

**MINUTES OF SILICON VALLEY CLEAN WATER  
REGULAR MEETING – SEPTEMBER 14, 2017**

**ITEM 1**

**CALL TO ORDER**

Commissioner Chair, Mr. 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 President Edward Moritz, West Bay Sanitary District - (Alternate)

**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  
Kim Hackett, SVCW Engineering Director  
Bruce Burnworth, SVCW Senior Engineer  
Cindy Hui, SVCW Financial Analyst  
Ilana Schmidt, SVCW Administrative Assistant  
Derek Rampone, City of Redwood City  
E.J. Shalaby, DNS Strategic Partners, LLC  
Janet McGovern, Sandul Public Relations  
Mark Minkowski, Kennedy/Jenks  
Robert Porr, Fieldman, Rolapp & Associates  
Bill Tanner, Tanner Pacific, Inc.

**ITEM 3**

**PLEDGE OF ALLEGIANCE**

Commissioner Moritz, Alternate Commissioner representing West Bay Sanitary District, led those attending the meeting in the recital of the Pledge of Allegiance.

**ITEM 4**

**PUBLIC COMMENT**

There was no Public Comment.

Commissioner Seybert welcomed a member of the public, Janet McGovern who is working with Sandul Public Relations and recognized her for the article she wrote in Climate Magazine on the history of Redwood Shores. He also noted her years of involvement with Redwood City and thanked her for her wonderful work.

**ITEM 5A**  
**SAFETY MOMENT**

Mr. Child discussed basic electrical safety and tips to avoid shock while performing tasks.

**ITEM 5B**  
**MANAGER'S REPORT**

SVCW Warrant Register: Mr. Child noted to the Commission that a recent Warrant Register sent to them, not included in this agenda approval action, contained a purchase that had inadvertently been made without advanced Commission approval. The current accounting system requires items to be broken down into different accounts and due to this it was missed by staff that the total exceeded the Manager's approval limit of \$50,000 and got through the system without staff realizing the total cost. Mr. Child said the coming new accounting system (Cogsdale) will assist with checks and balances and prevent things like this from happening in the future.

Mr. Seybert requested an action to approve the purchase be included on the Consent Calendar for the next Commission meeting to allow the Commission to formally approve the purchase. This will show anyone looking at the transaction in the future that the Commission approved the transaction, what happened and establish a trail of documentation.

Staged Anaerobic Fluidized Membrane Bioreactor (SAF-MBR): Mr. Child passed out a flyer to the Commissioners and invited any who would like to attend the kickoff event, on October 6<sup>th</sup> for the new anaerobic process that is being pilot tested at SVCW in conjunction with Stanford University and the California Energy Commission.

CalPERS' Appeal: Mr. Child updated the Commission and said that Liebert Cassidy and Whitmore attorneys will file their final brief on behalf of SVCW and David Hall on September 15, 2017. They will be allowed to respond to CalPERS final brief, and they to ours, by September 30<sup>th</sup>. The Administrative Law Judge will then move forward with all the evidence and make his decision. We expect a decision prior to the end of the year.

Pump Station Cost-Sharing: Mr. Child addressed Mr. Grassilli's inquiry at last month's meeting regarding how costs are shared for pump stations. Mr. Child said back in 2011 there was an amendment to the JPA that made all capital assets common and all member Agencies pay for capital improvement costs. From an operational standpoint, however, each Agency pays for the operation and maintenance of their specific pump station.

Special Meeting October 5, 2017, and Harbor Industrial Presentation: Mr. Child reminded the Commission of the Special Meeting scheduled for October 5, 2017 at 8:00 a.m. Following the meeting, Ms. Herrera and Mr. Child will present a CIP Update to the Harbor Industrial Association for their monthly meeting at the Vans Restaurant in Belmont.

**ITEM 5C3**  
**FINANCIAL REPORTS**

Mr. Anderson provided an update on SVCW's Capital Improvement Program and proposed strategies for funding the RESCU Program's Front of Plant and Gravity Pipeline projects. Mr. Anderson explained the current borrowing environment and the challenges with funding, due to loans being oversubscribed from the State Revolving Fund (SRF) and unfortunately, the Agency was not selected to apply for WIFIA.

Mr. Anderson introduced Robert Porr from Fieldman, Rolapp & Associates who is SVCW's Municipal Advisor and has worked with the Agency in the past. Mr. Porr proceeded to explain the Municipal Market Index Rates and the decrease in interest levels since last time SVCW went out for bonds. He added that the current market is very attractive with a mean record low interest rates.

Mr. Anderson said SVCW anticipates seeking an amount between two and three hundred million dollars to fund the first eighteen (\$200M) to thirty months (\$300M) of the projects. He believes it is wise for the Authority to prepare a bond issuance for January 2018. Mr. Anderson provided a timeline of events for the Commission to anticipate SVCW going to their Boards for Resolution adoptions.

Mr. Moritz asked that since the Authority is planning to receive the money in 2018, but with the largest expenditures in the FY 2019- 2020, has Mr. Anderson thought about the plan of what to do with it in the interim? He added interest accrued can work in both ways and it would be useful to have a plan to offset the interest payments.

Mr. Grassilli expressed concern about SVCW fixing these issues now and what will happen in another thirty years. He does not want the Authority to end up back where it was when he came onto the Commission with no money and a lot of costs coming up that require more borrowing. Mr. Child responded that the Commission established a Capital Reserve Policy that is already saving money for the future and assured the Commission the Authority is far from where it once was. There will be funds available in the Capital Reserve Fund for many capital expenses in the future, but very large projects or programs would still likely require borrowing. Commissioners directed Mr. Anderson to investigate hiring a Money Manager and Mr. Anderson is already working with Fieldman, Rolapp & Associates on this.

Mr. Seybert requested Mr. Anderson get a Memo out to him and the City Manager regarding the timeline for financial planning and bond issuance, especially if Resolutions need to be adopted by their Council. He added that the City Council Agendas are already being planned into February 2018. Mr. Child stated staff will get a notice to all Member Agencies' staff and

the Commissioners within a week to facilitate a kickoff of the program and allow planning of needed actions at the City Council and Board levels.

**ITEM 5F**

**RESCU PROGRAM DESIGN-BUILD PROJECT STATUS UPDATE**

Ms. Herrera provided an update on the selection of design-build teams for the Front of Plant and Gravity Pipeline projects. At the next Commission Meeting on October 5, 2017, Ms. Herrera anticipates bringing a recommendation to the Commission to award the Contract for Stage 1 for the Gravity Pipeline. Approval of this recommendation keeps the project on course with the schedule that has been presented to the Commission for the past several months and published to the contracting community in the Request for Qualifications and Request for Proposal process. Stage 1 will bring the design from the current level of ten percent to what is considered the sixty percent level. At the sixty percent level, enough will be defined in the project to allow the Stage 2 contract to be negotiated. Stage 2 is the final Progressive Design Build stage where either a Lump Sum or Guaranteed Maximum Price (GMP) will be negotiated for the Commission to approve and move into final design and construction of the project. Also in October, staff will bring a Task Order for Owner's Advisory Services with Kennedy Jenks and a Task Order for Construction Management and Quality Assurance from Tanner Pacific, Inc.

Mr. Child reminded the Commission of how the approval process works with Contracts and his authority to authorize expenditures up to a certain amount. Mr. Child stated his concern, given the fast-moving pace of the Design-Build construction process, is the time to approve changes and the limit on the amount could prove to be unworkable in avoiding project delays. Mr. Child stated that he wanted to discuss this situation and bring an action item to the Commission at a future meeting to raise the amount the Manager is authorized to approve without prior Commission approval and to investigate the feasibility of establishing a subcommittee of the Commission to approve higher amounts to avoid delay claims by the contractor.

Commissioner Seybert agreed the current dollar amount is not high enough and asked Mr. Child what level or dollar amount he thinks would be a workable amount. Mr. Child had been thinking that using the same limit the Manager has for Emergency Actions, up to Three Hundred Thousand Dollars may make sense but he wants to evaluate it further and make a recommendation at a future meeting. Having a Commission subcommittee for higher amounts, so if something large comes up he can contact the members and make a decision which would then be ratified by the Commission at the following meeting, should also be evaluated. Mr. Child said his experience with Design-Build construction has been that decisions must be made in a timely manner to avoid delays that can be very costly.

Mr. Lieberman said given the time pressure elements Mr. Child is under, how does he weigh the risk to make a large decision in a short amount of time? Mr. Lieberman added that pressure may not find the best solution and asked if it is a fair assumption to say these companies have been involved in design-build before. Mr. Child agreed and said staff has called others that have dealt with these firms before and SVCW has had several site visits for this reason. Mr.

Child emphasized the importance of having a strong working relationship and having clear communications with the Design-Build team to avoid surprises where Mr. Child or the Commission is required to make short notice decisions.

The Commissioners agreed that a subcommittee may be a good idea and could report their actions to the full Commission at the next meeting. Mr. Seybert stated that he felt the subcommittee should also have a limit on their approval level to avoid them being put in an awkward position of approving very large amounts in a very short time and recommended that a special meeting of the Commission be required if anything major deviates from what is expected. Mr. Lieberman agreed and stated that if the subcommittee is faced with very large dollar amounts in a short time, the pressure is enormously high even if the subcommittee thinks it is the best way to go.

Mr. Child said he will bring staff recommendations to the Commission at a future meeting and the Commission can make adjustments as needed and approve the levels as the Commission feels best serves the Member Agencies and our ratepayers.

#### **ITEM 6**

##### **MATTERS OF COMMISSION MEMBER'S INTEREST**

Mr. Seybert confirmed next month's Commission Meeting scheduled for one week earlier on October 5, 2017 at 8:00 a.m.

#### **ITEM 7**

##### **CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR**

**Motion/Second: Mr. Lieberman / Mr. Grassilli**

The Motion carried by Unanimous Roll Call Vote.

#### **ITEM 8A**

##### **CONSIDERATION OF RESOLUTION APPROVING CONSTRUCTION CONTRACT DOCUMENTS FOR THICKENING IMPROVEMENTS PHASE 1 PROJECT INSTALLATION OF TWO ROTARY DRUM THICKENERS (CIP #9168)**

Ms. Herrera displayed a schematic of SVCW's current thickening system. Originally, the Plant had four gravity thickeners with two of them failing completely about 5 years ago. Those were replaced with gravity belt thickeners. The remaining 2 gravity thickeners (GT) suffered catastrophic failure in February 2017. SVCW maintenance staff were able to take parts from the 2 and piece together one working unit. Since February the plant has been running on just 1 gravity thickener with no backup. Due to this situation, the Commission previously approved the purchase of 2 Rotary Drum Thickeners (RDT) to replace the GT and this action is for the installation of the RDTs.

Ms. Herrera went on to explain that the current treatment process with its related inefficiencies require a lot of energy, but when the new thickeners are installed we will save a lot of money on electrical costs.

Mr. Grassilli asked how long it will take to complete the installation project and Ms. Herrera said about six months.

Ms. Herrera concluded with her recommendation to award C. Overaa & Co. with the contract for installation of the rotary drum thickeners.

**Motion/Second: Mr. Grassilli / Mr. Lieberman**

Move adoption of RESOLUTION ACCEPTING CONTRACT DOCUMENTS AND ACCEPTING BID OF LOWEST RESPONSIBLE BIDDER FOR THICKENING UPGRADE PHASE 1 (CIP #9168); REJECTING ALL OTHER BIDS, AUTHORIZING EXECUTION OF AGREEMENT FOR SAID WORK, DIRECTING RETURN OF SECURITY DEPOSITS THEREFORE AND AUTHORIZE MANAGER TO APPROVE CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT VALUE FOR SAID PROJECT (\$995,000.00) – C. OVERAA & CO.

The Resolution carried by Unanimous Roll Call Vote.

**ITEM 8B**

CONSIDERATION OF RESOLUTION APPROVING CONSTRUCTION CONTRACT DOCUMENTS FOR THE SOLIDS HANDLING BUILDING HVAC DUCT REPAIR PROJECT (CIP #9169)

Ms. Herrera explained that in 2014, ventilation was added to the Solids Handling Building and the galleries in the treatment plant. Prior to that, there wasn't any forced ventilation and conditions were often hazardous to staff. The main duct in the SHB began demonstrating signs of vibration that was causing damage to the system in 2015. Staff worked with the contractor on a solution, but the vibration continued and worsened over time. Ultimately, SVCW turned off the supply fan in the SHB because it was vibrating so much that the ducting in the area began to come apart. Brown and Caldwell, the original designers, prepared a redesign at their expense, since it appears the system has flaws they believe are related to the design. They prepared the "fix" at no cost to the Authority. Ms. Herrera showed a picture of the duct and how it's fallen apart and torn itself open due to the damaging vibration.

Both the engineer's estimate and an independent estimate from Tanner Pacific for the cost of the repair work were both below One Hundred Thousand Dollars. The estimates allowed SVCW to solicit quotes from 3 contractors, but does not require a public bid. The only responding quote was from Blocka Construction with the other two declining. Ms. Herrera said when they were asked why they declined, they both replied the work was too complex. Blocka was the original contractor for the installation and is very familiar and comfortable due to their

prior work with the ducting. Unfortunately, the Blocka quote came in higher than expected and is being brought to the Commission for that reason. Ms. Herrera said when she asked Blocka why the quote was higher, they explained their approach and cost in great detail. SVCW staff did not realize the work defined in the specifications would be so costly, but it is what is needed to repair the HVAC system. Ms. Herrera stated that if the Commission approves the item, SVCW can legally work with Blocka on ways to reduce the cost and have already identified some ideas, but Commission approval is required prior to beginning negotiations with the contractor. Ms. Herrera recommended awarding the Contract and under Legal purview by Ms. Fitzgerald, the costs will be negotiated.

Commissioner Lieberman stated that though the amount is nearly One Hundred Thousand Dollars more than anticipated, in the grand scheme of things, this is needed work and is, in the scheme of the work being done at SVCW, a reasonably contained small project. Mr. Lieberman followed up with asking what the implication would be if SVCW didn't perform this work?

Mr. Child responded that his recommendation is that the work must be done because when staff goes into certain areas to perform work, even with temporary ventilation, the gas buildup can result in unsafe work conditions. Mr. Child said employee safety is his number one priority.

Commissioner Moritz asked what was identified as the cause of vibrations. Ms. Herrera said it was believed to be caused by the size of the ducting being too small, as well as too many sharp bends and turns too close together.

**Motion/Second: Mr. Lieberman / Mr. Grassilli**

- i. Move approval to SUSPEND COMPETITIVE BIDDING REQUIREMENTS FOR SOLIDS HANDLING BUILDING HVAC DUCT REPAIR PROJECT (CIP #9169) ON THE GROUNDS THAT THE PUBLIC INTEREST WOULD NOT BE SERVED BY STRICT COMPLIANCE WITH SAID REQUIREMENTS (5/7<sup>th</sup> WEIGHTED VOTE COUNT REQUIRED)

The Motion carried by Unanimous Roll Call Vote.

- ii. Move adoption of RESOLUTION APPROVING CONSTRUCTION CONTRACT DOCUMENTS FOR THE SOLIDS HANDLING BUILDING HVAC DUCT REPAIR PROJECT (CIP #9169), ACCEPTING BID AND AUTHORIZING EXECUTION OF AGREEMENT, AND AUTHORIZING MANAGER TO APPROVE CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT VALUE FOR SAID PROJECT (\$193,500.00) – BLOCKA CONSTRUCTION

The Resolution carried by Unanimous Roll Call Vote.

#### **ITEM 8C**

CONSIDERATION OF RESOLUTION RATIFYING MANAGER'S DECLARATION OF EXISTENCE OF AN "EMERGENCY CONDITION" AND APPROVING REPAIR OF ESSENTIAL FACILITIES

Ms. Herrera displayed a photo of where the main PG&E electrical feed comes down Radio Road into the 12kv switchgear and how it travels through the tunnels, then underneath the asphalt to a pull-box located near the Solids Handling Building (SHB) and then to transformers next to the SHB. Ms. Herrera demonstrated a compromised pull box located in the roadway between the tunnels and the SHB. Though difficult to see in the photo, there are cracks in the box and entire walls are crumbling. There are four conduits completely broken and about six inches below where the conduits come out, exposing how much of the young bay mud has moved from underneath.

Commissioner Seybert asked how close these things have come to severing? Mr. Child said they don't know because digging up the conduit is risky without the proper support – both from the standpoint of keeping the plant running and for obvious safety reasons.

Mr. Child said the current plan is to construct a new mini-tunnel on top of the existing tunnel to run completely new conductors between the two structures, rerouting the entire system.

Commissioner Seybert asked what the plan is if the plant loses power. Mr. Child said SVCW has standby generators. The generators are designed for short term use, for hours, but they are not meant to run weeks on end. If required, staff will do whatever is necessary to keep the plant running, including bringing in fuel on a daily basis. Mr. Child said the biggest issue is if something should happen to the generators, there is no backup and the plant could lose all power. This is why the emergency was declared.

Commissioner Lieberman asked if this emergency was the result of a design flaw connected to SVCW's capital improvement or if it was something fortunately discovered because other work was being performed? Ms. Herrera and Mr. Child said it was fortunately discovered because other work was being done in the area.

Commissioner Lieberman asked if there was any possibility that given the location, PG&E would be responsible for sharing the costs to repair? Mr. Child said no, this is strictly inside SVCW's system.

Mr. Child said this item is likely to be brought back to the Commission for project approval because it may exceed the authorized amount of Three-Hundred Thousand Dollars.

Ms. Fitzgerald, SVCW Legal Counsel, recommended that Mr. Seybert request the staff report be made part of the minutes because of the statute requiring that the minutes reflect there is substantial evidence supporting the findings of an emergency.

**Motion/Second: Mr. Moritz / Mr. Grassilli**

Move adoption of RESOLUTION DECLARING EXISTENCE OF EMERGENCY CONDITION REQUIRING IMMEDIATE EXPENDITURE OF FUNDS IN FURTHERANCE OF PUBLIC HEALTH, WELFARE AND SAFETY AND APPROVING AND RATIFYING EXECUTION OF



**DECLARATION OF EMERGENCY  
AND AUTHORIZE EXPENDITURE OF FUNDS FOR FORCE MAIN REPAIR**

**ISSUE**

Ratification of Manager's Declaration of Existence of an Emergency Condition and Approving Repair of Essential Facilities.

**BACKGROUND**

SVCW treats wastewater for approximately a quarter million people in its service area. The Member Agencies of SVCW are the cities of Redwood City, Belmont, and San Carlos, and the West Bay Sanitary District. In order to operate the facilities needed to convey, treat and discharge the wastewater, SVCW contracts with Pacific Gas and Electric (PG&E) for electrical power. In addition to PG&E power, SVCW also co-generates electricity through the utilization of digester gas produced at the treatment plant.

Recently a threat to the PG&E power supply was identified and the SVCW Manager declared an Emergency Condition to facilitate the immediate correction of the situation.

**DISCUSSION**

SVCW receives electrical service from PG&E near the front gate of the treatment plant. From there, power cables run through the plant tunnels in conduits, across the roadway to the Solid Handling Building (SHB) where large transformers are located to reduce the voltage from 12,000 volts to the 480 volts (or less) that is required to operate the plant equipment. Due to the continued settling of SVCW facilities located in Young Bay Mud and not supported by "pile", the transition from the tunnels to the SHB has settled. As part of some recent work to repair asphalt around the facility, it was determined a pull-box located in this area needed to be raised. As the contractor started the work, it was discovered that the box had been built in a way that allowed it to settle on one end, but not the other – one side is actually resting on the top of the tunnel while the rest of the box (approximately 10' long by 6' wide and 6' deep) is unsupported and has settled more than a foot.

The settling has resulted in the severing of several large conduits and the sides of the pull-box have broken into pieces. It appears at this time that there is the potential for the broken conduit to cut the active 12,000 volt power lines. If one or more of the lines should fail, the plant would be out of power until a fix was found and implemented. The loss of power is not acceptable as we could lose our ability to treat the wastewater and pump it to the bay.

SVCW has standby power generation capabilities with diesel powered generators for short-term emergency needs that would power the facility, but would create a situation with no redundant power in the case of a mechanical or electrical failure of the standby generation system. In addition, due to the power generation agreement with PG&E, the loss of the PG&E feed would also shut down the co-generation system, a situation

which would put more load on the standby generators. While the standby system could get us through a couple of day's operation, it is truly designed for short term outages associated with storms and other power outages.

Given the challenges identified above, if a catastrophic break should occur the required costs and potential disruption of service to fix the PG&E 12 KVA power feed to the treatment plant in a crisis situation, or if it should occur during a wet weather event, would be extremely large. The risk of fines due to preventable Sanitary Sewer Overflow (SSO) or the inability to treat the wastewater is probable and could be millions of additional dollars.

In order to promptly address the potential loss of power, staff contacted Power Engineering Contractors (Power), a contractor on site and familiar with this area due to their recent work on the outfall line. Power has the expertise and ability to engineer and construct a long-term solution to this situation. An Emergency Condition was declared by the SVCW Manager on August 30, 2017 due to the considerable risk to the safety and health of the public in the event of a failure of the 12 KVA power lines authorizing Power Engineering Contractors, Inc. to proceed with investigation, engineering and repair of the settling conduit and related items. Power has begun the process to identify exactly what and how to address the situation, however, it is anticipated it could take multiple weeks to excavate and support the existing conduit to be able to investigate, identify, design and implement the proper repair. At this time, the long-term solution is not known and investigation of solutions is underway. The cost and time needed to complete the work is not yet known. SVCW engineering staff will be working with Power to implement the repair and will provide routine updates to the Commission as the solutions are developed.

#### FINANCIAL IMPACT

The SVCW Manager is empowered by the SVCW Joint Powers Agreement to authorize up to Three Hundred Thousand Dollars (\$300,000) for work in emergency conditions to develop solutions and make repairs as needed. The cost for repairs of the 12KVA feed line is not known at this time. If cost related to the work are estimated to exceed or approach \$300,000, the Commission will be notified and authorization for additional funds will be requested prior to the expenditure of said funds.

This work is not budgeted as part of any CIP project or in the FY 2017-2018 Operations Budget. The SVCW Operations Emergency Reserve Fund will provide temporary funding for this work. Costs will be included in an appropriate future CIP project or Capital budget in order to maintain emergency funds for the future.

#### RECOMMENDATION

Move adoption of RESOLUTION DECLARING EXISTENCE OF EMERGENCY CONDITION REQUIRING IMMEDIATE EXPENDITURE OF FUNDS IN FURTHERANCE OF PUBLIC HEALTH, WELFARE AND SAFETY AND APPROVING AND RATIFYING EXECUTION OF CONTRACTS FOR REPAIR OF ESSENTIAL PUBLIC FACILITIES RELATING THERETO (TREATMENT PLANT 12 KVA ELECTRICAL SUPPLY) (4/5<sup>ths</sup> weighted vote required)

**RESOLUTION NO. SVCW 17 - 57**

**RESOLUTION DECLARING EXISTENCE OF EMERGENCY CONDITION REQUIRING IMMEDIATE EXPENDITURE OF FUNDS IN FURTHERANCE OF PUBLIC HEALTH, WELFARE AND SAFETY AND APPROVING AND RATIFYING EXECUTION OF CONTRACTS FOR REPAIR OF ESSENTIAL PUBLIC FACILITIES RELATING THERETO (TREATMENT PLANT 12 KVA ELECTRICAL SUPPLY)**

**BE IT RESOLVED BY THE COMMISSION OF SILICON VALLEY CLEAN WATER AS FOLLOWS:**

**1. Findings.** The Commission of Silicon Valley Clean Water (SVCW), a public entity, finds and determines as follows:

a. On or about August 30, 2017, as part of asphalt repair work around the treatment plant facility, a SVCW contractor determined a pull-box located in the area of the Solids Handling Building needed to be raised and it was discovered that the box had been built in a way that allowed it to settle on one end, but not the other – one side is actually resting on the top of the tunnel while the rest of the box (approximately 10' long by 6' wide and 6' deep) is unsupported and has settled more than a foot.

b. The settling has resulted in the severing of several large conduits and the sides of the pull-box have broken into pieces. It appears at this time that there is the potential for the broken conduit to cut the active 12,000 volt power lines. If one or more of the lines should fail, the plant would be out of power until a solution could be implemented. This threatened loss of power would put SVCW's ability to treat the wastewater and pump it to the bay into jeopardy.

c. SVCW has standby power generation capabilities with diesel powered generators for short-term emergency needs that would power the facility, but would create a situation with no redundant power in the case of a mechanical or electrical failure of the standby generation system. In addition, due to the power generation agreement with PG&E, the loss of the PG&E feed would also shut down the co-generation system which would put more load on the standby generators. While the standby system could provide temporary power, its intended design is for short-term outages associated with storms and other power outages.

d. Given the challenges identified above, there is risk of a catastrophic break. The required costs and potential disruption of service to address the PG&E 12 KVA power feed to the treatment plant in a crisis situation or during a wet weather event would be substantial. The risk of fines due to preventable Sanitary Sewer Overflow (SSO) or the inability to treat the wastewater is probable and could be millions of additional dollars.

e. In order to promptly address the potential loss of power, an Emergency Condition was declared by the SVCW Manager on August 30, 2017 due to the considerable risk to the safety and health of the public in the event of a failure of the 12 KVA power lines. SVCW staff authorized Power Engineering Contractors (Power), the contractor on site and familiar with this area due to their recent work on the outfall line, to proceed with investigation, engineering and repair of the settling conduit and related items and to construct a long-term solution to this situation.

**2. Declaration.** This Commission hereby determines and declares that the above-described incident constitutes an emergency condition under Section 68 of the Charter of the City of Redwood City, the procedures of which apply to this Authority pursuant to the Joint Powers Agreement establishing the Authority, and Public Contract Code Section 22050; that the public health, welfare, safety, interest or necessity required and require the immediate and continuing expenditure of public money without soliciting or advertising for bids or receiving the same; that the emergency will not permit delays resulting from competitive solicitation of bids and that the actions taken by the Authority acting by and through the Authority's Manager to complete the Emergency Work are, and such future actions will be necessary to respond to the emergency.

**3. Approval, Ratification.** Those certain agreements, task orders, purchase orders or other forms of agreement heretofore entered into by or for the Manager to accomplish the Emergency Work are, and each of them is, hereby approved and execution is hereby ratified.

**4. Authorization.** The Manager is hereby authorized to enter into such agreements (in form approved by the Attorney for the Authority) in addition to those hereinabove ratified that are necessary or appropriate to complete the Emergency Work.

**5. Reports.** The Manager shall report upon the status of the Emergency Work and the condition of the emergency at each regular meeting of this Commission hereafter until the emergency condition is terminated. This Commission shall determine by a four-fifth's vote at each such meeting whether the emergency condition warrants continuation of suspension of competitive bidding.

**6. CEQA.** The action is exempt from the California Environmental Quality Act ("CEQA") (Pub. Res. Code, §§ 21000, et seq. and Title 14 of the California Code of Regulations, §§15000 et seq.), pursuant to 14 Cal. Code of Regs. §15269 as an emergency project and Staff is hereby directed to file a Notice of Exemption with the San Mateo County Clerk's Office.

**7. Operative Date.** This Resolution shall be effective upon the date of its adoption and is operative retroactively to the date of the first agreement ratified hereby.

**Operative Date.** This Resolution shall take effect immediately upon its passage and adoption.

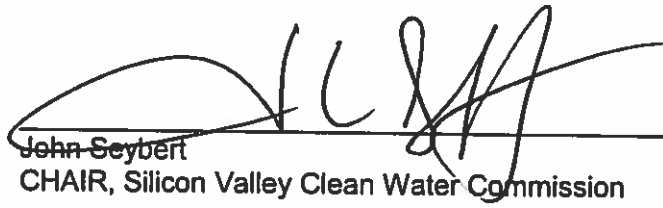
**PASSED and ADOPTED** this 14<sup>th</sup> day of September, 2017, by the following vote:

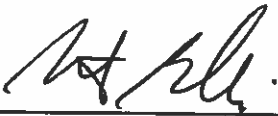
**AYES:** John Seybert, City of Redwood City; Edward Moritz, West Bay Sanitary District (Alternate); Warren Lieberman, City of Belmont; Robert Grassilli, City of San Carlos

**NOES,** and against the passage and adoption of the foregoing resolution: None

**ABSENT:** None

(continued on next page)

  
\_\_\_\_\_  
John Seybert  
CHAIR, Silicon Valley Clean Water Commission

Attest:   
\_\_\_\_\_  
Robert Grassilli  
SECRETARY, Silicon Valley Clean Water Commission

COPY

CONTRACTS FOR REPAIR OF ESSENTIAL PUBLIC FACILITIES RELATING THERETO  
(TREATMENT PLANT 12 KVA ELECTRICAL SUPPLY) (4/5<sup>th</sup> weighted vote required)

The Resolution carried by Unanimous Roll Call Vote.

**ITEM 9**  
CLOSED SESSION

There was no Closed Session.

**ITEM 10**  
ADJOURN

There being no further business, the meeting adjourned at 8:50 a.m.



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Robert Grassilli, Secretary

By: Daniel T. Child, Manager