported to the Commission at that time.

The third leg of the RESCU program, the Pump Stations Improvement project, is currently in its Stage 1 design phase. When Stage 2 costs are negotiated, the costs will necessarily include the additional tax. There is no need for a contract change order for this project since the Stage 2 amendment has not been negotiated yet (it is anticipated that the Stage 2 amendment will begin negotiations in December 2019 for Commission consideration in February 2020). However, the overall project increase will need to be included in the CIP budget. The increase for all projects will be reflected in the next CIP Update, anticipated to occur in Fall/Winter 2019.

Additionally, SVCW recently received new air permit requirements from the BAAQMD for emissions from the Front of Plant facilities. Limits on Precursor Organic Compounds (POCs) is a new requirement that the BAAQMD is instituting across the wastewater industry and poses a complex challenge for wastewater facilities. Meeting POC limits requires a different type of air control technology than was developed during Stage 1 design. It is anticipated that this will result in a higher cost for odor control and the value of this change is still being determined. Staff will present a recommendation to the Commission for a contract change order in the coming months to address the new requirements.

FINANCIAL IMPACT

There will be an increase to the overall RESCU program budget to account for the increase of 0.5% sales tax. The anticipated approximate amounts are: \$500 thousand for Gravity Pipeline, \$300 thousand for Front of Plant, and \$200 thousand for Pump Stations Improvement. There will be an increase in cost to the Front of Plant project to account for new air regulations; the cost is not yet known. CIP budget amounts will require updating to account for these additional costs.

RECOMMENDATION

Move adoption of RESOLUTION AUTHORIZING THE SILICON VALLEY CLEAN WATER MANAGER TO APPROVE CONTRACT CHANGE ORDERS FOR THE GRAVITY PIPELINE PROJECT AND FRONT OF PLANT PROJECT IN AN AMOUNT NOT TO EXCEED \$800,000 SUBJECT TO CONFIRMATION OF ACTUAL COSTS UPON PROJECTS' COMPLETIONS

AGENDA ITEM 8B

This page intentionally left blank

**AUTHORIZATION TO ENTER INTO THE WATER INFRASTRUCTURE FINANCE
AND INNOVATION ACT (WIFIA) LOAN AND
ISSUE 2019 WASTEWATER REVENUE NOTES**

ISSUE

Authorization for Silicon Valley Clean Water (“Authority” or “SVCW”) to enter into the Water Infrastructure Finance and Innovation Act Loan (“WIFIA Loan”) with the United States Environmental Protection Agency (“EPA”), Approve Issuance of 2019 Wastewater Revenue Notes (“2019 Notes”), and Approve Certain Specified Documents. The WIFIA Loan and 2019 Notes will have a principal amount not to exceed \$253.54 million.

BACKGROUND

SVCW is a Joint Powers Authority created to, among other things, manage and operate wastewater conveyance, treatment and disposal facilities for the City of Redwood City, the City of San Carlos, the City of Belmont and West Bay Sanitary District (together the “Members”). SVCW is responsible for arranging funding for the wastewater conveyance, treatment and disposal facilities. The Authority owns and operates a sub-regional wastewater treatment plant and related conveyance and disposal facilities which serve the Members.

SVCW launched a Capital Improvement Program (“CIP”) in 2008 to address critical infrastructure needs, including rehabilitation of the Wastewater Treatment Plant and replacement of the conveyance system including the forcemain and related pump stations. SVCW has frequently updated the CIP, most recently in October 2018, with the entire program currently estimated to cost approximately \$849.7 million from inception to completion. As of mid-April, approximately \$348 million of the CIP has been spent on key projects, including the replacement of leaking sections of forcemain, upgrades to electrical systems, improvements to both liquid- and solids-handling processes, installation of cogeneration solutions, and construction of influent screens. Demonstrable benefits of these projects include enhanced safety, lowered environmental risk, improved reliability of treatment operations, and reduced electricity costs. To provide financing for the CIP, the Authority has previously issued multiple series of revenues bonds and has entered into financing agreements with the California State Water Resources Control Board and other lending institutions.

SVCW has begun construction of the Regional Environmental Sewer Conveyance Upgrade Program (“RESCU”), the largest phase of the CIP. RESCU includes construction of a 3.2-mile gravity pipeline to replace an aging pipeline system that is at the end of its expected useful life. Other RESCU elements include a headworks facility and four pump stations. The total estimated cost of RESCU is approximately \$495 million.

RESCU is being delivered using a progressive design-build method and SVCW entered into construction agreements for the Gravity Pipeline Tunnel in November 2018, the Front-of-Plant in December 2018, and most recently design for the Pump Station

Improvements in February 2019. Approximately \$56 million has been spent for planning, design, and construction of RESCU. To provide additional funding for RESCU, the Authority submitted an application to the EPA for the WIFIA Loan.

Governmental loan programs like WIFIA require considerable administrative and financial support during the application process. SVCW staff negotiated scopes of work and budgets for the administrative and financial support associated with the WIFIA loan process, and in December 2018 the Commission authorized the Manager to apply for a WIFIA loan and enter into an agreement for up to \$75,000 with Stradling Yocca Carlson & Rauth P.C. (Stradling) for legal services associated with this application.

The Environmental Protection Agency (EPA) required an initial application fee of \$100,000. The application materials estimated that total processing fees would range between \$250,000 to \$350,000 which is used by EPA to retain engineering, environmental, financial, and legal experts for its review. This approach has been effective and SVCW's WIFIA application process will likely be the fastest completed to date.

DISCUSSION

In accordance with the 2019 update of its Long-Range Finance Plan ("LRFP"), SVCW strives to obtain the lowest-cost financing available through government-subsidized loan programs. To date, this has included three California State Revolving Fund ("SRF") loans with initial funding totaling \$57 million. More recently, SVCW was accepted to apply to the EPA seeking an approximately \$253.5 million loan through the Water Infrastructure Finance and Innovation Act program ("WIFIA") to finance a significant portion of RESCU. The WIFIA Loan will fund up to 49% of eligible project costs at an interest rate equal to the corresponding US Treasury State and Local Government Series interest rate that is equal to the weighted average life of the WIFIA Loan plus one basis point (0.01%). The WIFIA Loan program offers flexible amortization with customized repayment schedules, if requested and approved, including a repayment period up to 35 years after substantial completion of the project and prepayment (\$1 million minimum, subject to negotiation and EPA approval) at any time without penalty.

The WIFIA Loan permits SVCW to use its proceeds to either (i) fund the construction of RESCU or (ii) retire interim funding that is used to fund the construction of RESCU. This feature permits SVCW to issue short-term tax-exempt obligations (2019 Notes) to fund RESCU which can then be retired at maturity with proceeds from the WIFIA Loan.

The 2019 Notes proceeds would be used during construction in lieu of drawing from the WIFIA Loan to fund approximately \$236.43 million of RESCU construction expenditures through March 2023 at an estimated true interest cost of approximately 1.60% based upon current market conditions (rather than the higher taxable WIFIA Loan interest rate (estimated at ~2.86% based on current market conditions). The 2019 Notes will be sized to equal the WIFIA Loan and, once construction is complete, SVCW would use the WIFIA Loan proceeds to take out the interim notes at maturity. The 2019 Notes as

currently structured to provide funds and earnings thereon to pay interest through their final maturity.

The Members intend to jointly participate in the WIFIA Loan and the 2019 Notes based on the respective capital percentage allocation defined in the JPA. Proceeds from the 2019 Notes will be approximately \$253.54 million (proceeds will fund approximately \$236.4 million of construction costs, capitalized interest and costs of issuing the 2019 Notes).

The current financing schedule highlighting key activities and participation is below:

- April 2019: SVCW and Member Finance Staff participate in Credit reviews
- May 2019: SVCW Commission, Member Councils/Boards adopt resolutions
- June 2019: Close WIFIA Loan and price the 2019 Notes
- July 2019: Closing documents, 2019 Note proceeds are delivered

This proposed Commission action authorizes delivery of the WIFIA Loan, issuance of the 2019 Notes, and all necessary documentation thereto and authorizes specific individuals to take certain actions and to execute documentation to facilitate the sale and closing of the WIFIA Loan and 2019 Notes.

Specific items to be authorized under this Commission action are:

- Authorization of WIFIA Loan, including Term Sheet and Loan Agreement
- Authorization to Issue 2019 Notes including distribution of the Preliminary Official Statement
- Approval of Financing Agreements; one each between SVCW and its Members
- Indenture of Trust between SVCW and Zions Bank as trustee
- Continuing Disclosure Certificate in accordance with Securities Exchange Act of 1934
- Official Notice of Sale for Wastewater Revenue Notes, Series 2019A
- Ninth Supplement to the JPA to conform to changes in securities law since the original JPA adoption

SVCW is approving the portions of the Preliminary Official Statement for the 2019 Notes in substantially final form; the Preliminary Official Statement is the disclosure document that will be used by SVCW to sell the 2019 Notes. The Indenture of Trust will set forth the terms and provisions related to the 2019 Notes and the Continuing Disclosure Certificate which obligates the Authority to provide updated financial information and certain enumerated events in accordance with Rule 15c2-12 promulgated under the Securities Exchange Act. To provide interim financing and delivery of the WIFIA Loan, Staff recommends the approval of a Ninth Supplement to the Joint Powers Agreement and recommends the approval of Financing Agreements and/or amendments to the Financing Agreements with each Member to facilitate the execution and delivery of the WIFIA Loan and the issuance of the 2019 Notes.

Staff recommends approval of the resolution authorizing the Manager to approve the SVCW 2019 Notes and the WIFIA Loan and execute necessary documents as outlined above.

The extent of legal support for both SVCW and EPA was larger than originally anticipated. The complexities of a Joint Powers Authority structure was new to EPA and significant effort went into ensuring both parties' needs could be met. Stradling now estimates an additional \$50,000 is needed for their services, bringing their total fee to \$125 thousand. EPA has provided an updated estimate that its remaining processing fees, after the \$100,000 already paid, will be \$350,000.

FINANCIAL IMPACT

The issuance of up to approximately \$253.54 million in 2019 Notes will not increase annual debt service for the Authority. The WIFIA Loan will increase annual debt service for the Authority by an estimated \$13.55 million per year, assuming the 2019 Notes are taken out by a WIFIA Loan that is amortized over a 31-year period with final maturity in FY 2058.

Stradling legal fees will be paid from bond proceeds. The EPA processing fees will be charged to CIP Project #9158, CIP Financial Assistance. To date, approximately \$390 thousand of this project remains unspent.

RECOMMENDATION

- i. Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE EXECUTION AND DELIVERY OF A WIFIA LOAN AGREEMENT, THE ISSUANCE OF CERTAIN INTERIM FINANCING AND CERTAIN DOCUMENTS AND OTHER MATTERS IN CONNECTION THEREWITH
- ii. Move approval of WIFIA REVIEW SERVICES IN AN AMOUNT NOT TO EXCEED \$350,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
- iii. Move approval of ADDITIONAL FUNDS FOR WIFIA LEGAL SERVICES IN AN AMOUNT NOT TO EXCEED \$50,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – STRADLING YOCCA CARLSON & RAUTH, P.C.