

**COMMISSION OF SILICON VALLEY CLEAN WATER
JOINT POWERS AUTHORITY
REGULAR MEETING – Monday, June 17, 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
 - 2. Quarterly Financial Report (3rd Quarter FY18-19)
- 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 AUTHORIZING REVISION TO THE ALLOCABLE SHARE OF DEBT SERVICE IN CONNECTION WITH SILICON VALLEY CLEAN WATER WIFIA FINANCING PROGRAM

Proposed Action:

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE MANAGER AND CHIEF FINANCIAL OFFICER TO INSERT A PERCENTAGE NOT IN EXCESS OF 53.5% FOR REDWOOD CITY, 18.5% FOR SAN CARLOS, AND 30.5% FOR WEST BAY SANITARY DISTRICT AS THE FINAL ALLOCABLE SHARES (AS DEFINED IN THE AMENDMENT TO THE FINANCING AGREEMENT) OF DEBT SERVICE IN THE FINANCING AGREEMENTS PREVIOUSLY APPROVED BY RESOLUTION NO. SVCW 19-19 ON MAY 20, 2019 BY THE COMMISSION

B. CONSIDERATION OF MOTION APPROVING ADDITIONAL EXPENDITURES FOR PERMANENT REPAIRS TO THE EFFLUENT PIPELINE

Proposed Action:

Move approval of EXPENDITURES UP TO \$3,500,000 RELATED TO THE REPAIR OF THE SVCW EFFLUENT FORCEMAIN AND AUTHORIZE MANAGER TO APPROVE UP TO TEN

PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – EFFLUENT OUTFALL LEAK AND DECLARING THAT EMERGENCY CONDITION WARRANTS CONTINUATION OF SUSPENSION OF COMPETITIVE BIDDING (4/5^{ths} weighted vote required)

- C. CONSIDERATION OF RESOLUTION APPROVING SALARY ADJUSTMENTS FOR CONFIDENTIAL GENERAL, UNREPRESENTED GENERAL, PROFESSIONAL, AND MANAGEMENT EMPLOYEES AND REVISE ENVIRONMENTAL SERVICES DIVISION MANAGEMENT IN RESPONSE TO RETIREMENT AND SUCCESSION PLANNING NEEDS

Proposed Actions:

- i. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR MANAGEMENT EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING AND RESTATING CERTAIN PROVISIONS OF RESOLUTION NO. SVCW 18-67 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH
- ii. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR CONFIDENTIAL GENERAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING RESOLUTION NO. SVCW 18-68 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HEREWITH
- iii. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION FOR UNREPRESENTED GENERAL EMPLOYEE POSITIONS OF ENGINEERING INTERN, LABORATORY ASSISTANT AND GENERAL INTERN AND RESCINDING RESOLUTION NO. SVCW 18-69 AND ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH
- iv. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR PROFESSIONAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING RESOLUTION NO. SVCW 18-70 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH
- v. RESOLUTION AMENDING SECTION 6 OF RESOLUTION NO. SVCW 77-6, THE SVCW PERSONNEL RESOLUTION, RELATING TO CLASSIFICATION OF POSITIONS AND RESCINDING PARAGRAPH 1 OF RESOLUTION NO. SVCW 18-71 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HEREWITH
- vi. RESOLUTION APPROVING AND ADOPTING CONSOLIDATED PAY SCHEDULE FOR ALL REPRESENTED AND UNREPRESENTED EMPLOYEES OF SILICON VALLEY CLEAN WATER FOR FISCAL YEAR 2019-2020.

- D. CONSIDERATION OF RESOLUTION APPROVING RECOMMENDATION TO SELL SILICON VALLEY CLEAN WATER REAL PROPERTY AT 379 GREENDALE WAY, REDWOOD CITY.

Proposed Action:

Move adoption of RESOLUTION APPROVING AND AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT FOR THE SALE OF CERTAIN HEREIN DESCRIBED REAL PROPERTY (379 Greendale Way, Redwood City, California)

9. CLOSED SESSION

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code §54957)

Title: Manager

- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property Description: San Carlos Airport Property, various locations

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

SVCW Authority Engineer, Kimberley Hackett; Bruce Burnworth (*MPF Consulting, Inc.*)

Negotiating Parties: County of San Mateo

Under Negotiation: Price and terms

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

11. ADJOURN

CONSENT CALENDAR

NOTICE TO PUBLIC

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

7. A. APPROVAL OF MINUTES – May 20, 2019 Meeting

B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED MAY 3, 2019, MAY 17, 2019, AND MAY 31, 2019 AND NECESSARY PAYMENTS THROUGH MAY 31, 2019

C. CONSIDERATION OF RESOLUTION APPROVING AND ADOPTING SILICON VALLEY CLEAN WATER INVESTMENT POLICY AND GUIDELINES

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION R TO ADMINISTRATIVE POLICY 1992-01 ESTABLISHING SILICON VALLEY CLEAN WATER INVESTMENT POLICY AND GUIDELINES

D. CONSIDERATION OF RESOLUTION APPROVING AND ADOPTING SILICON VALLEY CLEAN WATER CONFLICT OF INTEREST CODE AND AMENDING JOB TITLES TO DESIGNATED POSITIONS OF THE AUTHORITY'S CONFLICT OF INTEREST CODE

Proposed Action:

Move adoption of RESOLUTION AMENDING AND APPROVING THE 2019 CONFLICT OF INTEREST CODE UPDATE FOR SILICON VALLEY CLEAN WATER

E. CONSIDERATION OF RESOLUTION APPROVING AND ADOPTING SILICON VALLEY CLEAN WATER SELECTION OF PROFESSIONAL CONSULTANTS POLICY

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION A TO ADMINISTRATIVE POLICY 1984-03 SELECTION OF PROFESSIONAL CONSULTANTS

F. CONSIDERATION OF MOTION APPROVING CALCIUM NITRATE-BIOXIDE CN-9 CHEMICAL PURCHASE AGREEMENT AUTHORIZING TO EXTEND CURRENT AGREEMENT WITH UPDATED PRICING

Proposed Action:

Move approval of FIRST AMENDMENT TO PROCUREMENT AGREEMENT FOR EXTENSION OF TERM WITH EVOQUA WATER TECHNOLOGIES, LLC FOR THE PURCHASE OF CALCIUM

NITRATE BIOXIDE® CN-9 AT \$2.00 PER GALLON DELIVERED AND AUTHORIZE MANAGER TO EXECUTE THE AMENDMENT PREPARED BY SVCW LEGAL COUNSEL.

AGENDA ITEM 5A

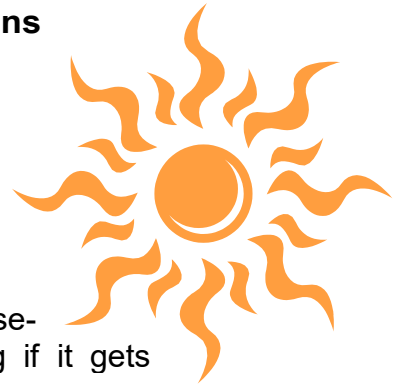
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SAFETY MOMENT

How to Stay Safe When Heat Threatens

Hot Weather Safety Tips:

1. **Stay hydrated.** Drink plenty of fluids; drink about 16 ounces before starting and 5 to 7 ounces every 15 or 20 minutes.
2. **Avoid dehydrating liquids.** Alcohol, coffee, tea and caffeinated soft drinks can hurt more than help.
3. **Wear protective clothing.** Lightweight, light-colored and loose-fitting clothing helps protect against heat. Change clothing if it gets completely saturated.
4. **Pace yourself.** Slow down and work at an even pace. Know your own limits and ability to work safely in heat.
5. **Schedule frequent breaks.** Take time for rest periods and water breaks in a shaded or air-conditioned area.
6. **Use a damp rag.** Wipe your face or put it around your neck.
7. **Avoid getting sunburn.** Use sunscreen and wear a hat if working outside.
8. **Be alert to signs of heat-related illness.** Know what to look for and check on other workers that might be at high risk.
9. **Avoid direct sun.** Find shade or block out the sun if possible.
10. **Eat smaller meals.** Eat fruits high in fiber and natural juice. Avoid high protein foods.



Know the Signs and Ways to Treat Heat-Related Illness:

Heat Cramps

- **Signs:** Muscle pains or spasms in the stomach, arms, or legs
- **Actions:** Go to a cooler location. Remove excess clothing. Take sips of cool sports drinks with salt and sugar. Get medical help if cramps last more than an hour.

Heat Exhaustion

- **Signs:** Heavy sweating, paleness, muscle cramps, tiredness, weakness, dizziness, headache, nausea or vomiting, and fainting.
- **Actions:** Go to an air-conditioned place and lie down. Loosen or remove clothing. Take a cool bath. Take sips of cool sports drinks with salt and sugar. Get medical help if symptoms get worse or last more than an hour.

Heat Stroke

- **Signs:** Extremely high body temperature (above 103 degrees) indicated by an oral thermometer, red, hot, and dry skin with no sweat, rapid, strong pulse, dizziness, confusion, and unconsciousness
- **Actions:** Call 9-1-1 or get the person to a hospital immediately. Cool down with whatever methods are available until medical help arrives.

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AGENDA ITEM 5B

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Recurring and Upcoming Commission Actions
Updated for June 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 Investment Policy • Approve Resolution 77-6 "Personnel Resolution" • Initiate Manager Performance Evaluation • Approve WIFIA Agreement Amendment 	<ul style="list-style-type: none"> • Commission Chair, Vice Chair, and Secretary Appointment • Perform Manager Evaluation • Update Debt Policy 	Conflict of Interest Update (Biennial; even-numbered years)
September	October	November	December
	Local Limits Public Hearing and Adoption		<ul style="list-style-type: none"> • Commission Meeting schedule for following year • Audited Financial Statements

 - Recurring Commission Actions

 - Upcoming Commission Actions

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AGENDA ITEM 5C1

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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 May 31, 2019

Broker/Dealer	Composite							Estimated Annual		
Investment Name	Credit	Maturity	Coupon Rate	Yield to	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%	2.91	9,525	9,779	10,049	285		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.34	60,000	60,022	60,743	1,403		
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	1.99	30,000	29,672	30,211	590		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.28	50,000	50,076	50,644	1,142		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/13/2019	4.500%	2.39	100,000	100,567	101,660	2,402		
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.21	30,000	29,765	30,191	659		
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.03	100,000	99,183	99,706	2,017		
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	1.99	100,000	98,924	99,816	1,973		
FEDERAL NATL MTG ASSN	AA+	09/25/2020	1.750%	2.16	100,000	99,567	100,357	2,151		
FEDERAL HOME LN MTG CORP MULTICLASS	NR	11/25/2019	1.869%	2.87	94,834	94,470	94,701	2,713		
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.29	30,000	29,891	30,039	685		
FEDERAL HOME LN MTG CORP MULTICLASS	N.A.	04/15/2020	4.000%	-	32	32	33	-		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	12/01/2019	5.500%	2.75	1,624	1,622	1,717	45		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	03/01/2020	5.500%	3.58	41	41	42	1		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	04/01/2020	5.000%	2.87	5,169	5,296	5,457	152		
UNIVERSITY CALIF REVS FOR PREV GEN	AA	07/01/2019	1.796%	3.11	50,000	49,975	49,928	1,553		
MONTGOMERY CNTY MD CTFS PARTN COPS	N.A.	11/01/2019	1.200%	2.55	100,000	99,398	100,009	2,537		
RICHMOND VA GO PUB IMPT BDS C	AA	07/15/2021	2.599%	2.16	100,000	100,948	102,935	2,185		
PORT MORROW ORE TRANSMISSION F REV	AA	09/01/2021	2.737%	2.41	100,000	101,091	102,725	2,440		
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.38	110,000	111,036	112,914	2,643		
FEDERAL HOME LN MTG CORP	AA+	12/30/2019	1.500%	2.87	80,000	79,556	80,000	2,279		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.49	60,000	60,000	60,000	1,495		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.44	40,000	40,000	40,000	974		
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.27	80,000	79,480	80,000	1,800		
FEDERAL HOME LN MTG CORP	AA+	05/15/2020	1.600%	2.34	150,000	149,079	150,000	3,482		
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.25	70,000	69,429	69,849	1,563		
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	1.93	70,000	69,062	69,449	1,334		
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	1.94	35,000	35,371	35,749	685		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/29/2020	1.830%	2.18	140,000	139,467	140,578	3,042		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.20	140,000	139,349	140,487	3,061		
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	1.93	90,000	88,790	89,384	1,716		
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	1.95	90,000	88,627	89,185	1,724		
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.28	30,000	29,872	30,000	680		
ALTRIA GROUP INC SR NT	BBB	08/09/2022	2.850%	2.83	30,000	29,965	30,202	848		
US TREASURY NOTE	NR	03/15/2020	1.625%	2.28	50,000	49,745	49,876	1,136		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/11/2020	1.620%	2.44	140,000	139,315	138,779	3,397		
FEDERAL HOME LN MTG CORP	AA+	03/26/2021	2.700%	2.75	50,000	50,018	49,938	1,375		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/15/2020	2.500%	2.80	100,000	100,016	99,925	2,797		
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.81	100,000	100,045	100,000	2,810		
US TREASURY NOTE	AAA	07/31/2020	2.000%	2.16	20,000	19,957	19,847	432		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.16	80,000	80,213	80,000	2,533		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.96	100,000	100,273	100,000	2,966		
US TREASURY NOTE	NR	11/30/2020	1.625%	2.03	100,000	99,364	98,264	2,018		
US TREASURY NOTE	NR	09/15/2021	2.750%	1.89	80,000	81,503	79,756	1,540		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	2.27	60,000	60,004	60,000	1,362		
US TREASURY NOTE	NR	12/31/2019	1.875%	2.31	240,000	239,369	239,016	5,532		
US TREASURY NOTE	AAA	04/30/2020	1.375%	2.26	50,000	49,597	49,492	1,122		
US TREASURY NOTE	NR	09/30/2020	2.750%	2.07	50,000	50,423	50,270	1,046		
CASH & EQUIVALENTS	-	-	-	2.31	-	111,015	111,015	2,564		
Annual OPS and CAP Budget Reserve Total					\$	3,600,258	\$	3,614,938	\$	84,890
Capital Improvement Program Reserve										
APPLE INC SR FLT NT	AA+	02/07/2020	2.812%	2.58	100,000	100,185	99,821	2,586		
CALIFORNIA ST GO BDS TAXABLE	AA-	10/01/2019	6.200%	2.91	100,000	101,232	102,053	2,943		
CISCO SYS INC SR GLBL NT	A+	01/15/2020	4.450%	2.43	125,000	126,503	128,151	3,070		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.34	340,000	340,122	342,193	7,952		
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	1.99	100,000	98,908	100,703	1,968		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/06/2020	5.300%	2.66	450,000	461,583	466,133	12,278		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/03/2019	5.320%	2.63	50,000	50,383	50,932	1,327		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/11/2020	2.875%	2.11	60,000	60,604	61,267	1,278		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/24/2019	1.520%	2.47	250,000	249,875	250,000	6,174		
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2019	5.125%	2.37	60,000	60,327	61,076	1,428		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	4.625%	2.27	200,000	204,876	208,370	4,640		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.28	25,000	25,038	25,322	571		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	4.125%	2.43	125,000	126,179	128,795	3,062		
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/13/2020	4.125%	2.35	700,000	709,835	717,172	16,660		
FEDERAL NATL MTG ASSN	AA+	01/21/2020	1.625%	2.31	100,000	99,573	100,675	2,301		
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.21	50,000	49,608	50,318	1,098		
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.03	170,000	168,611	169,489	3,430		
FEDERAL NATL MTG ASSN	AA+	12/28/2020	1.875%	2.00	325,000	324,314	329,115	6,499		
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	1.99	240,000	237,418	239,850	4,734		
FEDERAL HOME LN MTG CORP MULTICLASS	NR	06/25/2020	3.531%	2.85	100,000	100,666	106,188	2,868		

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Estimated Annual			
							Cost	\$ Yield Earnings		
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.29	50,000	49,819	50,065	1,142		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	07/01/2019	4.821%	2.47	31,747	31,735	35,220	784		
MICROSOFT CORP NT	NR	06/01/2019	4.200%	-	100,000	100,000	101,177	-		
MONTGOMERY CNTY MD CTFs PARTN COPS	N.A.	11/01/2019	1.200%	2.55	100,000	99,398	100,009	2,537		
RICHMOND VA GO PUB IMPT BDS C	AA	07/15/2021	2.599%	2.16	100,000	100,948	102,935	2,185		
BANK NEW YORK MTN BK ENT FR	A+	11/27/2020	2.450%	2.37	100,000	100,082	101,298	2,376		
GILEAD SCIENCES INC SR NT	A-	09/01/2020	2.550%	2.50	100,000	100,101	101,621	2,506		
WISCONSIN ST GEN FD ANNUAL APP REV	AA-	05/01/2021	1.616%	2.22	100,000	98,737	100,064	2,193		
PORT MORROW ORE TRANSMISSION F REV	AA	09/01/2021	2.737%	2.41	225,000	227,455	231,131	5,491		
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.38	165,000	166,554	169,371	3,964		
FEDERAL NATL MTG ASSN	AA+	05/26/2021	1.800%	2.55	260,000	257,780	260,000	6,566		
FEDERAL HOME LN MTG CORP	AA+	12/30/2019	1.500%	2.87	260,000	258,557	260,000	7,408		
FEDERAL HOME LN MTG CORP	AA+	12/30/2020	1.750%	2.65	340,000	338,232	340,000	8,970		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.49	80,000	80,000	80,000	1,993		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.44	120,000	120,001	120,000	2,923		
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.27	80,000	79,480	80,000	1,800		
FEDERAL HOME LN MTG CORP	AA+	05/15/2020	1.600%	2.34	220,000	218,649	220,000	5,108		
FEDERAL HOME LN MTG CORP	AA+	10/26/2021	2.000%	2.43	220,000	219,767	220,000	5,329		
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/27/2022	2.300%	2.04	220,000	222,231	219,505	4,522		
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.25	290,000	287,634	289,071	6,475		
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	1.93	140,000	138,124	138,898	2,669		
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	1.94	310,000	313,289	315,227	6,068		
FEDERAL NATL MTG ASSN	AA+	01/05/2022	2.000%	1.93	610,000	610,854	608,756	11,808		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.20	170,000	169,210	170,592	3,718		
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	1.93	170,000	167,715	168,836	3,242		
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	1.95	170,000	167,406	168,461	3,256		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2022	1.900%	2.00	165,000	164,680	165,556	3,292		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/03/2022	1.900%	1.99	165,000	164,680	165,305	3,274		
FEDERAL NATL MTG ASSN	AA+	04/05/2022	1.875%	1.92	170,000	169,689	170,430	3,263		
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2022	1.850%	2.04	130,000	129,648	130,735	2,650		
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.28	120,000	119,486	120,000	2,721		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/04/2022	2.100%	2.43	220,000	220,000	220,000	5,344		
FEDERAL HOME LN MTG CORP	AA+	10/12/2021	2.000%	2.45	120,000	119,795	120,000	2,935		
BANK AMER CORP FR	A	05/13/2021	5.000%	2.53	75,000	78,410	78,701	1,984		
CONSTELLATION BRANDS INC SR GLBL NT	BBB-	11/06/2020	2.250%	2.69	25,000	24,791	24,942	668		
HOME DEPOT INC SR GLBL NT	A	04/01/2021	2.000%	2.29	80,000	79,531	79,838	1,820		
LORILLARD TOB CO SR NT	BBB	05/01/2020	6.875%	3.08	25,000	25,909	26,096	798		
MORGAN STANLEY SR NT	A-	01/27/2020	2.650%	2.59	80,000	79,987	80,383	2,074		
ORACLE CORP SR GLBL	A+	05/15/2022	2.500%	2.46	80,000	80,026	80,059	1,972		
PHILIP MORRIS INTL INC SR NT	A	03/26/2020	4.500%	2.54	25,000	25,385	25,615	645		
STARBUCKS CORP SR GLBL	BBB+	02/04/2021	2.100%	2.51	80,000	79,278	79,979	1,986		
3M CO FR	A+	06/26/2022	2.000%	2.24	100,000	99,334	99,179	2,226		
US TREASURY NOTE	NR	03/15/2020	1.625%	2.28	1,000,000	994,890	992,852	22,723		
FEDERAL HOME LN MTG CORP	AA+	12/29/2021	2.250%	2.50	120,000	120,011	120,000	2,997		
FEDERAL HOME LOAN BKS CONS BDS	AA+	10/26/2022	2.280%	2.47	100,000	99,985	99,600	2,471		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/11/2020	1.620%	2.44	400,000	398,044	396,510	9,704		
FEDERAL HOME LOAN BKS CONS BDS	AA+	11/29/2021	1.875%	1.94	300,000	299,382	297,075	5,805		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/15/2021	2.200%	2.47	300,000	300,012	298,050	7,407		
FEDERAL NATL MTG ASSN	AA+	11/26/2019	1.750%	2.28	300,000	299,115	299,563	6,820		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	05/17/2021	1.970%	2.44	100,000	99,968	98,892	2,440		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/15/2020	2.500%	2.80	160,000	160,026	159,880	4,476		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	11/22/2021	2.740%	2.86	100,000	100,004	99,975	2,861		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/01/2021	2.750%	2.87	60,000	60,002	59,970	1,721		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/01/2020	2.450%	2.72	90,000	90,001	89,978	2,449		
FEDERAL HOME LN MTG CORP	AA+	12/14/2022	2.250%	2.75	25,000	25,047	24,692	689		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2022	2.130%	2.55	129,630	129,630	126,397	3,307		
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.81	100,000	100,045	100,000	2,810		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/16/2021	1.680%	2.31	100,000	99,360	97,504	2,299		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/27/2022	1.700%	2.41	150,000	148,755	144,383	3,581		
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/28/2022	3.060%	3.05	100,000	100,057	100,000	3,053		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.16	160,000	160,426	160,000	5,066		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.96	120,000	120,328	120,000	3,559		
FEDERAL HOME LN MTG CORP	AA+	06/28/2023	3.250%	3.23	160,000	160,106	159,920	5,173		
FEDERAL NATL MTG ASSN	AA+	11/27/2020	1.500%	2.51	100,000	99,000	97,964	2,483		
US TREASURY NOTE	NR	09/15/2021	2.750%	1.89	120,000	122,255	119,634	2,309		
FEDERAL HOME LN MTG CORP	AA+	09/27/2023	3.200%	3.13	150,000	150,429	149,400	4,711		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	2.27	250,000	250,015	250,000	5,675		
US TREASURY NOTE	NR	12/31/2019	1.875%	2.31	1,000,000	997,370	995,898	23,049		
US TREASURY NOTE	NR	10/31/2020	2.358%	2.44	600,000	599,736	599,160	14,610		
US TREASURY NOTE	AAA	04/30/2020	1.375%	2.26	410,000	406,695	405,836	9,199		
US TREASURY NOTE	NR	09/30/2020	2.750%	2.07	410,000	413,469	412,210	8,575		
CASH & EQUIVALENTS	-	-	-	2.31	-	1,384,320	1,384,320	31,978		
Capital Improvement Program Reserve Total					\$	18,568,706	\$	18,616,338	\$	433,551
Stage 2 Capacity Reserve										
CISCO SYS INC SR GLBL NT	A+	01/15/2020	4.450%	2.43	75,000	75,902	76,891	1,842		
FEDERAL HOME LN MTG CORP PARTN GOLD	N.A.	11/01/2020	4.500%	2.93	3,576	3,642	3,728	107		
FEDERAL HOME LOAN BKS CONS BDS	AA+	12/13/2019	2.375%	2.34	100,000	100,036	101,238	2,339		
FEDERAL HOME LOAN BKS CONS BDS	AA+	02/18/2021	1.375%	1.99	100,000	98,908	100,703	1,968		
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/11/2020	2.875%	2.11	60,000	60,604	61,267	1,278		
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	06/24/2019	1.520%	2.47	200,000	199,900	200,000	4,940		
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2019	5.125%	2.37	50,000	50,273	50,897	1,190		
FEDERAL HOME LOAN BKS CONS BDS	AA+	07/01/2019	4.375%	2.28	100,000	100,151	101,288	2,283		
FEDERAL HOME LOAN BKS CONS BDS	AA+	03/13/2020	4.125%	2.35	125,000	126,756	128,026	2,975		
FEDERAL NATL MTG ASSN	AA+	01/21/2020	1.625%	2.31	100,000	99,573	100,675	2,301		
FEDERAL NATL MTG ASSN	AA+	06/22/2020	1.500%	2.21	100,000	99,216	100,635	2,196		
FEDERAL NATL MTG ASSN	AA+	11/30/2020	1.500%	2.03	100,000	99,183	100,450	2,017		
FEDERAL NATL MTG ASSN	AA+	12/28/2020	1.875%	2.00	175,000	174,631	177,216	3,500		
FEDERAL NATL MTG ASSN	AA+	02/26/2021	1.375%	1.99	180,000	178,063	180,147	3,551		
FEDERAL HOME LN MTG CORP	AA+	08/01/2019	1.250%	2.14	100,000	99,823	100,221	2,133		
FEDERAL HOME LN MTG CORP	AA+	10/02/2019	1.250%	2.29	100,000	99,638	100,130	2,284		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	12/01/2020	4.000%	2.75	16,103	16,633	16,873	457		
FEDERAL NATL MTG ASSN GTD PASSTHRU	N.A.	07/01/2019	4.821%	2.47	26,554	26,543	29,458	656		
JPMORGAN CHASE & CO SR NT	A	03/01/2021	2.550%	2.52	50,000	49,922	50,547	1,258		
LANCASTER CNTY NEB SCH DIST NO SCH	AA+	01/15/2021	4.550%	3.17	50,000	51,276	52,254	1,625		

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Estimated Annual	
							Cost	\$ Yield Earnings
UNIVERSITY CALIF REVS FOR PREV GEN	AA	07/01/2019	1.796%	3.11	50,000	49,975	49,928	1,553
MONTGOMERY CNTY MD CTFS PARTN COPS	N.A.	11/01/2019	1.200%	2.55	100,000	99,398	100,009	2,537
BANK NEW YORK MTN BK ENT FR	A+	11/27/2020	2.450%	2.37	150,000	150,123	151,947	3,564
GILEAD SCIENCES INC SR NT	A-	09/01/2020	2.550%	2.50	150,000	150,152	152,432	3,758
WISCONSIN ST GEN FD ANNUAL APP REV	AA-	05/01/2021	1.616%	2.22	100,000	98,737	100,064	2,193
FEDERAL HOME LN MTG CORP	AA+	08/25/2021	1.500%	2.62	90,000	89,617	90,000	2,343
WACO TEX INDPT SCH DIST REF BDS	N.A.	02/15/2020	4.000%	2.38	55,000	55,518	56,457	1,321
FEDERAL HOME LN MTG CORP	AA+	03/30/2021	1.500%	2.47	60,000	59,425	60,000	1,468
FEDERAL HOME LN MTG CORP	AA+	09/30/2021	1.250%	3.56	100,000	99,401	99,900	3,541
FEDERAL NATL MTG ASSN	AA+	09/30/2019	1.250%	2.90	60,000	59,792	59,985	1,732
FEDERAL NATL MTG ASSN	AA+	05/26/2021	1.800%	2.55	60,000	59,488	60,000	1,515
FEDERAL HOME LN MTG CORP	AA+	12/30/2020	1.750%	2.65	100,000	99,480	100,000	2,638
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2021	2.030%	2.49	80,000	80,000	80,000	1,993
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	01/24/2022	2.050%	2.44	60,000	60,001	60,000	1,462
FEDERAL HOME LN MTG CORP MEDIUM	AA+	07/27/2020	1.625%	2.27	40,000	39,740	40,000	900
FEDERAL HOME LN MTG CORP	AA+	10/26/2021	2.000%	2.43	150,000	149,841	150,000	3,634
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/27/2022	2.300%	2.04	150,000	151,521	149,663	3,083
FEDERAL HOME LN MTG CORP	AA+	05/01/2020	1.375%	2.25	260,000	257,878	258,975	5,805
FEDERAL NATL MTG ASSN	AA+	10/07/2021	1.375%	1.93	80,000	78,928	79,371	1,525
FEDERAL HOME LN MTG CORP	AA+	01/13/2022	2.375%	1.94	120,000	121,273	122,023	2,349
FEDERAL NATL MTG ASSN	AA+	01/05/2022	2.000%	1.93	220,000	220,308	219,644	4,259
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/12/2020	1.750%	2.20	260,000	258,791	260,905	5,686
FEDERAL NATL MTG ASSN	AA+	05/06/2021	1.250%	1.93	260,000	256,506	258,220	4,958
FEDERAL NATL MTG ASSN	AA+	08/17/2021	1.250%	1.95	260,000	256,032	257,646	4,980
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	07/19/2022	1.900%	2.00	290,000	289,437	290,977	5,786
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	08/03/2022	1.900%	1.99	290,000	289,437	290,537	5,754
FEDERAL NATL MTG ASSN	AA+	04/05/2022	1.875%	1.92	300,000	299,451	300,759	5,758
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/15/2022	1.850%	2.04	85,000	84,770	85,480	1,733
FEDERAL NATL MTG ASSN	AA+	09/28/2020	1.750%	2.28	180,000	179,230	180,000	4,081
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	04/04/2022	2.100%	2.43	280,000	280,000	280,000	6,801
FEDERAL HOME LN MTG CORP	AA+	10/12/2021	2.000%	2.45	180,000	179,692	180,000	4,402
HOME DEPOT INC SR GLBL NT	A	04/01/2021	2.000%	2.29	60,000	59,648	59,879	1,365
ORACLE CORP SR GLBL	A+	05/15/2022	2.500%	2.46	120,000	120,040	120,089	2,958
PHILIP MORRIS INTL INC SR NT	A	03/26/2020	4.500%	2.54	55,000	55,846	56,353	1,419
STARBUCKS CORP SR GLBL	BBB+	02/04/2021	2.100%	2.51	60,000	59,459	59,984	1,489
US TREASURY NOTE	NR	03/15/2020	1.625%	2.28	720,000	716,321	714,853	16,361
FEDERAL HOME LN MTG CORP	AA+	12/29/2021	2.250%	2.50	80,000	80,007	80,000	1,998
FEDERAL HOME LOAN BKS CONS BDS	AA+	11/29/2021	1.875%	1.94	120,000	119,753	118,830	2,322
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	11/22/2021	2.740%	2.86	100,000	100,004	99,975	2,861
FEDERAL NATL MTG ASSN	AA+	03/26/2021	2.700%	2.81	140,000	140,063	140,000	3,934
FEDERAL HOME LOAN BKS CONS BDS	AA+	06/28/2022	3.060%	3.05	100,000	100,057	100,000	3,053
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	09/19/2022	3.170%	3.16	200,000	200,532	200,000	6,333
FEDERAL HOME LOAN BKS CONS BDS	AA+	09/27/2021	3.000%	2.96	160,000	160,437	160,000	4,746
FEDERAL HOME LOAN BKS CONS BDS	AA+	08/10/2023	1.500%	3.74	200,000	198,066	192,645	7,400
US TREASURY NOTE	NR	11/30/2020	1.625%	2.03	160,000	158,982	157,223	3,229
FEDERAL HOME LOAN BKS CONS BDS	AA+	04/30/2021	2.000%	2.44	200,000	199,630	195,577	4,861
FEDERAL HOME LOAN BKS CONS BDS	AA+	10/25/2021	3.170%	3.10	200,000	200,678	200,000	6,219
FEDERAL NATL MTG ASSN	AA+	10/28/2020	1.400%	2.76	40,000	39,686	39,047	1,093
US TREASURY NOTE	NR	09/15/2021	2.750%	1.89	60,000	61,127	59,817	1,155
FEDERAL HOME LN MTG CORP	AA+	09/27/2023	3.200%	3.13	150,000	150,429	149,400	4,711
FEDERAL FARM CR BKS CONS SYSTEMWIDE	AA+	12/05/2022	3.370%	2.27	100,000	100,006	100,000	2,270
US TREASURY NOTE	NR	12/31/2019	1.875%	2.31	600,000	598,422	597,539	13,830
US TREASURY NOTE	NR	10/31/2020	2.358%	2.44	600,000	599,736	599,160	14,610
US TREASURY NOTE	AAA	04/30/2020	1.375%	2.26	330,000	327,340	326,648	7,404
US TREASURY NOTE	NR	09/30/2020	2.750%	2.07	330,000	332,792	331,779	6,902
CASH & EQUIVALENTS	-	-	-	2.31	-	692,832	692,832	16,004
Stage 2 Capacity Reserve Total					\$	11,986,507	\$ 12,009,193	\$ 282,539
Subtotal, Bank of the West					\$	34,155,471	\$ 34,240,468	\$ 800,980
Bank of New York (Trustee)								
2009 Reserve Account - Federal National Mortgage Assn 3136G3I	Aaa	7/26/2019	1.150%	1.15		4,770,488	4,780,000	54,861
2009 Reserve Account - BMW BK North Amer Salt Lake 05580AC	Aa	7/24/2019	2.000%	2.00		149,898	150,000	2,998
2009 Reserve Account - Morgan Stanley Treas Sec X9USDMORS	-	-	0.000%	2.22		193,382	193,382	4,293
2009 Reserve Account - Morgan Stanley Treas Sec X9USDMORS	-	-	0.000%	2.22		62,656	62,656	1,391
2009 Revenue FD Account - Morgan Stanley Treas Sec Portfolio X9USDMORS	-	-	0.000%	2.22		5,639	5,639	125
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%	2.53		11	11	0
2014 Revenue Account - Goldman Sachs Fin Sq Instl X9USDGLD4	-	-	0.000%	2.53		414	414	10
2014 Revenue Account - Cash	-	-	0.000%	-		17	17	-
2014 Interest Account - Goldman Sachs Fin Sq Instl X9USDGLD4	-	-	0.000%	2.51		13	13	0
2014 Principal Account - Goldman Sachs Fin Sq Instl X9USDGLD4	-	-	0.000%	2.51		7	7	0
2014 COI Account - Cash	-	-	0.000%	-		2	2	-
2015 Project Account - Cash	-	-	0.000%	-		2	2	-
2015 Revenue Account - JP Morgan Prime MMKT Instl X9USDJPMP	-	-	0.000%	2.43		163	163	4
2015 Revenue Account - Cash	-	-	0.000%	-		7	7	-
2009 Escrow - Tunisia Government Aid Bonds 066716AG6	Aaa	7/16/2019	1.686%	1.69		40,332,839	40,944,692	681,625
2009 Escrow - Cash	-	-	0.000%	-		4,091	4,091	-
Subtotal, Bank of New York (Trustee)					\$	45,519,642	\$ 46,141,109	\$ 745,308
Less Amounts held in Escrow for 2009 Bond Defeasance					\$	(40,336,930)	\$ (40,948,783)	\$ (681,625)
Net Total, Bank of New York (Trustee)					\$	5,182,712	\$ 5,192,327	\$ 63,683

Broker/Dealer Investment Name	Composite Credit	Maturity	Coupon Rate	Yield to Maturity	Par Value	Market Value	Cost	Estimated Annual \$ Yield Earnings
Zions Bank (Trustee)								
CAMP Pool	NR			2.50		50,977,633	50,977,633	1,274,441
2018 Acquisition Account - Euro		-	0.000%	-	4,153,625	4,639,184	4,782,068	-
Total, Zions Bank (Trustee)						\$ 55,616,817	\$ 55,759,702	\$ 1,274,441
Uninvested Operating Cash		-				11,303,594	11,303,594	-
California Local Agency Investment Fund		LAIF	-	2.449		\$ 323,133	\$ 323,133	7,914
Total Working Capital						11,626,727.31	11,626,727.31	7,914
TOTAL CASH & INVESTMENTS, UNRESTRICTED AND WITH TRUSTEE						\$ 106,581,728	\$ 106,819,224	\$ 2,147,017
						Weighted Average Yield to Maturity % 2.01%		

Summary by Investment Type:	Market Value
US Treasuries	\$ 4,641,258
Agencies	28,955,618
Commercial Paper / Corporate Bonds	1,940,827
Municipal Bonds / Notes	1,611,676
Money Market / Certificates of Deposit	69,109,215
Local Agency Investment Fund	323,133
TOTAL	\$ 106,581,728

Summary by Purpose / Restriction Level	Market Value
Working Capital	\$ 11,626,727
Operations & Capital Budget Reserve	3,600,258
Capital Improvement Program Reserve	18,568,706
Stage 2 Capacity Reserve	11,986,507
Debt Reserve	5,182,712
Debt Proceeds	55,616,817
TOTAL	\$ 106,581,728

Summary by Liquidity:	Market Value
0-1 years	\$ 85,555,020
1 years	10,065,077
2 years	7,595,925
3-5 years	3,365,706
TOTAL	\$ 106,581,728

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

6/10/2019

AGENDA ITEM 5C2

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FINANCE STATUS REPORT**ISSUE**

Review Operating Fund Financial Update as of March 31, 2019. This Update is for the Third Quarter of the 2018-19 Fiscal Year.

DISCUSSION

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

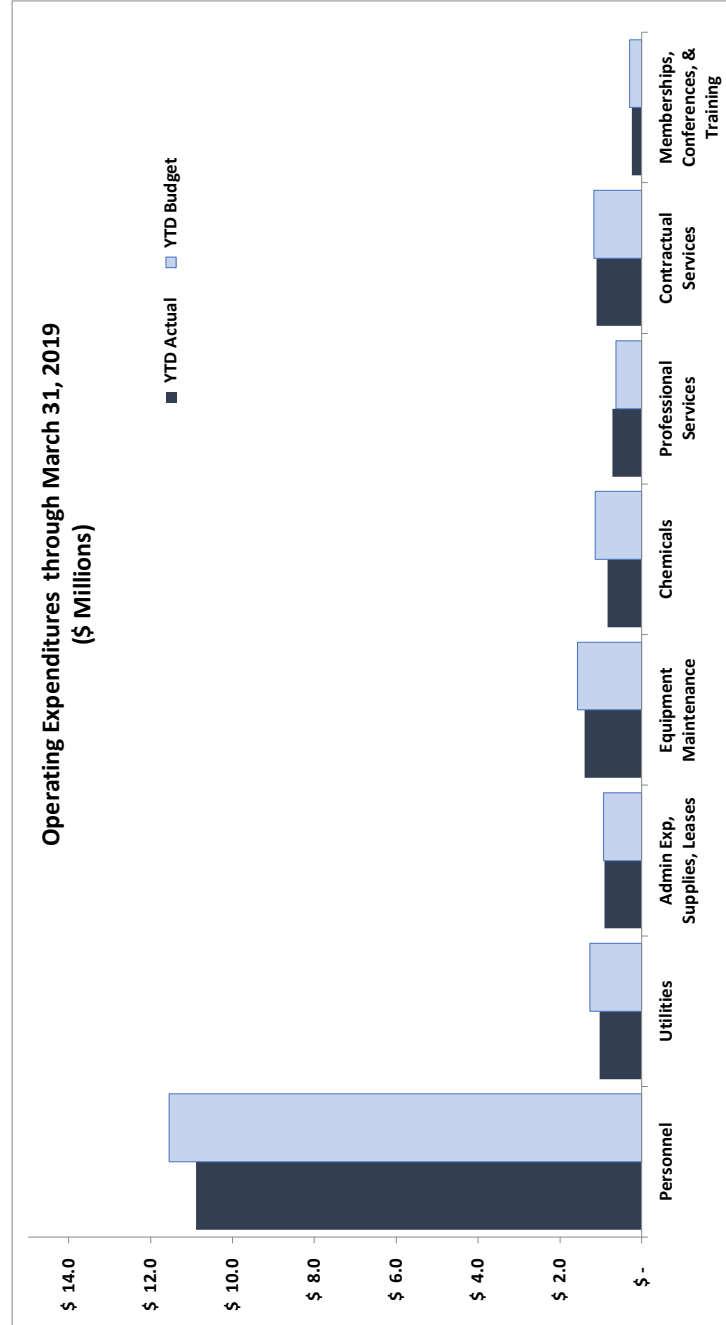
Revenue: Year to date, actual revenue received trails revenue budgeted by \$59 thousand (0.3%) due to gain/loss timing of bills for source control activity and grease & septic. It is expected that budget will be met by year end.

Expense: Operating expenses were \$1.35 million, or 6.7% less than the \$20.2 million budgeted. Notable variances include:

- Personnel expenses were \$656 thousand (5.7%) less than budgeted, due to a combination of vacancies in the Operations Division in the first half of the fiscal year. The change in Management further contributed to savings.
- Utilities expenses were \$231 thousand (18.3%) less than budgeted, as energy produced by Cogeneration engines exceeded expectations. This reduced costs as SVCW purchased less electricity from PG&E.
- Admin Expense, Supplies, and Lease expenses were \$20 thousand (2.1%) less than budgeted, due to less spending on fleet management and IT equipment. This is typically a timing issue that reverts closer to budget by year-end.
- Equipment Maintenance expenses were \$171 thousand (11%) less than budget. Less reactive maintenance was needed with fewer equipment failures.
- Chemical expenses were \$310 thousand (27%) below budget. A new calcium nitrate system for corrosion control was scheduled for installation at Menlo Park Pump Station but was delayed until June 2019. Sodium bisulfite, used to dechlorinate water, is significantly below budget as SVCW converted to a lower-cost 40% chemical concentrate. Finally, a \$113 thousand budget overstatement was found associated with a formula to convert volumes from dry tons to gallons.
- Professional Services expenses were \$81 thousand (12.7%) more than budgeted, related to unanticipated legal fees. These legal matters have been resolved.
- Contractual Services expenses were \$73 thousand (6.2%) less than budgeted related to delays in BioForce Tech solids disposal due to air permit delays (cost for disposal via traditional hauling is less expensive than BFT disposal).
- Memberships, Conferences, & Training expenses were \$51 thousand (17.4%) less than budget. Many training, conferences, and travel-related expenditures were deferred to focus on in-house projects throughout the fiscal year. Focus on training will increase next fiscal year.

SVCW Operating Revenue and Expenditures versus Budget - Through March 31, 2019

Description	YTD Actual	YTD Budget	\$ Better/ (Worse)	% Better/ (Worse)	YTD Actuals		Comment
					Annual Budget	% of Annual Budget	
Revenue:							
Expenditures:							
Personnel	\$ 18,469,116	\$ 18,528,615	\$ (59,499)	(0.3%)	\$ 24,979,820	73.9%	Timing of billing (Source Control & Grease & Septic revenues). Anticipate meeting budget by year-end.
Utilities	\$ 10,894,899	\$ 11,551,334	\$ 656,435	5.7%	\$ 15,733,910	69.2%	Favorable due to position vacancies and lower-cost backfills.
Admin Exp, Supplies, Leases	1,033,304	1,264,512	231,208	18.3%	1,722,015	60.0%	Cogen performance better than plan.
Equipment Maintenance	915,028	934,797	19,769	2.1%	1,084,048	84.4%	Bioforce Tech solids disposal not active, resulting in reduced energy used for dewatering. Timing of spending on fleet repairs and IT equipment.
Chemicals	1,395,413	1,567,103	171,690	11.0%	2,055,817	67.9%	Improved management of equipment and tools.
Professional Services	830,836	1,141,323	310,487	27.2%	1,521,768	54.6%	Less chemical use due to delayed installation of new calcium nitrate system for corrosion control. Sodium bisulfite, used to dechlorinate water, below budget as SVCW converted to a lower-cost 40% chemical
Contractual Services	715,621	634,955	(80,666)	(12.7%)	848,506	84.3%	Unanticipated legal fees.
Memberships, Conferences, & Training	1,101,145	1,173,734	72,589	6.2%	1,644,084	67.0%	Bioforce Tech solids disposal not active. Have used lower-cost drying beds to dispose of solids.
	242,282	293,145	50,863	17.4%	369,673	65.5%	Training, conferences, and travel-related expenditures deferred during in-house projects this fiscal year.
TOTAL Expenditures:	\$ 17,128,528	\$ 18,560,903	\$ 1,432,375	7.7%	\$ 24,979,821	68.6%	



AGENDA ITEM 5D

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

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

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 – 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

Food Waste Receiving Station and Digester Improvements (9229): Construct receiving facilities, digester improvements, and gas utilization facilities associated with food waste processing

SVCW and SBWMA have been in discussions to develop a food waste project. SBWMA will remove organic wastes from its waste stream and deliver them to SVCW to be processed in the anaerobic digesters, creating additional methane gas that can be utilized as an energy source. SBWMA is developing a pilot project for its facilities, and SVCW is beginning the process to develop the project to accept and process the food waste. This project is planned to be a design-build project.

Planned Commission Actions: Approve Task Order for Owners Advisors Services – August 2019

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

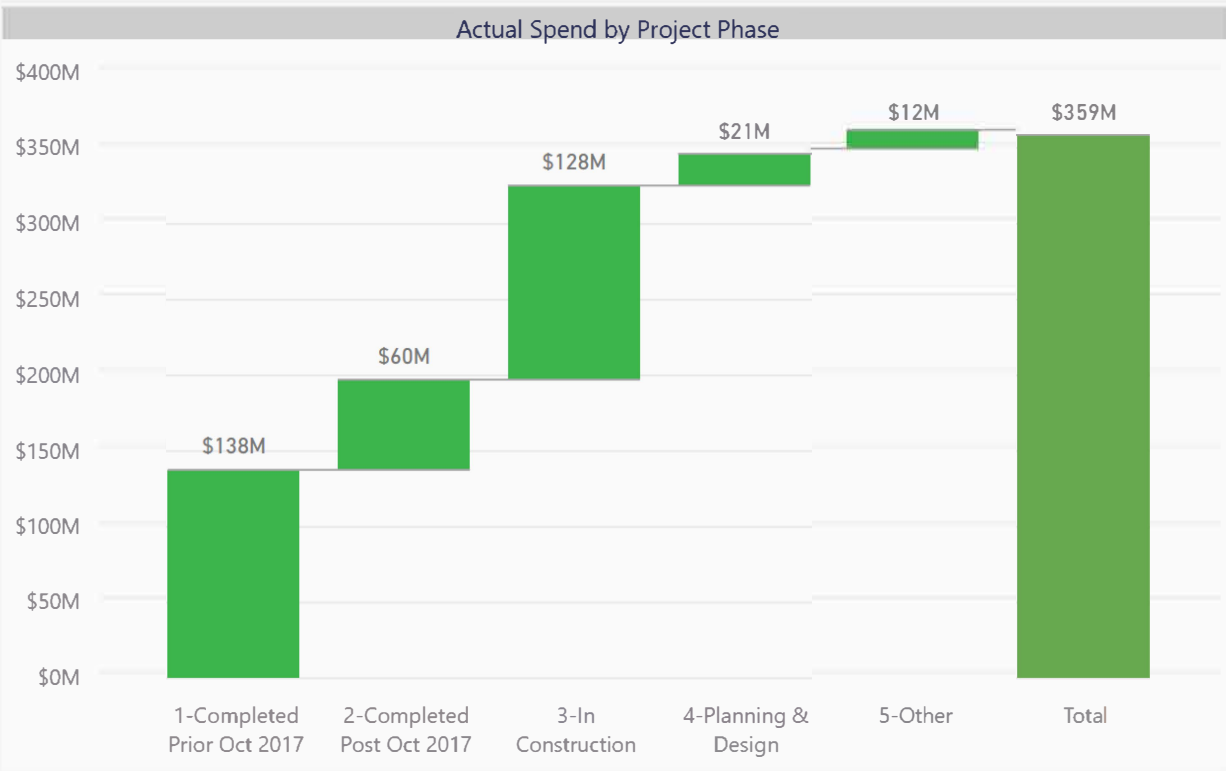
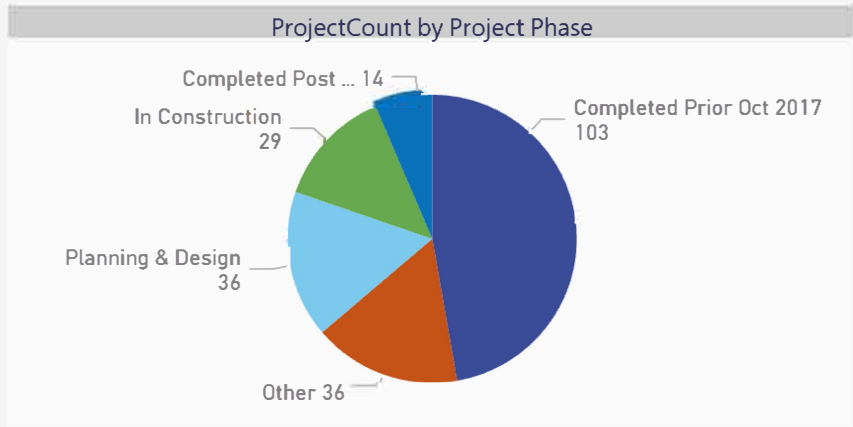
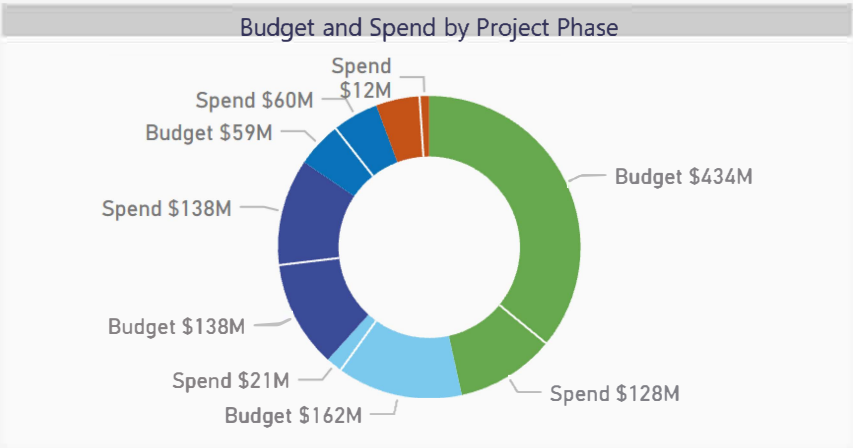
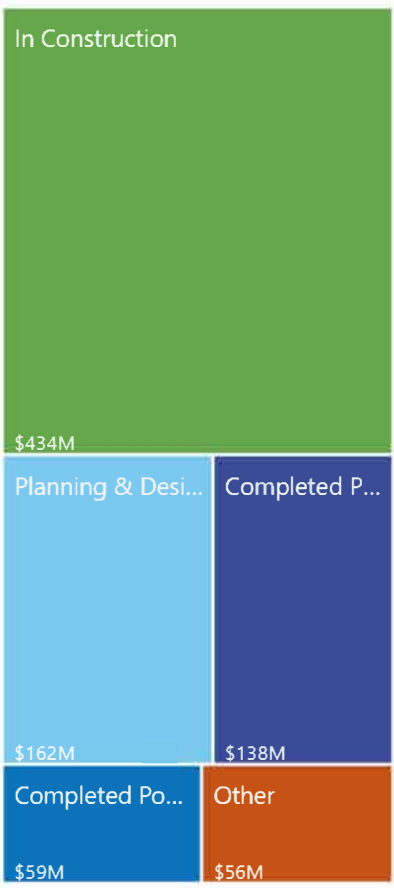
SVCW has awarded progressive design build contracts to Barnard Bessac Joint Venture for the Gravity Pipeline (GP) Project and Shea Parsons Joint Venture for the Front of Plant (FoP) and Pump Stations Improvements (PSI) Projects. These projects are in varying states of design and construction. SVCW staff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

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 Order to FoP for Odor Control System – August 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	\$59,559,501	\$-753,463	-1.28%
In Construction	29	\$434,311,619	\$127,953,546	\$306,358,073	70.54%
Planning & Design	36	\$161,982,232	\$20,948,817	\$141,033,415	87.07%
Other	36	\$56,363,374	\$12,401,872	\$43,961,502	78.00%
Total	218	\$849,566,422	\$358,524,233	\$491,042,189	57.80%



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

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

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

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

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AGENDA ITEM 5E

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**Silicon Valley Clean Water
Commissioners' Requested Action Items**

Updated: 06/07/2019

**JUNE 17, 2019
AGENDA ITEM 5E**

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
5/20/2019	1	Send Updated Agenda Item 5E				✓	5/20/2019	The incorrect version was included in the agenda packet.
	2	Days Since Last Incident Sign - Pelican Board Room			✓		7/15/2019	The sign has been ordered and will arrive by July Commission meeting
4/15/2019	1	Maple Street Development	N/A	✓				Get together with RWC staff to discuss approach. If there is any real/perceived conflict of interest with Hanson Bridgett, law firm, change attorneys.
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						

Silicon Valley Clean Water
Commissioners' Requested Action Items

Updated: 06/07/2019

JUNE 17, 2019
AGENDA ITEM 5E

Commission Meeting Date	Action Item		Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
6/14/2018	1	8B - Front of Plant project, report back if allowance is used	N/A			✓	12/6/2018	Report provided to Commission: Allowance for 40 additional piles or 1,530 extra length of piles. Of the allowance, an additional 76 feet of pile was used; this translates to \$5,890 used of the \$358,575 allowance.
	2	8C - Line of Credit; report back if proportion of use changes from JPA apportionment	N/A			✓	6/15/2018	Confirmed that use is proportional to JPA apportionment; should use of the LOC proportionally change, report this to Commission.
	3	8E - JPA Amendment; re-initiate "clean up" to JPA	N/A		✓			Make required and requested changes to the JPA a priority. Letter distributed to member agencies requesting input. Input received and Manager to schedule a meeting time with member agency staff to review.
> 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	6/30/2019		✓			The Contractor has completed work. Awaiting P.G.&E. to install a new gas meter then after that, BAAQMD to perform a source test for the generator/Permit to Operate.
	4	Connection Fees	NA		✓			Additional plant capacity evaluation is underway to ensure proper flow numbers are used in the calculations. Will be incorporated into upcoming JPA changes.

AGENDA ITEM 5F

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

Available Budget

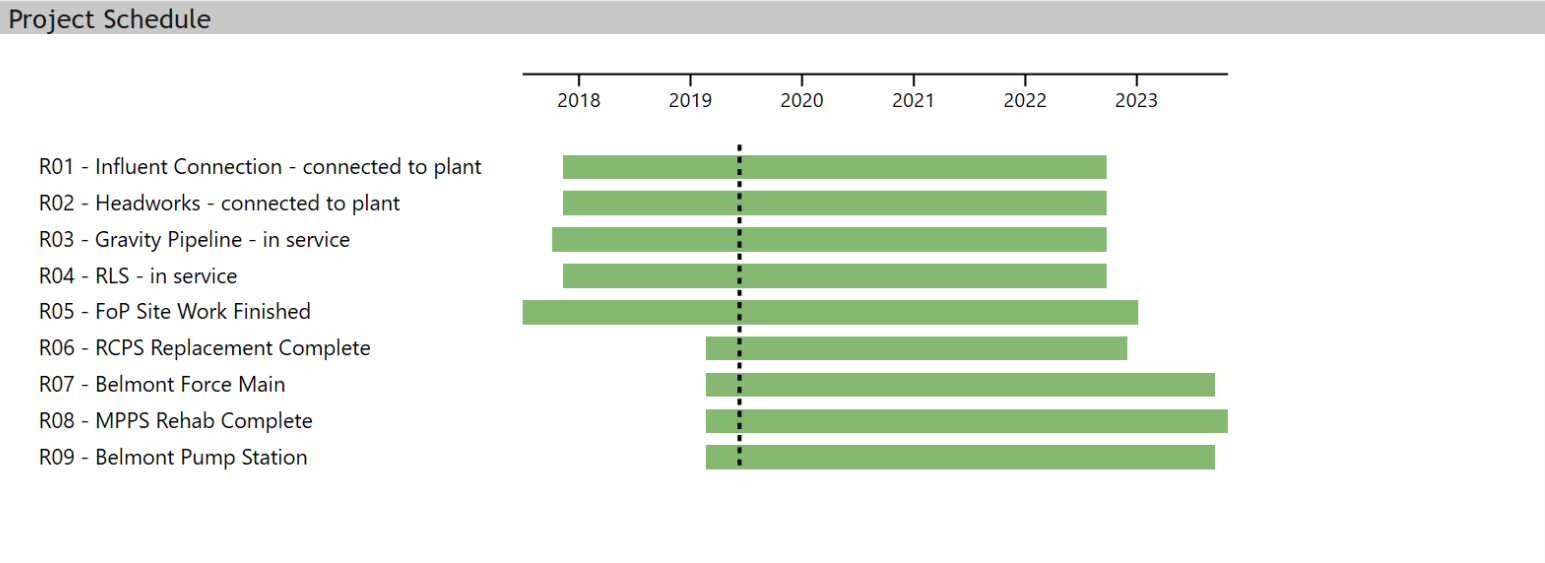
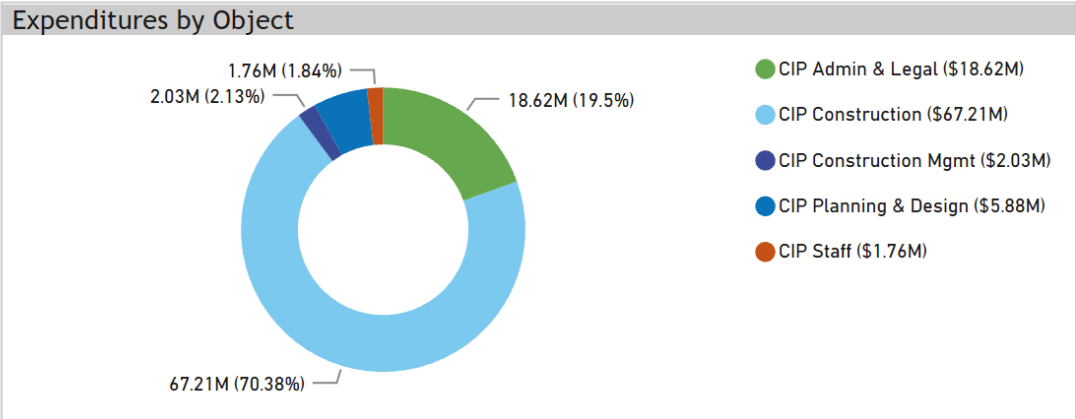
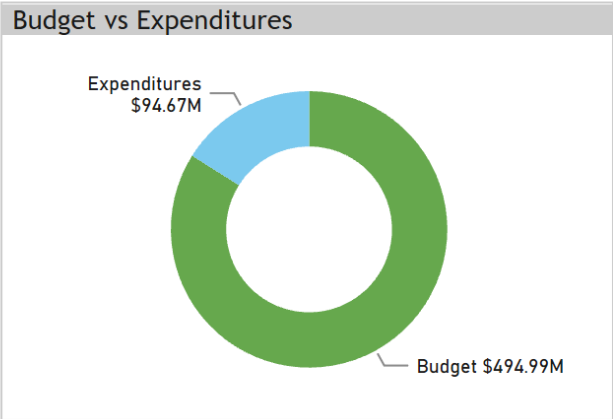
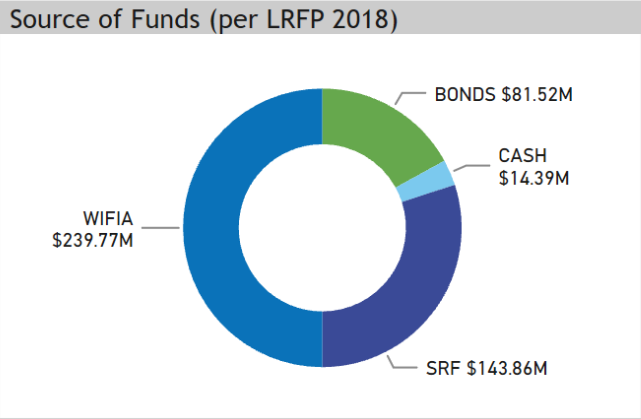
\$494.99M

Total Expenditure

\$94.67M

Remaining Budget

\$400.32M

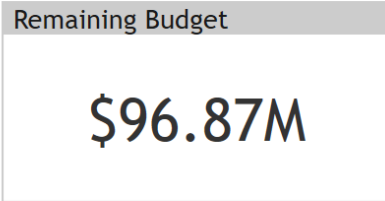
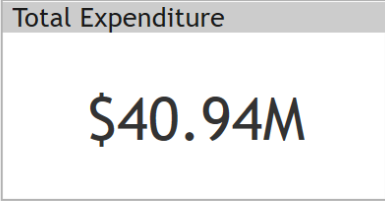
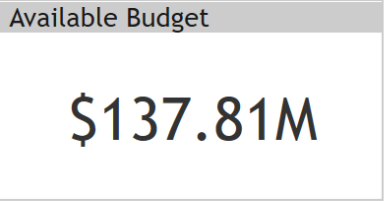


The project team is exploring ways to make this report most useful to the Commission and changes are being made throughout, as depicted. New information will be added to this area related to noteworthy Program activities.

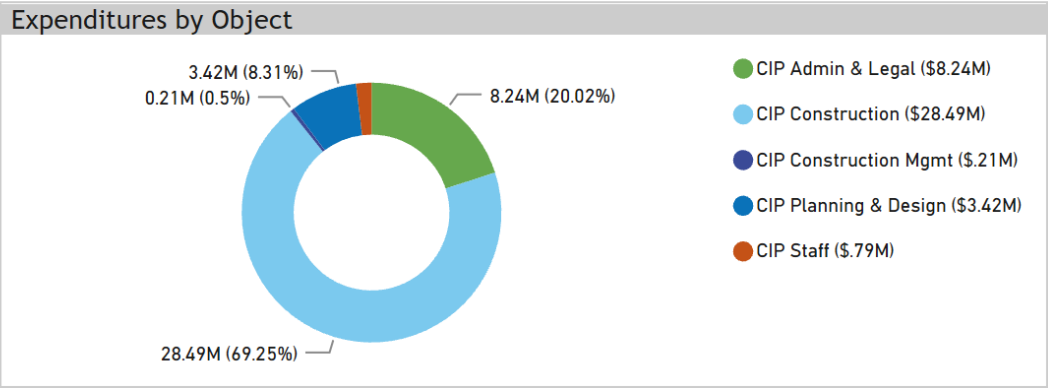
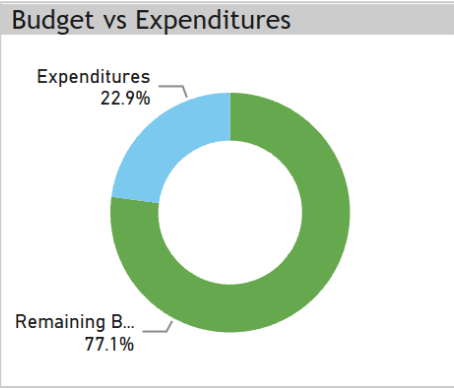
Front of Plant Progressive DB Project



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.



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



*This area will change to include project photos/progress updates.
Information will also include work completed to date (%) vs total expenditure (\$).*

Major Accomplishments this Period

Design	<ul style="list-style-type: none"> - Continued reviewing and implementing SVCW's follow-up responses to the 60% design package resubmittal and developing the 100% design package - Continued development of all FoP control narratives
Procurement of Trade Packages	<ul style="list-style-type: none"> - SPJV is preparing submittals of major equipment with preferred manufacturers for submission in June - 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 the support of excavation (SOE) panels for the SFS/RLS shafts - Demolished the guidewalls used for the installation of the SOE panels - Placed concrete slab for the RLS discharge piping between the RLS and the Headworks Facility

This area will be changed to reflect Potential Project Issues that will rise to Commission-Level

3 - Month Look Ahead

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

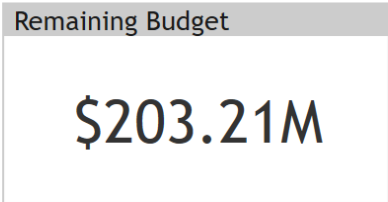
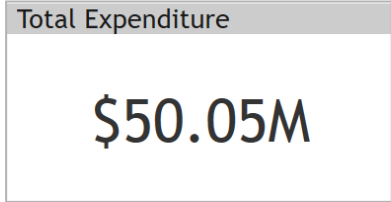
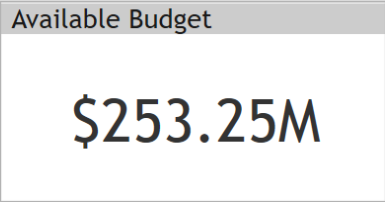
Safety Spot Light

Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

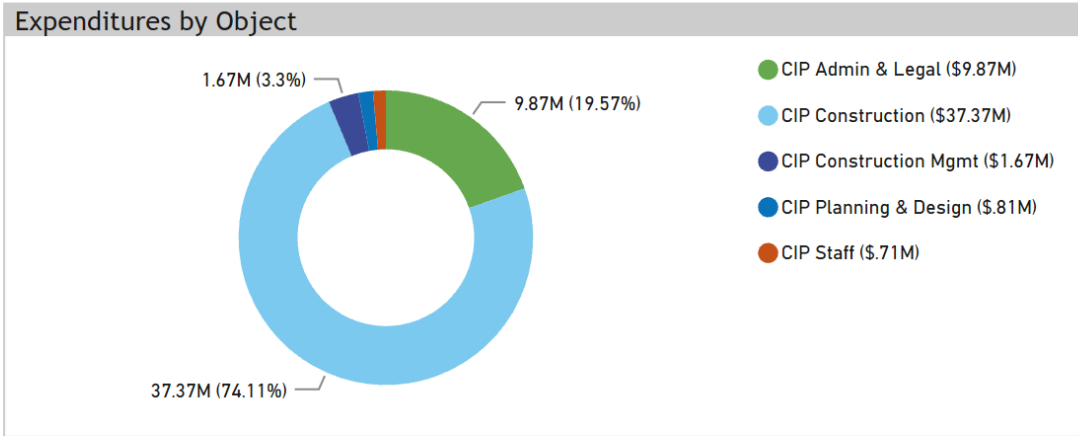
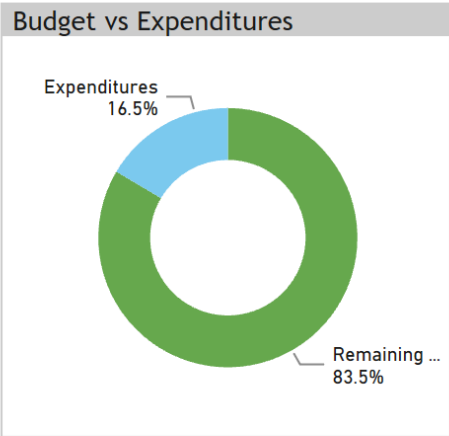
Gravity Pipeline Progressive DB Project



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.



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		11/15/2019
TBM Procurement and Delivery		7/5/2019
Airport Access Shaft Construction	12/14/2018	4/23/2019
Starter Tunnel Construction	5/3/2019	7/12/2019
Procurement of BCDC permit		5/31/2019
Bair Island Shaft Construction	6/3/2019	3/26/2020
TBM Drive (AAS to Bair Island)	9/24/2019	6/11/2020
San Carlos Shaft Construction	8/18/2020	1/14/2022
TBM Drive (AAS to SFS)	8/17/2020	7/30/2021
FRP Pipe Installation	7/14/2021	5/9/2022
Final Commissioning		7/1/2022



*This area will change to include project photos/progress updates.
Information will also include work completed to date (%) vs total expenditure (\$).*



Major Accomplishments this Period	
Design	<ul style="list-style-type: none">- Completed Starter Tunnel design- Issued for Construction Specifications under 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. BBJV plans to execute contract in June 2019.- Outreach in conformance with SRF and WIFIA funding requirements- Starter Tunnel and TBM Locomotive contracts executed
Construction	<ul style="list-style-type: none">- Instrumentation & Monitoring subcontractor continues installation of ground monitoring at Airport Access Shaft site- DrillTech completed pipe ramming activity for the tunnel muck conveyor- BBJV and DrillTech began construction of Starter Tunnels. Canopy tubes installed and excavation to begin early June.

This area will be changed to reflect Potential Project Issues that will rise to Commission-Level

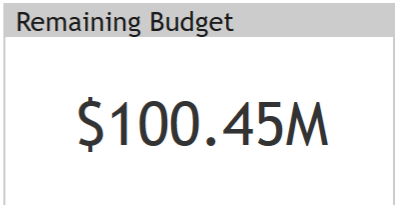
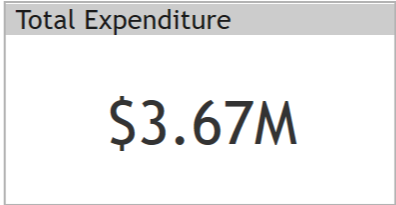
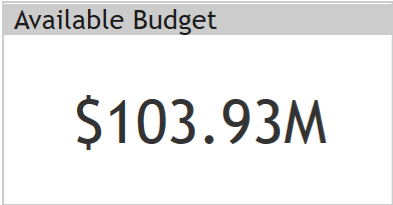
3 - Month Look Ahead					
	Start	End	June	July	August
100% Design Completion	August 10, 2018	November 15, 2019	X	X	X
Inclined Tunnel Muck Conveyor Installation	March 11, 2019	July 26, 2019	X	X	
Starter Tunnel Construction	May 3, 2019	July 12, 2019	X	X	
Bair Island Shaft Construction	June 3, 2019	December 20, 2019	X	X	X
Assemble TBM	July 8, 2019	September 3, 2019		X	X

Safety Spot Light	
Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

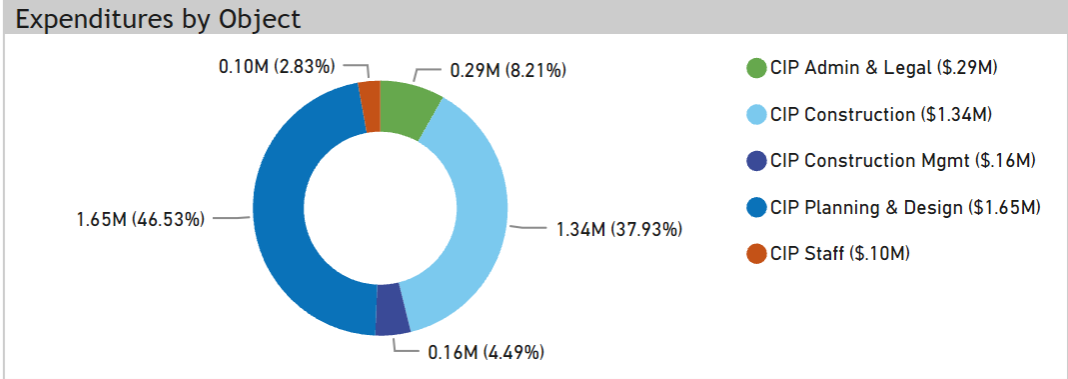
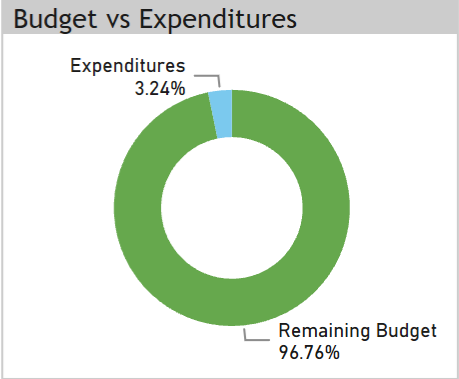
Pump Stations



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



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



*This area will change to include project photos/progress updates.
Information will also include work completed to date (%) vs total expenditure (\$).*

Major Accomplishments this Period

- Design
- Held Belmont Alternatives Analysis Workshop
 - Completed MPPS condition assessments
 - Held Final Alternatives Workshop
 - Ongoing coordination with GP project

This area will be changed to reflect Potential Project Issues that will rise to Commission-Level

3 - Month Look Ahead

	Start	End	June	July	August
Alternative Analysis	February 28, 2019	June 3, 2019	X		
Permitting & Public Outreach Support	February 28, 2019	December 30, 2019	X	X	X
Control Strategy / Narratives Development	May 9, 2019	September 16, 2019	X	X	X
Hazardous Materials and Contamination Survey	May 9, 2019	June 24, 2019	X		
Modeling	May 13, 2019	July 30, 2019	X	X	
BODR & 30% Design Documents	May 14, 2019	October 24, 2019	X	X	X
Design and Construction Phasing Plan	May 21, 2019	June 18, 2019	X		
Geotechnical Field Investigations	June 4, 2019	July 1, 2019	X	X	
Cost Modeling Development and Estimates	July 12, 2019	November 15, 2019		X	X
P&ID, Master Equipment & I/O List Development	July 22, 2019	September 16, 2019		X	X
60% Design Package	July 31, 2019	October 24, 2019		X	X
Preliminary Startup, Testing and Acceptance Plan	July 31, 2019	October 10, 2019		X	X

Safety Spot Light

Category	Value
Lost Time	0
Near Misses	0
Recorded Losses	0

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AGENDA ITEM 7A

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**MINUTES OF SILICON VALLEY CLEAN WATER
REGULAR MEETING – MAY 20, 2019
8:00 a.m.**

ITEM 1

CALL TO ORDER

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

ITEM 2

ROLL CALL - Commissioners Duly Appointed by Each Agency

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

Staff, Consultants and Visitors Present

Teresa A. Herrera, SVCW Manager
Christine C. Fitzgerald, SVCW Legal Counsel
Jennifer Flick, Human Resources Manager
Matt Anderson, SVCW Chief Financial Officer/Assistant Manager
Kim Hackett, SVCW Authority Engineer
Arvind Akela, SVCW Engineering Director
Eric Hansen, SVCW Engineering
Jessica Mangual, SVCW Secretary Pro Temp
EJ Shalaby, Senior Consultant, DNS Strategic Partners
Derek Rampone, City of Redwood City
Molly Flowerday, City of Redwood City
Steven Machida, City of San Carlos
Bill Tanner, Tanner Pacific, Inc.
Mark Minkowski, Kennedy/Jenks
Douglas Brown, Stradling, Yocca, Carlson & Rauth
Robert Porr, Fieldman, Rolapp & Associates
Lora Carpenter, Fieldman, Rolapp & Associates
Bruce Burnworth, MPF

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 5A THROUGH ITEM 5F
SAFETY MOMENT AND REPORTS

This month's Safety Moment related to hearing loss prevention. The Commission requested a monitor be installed in the room noting accident-free days.

Items discussed under the Manager's Report included the status of the emergency effluent forcemain situation, including a plant shutdown on May 7/8 to access the pipe.

Item 5E included the incorrect report; the correct version will be emailed to Commissioners separately.

There were no questions for the remainder of the written reports.

ITEM 6A
MATTERS OF COMMISSION MEMBER'S INTEREST

A very positive letter from Congresswoman Anna Eshoo regarding the Commissioners letter to her supporting infrastructure spending was received by the Commission Chair. Other Commissioners were copied on the letter.

ITEM 7
CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR ITEMS 7A THROUGH 7E

Motion/Second: Ms. Aguirre / Mr. Otte

The Motion carried by Unanimous Roll Call Vote

ITEM 8A
CONSIDERATION OF RESOLUTION TO APPROVE CONTRACT CHANGE ORDERS TO TWO RESCU PROJECTS: GRAVITY PIPELINE AND FRONT OF PLANT

Proposed Action:

- i. 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

Motion/Second: Mr. Olbert / Ms. Aguirre

The Motion carried by Unanimous Roll Call Vote

ITEM 8B

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.

A detailed overview and presentation were provided by the CFO, finance advisor, and bond counsel. Commissioners questions were answered.

Motion/Second: Mr. Olbert / Ms. Aguirre

The Motion carried by Unanimous Roll Call Vote

ITEM 9

CLOSED SESSION

Closed Session was called to order at 9:01 a.m.

ITEM 10

RECONVENE FROM CLOSED SESSION

Open Session reconvened at 9:39 a.m.

Ms. Fitzgerald reported as to Agenda Item 9A the Board unanimously voted to dismiss 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))

As to Agenda Item 9B no reportable action was taken and direction was given to staff and counsel.

As to Agenda Item 9C the Commission approved the final settlement agreement.

ITEM 11
ADJOURN

There being no further business, the meeting adjourned at 9:41a.m.

Minutes prepared by Teresa A. Herrera

George Otte, Secretary

AGENDA ITEM 7B

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SVCW WARRANT REGISTER

SVCW Warrant Register dated May 1, 2019 - May 31, 2019, was scanned and a copy emailed to Commissioners and Legal Counsel on June 13, 2019.

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AGENDA ITEM 7C

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**SILICON VALLEY CLEAN WATER
INVESTMENT POLICY AND GUIDELINES**

ISSUE

Review and update Silicon Valley Clean Water Investment Policy and Guidelines

BACKGROUND

In July 1992, SVCW adopted an Investment Policy and Guidelines (Policy No. 1992-01) to formally guide the investment of all Silicon Valley Clean Water (SVCW) surplus funds not required for immediate use by SVCW. All investments of surplus funds are governed by California Government Code Section 53600, et seq and by the SVCW Investment Policy.

DISCUSSION

Policy No. 1992-01 has been updated periodically and was last updated as Revision Q at the Commission meeting of April 12, 2018. The policy requires annual Commission review and approval of changes proposed by staff.

A draft copy of the policy with proposed changes to the policy is attached. A “clean” copy with changes accepted is also attached. The changes are recommended by PFM Asset Management, LLC, the recently-retained investment advisor to SVCW. The changes add specificity regarding government code, incorporate standard industry practices, and clarify the role of PFM as investment advisor.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION R TO ADMINISTRATIVE POLICY 1992-01 ESTABLISHING SILICON VALLEY CLEAN WATER’S INVESTMENT POLICY AND GUIDELINES

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ATTACHMENT 1 TO AGENDA ITEM 7C

ADMINISTRATIVE POLICY NO. 1992-01

Approved by: _____

Rev: R

Rev Date: 6/17/2019

Issue Date: 7/20/92

Approved by the SVCW Commission at the Meeting held on June 17, 2019 April 12, 2018 by Resolution No. SVCW 1819-XX

SUBJECT: Silicon Valley Clean Water Investment Policy and Guidelines

PURPOSE:

The purpose of this Investment Policy (the “Policy”) is to establish the investment policy and guidelines to be followed in the investment of all Silicon Valley Clean Water (“SVCW” or the “Authority”) surplus funds not required for immediate use by SVCW. All investment of such surplus monies is governed by California Government Code Section (CGC) 53600, et seq. and by the Policy.

To the extent possible, all money belonging to or in the custody of SVCW required for the immediate use of the Authority shall be deposited for safekeeping pursuant to relevant CGC sections, including Sections 53635.2, 53637-53645 and 53649.

SCOPE:

This Policy applies to all funds and investment activities of the Authority except the investment of bond proceeds, which are governed by the appropriate bond documents, and any pension or other post-employment benefit funds held in a trust.

RESPONSIBILITIES:

The Chief Financial Officer (CFO) shall have the responsibility of investing all Authority surplus funds in accordance with this Policy, providing a detailed monthly listing of all investments in the Authority's portfolio regular investment reports to the Commission (as described in more detail in Section X of this Policy), and allocating interest to each fund.

The SVCW Commission shall have the responsibility of annually reviewing the Investment Policy and Guidelines and approving proposed changes.

POLICY:

I. INTRODUCTION

Authority monies not required for immediate expenditure will be invested in compliance with governing provisions of law, the Joint Exercise of Powers Agreement establishing the Authority and this Policy.

Funds of the Authority will be invested in accordance with California Government Code Sections 53601 through 53686 and with sound treasury management.

Investments will be made in a range of instruments to insure diversification of the Authority's portfolio and liquidity of assets.

II. STANDARD OF CARE

Prudence: All investments shall be made within the policy framework of liquidity and safety with the judgment and care which a prudent and intelligent person would, under circumstances then prevailing (including, but not limited to, the general economic conditions and the anticipated needs of SVCW), exercise in the management of his/her affairs. The standard of prudence to be used by investment officials will be the “prudent investor” standard, which states that: “when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”^[LMI]

Ethics: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. All investment personnel shall comply with reporting requirements of applicable state laws including annual filing of Statements of Economic Interest.

III. OBJECTIVES The primary investment objectives of this policy in order of priorities are:

Safety:- Safety of the principal shall be the top priority in consideration of any investment undertaken by the CFO. The portfolio shall be so diversified that the losses, if any, on particular securities shall be offset by the revenue generated from other investments. The intention is to hold investments until maturity unless the Authority will realize a profit by liquidating the investment prior to maturity. The Authority’s portfolio shall be actively managed. Therefore, securities may be sold prior to maturity if doing so would better align the portfolio with its selected performance benchmark, and/or increase the earnings potential or credit quality of the portfolio. The Authority shall seek to preserve principal by mitigating credit risk and market risk.

Credit risk: Defined as the loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that failure of any one issue does not unduly harm the Authority's capital base and cash flow. In the event of a downgrade in credit after the date of purchase to a level below the minimum credit standards provided in the California Government Code, the CFO or his/her designee shall advise the Commission of the change at or before the next regular meeting. If the Authority has retained the services of an Investment Advisor, the Investment Advisor will notify the CFO of such a downgrade and will recommend a plan of action.

Market risk: Defined as market value fluctuations due to overall changes in the general level of interest rates, will be mitigated by structuring the investment portfolio so that securities

mature to meet the cash requirements for ongoing operations, thereby ~~avoiding-limiting~~ the need to sell securities prior to maturity.

Liquidity:- The CFO shall keep the portfolio sufficiently liquid to meet the operating and capital needs of the Authority which can be reasonably anticipated from his/her experience of the Authority's operations and adopted budget. He/she shall also review the various construction and other contracts the Authority has entered into to anticipate the cash needs.

Return on Investment:- Within the safety and liquidity constraints imposed by law and SVCW's own safety objective and cash flow requirements, the investment portfolio shall be designed to attain the market rate of return.

IV. AUTHORIZATION TO INVEST AND ~~AUTHORITY TO INVEST~~ DELEGATION OF AUTHORITY

The CFO shall have the authority to invest the funds of the Authority.

~~The CFO may delegate day-to-day investment decision-making and execution authority to an investment advisor. The rights and responsibilities delegated to an investment advisor must be in a written agreement. The investment advisor shall make all investment decisions and transactions in accordance with California Government Code and this Policy. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the CFO and approved by the SVCW Commission.~~

Investments of Authority monies not required for immediate expenditure will be made in securities or other certificates of indebtedness as provided by Section 53601, et seq. of the California Government Code for the investment of public funds, except those expressly prohibited by this policy.

V. CASH FLOW AND AVAILABILITY

An amount equal to two weeks' cash flow requirements is to be maintained in immediately available investments, such as the State Treasurer's Local Agency Investment Fund, money market funds, or similar liquid instruments. ~~This may include commercial paper acquired through dealers and brokers as permitted in accordance with Section XI of this policy.~~

VI. ACCEPTABLE INVESTMENT INSTRUMENTS

~~Unless expressly approved in advance by the Commission, all~~ All investments must be made in accordance with this policy and the State of California Government Code Section 53600, et seq. ~~In the case of a discrepancy between this Policy and California Government Code Section 53600, et seq., the more stringent requirements shall apply.~~

~~The Authority will limit investments in any one issuer, except for obligations of the U.S. Treasury, U.S. federal agencies, U.S. government-sponsored enterprises, U.S. instrumentalities, and pooled funds (e.g., money market funds, local government investment pools, and LAIF), to no more than 5%, regardless of security type.~~

Where this section specifies a percentage limitation for a particular issuer or security type, that percentage is applicable only at the date of purchase. Credit criteria listed in this section refers to the credit rating category (inclusive of modifiers) at the time the security is purchased.

The Commission may, as part of a bond issuance, direct or authorize staff to invest bond proceeds in investment instruments authorized by the California Government Code that are not contained within this policy.

The Authority's investment portfolio may include the following instruments:^[LM3]

1. **U.S. Treasury Obligations.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those ^[LM4] which the full faith and credit of the United States are pledged for the payment of principal and interest.
2. **U.S. Federal Agency Obligations.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. **California State and Local Agency Obligations.** Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the state or any local agency or by a department, board, agency, or authority of the state or any local agency. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated "A," its equivalent, or better by two Nationally Recognized Statistical Rating Organizations ("NRSROs"). Obligations eligible for investment under this subdivision with maturities under one year must be rated at least "A-1," its equivalent, or better by an NRSRO.
4. **Other State Obligations.** Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated "A," its equivalent, or better by an NRSRO. Obligations eligible for investment under this subdivision with maturities under one year must be rated at least "A-1," its equivalent, or better by an NRSRO.
5. **Medium-Term Notes.** Defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state, and operating within the U.S. medium-term notes must be rated "A," its equivalent, or better by an NRSRO. No more than 30% of the Authority's portfolio may be invested in medium-term notes.
6. **Bank Deposits.** Funds may be deposited in federally-insured or collateralized bank deposits to include, but not limited to, demand deposit accounts, savings accounts, market

rate accounts, and time deposits. To be eligible to receive deposits from the Authority, the financial institution must be located in California and comply with the requirements listed in Government Code Section 53630 et. seq. The CFO, at his/her discretion, may waive the collateralization requirements for any portion that is insured by the Federal Deposit Insurance Corporation or by the National Credit Union Administration. The Authority shall have a signed agreement with any depository accepting Authority funds per Government Code Section 53649. The final maturity of time deposits may not exceed five years. There is no limit on the percentage of the portfolio that may be invested in bank deposits. However, a maximum of 50% of the portfolio may be invested in time deposits. [LM5]

7. **State of California's Local Agency Investment Fund (LAIF).** The State Treasurer established LAIF for the benefit of local agencies. The Authority may invest up to the maximum amount permitted by the State Treasurer.

8. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies will either:

- Attain the highest ranking letter or numerical rating provided by not less than two of the three largest NRSROs or
- Have an Investment Advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

No more than 20% of the Authority's portfolio may be invested in money market funds. [LM6]

9. **Shares of a Joint Powers Authority (JPA).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive, of Government Code Section 53601. Each share will represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares will have retained an investment adviser that meets all of the following criteria:

- The adviser is registered or exempt from registration with the Securities and Exchange Commission, and
- The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive of California Government Code Section 53601, and
- The adviser has assets under management in excess of five hundred million dollars (\$500,000,000). [LM7]

~~**VII. PROHIBITED INVESTMENTS**~~ The Authority shall not invest any funds in Repurchase Agreements (REPOS) or Reverse Repurchase Agreements (REVERSE REPOS). ~~[LM8]~~ The Authority shall not purchase or sell securities on margin or invest in financial futures/financial options.

~~**VII.**~~ The Authority shall not invest any funds in Repurchase Agreements (REPOS) or Reverse Repurchase Agreements (REVERSE REPOS). The Authority shall not purchase or sell securities on margin or invest in financial futures/financial options.

~~—~~ **MAXIMUM MATURITY OF INVESTMENTS**

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~~**VIII.**~~ Maturities will be based on a review of cash flow forecasts. Maturities will be scheduled to permit the Authority to meet all projected obligations. The maturity schedule for investments used for working capital will invested in sync with the SVCW known liability schedule. Approximately 50% of the idle funds will be placed in investments which can be sold for face value in the open market in the event of an emergency. The purchase of U.S. Treasury obligations, U.S. federal agency and government-sponsored enterprise (GSE) obligations, and California state and local agency obligations and other state obligations (subsections VI. 1, 2, 3, and 4 above) with maturities in excess of five years is permitted, subject to the following constraints: U.S. Treasury, federal agency/GSE, and California state and local agency obligations and other state obligations shall have a maximum remaining maturity at time of purchase of eleven years or less, and federal agency/GSE mortgage-backed securities (including pass-throughs and CMOs) shall have a maximum remaining average life of ten years or less. This change to the investment program was authorized at the June 17, 2019 meeting of the SVCW Commission. ~~[LM9]~~ ~~[LM10]~~

VIII. BROKERS/DEALERS AND FINANCIAL INSTITUTIONS

The CFO, or his/her designee, will maintain a list of financial dealers and institutions qualified and authorized to transact business with the Authority.

The purchase by the Authority of any investment, other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of Financial Industry

Regulatory Authority (FINRA), or a member of a federally-regulated securities exchange, a National- or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

The CFO shall annually send a copy of the current Investment Policy to all financial institutions and broker/dealers approved to do business with the Authority. Written confirmation of receipt of this Policy shall be considered evidence that the dealer understands the Authority's investment policies and intends to sell the Authority only appropriate investments authorized by this ~~I~~investment ~~P~~policy. Moreover, the Authority will execute an agreement with any broker/dealer prior to doing business with such.

If the Authority has retained the services of an Investment Advisor, the Investment Advisor may use its own list of authorized broker/dealers to conduct transactions on behalf of the Authority.

Purchase and sale of securities will be made on the basis of competitive bids and offers with a minimum of three quotes being obtained, whenever possible.

~~IX. The Authority may work directly with brokers and securities dealers only if the firm is recognized as a primary dealer by the Federal Government.~~

IX. REPORTS TO COMMISSION

~~The SVCW Commission will receive a detailed monthly listing of all investments in the Authority's portfolio as of the end of the prior month.~~ On a quarterly basis^[LM11], the CFO shall provide to the Commission a detailed investment report that shall include the following information: description of investment instrument, issuer name, maturity date, credit rating, interest rate, yield, purchase price, par value, book value, current market value and the source of the valuation. This report shall also state compliance of the portfolio with this Investment Policy, or manner in which the portfolio is not in compliance. The CFO shall also provide a list of monthly investment transactions.

X. AVERAGE RATE OF RETURNPERFORMANCE EVALUATION

The Authority's portfolio shall be structured to achieve a market-average rate of return through various economic cycles, commensurate with the investment risk constraints and the cash flow needs. The benchmark for "market-average rate" shall be the rate of return of an appropriate market-based index which has a duration similar to that of the the Authority's portfolio(s), against which portfolio performance shall be compared on a regular basis. The Authority will compute the average rate of return earned on all investments.

XI. INTEREST ALLOCATION

Quarterly interest is to be allocated to each fund using the average rate of return and based on the average monthly cash balance for each fund. Residual interest earned will remain in the operations fund.

Funds with a negative cash balance will be charged interest using the average rate of return.

The Authority will further allocate the interest earned for each fund by entity. The interest earnings will be allocated based on the average monthly balance of each entity. The beginning balances for each entity will be taken from the audited financial statements of the previous year.^[LM12]

XII. SAFEKEEPING OF SECURITIES

All marketable securities owned by the Authority, ~~excluding Certificates of Deposit~~, shall be held in safekeeping by a third-party administrator (custody bank or trust department) acting as agent for the Authority under the terms of a custody or trustee agreement executed by the bank and the Authority. All securities will be received and delivered using the standard delivery versus payment (DVP) procedure.

~~XIII. QUALIFIED BROKER/DEALERS~~

~~XIV. The CFO shall annually send a copy of the current investment policy to all financial institutions and broker/dealers approved to do business with the Authority. Written confirmation of receipt of this policy shall be considered evidence that the dealer understands the Authority's investment policies and intends to sell the Authority only appropriate investments authorized by this investment policy.~~

~~XV. Moreover, the Authority will execute an agreement with any broker/dealer prior to doing business with such.~~^[LM13]

~~XVI.~~XIII. INTERNAL CONTROL

The CFO is responsible for establishing and maintaining an internal control structure designed to provide reasonable assurance that the assets of the Authority are protected from loss, theft, or misuse. A CFO's oOffice staff member who is not involved in the purchase of investments, wire transfers, or maintaining the general ledger shall be assigned the responsibility of reviewing and reconciling the monthly reports received from ~~brokers and dealers~~the investment advisor and custody bank. This review shall include, but not be limited to, reconciling the listing and amounts of each investment ~~as submitted by the dealer/broker with the records maintained by the CFO. Each month, the same person will also confirm the interest receivable amounts and compare these items with those submitted by the broker/dealer.~~position and transaction.^[LM14]

ATTACHMENT 2 TO AGENDA ITEM 7C

ADMINISTRATIVE POLICY NO. 1992-01

Approved by: _____

Rev: R

Rev Date: 6/17/2019

Issue Date: 7/20/92

Approved by SVCW Commission at Meeting held on June 17, 2019 Resolution No. SVCW 19-20

SUBJECT: Silicon Valley Clean Water Investment Policy and Guidelines

PURPOSE:

The purpose of this Investment Policy (the “Policy”) is to establish the investment policy and guidelines to be followed in the investment of all Silicon Valley Clean Water (“SVCW” or the “Authority”) surplus funds not required for immediate use by SVCW. All investment of such surplus monies is governed by California Government Code Section (CGC) 53600, et seq. and by the Policy.

To the extent possible, all money belonging to or in the custody of SVCW required for the immediate use of the Authority shall be deposited for safekeeping pursuant to relevant CGC sections, including Sections 53635.2, 53637-53645 and 53649.

SCOPE:

This Policy applies to all funds and investment activities of the Authority except the investment of bond proceeds, which are governed by the appropriate bond documents, and any pension or other post-employment benefit funds held in a trust.

RESPONSIBILITIES:

The Chief Financial Officer (CFO) shall have the responsibility of investing all Authority surplus funds in accordance with this Policy, providing regular investment reports to the Commission (as described in more detail in Section X of this Policy), and allocating interest to each fund.

The SVCW Commission shall have the responsibility of annually reviewing the Investment Policy and Guidelines and approving proposed changes.

POLICY:

I. INTRODUCTION

Authority monies not required for immediate expenditure will be invested in compliance with governing provisions of law, the Joint Exercise of Powers Agreement establishing the Authority and this Policy.

Funds of the Authority will be invested in accordance with California Government Code Sections 53601 through 53686 and with sound treasury management.

Investments will be made in a range of instruments to insure diversification of the Authority's portfolio and liquidity of assets.

II. STANDARD OF CARE

Prudence: All investments shall be made within the policy framework of liquidity and safety with the judgment and care which a prudent and intelligent person would, under circumstances then prevailing (including, but not limited to, the general economic conditions and the anticipated needs of SVCW), exercise in the management of his/her affairs. The standard of prudence to be used by investment officials will be the “prudent investor” standard, which states that “when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

Ethics: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. All investment personnel shall comply with reporting requirements of applicable state laws including annual filing of Statements of Economic Interest.

III. OBJECTIVES

The primary investment objectives of this policy in order of priorities are:

Safety: Safety of the principal shall be the top priority in consideration of any investment undertaken by the CFO. The portfolio shall be so diversified that the losses, if any, on particular securities shall be offset by the revenue generated from other investments. The Authority’s portfolio shall be actively managed. Therefore, securities may be sold prior to maturity if doing so would better align the portfolio with its selected performance benchmark, and/or increase the earnings potential or credit quality of the portfolio. The Authority shall seek to preserve principal by mitigating credit risk and market risk.

Credit risk: Defined as the loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that failure of any one issue does not unduly harm the Authority's capital base and cash flow. In the event of a downgrade in credit after the date of purchase to a level below the minimum credit standards provided in the California Government Code, the CFO or his/her designee shall advise the Commission of the change at or before the next regular meeting. If the Authority has retained the services of an Investment Advisor, the Investment Advisor will notify the CFO of such a downgrade and will recommend a plan of action.

Market risk: Defined as market value fluctuations due to overall changes in the general level of interest rates, will be mitigated by structuring the investment portfolio so that securities mature to meet the cash requirements for ongoing operations, thereby limiting the need to sell securities prior to maturity.

Liquidity: The CFO shall keep the portfolio sufficiently liquid to meet the operating and capital needs of the Authority which can be reasonably anticipated from his/her experience of the Authority's operations and adopted budget. He/she shall also review the various construction and other contracts the Authority has entered into to anticipate the cash needs.

Return on Investment: Within the safety and liquidity constraints imposed by law and SVCW's own safety objective and cash flow requirements, the investment portfolio shall be designed to attain the market rate of return.

IV. AUTHORIZATION TO INVEST AND DELEGATION OF AUTHORITY

The CFO shall have the authority to invest the funds of the Authority.

The CFO may delegate day-to-day investment decision-making and execution authority to an investment advisor. The rights and responsibilities delegated to an investment advisor must be in a written agreement. The investment advisor shall make all investment decisions and transactions in accordance with California Government Code and this Policy. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the CFO and approved by the SVCW Commission.

Investments of Authority monies not required for immediate expenditure will be made in securities or other certificates of indebtedness as provided by Section 53601, et seq. of the California Government Code for the investment of public funds, except those expressly prohibited by this policy.

V. CASH FLOW AND AVAILABILITY

An amount equal to two weeks' cash flow requirements is to be maintained in immediately available investments, such as the State Treasurer's Local Agency Investment Fund, money market funds, or similar liquid instruments.

VI. ACCEPTABLE INVESTMENT INSTRUMENTS

All investments must be made in accordance with this policy and the State of California Government Code Section 53600, et seq. In the case of a discrepancy between this Policy and California Government Code Section 53600, et seq., the more stringent requirements shall apply.

The Authority will limit investments in any one issuer except for obligations of the U.S. Treasury, U.S. federal agencies, U.S. government-sponsored enterprises, U.S. instrumentalities, and pooled funds (e.g., money market funds, local government investment pools, and LAIF) to no more than 5%, regardless of security type.

Where this section specifies a percentage limitation for a particular issuer or security type, that percentage is applicable only at the date of purchase. Credit criteria listed in this section refers to the credit rating category (inclusive of modifiers) at the time the security is purchased.

The Commission may, as part of a bond issuance, direct or authorize staff to invest bond proceeds in investment instruments authorized by the California Government Code that are not contained within this policy.

The Authority's investment portfolio may include the following instruments:

1. **U.S. Treasury Obligations.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

2. **U.S. Federal Agency Obligations.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
3. **California State and Local Agency Obligations.** Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the state or any local agency or by a department, board, agency, or authority of the state or any local agency. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated "A," its equivalent, or better by two Nationally Recognized Statistical Rating Organizations ("NRSROs"). Obligations eligible for investment under this subdivision with maturities under one year must be rated at least "A-1," its equivalent, or better by an NRSRO.
4. **Other State Obligations.** Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations eligible for investment under this subdivision with maturities in excess of one year must be rated "A," its equivalent, or better by an NRSRO. Obligations eligible for investment under this subdivision with maturities under one year must be rated at least "A-1," its equivalent, or better by an NRSRO.
5. **Medium-Term Notes.** Defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state, and operating within the U.S. medium-term notes must be rated "A," its equivalent, or better by an NRSRO. No more than 30% of the Authority's portfolio may be invested in medium-term notes.
6. **Bank Deposits.** Funds may be deposited in federally-insured or collateralized bank deposits to include, but not limited to, demand deposit accounts, savings accounts, market rate accounts, and time deposits. To be eligible to receive deposits from the Authority, the financial institution must be located in California and comply with the requirements listed in Government Code Section 53630 et. seq. The CFO, at his/her discretion, may waive the collateralization requirements for any portion that is insured by the Federal Deposit Insurance Corporation or by the National Credit Union Administration. The Authority shall have a signed agreement with any depository accepting Authority funds per Government Code Section 53649. The final maturity of time deposits may not exceed five years. There is no limit on the percentage of the portfolio that may be invested in bank deposits. However, a maximum of 50% of the portfolio may be invested in time deposits.

7. **State of California's Local Agency Investment Fund (LAIF).** The State Treasurer established LAIF for the benefit of local agencies. The Authority may invest up to the maximum amount permitted by the State Treasurer.
8. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies will either:
 - Attain the highest ranking letter or numerical rating provided by not less than two of the three largest NRSROs *or*
 - Have an Investment Advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

No more than 20% of the Authority's portfolio may be invested in money market funds.

9. **Shares of a Joint Powers Authority (JPA).** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive, of Government Code Section 53601. Each share will represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares will have retained an investment adviser that meets all of the following criteria:
 - The adviser is registered or exempt from registration with the Securities and Exchange Commission, *and*
 - The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive of California Government Code Section 53601, *and*
 - The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

VII. PROHIBITED INVESTMENTS

The Authority shall not invest any funds in Repurchase Agreements (REPOS) or Reverse Repurchase Agreements (REVERSE REPOS). The Authority shall not purchase or sell securities on margin or invest in financial futures/financial options.

VIII. MAXIMUM MATURITY OF INVESTMENTS

Maturities will be based on a review of cash flow forecasts. Maturities will be scheduled to permit the Authority to meet all projected obligations. The purchase of U.S. Treasury obligations, U.S. federal agency and government-sponsored enterprise (GSE) obligations, and California state and local agency obligations and other state obligations (subsections VI. 1, 2, 3, and 4 above) with maturities in excess of five years is permitted, subject to the following constraints: U.S. Treasury, federal agency/GSE, and California state and local agency obligations and other state obligations shall have a maximum remaining maturity at time of purchase of eleven years or less, and federal agency/GSE mortgage-backed securities

(including pass-throughs and CMOs) shall have a maximum remaining average life of ten years or less. This change to the investment program was authorized at the June 17, 2019 meeting of the SVCW Commission.

IX. BROKERS/DEALERS AND FINANCIAL INSTITUTIONS

The CFO, or his/her designee, will maintain a list of financial dealers and institutions qualified and authorized to transact business with the Authority.

The purchase by the Authority of any investment, other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the Corporations Code, who is a member of Financial Industry Regulatory Authority (FINRA), or a member of a federally-regulated securities exchange, a National- or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

The CFO shall annually send a copy of the current Investment Policy to all financial institutions and broker/dealers approved to do business with the Authority. Written confirmation of receipt of this Policy shall be considered evidence that the dealer understands the Authority's investment policies and intends to sell the Authority only appropriate investments authorized by this Investment Policy. Moreover, the Authority will execute an agreement with any broker/dealer prior to doing business with such.

If the Authority has retained the services of an Investment Advisor, the Investment Advisor may use its own list of authorized broker/dealers to conduct transactions on behalf of the Authority.

Purchase and sale of securities will be made on the basis of competitive bids and offers with a minimum of three quotes being obtained, whenever possible.

X. REPORTS TO COMMISSION

On a quarterly basis, the CFO shall provide to the Commission a detailed investment report that shall include the following information: description of investment instrument, issuer name, maturity date, credit rating, interest rate, yield, purchase price, par value, book value, current market value and the source of the valuation. This report shall also state compliance of the portfolio with this Investment Policy, or manner in which the portfolio is not in compliance. The CFO shall also provide a list of monthly investment transactions.

XI. PERFORMANCE EVALUATION

The Authority's portfolio shall be structured to achieve a market-average rate of return through various economic cycles, commensurate with the investment risk constraints and the cash flow needs. The benchmark for "market-average rate" shall be the rate of return of an appropriate market-based index which has a duration similar to that of the the Authority's portfolio(s), against which portfolio performance shall be compared on a regular basis.

XII. INTEREST ALLOCATION

Quarterly interest is to be allocated to each fund using the average rate of return and based on the average monthly cash balance for each fund. Residual interest earned will remain in the operations fund.

Funds with a negative cash balance will be charged interest using the average rate of return.

The Authority will further allocate the interest earned for each fund by entity. The interest earnings will be allocated based on the average monthly balance of each entity. The beginning balances for each entity will be taken from the audited financial statements of the previous year.

XIII. SAFEKEEPING OF SECURITIES

All marketable securities owned by the Authority shall be held in safekeeping by a third-party administrator (custody bank or trust department) acting as agent for the Authority under the terms of a custody or trustee agreement executed by the bank and the Authority. All securities will be received and delivered using the standard delivery versus payment (DVP) procedure.

XIV. INTERNAL CONTROL

The CFO is responsible for establishing and maintaining an internal control structure designed to provide reasonable assurance that the assets of the Authority are protected from loss, theft, or misuse. A CFO's office staff member who is not involved in the purchase of investments, wire transfers, or maintaining the general ledger shall be assigned the responsibility of reviewing and reconciling the monthly reports received from the investment advisor and custody bank. This review shall include, but not be limited to, reconciling the listing and amounts of each investment position and transaction.

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AGENDA ITEM 7D

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2019 CONFLICT OF INTEREST CODE UPDATE

ISSUE

To Approve and Adopt the Silicon Valley Clean Water's Conflict of Interest Code Amending Job Titles to Designated Positions of the Authority's Conflict of Interest Code

BACKGROUND

The Political Reform Act requires all local agencies which have adopted Conflict of Interest Codes to review their Conflict of Interest Code at a minimum biennially every even-numbered year. Due to changes in titles, the Commission reviewed and amended the Code on January 18, 2018. On July 12, 2018 the Commission, to keep with its previously established review date, again reviewed the Code and no changes were made at that time.

DISCUSSION

Recent title changes to three positions within the Authority require the list of designated positions under Silicon Valley Clean Water's Conflict of Interest Code, Exhibit A (attached) be updated. Due to the nature of the duties of the positions, the person holding each listed position will continue to be required to file an annual Statement of Economic Interest (Form 700).

This Resolution amends the SVCW Conflict of Interest Code to update the titles of the positions referred to above and as indicated on the attached Exhibit A.

RECOMMENDATION

Move adoption of RESOLUTION AMENDING AND APPROVING THE 2019 CONFLICT OF INTEREST CODE UPDATE FOR SILICON VALLEY CLEAN WATER

EXHIBIT A

2019 CONFLICT OF INTEREST UPDATE

SILICON VALLEY CLEAN WATER DESIGNATED OFFICIALS AND EMPLOYEES

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Commission, Commission of SVCW	All Categories
Secretary, SVCW	All Categories
Manager	All Categories
Assistant Manager/Chief Financial Officer*	All Categories
Chief Operating Officer	All Categories
Authority Engineer*	All Categories
Executive Assistant to the Manager	3, 4
Health & Safety Director	3, 4
IS Director	3, 4
Engineering Director	3, 4
Environmental Services Director	3, 4
Operations Director	3, 4
Maintenance Director	3, 4
Laboratory/Environmental Services Director*	3, 4
Human Resources Director	3, 4
Attorney	All Categories
Consultant	All Categories

*Title changes

**Consultant is defined in Regulation 18700(a) (2) in 2 California Code of Regulations

The (executive director or executive officer) may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of the disclosure requirements (Exhibit B). The (executive director or executive officer's) determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

EXHIBIT B
2019 CONFLICT OF INTEREST UPDATE
SILICON VALLEY CLEAN WATER

DESIGNATED CATEGORIES

CATEGORY 1. A designated employee assigned to Category 1 is required to disclose investments which may foreseeably be materially affected by any decision made or participated in by the designated employee.

CATEGORY 2. A designated employee assigned to Category 2 is required to disclose interests in real property which may be materially affected by any decision made or participate in by the designated employee.

CATEGORY 3. A designated employee assigned to Category 3 is required to disclose income which may be materially affected by any decision made or participated in by the designated employee.

CATEGORY 4. A designated employee assigned to Category 4 is required to disclose any business entity in which the designated employee is a director, officer, partner, trustee, or holds any position of management which may be materially affected by any decision made or participated in by the designated employee.

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AGENDA ITEM 7E

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**SILICON VALLEY CLEAN WATER
PROFESSIONAL CONSULTANT SELECTION POLICY**

ISSUE

Update Silicon Valley Clean Water Selection of Professional Consultants Policy

BACKGROUND

In August 1984, SVCW adopted a Selection of Professional Consultants Policy (Policy No. 1984-03) to guide the selection of professional consultants. The policy has not been updated since its original issue date. Selection of professional consultants is governed by California Government Code Section 4525, et seq and by SVCW policy.

DISCUSSION

Policy No. 1984-03 has not been updated since its original issue in 1984. The original policy is out of date and needs to be updated to match current practice and to note applicable government code.

A draft copy of the policy with proposed changes to the policy is attached. A “clean” copy with changes accepted is also attached. The primary changes to the policy include applicability for circumstances where professional consultants are required and the California Government Code section which is required to be part of the policy for California SRF funding. Other changes include updating the current dollar limits for Manager-level authorizations versus Commission-level authorizations.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION A TO ADMINISTRATIVE POLICY 1984-03 SELECTION OF PROFESSIONAL CONSULTANTS

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ATTACHMENT 1 TO AGENDA ITEM 7E

~~SOUTH BAYSIDE SYSTEM AUTHORITY~~ SILICON VALLEY CLEAN WATER

ADMINISTRATIVE POLICY NO. 1984-03 APPROVED BY: _____

REV: ~~ISSUE A~~ REV DATE: 06/17/2019 ISSUE DATE: 8/15/84

SUBJECT: Selection ~~o~~f Professional Consultants

Purpose:

SVCW uses professional consultants for a variety of needs. This policy outlines the process for selecting and on-boarding professional consultants.

Applicability:

~~Identification of Project~~

The procedure for on-boarding professional consultants will be dictated by whether the identified need is related to professional consultant services; for Capital and/or Capital Improvement Program projects or for non-Capital and/or non-CIP projects. For procedures related to CIP projects, refer to the SVCW Capital Improvement Program Standard Operating Procedure. For all other identified needs, the following procedure applies.

This policy will conform to ~~California~~A Government Code section 4525 et. seq., Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms. Selection of such firms shall be on the basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required.

Procedure:

The ~~Based upon definition of the scope of the project or task, the~~ Commission and/or ~~SBSA-SVCW~~ management staff determine that assistance from a professional consultant is needed. ~~a special project or task is required. The commission and/or staff define the scope of the project or task and prepare a cost estimate. A cost estimate is prepared to determine procedure for selection. In all cases, selection will be on a qualifications-based process.~~

~~If the cost of the special project or task is included in the budget as approved or amended by the Commission the following procedure for selection of consultants shall be followed:~~

Consulting agreements greater than \$~~10~~75,000:

Designated consultants - Legal, Engineering, Architects, Surveying, Project and Construction Management, Labor Relations Consultants:

- 1) Staff develops scope of proposed project.
- 2) Staff determines if project is within normal capabilities of ~~Commission~~-designated consultants.
- 3) Staff prepares recommendation regarding the need for Request for Proposals.
- 4) Staff negotiates terms and conditions of agreement with designated consultant and presents agreement to Commission for consideration.

Other consultants, or not within capabilities of designated consultant or if Commission determines Request ~~f~~For Proposals is required:

- 1)_ Staff send requests for qualifications to several consultants.
- 2)_ Staff selects apparent best qualified (2-4) and sends request for proposals from those judged to be best qualified.
- 3)_ ~~Commission and s~~Staff review proposals and ~~select best~~recommends consultant to Commission.
- 4)_ Staff negotiates terms and conditions of agreement with consultant and presents agreement to Commission for consideration.

Consulting agreements less than \$~~10~~75,000:

- 1)_ Staff develops scope of project.
- 2)_ Staff send request for qualifications or interviews prospective consultants.
- 3)_ Staff recommends consultant to Manager
- ~~43)~~_ Manager ~~selects consultant and~~ negotiates terms and conditions of agreement.

ATTACHMENT 2 TO AGENDA ITEM 7E

SILICON VALLEY CLEAN WATER

ADMINISTRATIVE POLICY NO. 1984-03

APPROVED BY: _____

REV: A

REV DATE: 06/17/2019

ISSUE DATE: 8/15/84

SUBJECT: Selection of Professional Consultants

Purpose:

SVCW uses professional consultants for a variety of needs. This policy outlines the process for selecting and on-boarding professional consultants.

Applicability:

The procedure for on-boarding professional consultants will be dictated by whether the identified need is related to professional consultant services for Capital and/or Capital Improvement Program projects or for non-Capital and/or non-CIP projects. For procedures related to CIP projects, refer to the SVCW Capital Improvement Program Standard Operating Procedure. For all other identified needs, the following procedure applies.

This policy will conform to California Government Code section 4525 et. seq., Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms. Selection of such firms shall be on the basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required.

Procedure:

Based upon definition of the scope of the project or task, the Commission and/or SVCW management determine that assistance from a professional consultant is needed. A cost estimate is prepared to determine procedure for selection. In all cases, selection will be on a qualifications-based process.

Consulting agreements greater than \$75,000:

Designated consultants - Legal, Engineering, Architects, Surveying, Project and Construction Management, Labor Relations Consultants:

- 1) Staff develops scope of proposed project.
- 2) Staff determines if project is within normal capabilities of designated consultants.
- 3) Staff prepares recommendation regarding the need for Request for Proposals.
- 4) Staff negotiates terms and conditions of agreement with designated consultant and presents agreement to Commission for consideration.

Other consultants, or not within capabilities of designated consultant or if Commission determines Request for Proposals is required:

- 1) Staff send requests for qualifications to several consultants.
- 2) Staff selects apparent best qualified (2-4) and sends request for proposals from those judged to be best qualified.
- 3) Staff review proposals and recommends consultant to Commission.
- 4) Staff negotiates terms and conditions of agreement with consultant and presents agreement to Commission for consideration.

Consulting agreements less than \$75,000:

- 1) Staff develops scope of project.
- 2) Staff send request for qualifications or interviews prospective consultants.
- 3) Staff recommends consultant to Manager
- 4) Manager negotiates terms and conditions of agreement.

AGENDA ITEM 7F

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**CALCIUM NITRATE-BIOXIDE® CN-9 CHEMICAL PURCHASE AGREEMENT
AUTHORIZATION TO EXTEND CURRENT AGREEMENT WITH UPDATED PRICING****ISSUE**

SVCW entered into a Chemical Purchase Agreement with Evoqua Water Technologies, LLC on June 15, 2018 for the purchase Calcium Nitrate Bioxide® CN-9 Solution used in SVCW's odor control systems in the conveyance system. The current agreement expires on June 14, 2019 with the option of (3) three annual renewals. SVCW is requesting authorization to utilize the annual renewal option for 2019-2020.

BACKGROUND

SVCW participates annually in the Bay Area Chemical Consortium (BACC) bidding process for various chemicals including Calcium Nitrate to take advantage of the purchasing power of the combined members of the consortium. This year, SVCW participated in the BACC bidding process but Evoqua did not include the specific type of Calcium Nitrate used by SVCW in their bid. Evoqua directly submitted a pricing letter to SVCW for the Calcium Nitrate Bioxide® solution CN-9 that SVCW currently uses. This pricing letter included a guaranteed delivered price of \$2.00 per gallon during the term of June 15, 2019 through June 14, 2020.

ANALYSIS

SVCW Staff analyzed the current BACC bid pricing for the other Calcium Nitrate solution Bioxide® SB and noted the following:

Location	2018 Price/Gal	2019 Price/Gal	Difference	% Increase
Peninsula	\$2.16	\$2.273	\$0.113	5.23%

Analysis of the pricing for Calcium Nitrate Bioxide® CN-9 offered directly from Evoqua:

Location	2018 Price/Gal	2019 Price/Gal	Difference	% Increase
SVCW	\$1.90	\$2.00	\$0.10	5.26%

The price increase of Bioxide® CN-9 product is reasonable compared to the price increase on a similar product Bioxide® SB that was included in the 2019 BACC Bid.

RECOMMENDATION

Move approval of FIRST AMENDMENT TO PROCUREMENT AGREEMENT FOR EXTENSION OF TERM WITH EVOQUA WATER TECHNOLOGIES, LLC FOR THE PURCHASE OF CALCIUM NITRATE BIOXIDE® CN-9 AT \$2.00 PER GALLON DELIVERED AND AUTHORIZE MANAGER TO EXECUTE THE AMENDMENT PREPARED BY SVCW LEGAL COUNSEL

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FIRST AMENDMENT TO PROCUREMENT AGREEMENT FOR EXTENSION OF TERM

This Amendment (“Amendment”) to the original Procurement Agreement titled *Silicon Valley Clean Water, Procurement Agreement – Chemicals for Calcium Nitrate-Bioxide® CN-8 or CN-9 Solution, June 2018*, entered into the 15th day of June, 2018 (“Agreement”), by and between Evoqua Water Technologies, LLC (“Supplier”) and Silicon Valley Clean Water, a California Joint Powers Authority (“Authority”) (collectively “the parties”) entered this _____ day of _____, 2019, extends the Agreement Term from the 14th day of June 2019 through the 14th day of June, 2020 (“First Extended Term”) and adjusts the compensation to be paid for the Extended Term as set forth below.

Recitals

1. The original Term of the Agreement is June 15, 2018 to June 14, 2019, with an option to extend the Agreement on a year-to-year basis, not to exceed three (3) yearly renewals, if conditions and service are satisfactory to both parties;
2. The purpose of this Amendment is to exercise the option to extend the original Term of the Agreement from the 14th day of June, 2019 through the 14th day of June, 2020, which constitutes the first (1st) of the three (3) yearly renewal periods, because the conditions and service are satisfactory to the parties;
3. The further purpose of this Amendment is to adjust the compensation to be paid for the Extended Term.

Therefore, the parties agree to amend the Agreement in the following provisions in the following particulars:

“3. Term.

The Term of this Amendment will be twelve (12) months commencing on June 14, 2019 and expiring on June 14, 2020.

2. Compensation and Payment.

The Authority shall compensate the Supplier during the First Extended Term for all *Bioxide® Solution (CN8)* ammonia free delivered in minimum 4,000 gallon shipments at the unit price of \$2.02 per gallon and for all *Bioxide® Solution (CN9)* delivered in minimum 4,000 gallon shipments at the unit price of \$2.00 per gallon.”

Other than the above modifications, all other terms of the Agreement remain the same. Said Agreement is attached hereto as Exhibit “A” and incorporated fully herein by this reference.

[signatures next page]

IN WITNESS WHEREOF, the parties have executed this Amendment on the day and year first written above.

SILICON VALLEY CLEAN WATER, A California Joint Powers Authority

By: _____
Teresa Herrera, Manager

EVOQUA WATER TECHNOLOGIES, LLC

By: _____

APPROVED AS TO FORM

SVCW Legal Counsel

AGENDA ITEM 8A

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**AUTHORIZING REVISION TO THE ALLOCABLE SHARE OF DEBT SERVICE IN
CONNECTION WITH SILICON VALLEY CLEAN WATER
WIFIA FINANCING PROGRAM**

ISSUE

Authorization for Silicon Valley Clean Water (“Authority” or “SVCW”) to amend Financing Agreements with the City of Redwood City, West Bay Sanitary District and the City of San Carlos. The Financing Agreements support the Authority’s debt service payments in its Water Infrastructure Finance and Innovation Act (“WIFIA”) Loan and 2019 Notes (Collectively the “WIFIA Financing Program”). The proposed amendment will revise the Allocable Share (as defined in the Amendment to the Financing Agreements) of debt service of the WIFIA Financing Program.

BACKGROUND

Subsequent to the May 20, 2019 adoption of Resolution 2019-19 authorizing Silicon Valley Clean Water (“Authority” or “SVCW”) to enter into Financing Agreements, the Authority identified a change to its proposed 2019 debt issuance. Specifically, SVCW confirmed it can increase the amount borrowed from lower-cost State Revolving Fund (SRF) loans provided through the State Water Resources Control Board (“SWRCB”). Combined, this change will permit the Authority to shift approximately \$29 million of RESCU Program funding to the lower-cost SRF loans.

SVCW now intends to fund approximately \$210 million of RESCU construction expenditures through March 2024, of which approximately \$197 million will be financed through Notes at an estimated true interest cost of approximately 1.85% based upon current market conditions (rather than the higher taxable WIFIA Loan interest rate (estimated at approximately 2.41% based on current market conditions).

The proposed change in the WIFIA Financing Program necessitate amendments to the Financing Agreements. Specifically, the Commission would authorize changes to the Financing Agreements between SVCW and three Member Agencies (City of Redwood City, West Bay Sanitary District, and City of San Carlos) to increase their maximum percentages of allocable debt service in support of the WIFIA Loan and the 2019 Notes.

DISCUSSION

The proposed alterations to funding sources do not change Members’ share of the capital costs of the RESCU Program. They do, however, affect the maximum allocation percentages of 2019 Notes and WIFIA Loan and therefore necessitate revisions to the Financing Agreements with Redwood City, West Bay and San Carlos as follows:

- City of Redwood City: Increase from 51.44% to 53.5%;
- City of San Carlos: Increase from 16.04% to 18.5%
- West Bay Sanitary: Increase from 28.43% to 30.5%

The revised Financing Agreements will be presented to each of the three Member Agencies' governing bodies for approval. Staff recommends the Commission approve the proposed amendments to these Financing Agreements.

FINANCIAL IMPACT

Shifting \$29 million of RESCU funding to lower-cost funding sources generates savings of approximately \$3.5 million (on a present value basis) to participating members over the amortization period of the WIFIA Financing Program.

RECOMMENDATION

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE MANAGER AND CHIEF FINANCIAL OFFICER TO INSERT A PERCENTAGE NOT IN EXCESS OF 53.5% FOR REDWOOD CITY, 18.5% FOR SAN CARLOS, AND 30.5% FOR WEST BAY SANITARY DISTRICT AS THE FINAL ALLOCABLE SHARES (AS DEFINED IN THE AMENDMENT TO THE FINANCING AGREEMENT) OF DEBT SERVICE IN THE FINANCING AGREEMENTS PREVIOUSLY APPROVED BY RESOLUTION NO. SVCW 19-19 ON MAY 20, 2019 BY THE COMMISSION

AGENDA ITEM 8B

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**EFFLUENT PIPE LEAK REPAIR (PROJECT 289)
AUTHORIZATION FOR EXPENDITURES**

ISSUE

Approval of Additional Expenditures for Permanent Repairs to the Effluent Pipeline and Continuation of Emergency Condition.

BACKGROUND

Early March 2019, SVCW staff began to notice excess water coming from an area close to where the effluent pipe exits the treatment plant main structure. Shortly after staff noticed water coming from this area, water samples were taken, and it was found to contain bisulfite, a chemical SVCW uses to dechlorinate the water prior to discharge in the Bay. This was a telltale indication that it is plant effluent and not groundwater. At that time, from where the leak was emanating was still in question. Staff contacted Power Engineering (contractors who SVCW has identified as responding to emergency situations related to the influent or effluent pipelines) to assist in finding the cause of the leak.

To determine the location and cause of the leak, an entire plant shutdown was required. This occurred in the overnight between March 13th/14th. The resulting opinion from that investigation was that the leak is occurring from a 2-inch valve fitting set upon the top of the effluent pipe. This fitting was placed as a temporary connection for SVCW's effluent sampling station while a permanent station was being constructed and is no longer in use.

On March 14, 2019, an Emergency Declaration was issued by the SVCW Manager to protect the public health and authorize Power Engineering to proceed with permanent repairs to the pipeline. A status update was provided to the Commission at the meeting of March 18, 2019, indicating that staff and Power Engineering were reviewing design approaches to the permanent repair.

Given the results of the March 14 investigation, methods of repairing the leak were developed, consisting of two steps. On the night of April 4/morning of April 5, a plant shutdown was scheduled with the intention to allow the contractor to enter the interior of the pipe and place a plug from inside the pipe upwards into the fitting. This would be the first step to stop the leak so that the second step of the permanent repair could proceed. The shutdown did occur, and the contractor entered the pipe. Unfortunately, what was detected as the cause of leak did not coincide with the original conclusion. Rather, it was noticed that an excessive amount of pipe settlement had occurred (approximately one foot) and the flange connection between the main structure and the HDPE pipe sheared.

On the night of May 7/morning of May 8, a plant shutdown was again scheduled, allowing the contractor to enter the interior of the pipe and place a temporary patch at the leaking flange connection between the main structure and the HDPE pipe. The patch was successfully installed and the flow of water from the leak stopped. During this pipe entry, it was observed that the pipe was deforming and taking on an oval shape as well as twisting at a 90° bend.

DISCUSSION

Engineering staff has continued investigation of the current break and has concluded that the break is movement-related and a direct result of the young bay mud environment in which the leaking pipe exists.

The repair of this critical pipeline must address numerous complexities and challenges, which include the following:

- Large diameter pipeline – 63-inch High Density Polyethylene (HDPE)
- Deep excavation – 30 feet
- Young bay mud conditions
- Cofferdam construction
- Fixed flanged connection at the main SVCW structure where the 63" HDPE connects to a steel pipe into the facility.
- Pipeline is under continuous use with minimal nighttime shutdown windows
- Failure of pipeline, due to movement issues or construction activities, would be catastrophic to SVCW operations.

Given the level of complexity and effort associated with the immediate repair, the recommended solution is global in nature. A permanent cofferdam system will be installed along the deep section of the pipeline, providing a threefold benefit. One, the load above the pipeline will be removed and no longer contribute to the accelerated settlement of the pipeline. Two, access to the deep section of pipeline will be readily available, allowing close monitoring of this critical asset. Three, the pipeline will no longer be subjected to deformation from the 30 feet of soil backfill. Lastly, and most importantly, this solution provides for pile supporting the deep section of pipeline, which will significantly reduce settlement by penetrating geologic formations that have the capacity to resist settlement.

For these challenging and time critical projects, SVCW continues to retain the services of Power Engineering as the contractor to repair force main leaks. Power Engineering has the required engineering expertise and significant experience with leak repair, proper shoring requirements, and experienced manpower enabling them to complete the work in the short time required to repair the pressure pipe. Power Engineering was authorized to place the temporary repair and to investigate methodologies to complete a repair of this leaking section of pipe. SVCW has also retained the limited services of Kumar Singh for cofferdam/shoring design and Kennedy Jenks for pipeline hydraulics.

The total estimated cost of the repair plan is \$3.5 million. This amount includes budget for the design and completion of the repair described above. Work has already begun at the site involving asphalt paving removal and pot-holing for precise utility locating.

Pursuant to Public Contract Code section 22050, the Commission is required to review the status of an emergency action at each subsequent regularly scheduled meeting and authorize continuation of the emergency action by a four-fifths vote until such time as the action is terminated. Based on the foregoing, staff requests the Commission to determine

that there is a need to continue the emergency repair and suspend competitive bidding in accordance with the Public Contract Code procedures.

FINANCIAL IMPACT

The cost for this work is not budgeted in the SVCW Annual Operations Budget or Revenue Funded Capital Budget and will come from the SVCW Operations Reserve Fund, with an allocated budget of \$3.5 million. Thus far, approximately \$64 thousand has been expended.

RECOMMENDATION

Move approval of EXPENDITURES UP TO \$3,500,000 RELATED TO THE REPAIR OF THE SVCW EFFLUENT FORCEMAIN AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – EFFLUENT OUTFALL LEAK AND DECLARING THAT EMERGENCY CONDITION WARRANTS CONTINUATION OF SUSPENSION OF COMPETITIVE BIDDING (4/5th weighted vote required)

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AGENDA ITEM 8C

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**ESTABLISHING RATES OF PAY AND CLASSIFICATIONS FOR CONFIDENTIAL
GENERAL, UNREPRESENTED GENERAL, PROFESSIONAL AND MANAGEMENT
EMPLOYEES; ADDING LABORATORY AND ENVIRONMENTAL SERVICES
SUPERVISOR; RETITLING LABORATORY DIRECTOR; AND APPROVING
UPDATED CONSOLIDATED PAY SCHEDULE**

ISSUE

Consideration of Salary Adjustments for Confidential General, Unrepresented General, Professional, and Management Employees and Revise Environmental Services Division Management in Response to Retirement and Succession Planning Needs

BACKGROUND

It is the Commission's responsibility to approve all SVCW personnel position titles, compensation, and classification via Resolution. A Memorandum of Understanding with International Union of Operating Engineers - Local 39 (Local 39) was ratified by the Commission in October 2018. This is a five-year MOU and negotiations with Local 39 will not occur again until 2023. For unrepresented SVCW employees, the Commission approves personnel position titles, classification, and compensation via Resolution ("Resolution 77-6"). Unrepresented employee categories requiring Commission approval are Confidential General, Unrepresented General, Professional, and Management.

Confidential General Employee category includes the positions of Accountant, Accounting Technician, Administrative Assistant, Administrative Clerk, Office Assistant, Information System Analyst and Information System Technician. As these positions work with and have access to personnel, payroll and other confidential documents they are excluded from the bargaining unit. Unrepresented General Employee positions include Laboratory Assistant, Engineering Intern, and General Intern.

Professional Employees include the positions of Senior Engineer, Associate Engineer, Senior Capital Improvement Manager, Capital Improvement Program Manager, Senior Information System Analyst, Financial Analyst and Business Analyst.

Management Employees are Supervisor, Director, and Management-level employees and include the SVCW Manager, Authority Engineer, Chief Operating Officer, Assistant Manager/Chief Financial Officer, Maintenance Director, Operations Director, Engineering Director, Laboratory Director, Environmental Services Director, Information Systems Director, Administrative Services Director, Human Resources Director, Health & Safety Director, Maintenance Supervisor, Operations Supervisor, Planner/Scheduler Supervisor, Materials Services Supervisor, Accounting Supervisor, and Executive Assistant to the Manager.

Currently, the Laboratory Division and Environmental Division each are managed by Directors; Laboratory Director and Environmental Services Director. There currently are no supervisor positions in either Division. Due to a retirement planned to occur in August of this year, management has taken the opportunity to evaluate the structure of these two

divisions to address succession planning within the agency. A recommendation to address succession planning for these divisions is presented in the discussion below.

DISCUSSION

Succession Planning Discussion

Over the next five years, it is anticipated that 19 employees will retire causing management to put significant energy and actions into succession planning. Over the past year, discussions and actions have occurred to identify and prepare people within the organization to respond to the upcoming retirements. The first major retirement, effective August 2019, is the Environmental Services Director.

Actions to respond to the Environmental Services Director retirement has proceeded well and has included moving two employees into senior-level positions with the accompanying training and mentoring to prepare them for supervisory positions. Of the two employees moved into senior positions, one is a Senior Environmental Compliance Inspector and the other is a Senior Laboratory Analyst. Both are now ready to be moved into supervisory positions. The final steps to respond to the Environmental Services Director retirement are to create two supervisor positions and realign the current Laboratory Director position.

Under the proposed succession plans, employees currently filling the positions of Senior Environmental Compliance Inspector and Senior Laboratory Analyst would promote to Environmental Services Supervisor and Laboratory Supervisor. The current Laboratory Director will realign to cover both the Laboratory and Environmental Services Divisions. It is recommended the Commission approve the reclassifications of the Senior Environmental Compliance Inspector and Senior Laboratory Analyst from General Represented Employees as non-exempt FLSA positions to the newly created positions of Environmental Services Supervisor and Laboratory Supervisor in the Management classification of SVCW as FLSA exempt positions.

The title of Laboratory Director will be changed to Laboratory/Environmental Services Director; this position is currently filled by Mr. Bob Wandro. Mr. Wandro has been with the agency for 11 years in the position of Laboratory Director and is a highly capable individual. The Manager and Chief Operating Officer have complete confidence in Mr. Wandro to fulfill the responsibilities of this new position.

Salary Adjustment Discussion

Historically the Commission has approved the same Cost of Living Adjustment (COLA) for all unrepresented positions based upon the agreement with the International Union of Operating Engineers - Local 39 to increase wages. The approved COLA increase for the bargaining unit is three and one-half percent (3.5%) effective July 1, 2019 through June 30, 2020. The SVCW Manager recommends a COLA increase for unrepresented employees of three and one-half percent (3.5%) effective July 1, 2019. The budget approved by the Commission in April 2019 for fiscal year 2019-20 includes this recommended COLA increase.

The SVCW Manager is not included in the same COLA increases as all other SVCW staff since she is employed by the Commission under separate contract. When the Commission performs its annual performance evaluation of the Manager, a corresponding salary adjustment is negotiated.

The attached consolidated pay schedule includes pay rates for both the previously-approved general represented employees and the unrepresented employees which is the subject of this agenda item. It is a CalPERS requirement that consolidated pay schedules for the entire staff be publicly approved and adopted by the Commission.

RECOMMENDATION

Move adoption of:

- i. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR MANAGEMENT EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING AND RESTATING CERTAIN PROVISIONS OF RESOLUTION NO. SVCW 18-67 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HERewith
- ii. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR CONFIDENTIAL GENERAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING RESOLUTION NO. SVCW 18-68 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HERewith
- iii. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION FOR UNREPRESENTED GENERAL EMPLOYEE POSITIONS OF ENGINEERING INTERN, LABORATORY ASSISTANT AND GENERAL INTERN AND RESCINDING RESOLUTION NO. SVCW 18-69 AND ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HERewith
- iv. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR PROFESSIONAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING RESOLUTION NO. SVCW 18-70 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HERewith
- v. RESOLUTION AMENDING SECTION 6 OF RESOLUTION NO. SVCW 77-6, THE SVCW PERSONNEL RESOLUTION, RELATING TO CLASSIFICATION OF POSITIONS AND RESCINDING PARAGRAPH 1 OF RESOLUTION NO. SVCW 18-71 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HERewith

- vi. RESOLUTION APPROVING AND ADOPTING CONSOLIDATED PAY SCHEDULE FOR ALL REPRESENTED AND UNREPRESENTED EMPLOYEES OF SILICON VALLEY CLEAN WATER FOR FISCAL YEAR 2019-2020

Silicon Valley Clean Water Consolidated Pay Schedule

Fiscal Year: 2019-20

Cost-of-Living Adjustment: 3.5%

Unrepresented General Employees (hourly)	Codes	A	B	C	D	E
Lab Assistant	D550	\$ 20.92	\$ 21.96	\$ 23.06	\$ 24.22	\$ 25.43
Engineering Intern	E505	\$ 20.92	\$ 21.96	\$ 23.06	\$ 24.22	\$ 25.43
General Intern	E508	\$ 20.92	\$ 21.96	\$ 23.06	\$ 24.22	\$ 25.43

Confidential General Employees (monthly)	Codes	A	B	C	D	E	F	G
Accountant	E250	\$ 8,123	\$ 8,529	\$ 8,956	\$ 9,403	\$ 9,874	\$ 10,367	\$ 10,885
Accounting Technician	E200	\$ 6,006	\$ 6,305	\$ 6,622	\$ 6,953	\$ 7,302	\$ 7,664	\$ 8,048
Administrative Assistant	E100	\$ 7,212	\$ 7,574	\$ 7,954	\$ 8,351	\$ 8,766	\$ 9,206	\$ 9,664
Administrative Clerk	E175	\$ 5,049	\$ 5,302	\$ 5,569	\$ 5,846	\$ 6,138		
Office Assistant	E150	\$ 4,310	\$ 4,524	\$ 4,750	\$ 4,990	\$ 5,238		
Information System Analyst	E510	\$ 9,761	\$ 10,250	\$ 10,762	\$ 11,299	\$ 11,865		
Information System Technician	E520	\$ 6,904	\$ 7,257	\$ 7,630	\$ 8,024	\$ 8,436		

Professional Employees (monthly)	Codes	Minimum	Maximum
Senior Engineer	E500	\$ 14,387	\$ 17,487
Associate Engineer	E503	\$ 10,312	\$ 12,534
Senior Capital Improvement Manager	C902	\$ 14,387	\$ 17,487
Capital Improvement Program Manager (Vacant) ***	C903	\$ 11,509	\$ 13,990
Senior Information System Analyst	E530	\$ 10,845	\$ 13,183
Financial Analyst	E300	\$ 10,153	\$ 13,607
Business Analyst	E325	\$ 10,153	\$ 13,607

*** This position applies to new hires on or after 1/1/2018.

Management Employees (monthly)	Codes	Minimum	Maximum
Manager	C100	\$ 25,000	\$ 25,000
Authority Engineer	C110	\$ 19,595	\$ 23,816
Chief Operating Officer	C120	\$ 20,828	\$ 25,316
Assistant Manager / Chief Financial Officer	C205	\$ 20,281	\$ 24,650
Maintenance Director	C261	\$ 15,989	\$ 19,435
Operations Director	C271	\$ 15,989	\$ 19,435
Engineering Director	C181	\$ 15,989	\$ 19,435
Laboratory/Environmental Services Director	C490	\$ 15,989	\$ 19,435
Laboratory Director	C500	\$ 14,930	\$ 18,147
Environmental Services Director	C411	\$ 14,930	\$ 18,147
Information Systems Director	C511	\$ 14,930	\$ 18,147
Administrative Services Director	C201	\$ 13,803	\$ 16,871
Human Resources Director	C208	\$ 13,803	\$ 16,871
Health and Safety Director	C191	\$ 12,920	\$ 15,704
Maintenance Supervisor	C300	\$ 12,089	\$ 14,694
Operations Supervisor	C400	\$ 12,089	\$ 14,694
Planner / Scheduler Supervisor	C401	\$ 12,089	\$ 14,694
Materials Services Supervisor	C210	\$ 12,089	\$ 14,694
Accounting Supervisor	C405	\$ 12,089	\$ 14,694
Laboratory Supervisor	C512	\$ 12,089	\$ 14,694
Environmental Services Supervisor	C420	\$ 12,089	\$ 14,694
Capital Improvement Program Manager (Current)	C901	\$ 11,509	\$ 13,990
Executive Assistant to the Manager	C215	\$ 7,932	\$ 10,629

New

New

New

General Represented Employees**Stationary Engineers Local 39****Class 0 Positions (Monthly)**

	Codes	A0	B0	C0	D0	E0	F0	G0
Senior Operator	D130	\$ 8,184	\$ 8,592	\$ 9,017	\$ 9,471	\$ 10,044	\$ 10,443	\$ 10,963
Operator	D400	\$ 6,539	\$ 6,870	\$ 7,209	\$ 7,573	\$ 7,959	\$ 8,355	\$ 8,766
Senior Plant Mechanic	D200	\$ 7,886	\$ 8,283	\$ 8,694	\$ 9,124	\$ 9,587	\$ 10,064	\$ 10,569
Senior Plant Mechanic - Electrician	D250	\$ 8,429	\$ 8,853	\$ 9,292	\$ 9,756	\$ 10,250	\$ 10,760	\$ 11,299
Senior Plant Mechanic - Instrumentation Tech	D230	\$ 8,429	\$ 8,853	\$ 9,292	\$ 9,756	\$ 10,250	\$ 10,760	\$ 11,299
Senior Plant Mechanic - Control Systems Technician	D260	\$ 8,850	\$ 9,296	\$ 9,757	\$ 10,243	\$ 10,762	\$ 11,298	\$ 11,864
Plant Mechanic	D450	\$ 6,066	\$ 6,370	\$ 6,690	\$ 7,029	\$ 7,384	\$ 7,750	\$ 8,134
Plant Mechanic - Electrician	D460	\$ 6,066	\$ 6,370	\$ 6,690	\$ 7,029	\$ 7,384	\$ 7,750	\$ 8,134
Plant Mechanic - Instrumentation Tech	D440	\$ 6,066	\$ 6,370	\$ 6,690	\$ 7,029	\$ 7,384	\$ 7,750	\$ 8,134
Plant Mechanic - Control Systems Technician	D470	\$ 6,369	\$ 6,689	\$ 7,025	\$ 7,381	\$ 7,753	\$ 8,137	\$ 8,541
Planner / Scheduler Assistant	D852	\$ 6,066	\$ 6,370	\$ 6,690	\$ 7,029	\$ 7,384	\$ 7,750	\$ 8,134
Water Quality Specialist *	D360	\$ 7,628	\$ 8,094	\$ 8,597	\$ 9,118	\$ 9,677	\$ 10,273	\$ 10,786
Senior Laboratory Analyst **	D305	\$ 8,874	\$ 9,318	\$ 9,784	\$ 10,273	\$ 10,786	-	-
Laboratory Analyst II	D303	\$ 8,069	\$ 8,473	\$ 8,896	\$ 9,340	\$ 9,807	-	-
Laboratory Analyst I	D301	\$ 7,336	\$ 7,701	\$ 8,085	\$ 8,491	\$ 8,915	-	-
Senior Environmental Compliance Inspector *	D351	\$ 8,048	\$ 8,452	\$ 8,874	\$ 9,318	\$ 9,784	-	-
Environmental Compliance Inspector	D353	\$ 7,318	\$ 7,684	\$ 8,069	\$ 8,473	\$ 8,896	-	-
Pollution Prevention Specialist	D355	\$ 7,318	\$ 7,684	\$ 8,069	\$ 8,473	\$ 8,896	-	-
Procurement/Materials Specialist	D700	\$ 7,813	\$ 8,214	\$ 8,634	\$ 9,057	\$ 9,510	-	-
Utility Worker	D850	\$ 5,614	\$ 5,925	\$ 6,248	\$ 6,594	\$ 6,956	-	-

Class 1 Positions (Monthly)

	Codes	A1	B1	C1	D1	E1	F1	G1
Senior Operator	D131	\$ 8,348	\$ 8,762	\$ 9,196	\$ 9,662	\$ 10,245	\$ 10,652	\$ 11,182
Operator	D401	\$ 6,670	\$ 7,008	\$ 7,353	\$ 7,724	\$ 8,119	\$ 8,521	\$ 8,942
Senior Plant Mechanic	D201	\$ 8,043	\$ 8,449	\$ 8,868	\$ 9,306	\$ 9,780	\$ 10,265	\$ 10,781
Senior Plant Mechanic - Electrician	D251	\$ 8,598	\$ 9,030	\$ 9,477	\$ 9,950	\$ 10,455	\$ 10,975	\$ 11,526
Senior Plant Mechanic - Instrumentation Tech	D231	\$ 8,598	\$ 9,030	\$ 9,477	\$ 9,950	\$ 10,455	\$ 10,975	\$ 11,526
Senior Plant Mechanic - Control Systems Technician	D261	\$ 9,027	\$ 9,482	\$ 9,952	\$ 10,448	\$ 10,977	\$ 11,524	\$ 12,102
Plant Mechanic	D451	\$ 6,187	\$ 6,498	\$ 6,824	\$ 7,168	\$ 7,532	\$ 7,905	\$ 8,297
Plant Mechanic - Electrician	D461	\$ 6,187	\$ 6,498	\$ 6,824	\$ 7,168	\$ 7,532	\$ 7,905	\$ 8,297
Plant Mechanic - Instrumentation Tech	D441	\$ 6,187	\$ 6,498	\$ 6,824	\$ 7,168	\$ 7,532	\$ 7,905	\$ 8,297
Plant Mechanic - Control Systems Technician	D471	\$ 6,497	\$ 6,823	\$ 7,165	\$ 7,527	\$ 7,908	\$ 8,301	\$ 8,712
Planner / Scheduler Assistant	D853	\$ 6,187	\$ 6,498	\$ 6,824	\$ 7,168	\$ 7,532	\$ 7,905	\$ 8,297
Water Quality Specialist *	D361	\$ 7,780	\$ 8,256	\$ 8,770	\$ 9,301	\$ 9,872	\$ 10,478	\$ 11,001
Senior Laboratory Analyst **	D306	\$ 9,052	\$ 9,505	\$ 9,979	\$ 10,478	\$ 11,001	-	-
Laboratory Analyst II	D304	\$ 8,230	\$ 8,641	\$ 9,073	\$ 9,526	\$ 10,003	-	-
Laboratory Analyst I	D302	\$ 7,482	\$ 7,856	\$ 8,247	\$ 8,662	\$ 9,094	-	-
Senior Environmental Compliance Inspector *	D352	\$ 8,209	\$ 8,622	\$ 9,052	\$ 9,505	\$ 9,979	-	-
Environmental Compliance Inspector	D354	\$ 7,465	\$ 7,837	\$ 8,230	\$ 8,641	\$ 9,073	-	-
Pollution Prevention Specialist	D356	\$ 7,465	\$ 7,837	\$ 8,230	\$ 8,641	\$ 9,073	-	-
Procurement/Materials Specialist	D701	\$ 7,970	\$ 8,378	\$ 8,807	\$ 9,238	\$ 9,700	-	-
Utility Worker	D851	\$ 5,727	\$ 6,043	\$ 6,374	\$ 6,726	\$ 7,096	-	-

Class 0 - Employees not eligible for certification pay.

Class 1 - Employees achieving professional certification higher than specified for current classification qualify for certification pay per CLASS 1 salary schedule.

* Salary step "G" available only to Water Quality Specialists in Environmental Compliance Division as of 7/1/2013. Promotions to Snr Environmental Compliance Inspector limited to only one person in the position at any given time. The Water Quality Specialist classification not available to new hires after June 30, 2013.

** There shall be only one person in the position of Senior Laboratory Analyst at any given time.

AGENDA ITEM 8D

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DISPOSITION OF SVCW REAL PROPERTY

ISSUE

Approve Recommendation to Retain Services of Real Estate Broker to Market and Sell Silicon Valley Clean Water Real Property at 379 Greendale Way, Redwood City.

BACKGROUND

In May 2010 Silicon Valley Clean Water (SVCW) purchased a residential property at 379 Greendale Way, Redwood City, California, pursuant to the employment agreement with the previous Manager as part of his compensation package. The purchase price was \$2.54 million. The previous Manager has vacated the property and it now sits primarily vacant except for occasional overnight stays by the current Manager.

The Commission noted its intent to sell the property upon completion of certain tasks. The majority of tasks are complete though one remaining pending item is installation of a new gas meter at the property by P.G.&E. That work is estimated to be complete by the end of June 2019.

DISCUSSION

In 2018, the Commission noted to staff its intention to sell the property. This intention was reiterated in May 2019 at which time staff began the process to obtain proposals from listing agents. Staff recommends that the Commission retain the services of a qualified real estate broker to list and market the Property in accordance with customary use and practice.

Steps to market and list the Property will include preparation and distribution of marketing materials, staging of the residence, obtaining inspection reports, preparing disclosure statements, setting a process for entertaining offers, etc., all to be recommended by the real estate broker that, in his/her best judgment, are reasonably necessary to sell the Property. Moreover, and in order to establish the list price for the Property, staff recommends that the designated real estate broker perform a standard Comparative Market Analysis (CMA) to evaluate the Property's fair market value based on similar recently sold homes (i.e., comparables) in the same neighborhood. The CMA is a widely recognized and reliable method for valuing residential real estate and is used by most sellers to establish a list price.

Staff reached out to real estate brokers who specialize in high-value properties in the area to obtain proposals for listing and selling the property. The Manager and CFO met with four brokers at the property, followed by meetings with each broker individually to receive proposals in SVCW's offices. Criteria for selecting a broker included the proposed approach for maximizing buyer interest and ultimate proceeds for the property, percent of commission, experience in selling properties in the area, and reputation for being successful in selling properties similar in nature.

The Manager will provide her recommendation on which real estate broker best meets SVCW's criteria during the discussion of this agenda item.

FINANCIAL IMPACT

It is anticipated that the value of the property will be in the \$4 million range; however, the actual value will not be known until a broker is in place, the list price determined and ultimate sale finalized.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING AND AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT FOR THE SALE OF CERTAIN HEREIN DESCRIBED REAL PROPERTY (379 Greendale Way, Redwood City, California)