

MINUTES OF SILICON VALLEY CLEAN WATER
REGULAR MEETING – AUGUST 10, 2017

ITEM 1

CALL TO ORDER

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

ITEM 2

ROLL CALL - Commissioners Duly Appointed by Each Agency

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

Staff, Consultants and Visitors Present

Christine C. Fitzgerald, SVCW Legal Counsel
Daniel T. Child, SVCW Manager
Teresa Herrera, SVCW Assistant Manager / Chief Engineering Officer
Matt Anderson, SVCW Chief Financial Officer / Administration Manager
Monte Hamamoto, SVCW Chief Operating Officer
Jennifer Flick, SVCW Human Resources Director
Kim Hackett, SVCW Engineering Director
Bruce Burnworth, SVCW Senior Engineer
Cindy Hui, SVCW Financial Analyst
Ilana Schmidt, SVCW Administrative Assistant
Keith McClure, SVCW Operations Supervisor
Derek Rampone, City of Redwood City
Bill Tanner, Tanner Pacific, Inc.
Aren Hansen, Brown & Caldwell
Charlie Joyce, Brown & Caldwell
Roanne Ross, West Yost

ITEM 3

PLEDGE OF ALLEGIANCE

Commission Chair Mr. Seybert led those attending the meeting in the recital of the Pledge of Allegiance.

ITEM 4

PUBLIC COMMENT

There was no Public Comment

ITEM 5A
SAFETY MOMENT

Mr. Child shared an article about water safety and tips to prevent accidents while in the pool.

ITEM 5B
MANAGER'S REPORT

SVCW Jackets: Mr. Child presented the Commissioners with jackets that were presented to SVCW employees in recognition of their successful efforts in dealing with last winter's record flows in the SVCW system.

Letter to Anna Eshoo: Commission Chair Seybert signed a letter to Congress Woman Anna Eshoo thanking her for supporting SVCW's pursuit of WIFIA money. Unfortunately, the Agency wasn't selected as a recipient in this round and Mr. Child stated it is SVCW staff's intent to apply again in the next round.

Bioforcetech Ribbon-Cutting: Mr. Child shared the success of Bioforcetech's "Grand Opening" adding there were about forty people from various areas of the state and even from Denmark in attendance.

ITEM 5C
FINANCIAL REPORTS

There were no questions on the Financial Reports.

ITEM 5F
RESCU PROGRAM DESIGN-BUILD PROJECT STATUS UPDATE

Ms. Herrera provided an update on the selection process for both the Front of Plant and Gravity Pipeline Projects as well as the timeline for when items will be coming to the Commission for approval.

Mr. Grassilli asked what happens if SVCW can't negotiate a contract. Ms. Herrera replied that the draft contract documents were included in the RFP and respondents were asked to provide comments on items they saw as challenges or needing attention. All the proposers provided feedback that is very proactive. Preliminary discussions are already occurring and staff expects reaching agreement on a contract is likely.

Mr. Seybert and Mr. Lieberman inquired about evaluating how well the teams work with SVCW and if there are any relationship concerns. Ms. Herrera replied that this concern is shared by staff and is one of the identified primary items being evaluated in the selection process. She stated she is confident in the shortlisted firms and will continue to evaluate how they work with SVCW staff. Ms. Herrera also mentioned that working well together with the selected proposer is especially important as the plan is for the designer, contractor,

supporting staff and sub-contractors and SVCW staff and consultants will be working side by side in office trailers dedicated to the RESCU program.

ITEM 6

MATTERS OF COMMISSION MEMBER'S INTEREST

Commissioner Lieberman and Commissioner Otte announced they will not be in attendance at the September Commission meeting and their alternates plan to attend.

Commissioner Seybert formed a Commission subcommittee to discuss the CalPERS Performance Pay Incentive program SVCW currently has in place. Commissioner Grassilli and Commissioner Otte will serve and Mr. Child will follow up with a timetable once Commissioner Otte returns from his vacation.

ITEM 7

CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR

Motion/Second: Mr. Lieberman / Mr. Otte

The Motion carried by Unanimous Roll Call Vote.

ITEM 8A

CONSIDERATION OF MOTIONS APPROVING TASK ORDER'S FOR PRELIMINARY DESIGN SERVICES - MENLO PARK PUMP STATION PROJECT (CIP #7004) AND REDWOOD CITY PUMP STATION PROJECT (CIP #7005)

Ms. Herrera displayed an aerial photo of the two conveyance system components, the Menlo Park Pump Station and the Redwood City Pump Station which are next on the schedule for rehabilitation and replacement. The Menlo Park Pump Station project will be a rebuild of the pump station within the existing footprint, while the Redwood City Pump Station is a total replacement of the existing pump station. Ms. Herrera proceeded to show an overhead photograph of the Menlo Park Pump Station site which shows the lack of available space to build a replacement pump station. Due to this lack of space the pump station is anticipated to be rehabilitated within the footprint of the existing building.

A significant challenge for both pump stations is the complexity of keeping the existing pump stations operating while doing the work within the restraints of the available footprint. Redwood City Pump Station has more available room and will be slightly easier. Ms. Herrera showed an aerial view of the planned new pump station directly adjacent to the existing pump station in Redwood City. The existing building is planned to be repurposed as a motor control center, however, it is during the initial pre-design phase that this type of decision is evaluated for final implementation. Ms. Herrera concluded with the recommendation to award Brown and Caldwell task orders that will take the design of the Redwood City and Menlo Park pump stations to the 30% design level.

Commissioner Grassilli asked if the pump stations are paid for directly by the member agency associated with that pump station. Mr. Child stated that Amendment No. 6 to the Joint Powers Agreement changed the cost sharing strategy and he could not recall exactly how pump station costs are allocated. Mr. Child stated he believes each City is responsible for their own pump station, but he was not one-hundred percent sure and will report back to the Commission at the next meeting in September.

Motion/Second: Mr. Grassilli / Mr. Lieberman

- i. Move approval of TASK ORDER SCOPE AND BUDGET FOR PRELIMINARY DESIGN SERVICES FOR THE MENLO PARK PUMP STATION PROJECT (CIP #7004) IN AN AMOUNT NOT TO EXCEED \$580,691 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BROWN AND CALDWELL

- ii. Move approval of TASK ORDER SCOPE AND BUDGET FOR PRELIMINARY DESIGN SERVICES FOR THE REDWOOD CITY PUMP STATION PROJECT (CIP #7005) IN AN AMOUNT NOT TO EXCEED \$590,316 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BROWN AND CALDWELL

The Motions carried by Unanimous Roll Call Vote.

ITEM 8B

CONSIDERATION OF MOTION APPROVING TASK ORDER SCOPE AND BUDGET FOR PROGRAM MANAGEMENT SUPPORT SERVICES FOR THE RESCU PROGRAM (CIP #6006)

Ms. Herrera provided a brief background on the support provided to SVCW's Program Management and Engineering Director from West Yost & Associated (formerly Whitley & Burchett) and due to the complexity of the RESCU Program and the upcoming extended leave of SVCW's Engineering Director, ongoing support is crucial. Ms. Herrera added that task orders are developed for twelve-month durations, though they typically have lasted fifteen to sixteen months. She concluded with recommending the Commission approve the proposed task order for an extension of services.

Mr. Seybert asked if the task order would extend through the life of the project. Ms. Herrera said due to West Yost's involvement in different projects, this task order is specifically for the RESCU Program for a twelve-month period.

Motion/Second: Mr. Lieberman / Mr. Grassilli

Move approval of TASK ORDER SCOPE AND BUDGET FOR PROGRAM MANAGEMENT SUPPORT SERVICES FOR THE RESCU PROGRAM (CIP #6006) IN AN AMOUNT NOT TO EXCEED \$398,022 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN

PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS –
WEST YOST ASSOCIATES

The Motion carried by Unanimous Roll Call Vote.

ITEM 8C

CONSIDERATION OF MOTION APPROVING TASK ORDER SCOPE AND BUDGET FOR
PROFESSIONAL CONSTRUCTION MANAGEMENT SERVICES FOR SVCW CIP AND
CAPITAL PROJECTS

Ms. Herrera provided a brief background on Tanner Pacific, Inc. (TPI) and the wide range of construction management services they provide to SVCW. Ms. Herrera explained that there are multiple projects TPI oversees with a staff of fourteen and their scope of work changes yearly depending on what projects are underway and planned. This “Global” Task Order, presented to the Commission for approval, covers multiple projects with a construction value of approximately Twenty-Seven Million Dollars in the coming twelve months. Using outside Construction Management services allows SVCW to control costs. A consultant is able to shift staff to meet demand versus the need for a public agency to hire staff that may be more than is needed for the workload at certain times.

Commissioner Otte asked if the Construction Management for the Design-Build Projects is encompassed in this task order. Ms. Herrera replied that SVCW staff expects to use the same firm, but the Design-Build work is not included in this Task Order and different Task Orders will be presented to the Commission in relation to the various projects of the Design-Build work. Commissioner Otte acknowledge that he believes this approach makes sense due to the different approach needed for Design-Build work.

Commissioner Lieberman inquired about what happens to the money if less is used during the year identified in the Task Order. Ms. Herrera replied that task order timeframes have traditionally been extended if money is not used and the twelve-month period is not set in stone. This is what has been done in the past and the Agency will not lose any funds as SVCW Task Orders are based on the “Time and Materials” billing process.

Commissioner Seybert added that in his experience twelve percent is a very common cost for Construction Management. Ms. Herrera concurred and stated that SVCW anticipates thirteen percent in the development of expected CIP costs based on prior experience.

Motion/Second: Mr. Lieberman / Mr. Otte

Move approval of TASK ORDER SCOPE AND BUDGET FOR CONSTRUCTION
MANAGEMENT SERVICES IN AN AMOUNT NOT TO EXCEED \$3,308,106 AND
AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR
ADDITIONAL WORK ON AN AS-NEEDED BASIS - TANNER PACIFIC INC.

The Motion carried by Unanimous Roll Call Vote.

ITEM 8D

CONSIDERATION OF RESOLUTION APPROVING MASTER SERVICES AGREEMENT AND TASK ORDER FOR OPERATIONS, MAINTENANCE AND ENGINEERING COORDINATION SERVICES

Ms. Herrera provided a brief background on Mr. E.J. Shalaby of DNS Strategic Partners and his highly-regarded reputation in the wastewater industry. Mr. Shalaby recently became available as a consultant and both Ms. Herrera and Mr. Child are confident he is the appropriate person to help bridge the gap between completed projects and the handoff to Operations and Maintenance staff. This has been a challenge and DNS will assist with coordinating training and support, as well as provide Mr. Shalaby's expertise with key large wastewater initiatives. Ms. Herrera shared that SVCW has been trying to hire Engineers for over six-months and has been unsuccessful in finding qualified staff. Mr. Shalaby's skills will alleviate the significant need for immediate assistance and allow SVCW to continue the search for qualified engineers. Mr. Shalaby's contract is based on time and materials and covers a five-year period.

Commissioner Lieberman asked if Mr. Shalaby would be considered full-time and calculated his fees to be close to Four-Hundred Thousand Dollars. Mr. Child replied that the rate is based on a Two-Hundred Dollar per hour consultant fee and it is expected that he will work close to full time on SVCW project needs.

Commissioner Lieberman proceeded to ask if Mr. Shalaby will perform the role of the Engineer positions SVCW is advertising for and asked what the salary range is for the open Engineer position. Ms. Herrera replied that he will partially fill one of the roles and the top of the salary range for the advertised position is nearly Two-Hundred Thousand Dollars. Mr. Child again added what a tremendous challenge it is to find qualified Engineers who are able to perform the duties required.

Commissioner Lieberman stated that he understands the burdened costs of employment and wants to ensure this is a cost-effective way of doing it because it is a fairly significant cost for a consultant versus having someone on staff. Mr. Child said there is a premium for bringing on someone with expertise such as Mr. Shalaby and he has full confidence that he is the right one to get the job done correctly.

Commissioner Seybert asked if down the road someone comes along who is qualified for the Engineer position, can the contract be revisited and Mr. Child replied that the contract can be revisited at any time and is time and materials based.

Commissioner Seybert requested staff make a note, that at budget development time staff looks at all salaries to ensure SVCW remains competitive in the industry as previously directed by the Commission.

Motion/Second: Mr. Grassilli / Mr. Otte

Move adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT AND TASK ORDER SCOPE AND BUDGET FOR OPERATIONS-MAINTENANCE-ENGINEERING COORDINATION SERVICES IN AN AMOUNT OF \$2.1 MILLION AND

AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – DNS STRATEGIC PARTNERS, LLC

The Resolution carried by Unanimous Roll Call Vote.

ITEM 9

CLOSED SESSION

Closed Session was called to order at 8:31 a.m.

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Government Code §54956.9(d)(4)) Number of Potential Cases: 1

ITEM 10

RECONVENE IN OPEN SESSION

Open Session reconvened at 8:44 a.m. Ms. Fitzgerald reported that discussion was held on the above items and instructions were given to Staff and Counsel by the Commission and no action was taken.

ITEM 11

ADJOURN

There being no further business, the meeting adjourned at 8:45 a.m.



Robert Grassilli, Secretary

By: Daniel T. Child, Manager