

**COMMISSION OF SILICON VALLEY CLEAN WATER  
JOINT POWERS AUTHORITY  
REGULAR MEETING – Monday, June 21, 2021  
8:00 a.m.**

**TO ADDRESS THE *COVID-19 PANDEMIC*, THIS MEETING WILL BE CONDUCTED TELEPHONICALLY OR OTHERWISE ELECTRONICALLY PURSUANT TO THE PROVISIONS OF GOVERNOR NEWSOM’S EXECUTIVE ORDER N-29-20. THE COMMISSION BOARD ROOM WILL BE CLOSED TO THE PUBLIC. THE PUBLIC MAY OBSERVE AND COMMENT BY TELEPHONE OR ELECTRONIC MEANS AS DESCRIBED ON PAGE 6 OF THIS AGENDA.**

**SEE PAGE 6 OF THIS AGENDA FOR MEETING ACCESS INFORMATION AND INSTRUCTIONS**

**COMMISSIONERS**

COUNCIL MEMBER ALICIA AGUIRRE, REDWOOD CITY – CHAIR  
BOARD MEMBER GEORGE OTTE, WEST BAY SANITARY DISTRICT – VICE CHAIR  
COUNCIL MEMBER WARREN LIEBERMAN, BELMONT – SECRETARY  
COUNCIL MEMBER RON COLLINS, SAN CARLOS – MEMBER

**MANAGER:** TERESA A. HERRERA

**ATTORNEY FOR THE AUTHORITY:** CHRISTINE C. FITZGERALD

**CONTROLLER:** MICHELLE P. FLAHERTY

**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, 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. Written comments received within two hours of the beginning of the meeting will be read into the meeting record.

5. SAFETY MOMENT and REPORTS

- A. Safety Moment.....pg. 8
- B. Manager's Report.....pg. 11
- C. Financial Reports
  - 1. Investment Report..... pg. 13
  - 2. Quarterly Budget Update.....pg. 17
- D. Engineering Capital Projects Report.....pg. 20
- E. Commission Requested Staff-Level Action Items..... pg. 23
- F. RESCU Program Design-Build Project Status Update..... pg. 26

6. MATTERS OF COMMISSION MEMBER'S INTEREST

7. CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR (begins pg. 34)

8. BUSINESS ITEMS

- A. CONSIDERATION OF RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF CONSTRUCTION INSTALLMENT SALES AGREEMENT LOAN WITH THE STATE WATER RESOURCES CONTROL BOARD RELATED TO SVCW CAPITAL IMPROVEMENT PROGRAM (pg. 66)

Proposed Action:

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE EXECUTION AND DELIVERY OF FINANCING AGREEMENTS BETWEEN SILICON VALLEY CLEAN WATER AND THE STATE WATER RESOURCES CONTROL BOARD RELATING TO CERTAIN CAPITAL IMPROVEMENT PROJECTS AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH

- B. CONSIDERATION OF RESOLUTION AUTHORIZING TO AMEND AND INCREASE LINE OF CREDIT AGREEMENT WITH WELLS FARGO BANK, NATIONAL ASSOCIATION (pg. 70)

Proposed Action:

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE AMENDMENT OF A CREDIT

AGREEMENT WITH WELLS FARGO BANK, NATIONAL ASSOCIATION, AND  
APPROVING RELATED FINANCING DOCUMENTS AND OFFICIAL ACTIONS

C. CONSIDERATION OF RESOLUTION APPROVING MANAGER'S FISCAL  
YEAR 2021-2022 ANNUAL SALARY AND FISCAL YEAR 2020-2021 BONUS  
(pg. 73)

Proposed Actions:

- i. Chair to summarize recommended action in accordance with Government Code Section 54953(c)(3)
- ii. Move adoption of RESOLUTION APPROVING ANNUAL COMPENSATION FOR THE SILICON VALLEY CLEAN WATER MANAGER

D. CONSIDERATION OF RESOLUTIONS ESTABLISHING RATES OF PAY AND  
CLASSIFICATIONS FOR CONFIDENTIAL GENERAL, UNREPRESENTED  
GENERAL, PROFESSIONAL AND MANAGEMENT EMPLOYEES; ADDING  
ENGINEER; AND APPROVING UPDATED CONSOLIDATED PAY SCHEDULE  
(pg. 75)

Proposed Action:

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 20-20 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 20-21 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 20-22 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 20-23 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 20-24 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 2021-2022

9. CLOSED SESSION

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov't Code Section 54957)  
Title: Manager
- B. CONFERENCE WITH LABOR NEGOTIATOR (Gov't Code Section 54957.6)  
Unrepresented Employee: Manager

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 voice 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 17, 2021 – Regular Meeting (pg. 34)

B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED APRIL 30, 2021, MAY 3, 2021, AND MAY 14, 2021, AND NECESSARY PAYMENTS THROUGH MAY 14, 2021 (pg. 39)

C. CONSIDERATION OF MOTION APPROVING FINAL ACCEPTANCE AND AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE WWTP RELIABILITY IMPROVEMENTS PHASE 2 PROJECT (CIP# 9503) (pg. 41)

Proposed Action:

Move approval to ACCEPT WASTEWATER TREATMENT PLANT IMPROVEMENTS PHASE 2 PROJECT (CIP #9503) AND AUTHORIZE FILING NOTICE OF COMPLETION – C. OVERAA/HYDROSCIENCE

D. CONSIDERATION OF MOTIONS APPROVING NEW CIP PROJECT AND ENGINEERING DESIGN SERVICES TASK ORDER SCOPE AND BUDGET FOR NO. 3 WATER SYSTEM UPGRADES (pg. 46)

Proposed Action:

- i. Move approval of NEW CIP PROJECT (#9255) BUDGETED IN THE AMOUNT OF \$5 MILLION AND TRANSFER REMAINING BUDGET OF \$1,500,000 FROM CIP #8025 TO CIP #9255
- ii. Move approval of TASK ORDER SCOPE OF WORK AND BUDGET FOR DESIGN SERVICES FOR THE NO. 3 WATER SYSTEM CAPACITY UPGRADES (CIP# 9255) IN AN AMOUNT NOT TO EXCEED \$335,170 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BROWN AND CALDWELL

E. CONSIDERATION OF RESOLUTION APPROVING REVISION TO SVCW COMMISSION POLICY 2010-01, FRAUD IN THE WORKPLACE (pg. 50)

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION A TO COMMISSION POLICY 2010-01, FRAUD IN THE WORKPLACE

Microsoft Teams Access Information  
Silicon Valley Clean Water  
Regular Meeting  
Monday, June 21, 2021

WEBSITE: [Link to access meeting](#)

MEETING ID: 965 853 36#

CALL IN PHONE NUMBER: +1 747-216-0281

You may view video during the meeting via live stream. An audio will be available after the meeting at SVCW's website. If you experience technical difficulties or have technical questions prior to or during the meeting, please contact Teams meeting support at 707-862-0859. Note: Public participation is not permitted during closed session discussion items.

**Public Comment**

Public comment may be made by joining the meeting using the link or phone number above or by emailing comments to [commission@svcw.org](mailto:commission@svcw.org) up to two hours prior to the scheduled meeting time. All comments should be in accordance with the three-minute per speaker limit. Indicate in your email the agenda item to which your comment applies. If you have anything that you wish distributed to the Commission and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.

SVCW's Clerk will read all written comments into the meeting record.

**Accessibility for Individuals with Disabilities**

Upon request, SVCW will provide for access to individuals with disabilities to fully engage in the meeting process. Joining the meeting via the teleconference instructions above will provide access to open captioning. For other accommodations, please email your request to [commission@svcw.org](mailto:commission@svcw.org) or call 650-591-7121 at least four (4) days prior to the scheduled meeting time. Requests will be granted whenever possible and resolved in favor of accessibility.

**Subject to Change:**

Given the current public health emergency and the rapidly evolving federal, state, and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting SVCW's website [www.svcw.org](http://www.svcw.org).

# AGENDA ITEM 5A

## How to Ease Digital Eye Strain

If you frequently use a computer, there's a good chance you've experienced computer vision syndrome. This is a type of eye strain that's caused by prolonged use of digital screens. Among other symptoms, computer vision syndrome can cause eye fatigue, dry eyes, and headaches.

### What is computer vision syndrome?

Computer vision syndrome, also known as digital eye strain or computer eye strain, is a condition that can cause specific vision and eye problems, such as eye strain, eye fatigue, headache, blurry vision, double vision, dry eyes, itchy, red, or tearing eyes, neck pain, and shoulder pain.

It's caused by focusing on a digital screen for a long time. This includes digital screens on devices like computers, tablets, e-readers, or smartphones. When you look at a digital screen, your eyes need to work harder to focus because the text on digital screens isn't as sharp as the words on a printed page. Also, digital screens are prone to having glare, making it even harder for your eyes to focus properly.

### How to ease digital eye strain

You may be able to reduce or prevent eye strain by changing the way you use digital screens. Here are some tips that may help protect your eyes from strain and discomfort.

#### 1. Adjust your computer

- Position your computer screen 20 to 28 inches from your eyes. Sitting too close to a digital screen can increase your risk of eye strain.
- Place the screen slightly below eye level, about 4 to 5 inches. Tilt the top of the screen back about 10 to 20 degrees. Make sure you're not tilting your neck upward or downward to see the screen.
- You can also make the text and images more visible and easier to read by increasing the contrast, brightness, and font size on your device.

#### 2. Blink frequently

Blinking helps prevent your eyes from drying out by spreading moisture and mucus across your eyes. If you don't blink often enough, it can cause your eyes to become dry and irritated. Looking at a computer or digital screen may cause you to blink less often than you should. In fact, according to the University of Iowa, you blink 66 percent less while on a computer. Try to remember to blink often when using a computer or other digital device, and take regular breaks from your screen to give your eyes a rest.

#### 3. Reduce screen glare

- Closing blinds, shades, or curtains on windows to reduce or minimize screen glare
- Using lower wattage light bulbs
- Dimming overhead lights
- Adding a screen glare filter to your computer



#### 4. Use the right eyeglasses

If you wear eyeglasses, make sure your prescription is correct. Wearing the wrong prescription can make it difficult for your eyes to focus correctly. This can increase your risk for eye strain and headaches. If your glasses are for distance, reading, or both, you may need a new prescription just for viewing digital screens.

#### 5. Adjust your posture

Poor posture can increase your risk of eye strain. That's why it's important to design your workspace in a way that promotes good posture while you're sitting in front of your computer.

- **Sit up straight** with your ears aligned over your shoulders. Avoid letting your head and neck lean forward.
- **Keep your shoulders relaxed.** Avoid hunching or slouching forward.
- **Position your computer screen slightly below eye level.** Make sure you don't have to tilt your head up or down or lean forward to see the screen clearly.
- **Use a chair with the right height.** Try to keep your feet flat on the floor, with your knees level or slightly higher than your hips.
- **Use a chair with good back support.** Try to sit back and feel that the back of the chair supports your spine.

#### 6. Take regular breaks

- **Follow the 20-20-20 rule.** The 20-20-20 rule can help your eyes refocus and rest. Look at something 20 feet away, for 20 seconds, every 20 minutes.
- **Rest for 15 minutes.** After 2 hours of continuous screen use, rest your eyes for 15 minutes. Move away from your computer and focus on objects that are closer and further away than your digital screen.
- **Do non-screen tasks.** During each break, avoid looking at another digital screen. Try doing non-screen tasks like organizing paperwork or taking a walk.

#### 7. Use eye drops

Lubricating eye drops are designed to keep your eyes moisturized. You can buy several types of lubricating eye drops over-the-counter (OTC) that may help reduce dry eye symptoms.

#### When to call a doctor

In many cases, computer vision syndrome may go away or be less of an issue if you reduce your digital screen time. However, if your symptoms persist or get worse, call or visit an eye doctor. Also contact your eye doctor if you have sudden vision changes, eye flashes, unexplained eye pain or redness that doesn't go away, or dry eyes that don't get better with eye drops. These symptoms may be signs of some other underlying vision issue or health condition. For computer vision syndrome, your doctor may prescribe eyeglasses specifically for computer use. They might also suggest visual training, also called vision therapy, or a specific brand of eye drops.

## **AGENDA ITEM 5B**

Recurring and Upcoming 2021 Commission Actions  
Updated for June 2021 Meeting

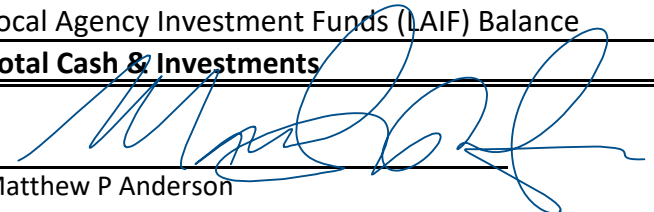
January	February	March	April
<ul style="list-style-type: none"> <li>Review Investment Policy</li> <li>CIP Update (annual or biennial)</li> </ul>	<ul style="list-style-type: none"> <li>Long Range Financial Plan (typically in January)</li> </ul>	<ul style="list-style-type: none"> <li>Budget Workshop</li> <li>Line of Credit Renewal</li> <li>Conflict of Interest Update (due to change in Reso 77-6)</li> </ul>	<ul style="list-style-type: none"> <li>Budget Approval</li> </ul>
May	June	July	August
<ul style="list-style-type: none"> <li>Initiate Manager Performance Evaluation</li> <li>Review Reserve Funds Policy</li> </ul>	<ul style="list-style-type: none"> <li>Approve Resolution 77-6 "Personnel Resolution"</li> <li>Perform Manager Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Commission Chair, Vice Chair, and Secretary Appointment</li> <li>WIFIA Agreement Review/Approval</li> </ul>	<ul style="list-style-type: none"> <li>Conflict of Interest Update (Biennial; even-numbered years)</li> <li>Investment Program Status Annual Update</li> </ul>
September	October	November	December
<ul style="list-style-type: none"> <li>Review Debt Policy</li> </ul>			<ul style="list-style-type: none"> <li>Commission Meeting schedule for following year</li> <li>Audited Financial Report</li> </ul>

 - Recurring Commission Actions  
 - Upcoming Commission Actions

## AGENDA ITEM 5C1

**Silicon Valley Clean Water Authority**  
**Cash & Investments Summary Report**  
**April 30, 2021**

<b>Description</b>	<b>Market Value</b>	<b>% of Total Holdings</b>	<b>Yield</b>
<b><u>Reserve Accounts</u></b>			
Operating Reserve* - Securities	\$ 3,626,230	5.15%	1.13%
Operating Reserve - Money Market Fund Balance	224,984	0.32%	0.03%
CIP Reserve* - Securities	17,271,935	24.52%	1.81%
CIP Reserve - Money Market Fund Balance	820,089	1.16%	0.03%
Stage 2 Capacity Reserve* - Securities	13,975,665	19.84%	1.76%
Stage 2 Capacity Reserve - Money Market Fund Balance	584,791	0.83%	0.03%
<b>Total Market Value: Operating and Reserve Accounts</b>	<b>\$ 36,503,694</b>	<b>51.8%</b>	<b>1.64%</b>
Total Accrued Interest: Operating and Reserve Accounts	137,669		
<b>GRAND TOTAL, OPERATING AND RESERVE ACCOUNTS</b>	<b>\$ 36,641,363</b>		
<b><u>Bond and Notes Accounts</u></b>			
Trustee Accounts:			
2018 Project Fund Account - CAMP	\$ 13,072,613	18.56%	0.06%
2018 Revenue Account	5,029	0.01%	0.01%
2019A Notes WIFIA - Money Market Fund	927,028	1.32%	0.01%
2019A Capitalized Interest Account* - Securities	18,828,072	26.73%	1.96%
2019A Capitalized Interest Account - Money Market Fund	8,058	0.01%	0.01%
2021 Cost of Issuance Account	62,753	0.09%	0.01%
2014 Revenue Account	451	0.00%	0.08%
2014 Interest Account - Money Market Fund	13	0.00%	0.08%
2014 Principal Account - Money Market Fund	7	0.00%	0.14%
2015 Revenue Account	173	0.00%	0.06%
<b>Total Market Value, Trustee Accounts</b>	<b>\$ 32,904,198</b>	<b>46.71%</b>	<b>1.15%</b>
Accrued Interest:	61,922		
Operating Cash (includes outstanding checks)	822,613	1.17%	0.00%
Local Agency Investment Funds (LAIF) Balance	210,030	0.30%	0.34%
<b>Total Cash &amp; Investments</b>	<b>\$ 70,640,127</b>	<b>100.00%</b>	<b>1.39%</b>

  
Matthew P Anderson  
Chief Financial Officer / Assistant Manager

5/10/2021  
Date

\* Monthly report of security transactions and interest available upon request

**Silicon Valley Clean Water**  
**Operating and Reserve Funds - Sector Allocation & Compliance April 30, 2021**

Security Type	Operating Reserve	CIP Reserve	Capacity Reserve	Total Market Value	% of Total Portfolio	% Allowed by Policy	In Compliance	% Change vs. Prior Month
U.S. Treasury	1,089,089	6,593,469	5,695,167	13,377,724	36.6%	100%	✓	0.7%
Supranationals	357,766	0	0	357,766	1.0%	15%	✓	0.1%
Federal Agency/GSE	1,186,841	2,894,596	2,192,777	6,274,213	17.2%	100%	✓	(0.1%)
Federal Agency CMO	0	2,364,751	1,681,581	4,046,331	11.1%	100%	✓	(0.4%)
Federal Agency MBS	0	1,103,115	1,031,565	2,134,680	5.8%	100%	✓	(0.4%)
Municipal	0	1,077,318	839,337	1,916,655	5.3%	30%	✓	(0.0%)
Corporate Notes	672,269	3,043,731	2,385,274	6,101,275	16.7%	30%	✓	(0.1%)
Asset-Backed Securities	320,265	194,957	149,964	665,186	1.8%	10%	✓	0.8%
<b>Securities Sub-Total</b>	<b>\$ 3,626,230</b>	<b>\$ 17,271,935</b>	<b>\$ 13,975,665</b>	<b>\$ 34,873,830</b>	<b>95.5%</b>			
Accrued Interest	6,303	72,799	58,567	137,669				
<b>Securities Total</b>	<b>\$ 3,632,533</b>	<b>\$ 17,344,734</b>	<b>\$ 14,034,231</b>	<b>\$ 35,011,498</b>				
Money Market Fund	224,984	820,089	584,791	1,629,864	4.5%	20%	✓	(0.5%)
<b>Total Investments</b>	<b>\$ 3,857,518</b>	<b>\$ 18,164,823</b>	<b>\$ 14,619,022</b>	<b>\$ 36,641,363</b>	<b>100%</b>			
As % of 6/30/21 Target:	102%	102%	100%	101%				

*This report contains financial information which has not been reviewed or audited by an independent auditor, does not reflect the application of generally accepted accounting principles in all instances and is subject to future revision. This report has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in this report are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and website, maintained on the World Wide Web at <https://emma.msrb.org>*

- 1. All operating fund accounts are in compliance with SVCW's Investment Policy, and all bond proceeds accounts are in compliance with the relevant bond documents.*
- 2. SVCW has adequate funding levels for more than six months of operations and claim payments, as referenced in CA Code Section 53646.*
- 3. Market valuations for the Operating and Reserve accounts along with the 2018 and 2019A bond proceeds accounts are provided by PFM Asset Management LLC (PFM). Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFM believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold.*
- 4. In accordance with Generally Accepted Accounting Principles (GAAP), month-end holdings and information are reported on a trade date basis.*
- 5. The yields shown for securities portions of the operating and reserve accounts and the 2019A bond proceeds accounts are the yields to maturity at cost.*
- 6. The yield for LAIF is the average monthly effective yield. Source: [https://www.treasurer.ca.gov/pmia-laif/historical/avg\\_mn\\_ylds.asp](https://www.treasurer.ca.gov/pmia-laif/historical/avg_mn_ylds.asp)*
- 7. The yields shown for the PFM-managed money market funds are the Yield to Maturity at Cost, and the Yield to Maturity at Market sourced from the respective fund providers' statements. Yields for BNY-managed funds are Market Yields sourced from the respective fund providers' statements.*
- 8. Yield shown for CAMP is the monthly distribution yield.*

## AGENDA ITEM 5C2



**QUARTERLY OPERATING FUND FINANCIAL STATUS REPORT****ISSUE**

Review of the Operating Fund Financial Update as of March 31, 2021. This update is through the third quarter of the 2020-21 Fiscal Year.

**DISCUSSION**

Staff presents to the Commission a financial update each quarter of the fiscal year. Below are highlighted findings from the summary table shown below.

**Revenue:**

Year to date, actual revenues were \$20.3 million or \$301 thousand (1.5%) less than budget. All Member contributions were paid in full. Miscellaneous Revenue declined, however, during the COVID-19 pandemic and is unlikely to recover this fiscal year. Pandemic staffing levels reduced the ability to complete stormwater monitoring, source control monitoring, and laboratory services. Restaurant closures caused a sharp decline in the amount of grease received. Finally, interest earnings fell as investment market conditions deteriorated.

**Expense:**

Operating expenses were \$18 million, or \$3 million (13.8%) less than budget. Notable variances include:

- Personnel costs were \$1.7 million (12.7%) below budget, approximately \$500 thousand of which is due to timing. The remaining \$1.2 million variance was largely driven by vacancies after retirements. Open positions were challenging to fill during the pandemic year. When positions were filled, many of the newly hired staff were new to CalPERS which reduces retirement costs.
- Equipment Maintenance Expenses were \$184 thousand (9.2%) less than budget as some work was deferred during the pandemic. This variance is unlikely to remain at year-end as the Maintenance Division is focused on addressing a backlog of activities.
- Utilities Expense was \$37 thousand (2.8%) less than the budget due to an overestimate of water usage at pump stations.
- Contractual Services Expense was \$378 thousand (25.9%) less than budget due to certain operating services like tank cleaning being deferred during the pandemic. This variance will be closer to budget by fiscal year-end as tank cleaning is now underway in the 4<sup>th</sup> quarter.
- Chemicals Expense was \$500 thousand (39.2%) less than budget. Use of disinfection chemicals declined during the unusually dry year, where a lack of rain events reduced need for chemicals. Additionally, ferric chloride and polymer costs were below budget after capital projects that would have increased their use were delayed.
- Professional Services Expenses were \$44 thousand, or 7.2%, more than budget. A planned change in payroll systems was anticipated to reduce costs, but the transition to the new payroll provider is delayed until October 2021.

- Administrative Expenses, Supplies, and Leases were \$73 thousand, or 15.7%, higher than budget due to unanticipated increases in permit fees.
- Memberships, Conferences, & Training Expenses were \$189 thousand (64.0%) less than budget as training, conferences, and travel were deferred during the pandemic.

Description	YTD Actual	YTD Budget	Greater / (Less) than Budget \$	Greater / (Less) than Budget %
<b>Revenue:</b>	<b>\$ 20,289,411</b>	<b>\$ 20,590,113</b>	<b>\$ (300,702)</b>	<b>(1.5%)</b>
<b>Expenditures:</b>				
Personnel	\$ 11,690,336	\$ 13,389,905	\$ (1,699,569)	(12.7%)
Equipment Maintenance	1,803,164	1,986,941	(183,777)	(9.2%)
Utilities	1,263,516	1,300,087	(36,571)	(2.8%)
Contractual Services	1,083,180	1,461,386	(378,206)	(25.9%)
Chemicals	777,517	1,277,903	(500,386)	(39.2%)
Professional Services	661,164	616,731	44,433	7.2%
Admin Exp, Supplies, Leases	540,545	467,266	73,279	15.7%
Memberships, Travel, Training	106,649	296,146	(189,497)	(64.0%)
<b>TOTAL Expenditures:</b>	<b>\$ 17,926,071</b>	<b>\$ 20,796,365</b>	<b>\$ (2,870,294)</b>	<b>(13.8%)</b>

## **AGENDA ITEM 5D**

**ENGINEERING REPORT: MAY 2021  
CAPITAL IMPROVEMENT PROGRAM**

**Wastewater Treatment Plant Improvements Phase 2 (9503):** Rehabilitation and/or replacement of seven treatment plant mechanical processes.

This project includes improvements and rehabilitation of several processes throughout the plant. The design-build project was awarded to Overaa Construction in April 2018. Work has been completed and the project is ready for acceptance.

Planned Commission Actions: Accept Project/File Notice of Completion – June 2021

**3W System Repairs and Upgrades (9255):** Rehabilitate existing No. 3 Water system.

No. 3 water is disinfected effluent used within the treatment plant for a myriad of uses serving needs throughout the treatment plant. Using 3W within the treatment plant boundaries saves significant costs as it replaces the need to import and purchase potable water. 3W system includes four constant-speed pumps (three duty and one standby) that convey 3W from a chlorine mixing box through a network of distribution piping to serve 3W demands throughout the Plant.

Much of the 3W system was constructed in 1981 as part of original plant construction, making those components about 40 years old. The 3W system has undergone several expansions and repairs since 1981, including a piping replacement project in 2015. Expansion of the system to serve new uses (e.g., the Front of Plant facility) is required and some additional uses are planned that will require additional capacity in the future. This project will design the first phase of a series of repairs and upgrades.

Planned Commission Actions: Approve Design Task Order – June 2021

**Fixed Film Reactor Rehabilitation (9242):** Rehabilitate three remaining fixed film reactors.

This project includes improvements and rehabilitation of three originally built fixed-film reactors. Work will include condition assessment of the structure, media and overall process performance then implement necessary repair/rehabilitation items. One FFR will be rehabilitated at a time for continuous treatment throughout the project. The project will enter its design phase in summer 2021.

Planned Commission Actions: Approve Design Task Order – August 2021

**Underground Fuel Tank Replacement (9041):** Decommission and replace underground diesel storage tank with aboveground storage tank.

Diesel for Standby Generators 1 through 3 is stored in a 15,000 underground storage tank that was installed at the time the treatment plant was originally constructed. The

tank is a single-wall type and does not meet the modern standards for an underground storage tank that would be built today. SVCW received notification from the State Water Resources Control Board that all single-wall underground storage tanks must be decommissioned by 2025. San Mateo County Department of Health administers regulations related to fuel tanks within county boundaries and staff has been in communication with the County regarding required work. SVCW staff has been working with its consultant Kennedy Jenks to complete the design of a new, above ground storage tank. The bid documents will be advertised in June 2021 with bids in July 2021.

Planned Commission Actions: Approve Construction Contract – August 2021

**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 and consultant project team are intricately involved in all stages of work.

All three projects are in their construction phases.

Planned Commission Actions: None anticipated in the near future

## AGENDA ITEM 5E

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

**JUNE 21, 2021**  
**AGENDA ITEM 5E**

Updated: 06/07/2021

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
5/17/2021	1	CWEA Plant of the Year Award - Public Info	6/21/2021		✓			Public info "blast" out on award(s) received have and are occurring
	2	Gravity Pipeline project - San Carlos Shaft	N/A		✓			if a source for ammonia becomes known, report out to Commission
4/19/2021	1	Schedule Performance Index for RESCU FoP	5/17/2021			✓	5/17/2021	SPI increased for April due to delivery and payment of large equipment items. SPI now at 0.95
3/15/2021	1	No Action Items						
2/22/2021	1	Staff Re-Organization	2/26/2021			✓	2/22/2021	Send new organization chart to commissioners
1/25/2021	1	Air Permit Excursion	N/A		✓			Inform Commission if the natural gas excursion on Cogen Engines result in a fine from BAAQMD
12/14/2020	1	2021 Commission Meeting Dates	12/14/2020			✓	12/14/2020	Confirm dates for Commission meetings in 2021. Done at 12/14 meeting. Three Special meetings scheduled due to holidays.
	2	Project Changes/Commission Notification	N/A	✓				Ensure Commission is kept apprised of possible/potential project cost and/or schedule increases.
11/16/2020	1	Muck Disposal	N/A	✓				Report monthly on availability and cost for muck disposal for Gravity Pipeline project. Updates provided in monthly RESCU reports, Item 5F on Commission agendas.
10/19/2020	1	No Action Items						
9/21/2020	1	Administrative Policies	N/A	✓				With respect to policies, if there's need to waive or gain exception to term(s), bring the issue forward for Commission's consideration.
8/17/2020	1	Public Outreach	N/A	✓				Continue working with Communications Manager to continuously improve public outreach.
7/20/2020	1	Change SVCW Bylaws wrt terms of office	11/16/2020			✓	11/16/2020	Bylaws note change to officers in July each year. Discussed at the November 2020 meeting; consensus to keep as is.
6/15/2020	1	Pump Stations Improvements - Capital vs Life Cycle Costs	N/A		✓			Reducing pump stations from 5 to 2 have been reported to save long-term costs; provide analysis results to Commissioners.
> One Year	1	8E - JPA Amendment; re-initiate "clean up" to JPA	N/A		✓			Make required and requested changes to the JPA a priority. Comments received; Manager has consolidated. Next step to meet with member agencies for consensus.

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

**JUNE 21, 2021**  
**AGENDA ITEM 5E**

Updated: 06/07/2021

Commission Meeting Date	Action Item		Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
	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	Maple Street Development	N/A	✓				SVCW and RWC staff coordinating efforts and messages to developer to protect mutual and exclusive interests.
	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.
	5	1406 Radio Road Building	N/A		✓			Research and make recommendation related to historic registry restraints on what can/can't be done with buildings. On hold due to Covid-19
	6	Research on illness transmission in sewers	N/A	✓				Ongoing samples sent to Stanford University and Aquavitas LLC. Link to results sent to Commissioners in February 2021.



## **AGENDA ITEM 5F**

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

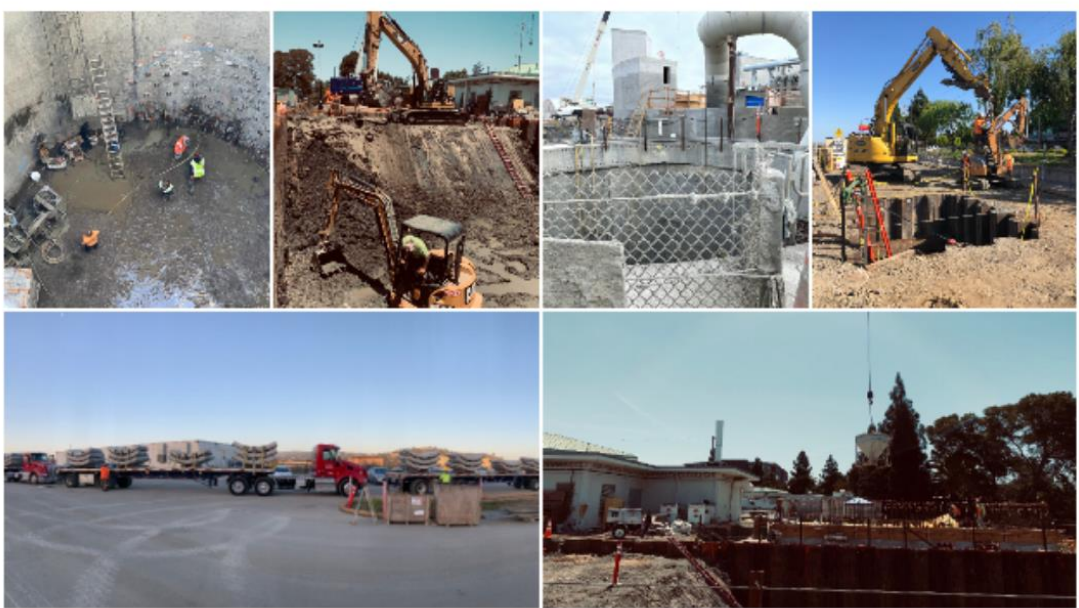
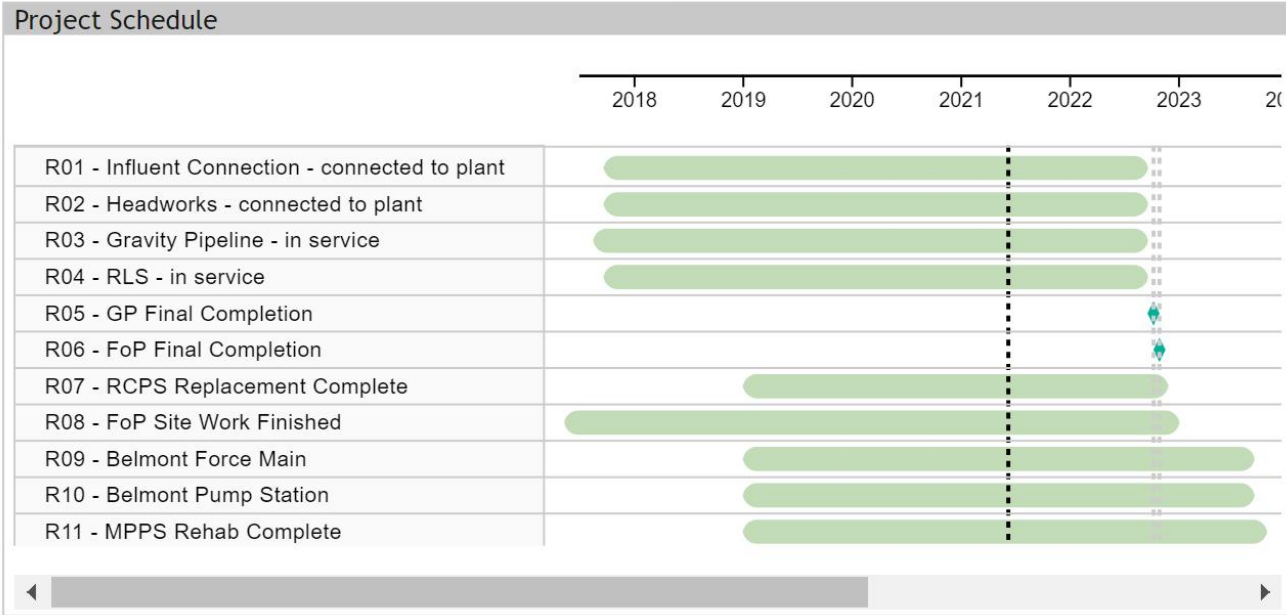
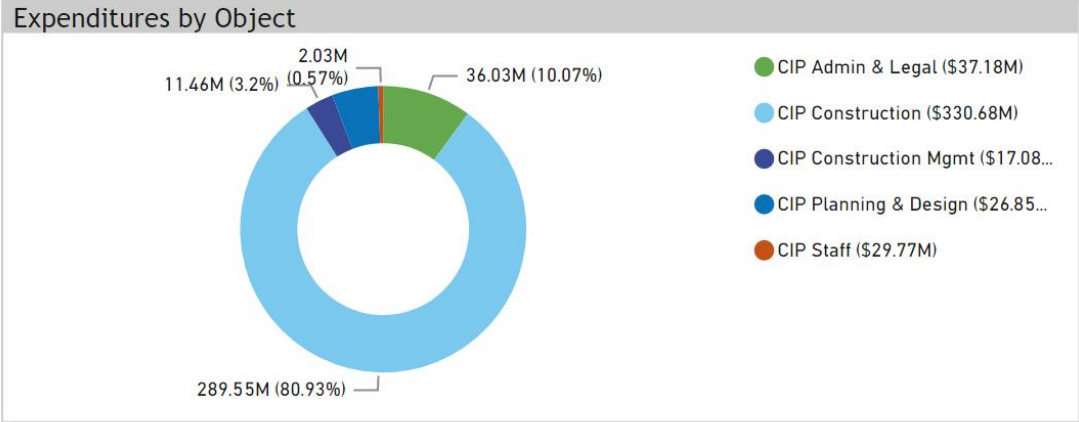
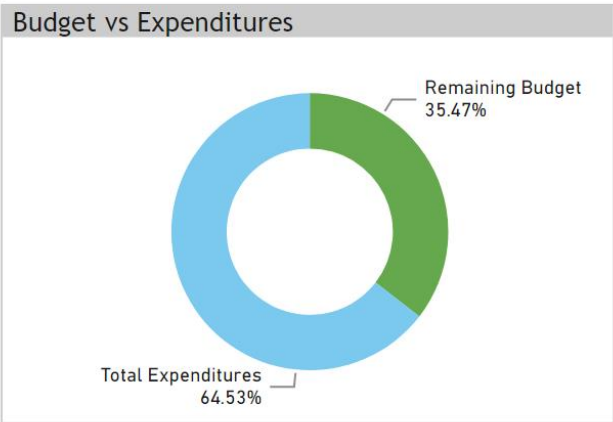
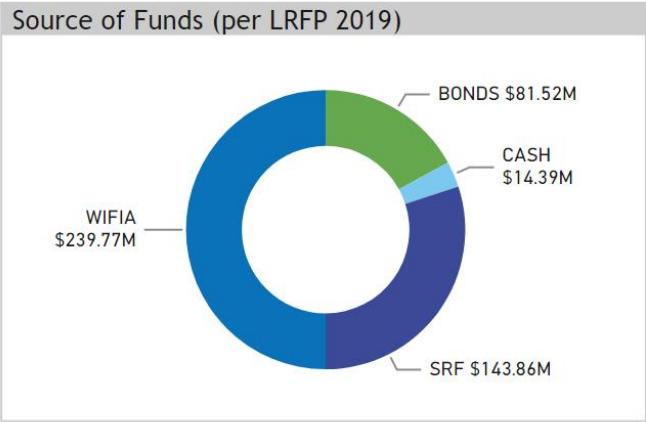
\$554.36M

Total Expenditure

\$357.80M

Remaining Budget

\$196.56M



AGENDA ITEM 5F



# Front of Plant Progressive DB Project (CIP 9502)



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 System, Influent Connector Pipe, Emergency Overflow pipe to an existing storage basin and other related process support systems. Work is being implemented under a Progressive Design-Build procurement process in stages.

Available Budget

\$161.95M

Total Expenditure

\$103.77M

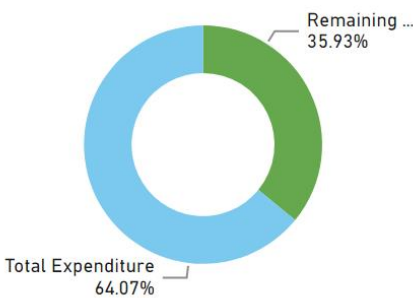
Remaining Budget

\$58.18M

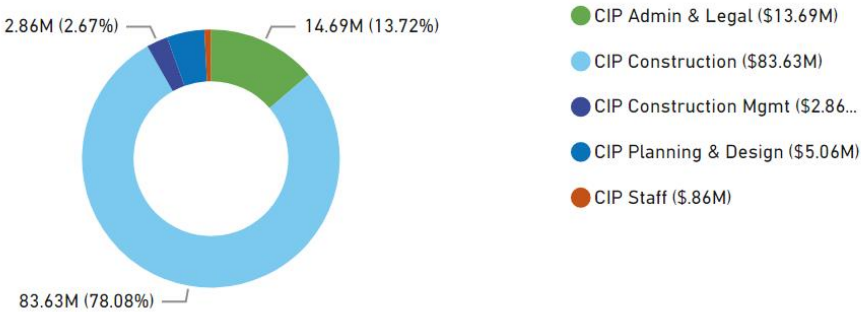
## Milestone Schedule

	Start	Finish
Interconnection Pipe Completed	7/24/2020	4/13/2022
Headworks Facility Completed	12/6/2018	11/5/2021
SFS/RLS Completed	12/6/2018	7/1/2022
Substantial Completion		9/30/2022

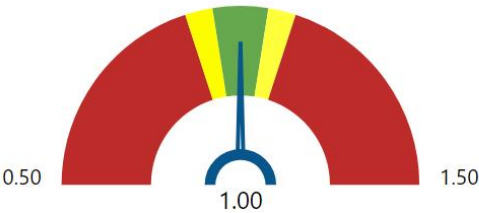
## Budget vs Expenditures



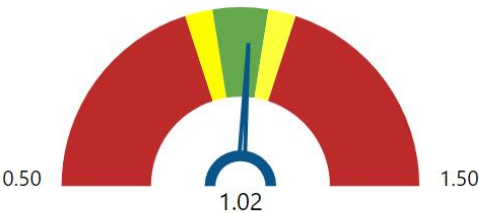
## Expenditures by Object



## Cost Performance Index (CPI)



## Schedule Performance Index (SPI)





Major Accomplishments this Period	
Construction	<div><div></div><div><ul style="list-style-type: none"><li>- SPJV completed the installation of 36" FA piping from BioTrickling Filters to Foul Air Fans.</li><li>- SPJV completed the structural installation of Grit Washer Classifiers at Grit Loading Area.</li><li>- SPJV routed exposed conduit &amp; wire from Portable Generator Connection to the Electrical Room and stubbed up conduit from all of the major electrical equipment in the Electrical Room.</li><li>- SPJV installed permanent toeboards to the handrailing around the Headworks Facility and installed access to the Granular Activated Carbon Filters from the Headworks elevation 125.</li><li>- Following the installation of the RLS upper mezzanine, SPJV began field cutting openings in the grating for conduits to stub up and connect to various control panels.</li><li>- SPJV completed the installation/commissioning of the GEDA Elevator and were granted the occupancy permit from OSHA.</li></ul></div></div>
Design	<div><ul style="list-style-type: none"><li>- SPJV is working with CID to further develop control strategies.</li><li>- SPJV is working on refining the third draft of the start-up and testing plan.</li></ul></div>
Procurement of Trade Packages	<div><ul style="list-style-type: none"><li>- WIFIA and SRF requirements compliance for trade packages are in progress.</li><li>- All major headworks equipment is onsite.</li><li>- SPJV released the purchase orders for the RLS pipe supports and the Headworks Channel aluminum covers.</li></ul></div>

3 - Month Look Ahead					
	Start	End	June	July	August
Form/Set Rebar/Place Concrete for Precast RLS Roof Sections	March 15, 2021	June 17, 2021	X		
Place various concrete supports at RLS base slab area	June 15, 2021	June 22, 2021	X		
Install RLS Main Jib Crane	June 16, 2021	June 29, 2021	X		
Install Headwork Channel Aluminum Covers	June 28, 2021	July 21, 2021	X	X	
Install 48-inch Foul Air Piping and Storm Drain Line from HW to SFS	June 30, 2021	July 20, 2021	X	X	
Install permanent lighting around Headworks Facility	November 24, 2020	July 29, 2021	X	X	
Install Electrical Conduit and Wire at RLS	March 17, 2021	August 5, 2021	X	X	X

Potential Issues
Intrinsically Safe Relay Panel
Plant water pipeline size upgrade and related fixtures
Utilidor extension for piping

Project Changes
Change order for odor control system
Change order for relocating potable water line and Air Gap Tank Facility
Credit for deletion of 48" bypass from 54" force main
Credit for the deletion of the chemical storage system
Electrical System
New County/Local Sales Tax
Project Management past December 2021

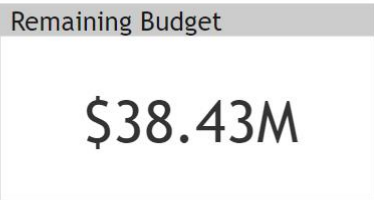
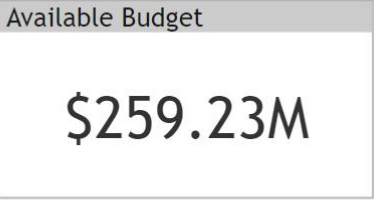
Safety Spot Light	
Lost Time	0
Near Misses	5
Recorded Losses	2



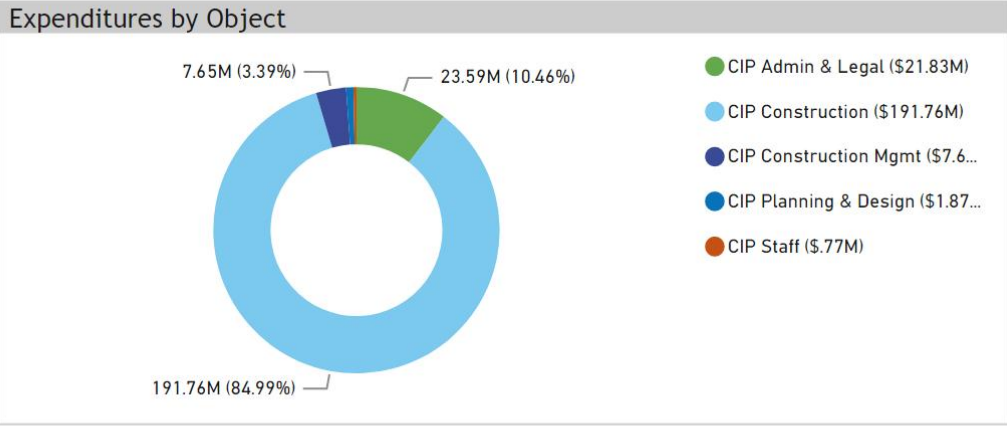
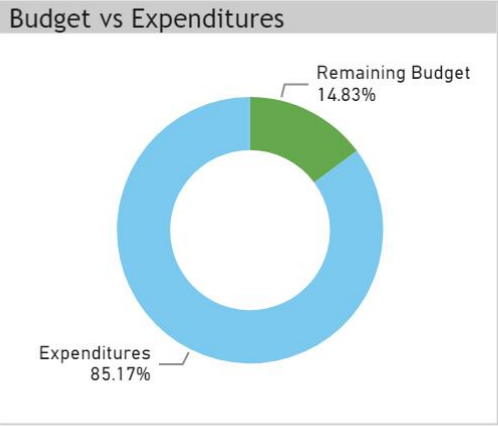
# Gravity Pipeline Progressive DB Project (CIP 6008)



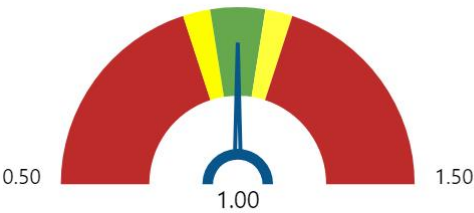
The Gravity Pipeline (GP) Project consists of the design, construction, permitting, start-up, commissioning, and closeout of approximately 17,600 feet of wastewater gravity FRP pipe inside a concrete-segment tunnel. The work includes three shafts and will interface directly with the Front of Plant (FoP) Project at the Surge & Flow Shaft (SFS). Work is being implemented under a Progressive Design-Build procurement process.



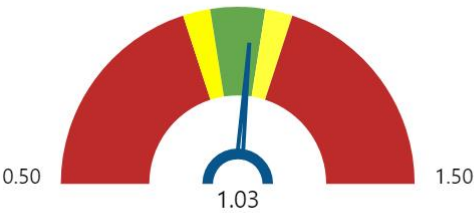
Milestone Schedule		
	Start	Finish
San Carlos Shaft and Adit Construction	6/15/2020	10/12/2021
TBM Drive (AAS to SFS)	7/6/2020	6/11/2021
FRP Pipe Installation	11/16/2020	3/14/2022
Substantial Completion		7/1/2022



Cost Performance Index (CPI)



Schedule Performance Index (SPI)



As of : 2021 - 05





Major Accomplishments this Period	
▼	
Construction	<div>- BBJV continued tunneling the second drive to the SFS</div> <div>- BBJV continues prep for demo of the SFS shaft wall</div>
Design	<div>- BBJV incorporating SVCW comments into the 100% design for San Carlos and Bair Island piping.</div>
Muck Disposal	<div>- 61% of Muck Disposal Amendment spent</div> <div>- 39% of Muck Disposal Amendment remaining</div> <div>- Currently offhauling to Oyster Bay in San Leandro</div>
Procurement of Trade Packages	<div>- SFS break-through demo contract executed</div> <div>- San Carlos Shaft Adit pipe jacking contract in progress</div> <div>- Outreach in conformance with SRF and WIFIA funding requirements</div>

Potential Issues
<div>Additional costs for SFS Break-in approach</div> <div>San Carlos and Bair Island Connecting Piping</div>

3 - Month Look Ahead					
	Start	End	June	July	August
Second tunnel drive to SFS	July 6, 2020	June 11, 2021	X		
SFS D-Wall Demo	April 28, 2021	June 11, 2021	X		
San Carlos Adit Construction	June 4, 2021	October 12, 2021	X	X	X
TBM Removal at SFS	June 14, 2021	August 17, 2021	X	X	X

Project Changes

Bair Island Force Main Exposure and Additional Monitoring

Bair Island Weir Optimization

Exceedence of Muck Offhaul Allowance

New County/Local Sales Tax and US Tariffs

San Carlos Shaft Ammonia Mitigation

Soil Conditioner Leak at CPT Hole STA 171 + 80

Safety Spot Light

Lost Time

Near Misses

Recorded Losses

1

3

3



# Pump Stations (CIP 9501)



All SVCW pump stations require replacement or rehabilitation. Menlo Park PS will be rehabilitated. Redwood City PS will be replaced. Belmont PS will be replaced with a gravity pipeline. 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. RCPS will be designed to pump the MPPS flows during wet weather events.

## Milestone Schedule

	Start	Finish
MPPS - Mobilize	6/24/2021	7/16/2021
MPPS - CARV and Meter Vault	12/1/2021	12/27/2021
MPPS - Pump Station Rehabilitation	2/10/2022	10/19/2022
MPPS - Segment 1 and 2 CARVs	8/17/2021	11/23/2021
BGP - Phase 1A Work	2/19/2021	6/7/2021
BGP - Phase 1B Work	4/13/2021	5/18/2021
BGP - Phase 2 Work	4/30/2021	2/9/2022
RCPS - PG&E Service Work	4/30/2021	8/24/2022
RCPS - Wet Well & Screening Building Construction	5/25/2021	2/3/2023
RCPS - Electrical Bldg & Restroom Slab	4/8/2021	6/15/2021

## Available Budget

\$119.68M

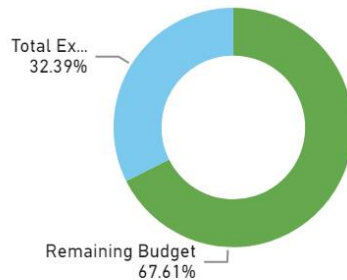
## Total Expenditure

\$38.76M

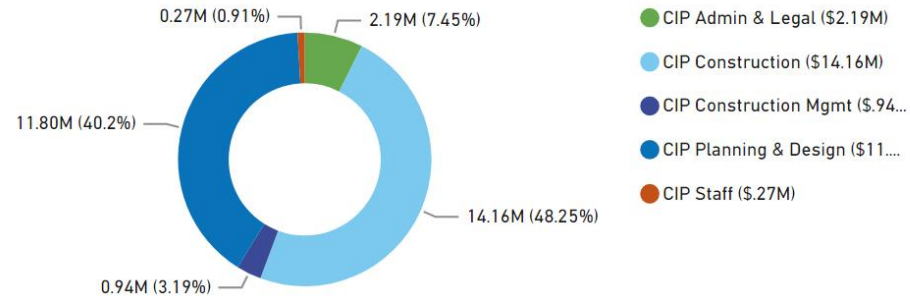
## Remaining Budget

\$80.92M

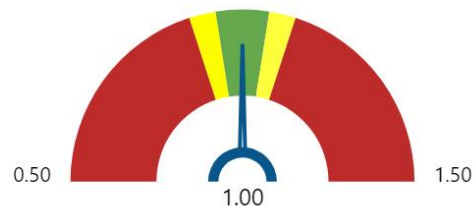
## Budget vs Expenditures



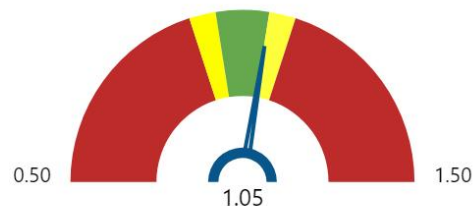
## Expenditures by Object



## Cost Performance Index (CPI)



## Schedule Performance Index (SPI)



As of : 2021 - 05



## Major Accomplishments this Period

Construction	<ul style="list-style-type: none"> <li>- RCPS: Placed concrete over conduit in electrical building sublevels and backfilled the structure. Placed soil foundation for new backup generator. Began excavating for the wet well and screening building.</li> <li>- BGP: Completed shoring installation and began excavation and waler installation at JS-1. Completed portal stabilization and shoring installation and began excavation at RS-1. Completed utility relocation at JS-2. Completed construction of RS-2 and reopened the road at that location. Began site demo at JS-4.</li> </ul>
Design	<ul style="list-style-type: none"> <li>- Negotiation is on-going regarding the cost for design of the SCPS declassification.</li> <li>- SVCW is reviewing a quote from SPJV for installing a 60-inch pipe for the City of Redwood City from the new junction box at RCPS to just outside the PS parcel property line.</li> </ul>

## 3 - Month Look Ahead

	Start	End	June	July	August
MPPS - Procurement	February 1, 2021	December 8, 2021	X	X	X
MPPS - Mobilization	June 24, 2021	July 16, 2021	X	X	
MPPS - Segment 1 and 2 CARVs	August 17, 2021	November 23, 2021			X
MPPS - Electrical Room Improvements	July 16, 2021	October 7, 2022		X	X
BGP - Procurement	April 30, 2021	November 16, 2021	X	X	X
BGP - Phase 1A	February 19, 2021	June 7, 2021	X		
BGP - Phase 2	April 30, 2021	February 9, 2022	X	X	X
RCPS - Permits & Easements Acquisition	June 11, 2020	January 20, 2022	X	X	X
RCPS - Procurement	April 1, 2021	December 2, 2021	X	X	X
RCPS - PG&E Service	April 30, 2021	August 24, 2022	X	X	X
RCPS - Wet Well & Screening Building Excavation and Backfill	May 25, 2021	June 21, 2022	X		
RCPS - Electrical Building & Restroom Slab	April 8, 2021	June 15, 2021	X		
RCPS - Generator Foundation	May 25, 2021	June 15, 2021	X		

## Potential Issues

Schedule challenges from permitting and land acquisition conditions
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## Project Changes

BGP Design Development
BGP Traffic Control Plan Changes
Segment 1 Force Main Junction Box Repairs

## Safety Spot Light

Lost Time	0
Near Misses	0
Recorded Losses	0



## AGENDA ITEM 7A

**MINUTES OF SILICON VALLEY CLEAN WATER**

**REGULAR MEETING – May 17, 2021**

**8:00 a.m.**

**This meeting took place remotely pursuant to  
SVCW Resolution No. 20-08 due to coronavirus pandemic**

**ITEM 1**

**CALL TO ORDER**

The meeting was called to order at 8:01 a.m.

**ITEM 2**

**ROLL CALL - Commissioners Duly Appointed by Each Agency**

Council Member Alicia Aguirre, Redwood City – Chair  
Council Member Warren Lieberman, PhD., Belmont – Secretary  
Council Member Ron Collins, San Carlos  
Alternate Commissioner Edward Moritz, West Bay Sanitary District

**Staff, Consultants and Visitors Present**

Teresa A. Herrera, SVCW Manager  
Christine Fitzgerald, SVCW Legal Counsel  
Jennifer Flick, SVCW Human Resources Director  
Matt Anderson, SVCW Chief Financial Officer/Assistant Manager  
Monte Hamamoto, SVCW Chief Operating Officer  
Kim Hackett, SVCW Authority Engineer  
Jessica Mangual, SVCW Secretary Pro Tem  
Anir Bhagwat, SVCW Senior Engineer  
Mike Jaeger, Tanner Pacific, Inc.  
Sergio Ramirez, West Bay Sanitary District  
Steven Machida, City of San Carlos

**ITEM 3**

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited by those in attendance

**ITEM 4**

**PUBLIC COMMENT**

There was no Public Comment

**ITEM 5**

**SAFETY MOMENT AND REPORTS**

Instructions for enabling live captioning on the remote meeting site were provided.

Safety Moment concerned tips on how to cope with seasonal allergies.

Under Item 5B, Manager's Report, a presentation was made by Mr. Arvind Akela, Vice-President of California Water Environment Association. The presentation was recognition of the statewide Plant of the Year award bestowed upon SVCW. SVCW had previously won this award in 1997 and 2001. Commissioners were appreciative and requested staff ensure that public announcements are made.

For the remaining written reports contained within the agenda packet, there were no questions or comments.

#### **ITEM 6**

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

No matters were discussed.

#### **ITEM 7**

##### **CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR ITEMS 7A THROUGH 7D**

###### **7. A. APPROVAL OF MINUTES – April 19, 2021 – Regular Meeting**

B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED APRIL 1, 2021, APRIL 2, 2021, AND APRIL 16, 2021 AND NECESSARY PAYMENTS THROUGH APRIL 16, 2021

C. CONSIDERATION OF MOTION APPROVING CONTRACT CHANGE ORDER FOR THE STANDBY GENERATORS FEED RELOCATION & ELECTRICAL PANEL UPGRADES PROJECT (CIP #9240) FOR AERATION BASIN NO. 4 COLUMN REPAIR

Proposed Action:

Move approval of CONTRACT CHANGE ORDER FOR THE STANDBY GENERATORS FEED RELOCATION & ELECTRICAL PANEL UPGRADES (CIP #9240) PROJECT IN THE AMOUNT OF \$135,602 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS - DW NICHOLSON

D. CONSIDERATION OF RESOLUTION APPROVING UPDATE TO COMMISSION POLICY NO. 2013-03, SILICON VALLEY CLEAN WATER (SVCW) RESERVE FUND POLICY AND PROCEDURES

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION E TO COMMISSION POLICY NO. 2013-03, SILICON VALLEY CLEAN WATER RESERVE FUND POLICY AND PROCEDURES

**Motion/Second: Dr. Lieberman / Mr. Collins**

The Motion carried by Unanimous Roll Call Vote

**ITEM 8A**

CONSIDERATION OF MOTION AUTHORIZING CONTRACT CHANGE ORDER TO THE GRAVITY PIPELINE PROJECT (CIP #6008) FOR ADDITIONAL WORK ON SAN CARLOS SHAFT

Proposed Action:

Move approval of CONTRACT CHANGE ORDER FOR THE GRAVITY PIPELINE PROJECT (CIP #6008) IN THE AMOUNT NOT TO EXCEED \$1,028,817 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BARNARD BESSAC JOINT VENTURE

**Motion/Second: Dr. Lieberman / Mr. Collins**

The Motion carried by Unanimous Roll Call Vote

**ITEM 8B**

RECEIVE UPDATE REGARDING SILICON VALLEY CLEAN WATER ACTIVITIES ASSOCIATED WITH TWO WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT LOANS (“WIFIA LOANS”) AND TWO SERIES OF 2021 WASTEWATER REVENUE NOTES (“2021 NOTES”)

Proposed Action:

No Commission action required

**ITEM 8C**

CONSIDERATION OF RESOLUTION TO ADOPT COMMISSION POLICY NO. 2021-01, REMOTE WORKPLACE POLICY

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING COMMISSION POLICY NO. 2021-01, “REMOTE WORKPLACE”

**Motion/Second: Mr. Collins / Dr. Lieberman**

The Motion carried by Unanimous Roll Call Vote

**ITEM 9**

CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION  
Paragraph (2) or (3) of subdivision (d) of Gov. Code § 54956.9  
(one potential case)

B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov't Code Section 54957)

Title: Manager

C. CONFERENCE WITH LABOR NEGOTIATOR (Gov't Code Section 54957.6)

Unrepresented Employee: Manager

Closed Session was called to order at 8:54 a.m.

**ITEM 10**

RECONVENE IN OPEN SESSION

Open Session reconvened at 9:13 a.m.

Ms. Fitzgerald reported that as to Item 9A no reportable action was taken and Commission gave direction to staff and Counsel.

Ms. Fitzgerald reported that as to Items 9B and 9C no reportable action was taken.

**ITEM 11**

ADJOURN

There being no further business, the meeting adjourned at 9:15 a.m.

Minutes prepared by Teresa A. Herrera

Reviewed by General Counsel

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Warren Lieberman, Secretary

## **AGENDA ITEM 7B**

**SVCW WARRANT REGISTER**

SVCW Warrant Registers dated April 24, 2021 – May 8, 2021 and May 9, 2021 – May 14, 2021, were scanned and a copy was emailed to Commissioners and Legal Counsel on June 15, 2021.

## AGENDA ITEM 7C



**WWTP RELIABILITY IMPROVEMENTS PHASE 2 PROJECT (CIP# 9503)  
FINAL ACCEPTANCE OF WORK**

**ISSUE**

Final Acceptance and Authorization to file Notice of Completion for the WWTP Reliability Improvements Phase 2 Project (CIP# 9503).

**BACKGROUND**

SVCW's wastewater treatment plant has been operating for more than 40 years and requires rehabilitation and replacement due to aging infrastructure. Many of the treatment plant processes and systems have been upgraded over the past 10 years as part of the Capital Improvement Program (CIP). This construction project consisted of seven capital improvement projects, which were combined into a single project defined as WWTP Improvements Phase 2.

On April 13, 2017, staff recommended and the Commission approved, using a design-build project delivery method for this project's implementation. A procurement package using design-build was prepared and included the following project components:

- Replacement of Aeration Blowers (CIP #9186)
- Aeration Basin Venturi Removal (CIP #9220)
- Dual Media Filter (DMF) Pump and Discharge Piping Replacement (CIP #9189)
- Backup Cooling Water for three standby generators in SHB (In-Plant Recycled Water System Expansion) (CIP #9197)
- FEP Connection to Chlorine Mix Box (CIP #9224)
- Rotary Press Phase 2 (CIP #9169)
- Rotary Press Phase 3 (CIP #9173)

The WWTP Improvements Phase 2 project used a Fixed Price Design-Build delivery method. SVCW issued a Request for Qualifications on September 22, 2017 and two Design-Build teams submitted Statements of Qualifications, C. Overaa with HydroScience as the designer and WMLyles/Brown and Caldwell Joint Venture. Both teams were deemed qualified and moved onto the next step, the Proposal Step.

SVCW issued the Request for Proposal on December 7, 2017. On February 20, 2018, the two teams submitted proposals and fixed costs to design and construct the project. After the proposals were submitted, the SVCW selection panel scored the two teams based on their proposals. Interviews were then held (on March 13, 2017) and scored. The selection panel gathered to rank both teams based on the scores from the proposals, interviews and cost. C.Overaa/HydroScience was unanimously scored as the highest ranked team. C. Overaa/HydroScience also had the lowest cost proposal for the base design. Staff recommended awarding the design-build agreement to C.Overaa/Hydroscience for \$9 million.

## DISCUSSION

Notice to Proceed was issued on May 24, 2018 and design and construction commenced. C.Overaa/HydroScience completed the design in February 2019, which included replacing two (2) DMF backwash pumps, installing four (4) new Aeration Basin blowers and piping, and installing two (2) new rotary fan press systems. Additionally, the Commission approved the procurement and installation of an overhead crane system in the dewatering room on July 20, 2020 in the amount of \$301,399 to accommodate maintenance work on the rotary fan presses.

The total Contract Amount for design-build services and construction for C. Overaa was \$10,231,539, including all contract change orders.

Substantial completion certificates were issued on August 27, 2020 and April 1, 2021 due to the sequenced nature of the work and the fact that SVCW received beneficial use of some of the equipment earlier in the construction phase. Both certificates are attached.

## FINANCES

After consolidation of the above-mentioned CIPs, a new CIP project was created (CIP #9503). The total CIP budget for this project is \$13.5 million of which \$11,857,153 has been spent as of April 2021. While some additional project charges are anticipated as part of project close-out, it is forecasted that this project will be under budget at completion.

## RECOMMENDATION

Move approval to ACCEPT WASTEWATER TREATMENT PLANT IMPROVEMENTS PHASE 2 PROJECT (CIP #9503) AND AUTHORIZE FILING NOTICE OF COMPLETION – C. Overaa/HydroScience

**Silicon Valley Clean Water  
WWTP Reliability Improvements Design-Build Project (CIP 9503)**

**SUBSTANTIAL COMPLETION CERTIFICATE**

The following portions of the WWTP Reliability Improvements Design-Build Project (CIP 9503) – Location Codes 16 and 18 are accepted as Substantially Complete in accordance with definition 1.46 of the Supplemental Conditions to the Design Build Agreement, Contract Change Order No. 019 “Substantial Completion Milestones,” and as defined herein.

As of August 27, 2020, these portions of the Project are accepted:

1. All work in Location Code 16 – Aeration System Upgrade and Location Code 18 – Dual Media Filter (DMF) Backwash System Upgrade except as noted below:
  - a. All work on the attached Punch List, dated August 27, 2020.

As of the above dates the following responsibilities are agreed to:

1. Authority:
  - a. The Authority assumes responsibility for security, maintenance (except as noted below), heat, utilities, damage to the Work (except as caused by the Contractor’s actions) and insurance for the facilities.
2. C. Overaa & Co.:
  - a. The Contractor shall maintain and provide proof of insurance as required by Section 1.3.1 of Exhibit 8A to the Design-Build Agreement for all work required to complete the Punch List and for five years following Final Completion as required by Section 1.4.5b of Exhibit 8A to the Design-Build Agreement or as otherwise referenced in the technical specifications.
  - b. The Contractor shall be responsible for repairs or maintenance, as necessary, until the Contractor has submitted, and the Authority has accepted all Record Documents and Operation & Maintenance Manuals.
  - c. The Contractor shall work in an expeditious manner to complete the remaining work and administrative requirements on the Project including the items on the Punch List, dated August 27, 2020, within ninety (90) days from the date of this certificate.

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents nor is it a release of Contractor’s obligation to complete the Work in accordance with the Contract Documents. The two year warranty for the accepted Work shall commence per Design-Build Agreement Section 13.1 on the date of Acceptance by Silicon Valley Clean Water.

The undersigned hereby acknowledge agreement to the above provisions:

Contractor: C. Overaa & Co.

Construction Manager: Tanner Pacific, Inc.

By: David Ensinger  
David Ensinger (Jun 8, 2021 15:20 PDT)  
David Ensinger

By: Andrew Matey  
Andrew Matey, P.E.

Title: Project Manager

Title: Construction Manager

Date: 8/27/2020

Date: 8/27/2020

**Silicon Valley Clean Water  
WWTP Reliability Improvements Design-Build Project (CIP 9503)**

**SUBSTANTIAL COMPLETION CERTIFICATE**

The following portion of the WWTP Reliability Improvements Design-Build Project (CIP 9503) – Location Code 24 is accepted as Substantially Complete in accordance with definition 1.46 of the Supplemental Conditions to the Design Build Agreement, Contract Change Order No. 019 “Substantial Completion Milestones,” and as defined herein.

As of April 1, 2021, these portions of the Project are accepted:

1. All work in Location Code 24 – Dewatering System Upgrade except as noted below:
  - a. All work on the attached Punch List, dated April 1, 2021

As of the above dates the following responsibilities are agreed to:

1. Authority:
  - a. The Authority assumes responsibility for security, maintenance (except as noted below), heat, utilities, damage to the Work (except as caused by the Contractor’s actions) and insurance for the facilities.
2. C. Overaa & Co.:
  - a. The Contractor shall maintain and provide proof of insurance as required by Section 1.3.1 of Exhibit 8A to the Design-Build Agreement for all work required to complete the Punch List and for five years following Final Completion as required by Section 1.4.5b of Exhibit 8A to the Design-Build Agreement or as otherwise referenced in the technical specifications.
  - b. The Contractor shall be responsible for repairs or maintenance, as necessary, until the Contractor has submitted, and the Authority has accepted all Record Documents and Operation & Maintenance Manuals.
  - c. The Contractor shall work in an expeditious manner to complete the remaining work and administrative requirements on the Project including the items on the Punch List, dated April 1, 2021, within ninety (90) days from the date of this certificate.

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents nor is it a release of Contractor’s obligation to complete the Work in accordance with the Contract Documents. The two year warranty for the accepted Work shall commence per Design-Build Agreement Section 13.1 on the date of Acceptance by Silicon Valley Clean Water.

The undersigned hereby acknowledge agreement to the above provisions:

Contractor: C. Overaa & Co.

Construction Manager: Tanner Pacific, Inc.

By: David Ensinger  
David Ensinger (Apr 15, 2021 20:04 PDT)  
David Ensinger

By: Andrew Matey  
Andrew Matey, P.E.

Title: Project Manager

Title: Construction Manager

Date: 04/15/21

Date: 04/16/21

## AGENDA ITEM 7D

**NO. 3 WATER SYSTEM CAPACITY UPGRADES  
NEW CAPITAL IMPROVEMENT PROGRAM PROJECT AND  
ENGINEERING DESIGN SERVICES**

ISSUE

Approve New CIP Project and Engineering Design Services Task Order Scope and Budget for No. 3 Water System Upgrades

BACKGROUND

No. 3 Water (3W) is filtered and chlorinated process water that is used throughout the SVCW facility. The use of 3W is maximized to the greatest extent possible since it offsets the need for potable water. Uses include flushing water, pump seal water, spray nozzles, washdown water, HVAC systems, and many more. Much of the 3W system was constructed in 1981, making the system about 40 years old. The 3W system has undergone several expansions and repairs since 1981, including a controls and piping replacement project in 2015.

The existing 3W system includes four constant-speed pumps (three duty and one standby) that convey water from the chlorine contact tank chlorine mix box through a network of distribution piping to serve 3W demands throughout the Plant. The 3W distribution network consists of exposed piping routed throughout galleries and rooms serving most areas of the Plant and a buried piping system that serves the Redwood City Maintenance Building and sludge drying beds. The 3W system is critical for maintaining operation of the Plant and must always remain in service with a high level of reliability, adequate water quality, flow rates, and pressure. Additionally, there will be new 3W demands at the Front of Plant facilities that will need to be served.

DISCUSSION

In November 2019, authorization was given to the Engineering firm Brown and Caldwell to perform a condition and capacity assessment of the existing 3W system. The assessment included needs for fire protection and future demands (primarily demands at the new Front of Plant facilities). The assessment found that the existing 3W system requires system upgrades to meet the capacity and reliability for both existing and future demands. Findings and recommended upgrades were summarized in a Basis of Design Report (BODR).

Recommendations were sorted into two categories: capacity upgrades and distribution system upgrades. The capacity upgrades include more pumping capacity, hydropneumatic tanks, and other appurtenances (valves, controls, connection piping). The distribution system upgrades focus on aging infrastructure and includes piping replacement to standardize material and sizes and addition of isolation valves.

SVCW engineering staff negotiated a scope of work and budget with Brown and Caldwell to design the recommended capacity upgrades and prepare biddable plans and specifications. Design will address the capacity upgrades, with plans to address the distribution system upgrades in the future. This staged approach to the work will allow for the immediate needs for increased capacity to be addressed while the remainder of the

work can be addressed as part of other project work, or as a future rehabilitation project. The design scope of work includes adding three new Variable Frequency Drive (VFD) pumps, a new 3W source for redundancy (chlorine contact tank, versus the mix box), upgrading the four existing pumps with new motors and VFDs, a new hydropneumatic tank and strainers, and a new connection point and piping to serve the Front of Plant project.

The budget associated with the design and bid period services is not-to-exceed amount of \$335,170. The anticipated construction cost for the project is \$2.5 million. Typically, SVCW budgets design fees at 10% of the anticipated construction cost though industry standard design fees can range from 8% to 13%, depending on project size and complexity. In this case, the design fee represents 13%, the high side of industry standard. This additional design fee is warranted due to the additional design and drafting work needed to develop the as-built drawings for this system. Since there have been multiple repair and expansion projects since 1981, reliable as-built drawings do not exist and, thus, the engineering design team will need to accurately recreate the system on the plans by “walking” and documenting the existing system.

## FINANCES

The opinion of probable construction cost for increasing the 3W system capacity is \$2.5 million as indicated in the table below. For budgeting purposes, staff adds 10% construction contingency and 43% “soft costs” which includes the following services: Design, Engineering Services during Construction (ESDC), Construction Management (CM), and Project Management. Adding these together, the estimated total project cost is \$3.8 million. A breakdown of anticipated project costs is shown in the following table.

Scope of Work	Construction Cost	Construction Contingency	Design/ ESDC/ CM/ Administrative Cost	TOTAL
Upgrade 4 existing pumps with VFDs	\$ 664,881	\$ 66,488	\$ 265,952	\$ 997,322
Add 3 new pumps	\$ 1,226,336	\$ 122,634	\$ 490,534	\$ 1,839,503
Hydro pneumatic tank and strainers	\$ 568,842	\$ 56,884	\$ 227,537	\$ 853,263
3W piping connection to FoP	\$ 66,488	\$ 6,649	\$ 26,595	\$ 99,731
<b>Totals</b>	<b>\$ 2,526,546</b>	<b>\$ 252,655</b>	<b>\$ 1,010,618</b>	<b>\$ 3,789,819</b>

The existing CIP project No. 3 Water System Controls (CIP #8025) has a remaining budget of \$1,500,000. This project was defined with the original 2008 CIP development with the intention that SCADA controls and pump VFDs were the extent of work needed. Budget from this project has been used for both SCADA controls and for the repairs performed in 2015.

Given the updated needs identified in the BODR, a revised CIP project definition and budget is recommended for approval. The new project definition will include 3W system capacity upgrades and distribution piping replacement at an estimated budget of \$5 million (\$3.79M for capacity upgrades and \$1.21M for future distribution piping replacement. The \$1.5M



remaining budget in CIP #8025 will be transferred to the new CIP project funds.

Description	Budget
Estimated Total Cost of Capacity Project	\$ 3,790,000
Estimated Budget for Future Distribution Piping	\$ 1,210,000
<b>Total Estimated Budget for 3W System Upgrades</b>	<b>\$ 5,000,000</b>
Budget to Transfer from CIP #8025 - System Controls	\$ 1,500,000

**RECOMMENDATION**

- i. Move approval of NEW CIP PROJECT (#9255) BUDGETED IN THE AMOUNT OF \$5 MILLION AND TRANSFER REMAINING BUDGET OF \$1,500,000 FROM CIP #8025 TO CIP #9255
- ii. Move approval of TASK ORDER SCOPE OF WORK AND BUDGET FOR DESIGN SERVICES FOR THE NO. 3 WATER SYSTEM CAPACITY UPGRADES (CIP# 9255) IN AN AMOUNT NOT TO EXCEED \$335,170 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – BROWN AND CALDWELL



## AGENDA ITEM 7E

**REVISION TO SVCW COMMISSION POLICY 2010-01  
FRAUD IN THE WORKPLACE**

**ISSUE**

Approve Revision to SVCW Commission Policy 2010-01, Fraud in the Workplace

**BACKGROUND**

It is imperative for any public agency to have rules, guidelines, and policies in place to prevent fraud and to delineate response procedures should fraud occur. Silicon Valley Clean Water (SVCW) issued Administrative Policy No. 2010-01 (Policy) in May 2010 to meet these needs. The Policy has not been updated since its original issue. The SVCW Manager is putting emphasis on reviewing and updating all SVCW policies and procedures to ensure the agency remains in compliance with laws, regulations, and best management practices. This Policy is in need of update and revision.

**DISCUSSION**

Commission Policy 2010-01 describes SVCW procedures to prevent fraud, educate employees, and respond to instances of fraud in the workplace. It is intended to provide information to all employees on:

1. Acts that are considered to be fraudulent
2. Procedures for reporting suspected fraudulent acts
3. Steps to take when fraud or other dishonest activities are suspected
4. Consequences to expect when a dishonest act is reported

The Policy specifically identifies responsibilities of employees and management and delineates procedures for investigating suspected fraud. The Policy has been revised to reflect applicable policies and governmental regulations and to reflect SVCW's current business organization. Finally, an acknowledgement form is part of the Policy which requires all employees to confirm that they have read, understand, and will comply with the policy.

The proposed changes to the Policy are reflected in the attached "red-lined" version. A "clean" copy version of the Policy is also attached. The SVCW Manager recommends approval of the proposed revision to SVCW Commission Policy 2010-01, Revision A dated June 21, 2021.

**FINANCES**

There are no direct financial impacts to this action.

**RECOMMENDATION**

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION A TO COMMISSION POLICY 2010-01, FRAUD IN THE WORKPLACE

Rev: **ISSUEA**

Rev Date: **June 21, 2021**

Issue Date: 05/13/2010

Approved by Commission of ~~South Bayside System Authority~~ Silicon Valley Clean Water on ~~May 13, 2010~~

**Subject: FRAUD IN THE WORKPLACE**

**APPLICABLE POLICIES AND REGULATIONS:**

Standard Administrative Procedures 1989-01 (House Rules), ~~and~~ 1989-02 (Disciplinary Procedure), and 1999-01 Electronic Communications Resources;

Commission Policy 2007-01 (Purchase Card Systems)

Penal Codes (as may be amended):

§424 (Embezzlement/Falsification)

§425 (Misappropriation of Public Money)

§503 (Embezzlement)

§506 (Misappropriation)

§508 (Embezzlement)

Civil Codes (as may be amended):

~~§~~-1709 (Fraud),

§-1710 (Deceit)

§-1711 (Intent to Defraud Public)

§1573 (Constructive Fraud)

Government Code (as may be amended):

§53232.4 (Misusing Public Resources/Falsifying Expense Reports)

§8314 (Unauthorized Use of Public Resources)

**PURPOSE:**

This Policy has been established to ensure employees are aware of the following:

- (1) Acts that are considered to be fraudulent;
- (2) Procedures for reporting suspected fraudulent acts;
- (3) Steps to be taken when fraud or other related dishonest activities are suspected; and
- (4) Consequences to expect when a dishonest act is reported.

This Policy delineates management's responsibility for instituting and maintaining a system of internal control to prevent and detect fraud, misappropriations, falsification of records and other irregularities, and to be alert for any indications of such misconduct. This Policy further delineates the responsibilities of employees of the Authority to report instances of fraud or related misconduct. It is ~~the South Bayside System Authority's~~ Silicon Valley Clean Water's ("Authority" or "SVCW") intent to investigate fully any suspected acts of fraud. An objective and impartial investigation will be conducted irrespective of the position, title, and duration of service, or relationship with the Authority of any person who might be

or become involved in, or becomes the subject of, any such investigation.

Each of ~~the Authority's~~ SVCW's departments is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud. Management should be familiar with the types of fraud that might occur within their areas of responsibility and be alert for any indications of fraud.

**DEFINITIONS:**

- A. Fraud – “Fraud” means both civil and penal fraud and similar incidents of dishonesty, deceit, falsehood including, without limitation, the following:
1. Making a claim for reimbursement of expenses that are not job-related or authorized by the current Purchasing Policy, Travel Policy, Per Diem Policy, applicable Commission policies, Standard Administrative Procedures, Memorandum of Understanding, or governing law.
  2. Forgery or unauthorized alteration of documents or misrepresentation of information on documents including, but not limited to, payment requests, checks, warrants, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, contracts, consulting agreements, laboratory or operating data for permit compliance, safety records regardless if workers' compensation related, or any other documents created by or in the possession of the Authority.
  3. Misappropriation or misuse or removal of ~~Authority-SVCW~~ assets or property including, but not limited to, Authority funds, accounts, securities, investments, receivables, supplies, furniture, equipment, vehicles, or any other Authority asset or property.
  4. Improprieties in the handling or reporting of money ~~or~~, property, safety, or permit compliance transactions.
  5. Authorizing or receiving payment or other consideration for goods not received or services not performed.
  6. Using one's position at the Authority to gain advantage when conducting personal business with a SVCW vendor.
  - ~~5.7.~~ Misappropriation of insurance proceeds: filing a false claim for workers compensation, accidents or other claims.
  - ~~6.8.~~ Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of Authority-owned software.
  - ~~7.9.~~ Any apparent violation of federal, State, or local laws, rules, regulations or policies related to dishonest activities or fraud.
  10. Seeking or accepting anything of material value or intentional failure to report anything of material value (i.e., gift) from those doing business with the Authority, including vendors,

consultants, contractors, lessees, applicants or grantees, in violation of the Authority's Conflict of Interest Code.

8.11. Retaliation or "retaliated against" means unlawful discrimination that occurs when an employee or volunteer as defined herein is harassed or suffers an adverse employment action for assisting in an investigation of unlawful or fraudulent employment practices.

- B. Employee – "Employee" means and refers to any individual or group of individuals who receive compensation, either full- or part-time, regular or temporary, from the Authority. For purposes of this Policy, definition of "Employee" extends to and includes a "Volunteer" as defined below.
- C. Manager or Management – "Manager" or "management" means and refers to the Authority's Commission, Manager, Department Managers, Directors, Supervisors, or other individuals who manage or supervise Authority funds or other resources, including human resources.
- D. Volunteer – "Volunteer" means and refers to a person who is not an employee of the Authority but who provides services to the Authority without pay pursuant to an arrangement with the Authority or through an Authority representative who is authorized to accept or arrange for the provision of volunteer services. As noted above in Paragraph B, "Volunteer" will be considered interchangeable with "Employee" within this Policy.

#### **POLICY:**

The Authority is committed to protecting its assets against the risk of loss or misuse. Accordingly, the policy of SVCW ~~the South Bayside System Authority~~ is to identify and promptly investigate any possibility of fraud as defined in this Policy or other dishonest activities against the Authority and, when appropriate, to pursue disciplinary action pursuant to the Authority's policy and to pursue legal remedies available under the law.

#### **PROCEDURE:**

##### EMPLOYEE'S RESPONSIBILITY:

- A. A suspected incident or incidents of fraud observed by, or made known to, an employee ~~or volunteer~~ must be reported to the appropriate supervisor or other management person as described below. Reports of wrongdoing shall be confidential, secure and protected against retaliation. In no case shall the reporting employee confront the person who is suspected of the wrongdoing before an investigation is initiated in accordance with the following procedure and then only if requested to do so as part of the investigation:
  - 1. If an employee ~~or volunteer~~ observes or becomes aware of any suspected incident(s) of fraud, the employee shall report the incident to his/her/their immediate supervisor, except as provided in Item 2, below.
  - 2. When the employee ~~or volunteer~~ reasonably believes his /her/their immediate supervisor may be involved in or ignoring incident(s) of suspected fraud or other dishonest activity, the employee or volunteer shall make the report directly to the next higher management level person.

3. If the reporting employee ~~or volunteer~~ deems reporting to the above-described management person inappropriate, he/she/they shall immediately contact the ~~Support Services~~Human Resources Director-Manager, the Authority's Manager or the Authority's Attorney regarding the incident(s) of suspected fraud.

~~3.4.~~If the reporting employee, he/she/they may utilize SVCW's anonymous reporting process through its pooled insurance carrier CA Sanitation Risk Management Authority. Call or email WeTiP at 1-800-78-CRIME or www.wetip.org

4.5. Once an employee ~~or volunteer~~ reports a suspected incident or incidents of fraud, he/she/they shall refrain from further discussion of the incident(s) with anyone, unless requested to do so by the Authority's Manager or Attorney or law enforcement personnel.

B. Employees shall not be retaliated against for reporting incident(s) of suspected fraud. When informed of suspected fraud, the Authority, any Authority employee or any person acting on behalf of the Authority shall not take any action adverse to the reporting employee's employment based on his/her/their report of the incident(s) of suspected fraud. Any employee who engages in such retaliation may be subject to discipline up to and including termination of employment. Nothing in this policy, however, shall preclude the Authority from taking disciplinary action against an employee who knowingly makes a false report of fraud.

#### MANAGEMENT'S RESPONSIBILITY:

#### MANAGEMENT'S RESPONSIBILITY

A. ~~The Authority~~SVCW will ensure that an objective and impartial investigation is conducted regarding any incident(s) of suspected fraud. The Authority's Manager ~~may~~shall either designate an impartial Authority employee to conduct the investigation, or ~~may~~ retain an independent investigator to conduct the investigation. For claims involving the Authority's Manager, the Authority's Assistant Manager (?) Attorney shall be responsible for conducting the investigation in accordance with this Policy.

B. Department Managers are responsible for being alert to and reporting incident(s) of fraud or other dishonest activities committed within their areas of responsibility, including the following:-

1. Each ~~manager-management employee~~ shall become familiar with the types of fraud that might occur within his/her/their area of responsibility and shall be alert to observe any indication that such incident(s) exist or existed.
2. When incident(s) of fraud is/are detected or suspected, or when a supervisor receives a report of fraud from an employee, the supervisor shall promptly inform his/her/their Department Manager, who shall notify the Authority's Manager.
3. Management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent recurrence of dishonest actions.

#### INVESTIGATION:

A. The Authority's Manager shall designate the individual responsible for conducting an investigation or shall delegate the responsibility for retaining an outside investigator to the Authority's Attorney.

- B. ~~The m~~Management staff receiving the initial report of incident(s) of fraud ~~should~~shall not attempt to conduct individual investigations including, without limitation, interviews. Management staff shall provide all relevant information regarding the matter to the Authority's Manager and shall cooperate fully with any investigation by giving unrestricted access to all pertinent records, other documents (including, without limitation, electronic records/documents) and to personnel under their supervision.
- C. In dealing with suspected fraud, great care must be taken. Therefore, management should avoid the following:
1. Unfounded or inaccurate accusations.
  2. Alerting suspected individuals that an investigation is underway.
  3. Biased, unfair or otherwise inappropriate treatment of an employee or employees.
  4. Making statements that could lead to claims of false accusations or other offenses.
- D. In handling cases involving fraud, management has the responsibility to:
1. Make no contact with the suspected individual to determine facts or demand restitution unless specifically directed to do so by the Authority's Manager or its designee. Under no circumstances should there be any reference to "what you did," "the crime," "the fraud," the "misappropriation," etc.
  2. Avoid discussing the case, facts, suspicions, or allegations with anyone outside the Authority, unless specifically directed to do so by the Authority's Manager or Attorney.
  3. Avoid discussing the case with anyone employed by or associated with the Authority except the Authority's Manager, Attorney, or assigned investigator.
  4. Direct all inquiries from the suspected individual, or his or her representative, to the Authority's Manager or Attorney unless otherwise directed. All inquiries by an attorney representing the employee under investigation shall be directed to the Authority's Attorney. All inquiries from the media shall be directed to the Authority's Manager or his/her designee.
  5. If it is determined that an employee has committed fraud, the employee's manager shall cooperate with the Authority's Manager and ~~Support Services Manager~~Human Resources Director in taking appropriate corrective and disciplinary action up to and including termination of employment, in accordance with current Personnel Policies, Memoranda of Understanding and other policies and applicable laws.
  6. The Authority's Manager, following review of investigation results, shall take appropriate action regarding the employee(s) who committed or participated in the fraud. Upon consultation with the Authority's Attorney, Ssuch action may include referring the matter to appropriate law enforcement agencies in addition to imposing discipline.

7. If the investigation concerns the Authority's Manager, the Authority Attorney shall advise on said investigation. Upon conclusion of said investigation, the results shall be reported to the Authority's Commission.
8. The Authority shall pursue restitution and recovery of all damages or other loss sustained as a result of fraud.



**ADMINISTRATIVE COMMISSION POLICY NO. 2010-01**

**Rev: ~~ISSUE A~~**

**Rev Date: new date**

**Issue Date: 05/13/2010**

Approved by Commission of ~~South Bayside System Authority~~ Silicon Valley Clean Water on ~~May 13, 2010~~

**Subject: FRAUD IN THE WORKPLACE**

*By my signature below, I confirm that I have received, have read and understand, and that I will comply with the Authority's Fraud in the Workplace policy. If I have any questions about the policy, I will promptly seek clarification or guidance from my supervisor or the Authority's Manager.*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

*Please return this signed confirmation to the ~~Support Services Manager~~ Human Resources Director.*

*This document will be filed in your personnel file.*

Approved by SVCW Commission at Meeting of June 21, 2021 by Resolution 21-19

**SUBJECT: Fraud in the workplace**

**APPLICABLE POLICIES AND REGULATIONS**

Standard Administrative Procedures 1989-01 (House Rules), 1989-02 (Disciplinary Procedure), and 1999-01 Electronic Communications Resources;

Commission Policy 2007-01 (Purchase Card Systems)

Penal Code (as may be amended):

§424 (Embezzlement/Falsification)

§425 (Misappropriation of Public Money)

§503 (Embezzlement)

§506 (Misappropriation)

§508 (Embezzlement)

Civil Code (as may be amended):

§1709 (Fraud),

§1710 (Deceit)

§1711 (Intent to Defraud Public)

§1573 (Constructive Fraud)

Government Code (as may be amended):

§53232.4 (Misusing Public Resources/Falsifying Expense Reports)

§8314 (Unauthorized Use of Public Resources)

**PURPOSE**

This Policy has been established to ensure employees are aware of the following:

- (1) Acts that are considered to be fraudulent;
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- (4) Consequences to expect when a dishonest act is reported.

This Policy delineates management's responsibility for instituting and maintaining a system of internal control to prevent and detect fraud, misappropriations, falsification of records and other irregularities, and to be alert for any indications of such misconduct. This Policy further delineates the responsibilities of employees of the Authority to report instances of fraud or related misconduct. It is Silicon Valley Clean Water's ("Authority" or "SVCW") intent to investigate fully any suspected acts of fraud. An objective and impartial investigation will be conducted irrespective of the position, title, and duration of service, or relationship with the Authority of any

person who might be or become involved in, or becomes the subject of, any such investigation.

Each of SVCW's departments is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud. Management should be familiar with the types of fraud that might occur within their areas of responsibility and be alert for any indications of fraud.

## **DEFINITIONS**

A. Fraud – "Fraud" means both civil and penal fraud and similar incidents of dishonesty, deceit, falsehood including, without limitation, the following:

1. Making a claim for reimbursement of expenses that are not job-related or authorized by the current Purchasing Policy, Travel Policy, Per Diem Policy, applicable Commission policies, Standard Administrative Procedures, Memorandum of Understanding, or governing law.
2. Forgery or unauthorized alteration of documents or misrepresentation of information on documents including, but not limited to, payment requests, checks, warrants, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, contracts, consulting agreements, laboratory or operating data for permit compliance, safety records regardless if workers' compensation related, or any other documents created by or in the possession of the Authority.
3. Misappropriation or misuse or removal of SVCW assets or property including, but not limited to, Authority funds, accounts, securities, investments, receivables, supplies, furniture, equipment, vehicles, or any other Authority asset or property.
4. Improprieties in the handling or reporting of money, property, safety, or permit compliance transactions.
5. Authorizing or receiving payment or other consideration for goods not received or services not performed.
6. Using one's position at the Authority to gain advantage when conducting personal business with a SVCW vendor.
7. Misappropriation of insurance proceeds: filing a false claim for workers compensation, accidents or other claims.
8. Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of Authority-owned software.
9. Any apparent violation of federal, State, or local laws, rules, regulations or policies related to dishonest activities or fraud.
10. Seeking or accepting anything of material value or intentional failure to report anything of material value (i.e., gift) from those doing business with the Authority, including vendors,

consultants, contractors, lessees, applicants or grantees, in violation of the Authority's Conflict of Interest Code.

11. Retaliation or "retaliated against" means unlawful discrimination that occurs when an employee or volunteer as defined herein is harassed or suffers an adverse employment action for assisting in an investigation of unlawful or fraudulent employment practices.

- B. Employee – "Employee" means and refers to any individual or group of individuals who receive compensation, either full- or part-time, regular or temporary, from the Authority. For purposes of this Policy, definition of "Employee" extends to and includes a "Volunteer" as defined below.
- C. Manager or Management – "Manager" or "management" means and refers to the Authority's Commission, Manager, Department Managers, Directors, Supervisors, or other individuals who manage or supervise Authority funds or other resources, including human resources.
- D. Volunteer – "Volunteer" means and refers to a person who is not an employee of the Authority but who provides services to the Authority without pay pursuant to an arrangement with the Authority or through an Authority representative who is authorized to accept or arrange for the provision of volunteer services. As noted above in Paragraph B, "Volunteer" will be considered interchangeable with "Employee" within this Policy.

## **POLICY**

The Authority is committed to protecting its assets against the risk of loss or misuse. Accordingly, the policy of SVCW is to identify and promptly investigate any possibility of fraud as defined in this Policy or other dishonest activities against the Authority and, when appropriate, to pursue disciplinary action pursuant to the Authority's policy and to pursue legal remedies available under the law.

## **PROCEDURE**

### **EMPLOYEE'S RESPONSIBILITY:**

- A. A suspected incident or incidents of fraud observed by, or made known to an employee must be reported to the appropriate supervisor or other management person as described below. Reports of wrongdoing shall be confidential, secure and protected against retaliation. In no case shall the reporting employee confront the person who is suspected of the wrongdoing before an investigation is initiated in accordance with the following procedure and then only if requested to do so as part of the investigation:
  - 1. If an employee observes or becomes aware of any suspected incident(s) of fraud, the employee shall report the incident to his/her/their immediate supervisor, except as provided in Item 2, below.
  - 2. When the employee reasonably believes his /her/their immediate supervisor may be involved in or ignoring incident(s) of suspected fraud or other dishonest activity, the

employee or volunteer shall make the report directly to the next higher management level person.

3. If the reporting employee deems reporting to the above-described management person inappropriate, he/she/they shall immediately contact the Human Resources Director, the Authority's Manager or the Authority's Attorney regarding the incident(s) of suspected fraud.
  4. If the reporting employee, he/she/they may utilize SVCW's anonymous reporting process through its pooled insurance carrier CA Sanitation Risk Management Authority. Call or email WeTiP at 1-800-78-CRIME or [www.wetip.org](http://www.wetip.org)
  5. Once an employee reports a suspected incident or incidents of fraud, he/she/they shall refrain from further discussion of the incident(s) with anyone, unless requested to do so by the Authority's Manager or Attorney or law enforcement personnel.
- B. Employees shall not be retaliated against for reporting incident(s) of suspected fraud. When informed of suspected fraud, the Authority, any Authority employee or any person acting on behalf of the Authority shall not take any action adverse to the reporting employee's employment based on his/her/their report of the incident(s) of suspected fraud. Any employee who engages in such retaliation may be subject to discipline up to and including termination of employment. Nothing in this policy, however, shall preclude the Authority from taking disciplinary action against an employee who knowingly makes a false report of fraud.

## **MANAGEMENT'S RESPONSIBILITY**

- A. SVCW will ensure that an objective and impartial investigation is conducted regarding any incident(s) of suspected fraud. The Authority's Manager shall either designate an impartial Authority employee to conduct the investigation, or retain an independent investigator to conduct the investigation. *For claims involving the Authority's Manager, the Authority's Attorney shall be responsible for conducting the investigation in accordance with this Policy.*
- B. Department Managers are responsible for being alert to and reporting incident(s) of fraud or other dishonest activities committed within their areas of responsibility, including the following:
1. Each management employee shall become familiar with the types of fraud that might occur within his/her/their area of responsibility and shall be alert to observe any indication that such incident(s) exist or existed.
  2. When incident(s) of fraud is/are detected or suspected, or when a supervisor receives a report of fraud from an employee, the supervisor shall promptly inform his/her/their Department Manager, who shall notify the Authority's Manager.
  3. Management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent recurrence of dishonest actions.

## **INVESTIGATION**

- A. The Authority's Manager shall designate the individual responsible for conducting an investigation or shall delegate the responsibility for retaining an outside investigator to the Authority's Attorney.
- B. Management staff receiving the initial report of incident(s) of fraud shall not attempt to conduct individual investigations including, without limitation, interviews. Management staff shall provide all relevant information regarding the matter to the Authority's Manager and shall cooperate fully with any investigation by giving unrestricted access to all pertinent records, other documents (including, without limitation, electronic records/documents) and to personnel under their supervision.
- C. In dealing with suspected fraud, great care must be taken. Therefore, management should avoid the following:
  - 1. Unfounded or inaccurate accusations.
  - 2. Alerting suspected individuals that an investigation is underway.
  - 3. Biased, unfair or otherwise inappropriate treatment of an employee or employees.
  - 4. Making statements that could lead to claims of false accusations or other offenses.
- D. In handling cases involving fraud, management has the responsibility to:
  - 1. Make no contact with the suspected individual to determine facts or demand restitution unless specifically directed to do so by the Authority's Manager or its designee. Under no circumstances should there be any reference to "what you did," "the crime," "the fraud," the "misappropriation," etc.
  - 2. Avoid discussing the case, facts, suspicions, or allegations with anyone outside the Authority, unless specifically directed to do so by the Authority's Manager or Attorney.
  - 3. Avoid discussing the case with anyone employed by or associated with the Authority except the Authority's Manager, Attorney, or assigned investigator.
  - 4. Direct all inquiries from the suspected individual, or his or her representative, to the Authority's Manager or Attorney unless otherwise directed. All inquiries by an attorney representing the employee under investigation shall be directed to the Authority's Attorney. All inquiries from the media shall be directed to the Authority's Manager or his/her designee.
  - 5. If it is determined that an employee has committed fraud, the employee's manager shall cooperate with the Authority's Manager and Human Resources Director in taking appropriate corrective and disciplinary action up to and including termination of

employment, in accordance with current Personnel Policies, Memoranda of Understanding and other policies and applicable laws.

6. The Authority's Manager, following review of investigation results, shall take appropriate action regarding the employee(s) who committed or participated in the fraud. Upon consultation with the Authority's Attorney, such action may include referring the matter to appropriate law enforcement agencies in addition to imposing discipline.
7. If the investigation concerns the Authority's Manager, the Authority Attorney shall advise on said investigation. Upon conclusion of said investigation, the results shall be reported to the Authority's Commission.
8. The Authority shall pursue restitution and recovery of all damages or other loss sustained as a result of fraud.

**COMMISSION POLICY NO. 2010-01**

**Rev: A                      Rev Date:    new date                      Issue Date: 05/13/2010**

Approved by Commission of Silicon Valley Clean Water on

**Subject:            FRAUD IN THE WORKPLACE**

*By my signature below, I confirm that I have received, have read and understand, and that I will comply with the Authority's Fraud in the Workplace policy. If I have any questions about the policy, I will promptly seek clarification or guidance from my supervisor or the Authority's Manager.*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed Name*

*Please return this signed confirmation to the Human Resources Director.*

*This document will be filed in your personnel file.*



## AGENDA ITEM 8A

**AUTHORIZE EXECUTION AND DELIVERY OF CONSTRUCTION  
INSTALLMENT SALES AGREEMENT LOAN WITH THE STATE WATER  
RESOURCES CONTROL BOARD RELATED TO  
SVCW CAPITAL IMPROVEMENT PROGRAM**

**ISSUE**

Adopt Resolution Authorizing Silicon Valley Clean Water to Execute and Deliver an Installment Sale Agreement with the State Water Resource Control Board for a Loan principal amount not to exceed \$169 Million and to Approve other Matters in Relation Therewith

**BACKGROUND**

Silicon Valley Clean Water ("SVCW" or "the Authority") has determined it is in the best interest of the Authority to fund a portion of its Capital Improvement Program ("CIP") through the State Water Resource Control Board's ("SWRCB") Clean Water State Revolving Fund ("CWSRF") loan program.

On November 16, 2020, the Commission authorized SVCW to enter into an installment sale agreement loan to fund a portion of the Regional Environmental Sewer Conveyance Upgrade ("RESCU") project. As staff worked with SWRCB staff to finalize the loan agreement, it was determined that three separate loans must be established, one for each RESCU element (Gravity Pipeline Project, Front of Plant Project, and Pump Stations Improvements Project).

**DISCUSSION**

The recommended action positions SVCW to proceed with execution of already-approved CWSRF loan amounts and terms.

Attached is a Good Faith Estimate that for each loan describes the interest rate, financing charges, principal amounts, accrued interest, and total payments anticipated.

**FINANCES**

There is no financial impact associated with the recommended action.

**RECOMMENDATION**

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE EXECUTION AND DELIVERY OF FINANCING AGREEMENTS BETWEEN SILICON VALLEY CLEAN WATER AND THE STATE WATER RESOURCES CONTROL BOARD RELATING TO CERTAIN CAPITAL IMPROVEMENT PROJECTS AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH

## **Good Faith Estimates**

### **Exhibit A to SVCW Resolution**

#### **CWSRF Loan – Gravity Pipeline**

Set forth below are **good faith estimates** of Fieldman, Rolapp & Associates, Inc., the municipal advisor, as required under Section 5852.1 of the California Government Code (the “Code”). **The following estimates have no bearing on, and should not be misconstrued as, any not-to-exceed financial parameters authorized by resolution.**

- (a) The true interest cost of the Loan is estimated at 0.90%, calculated as provided in Section 5852.1(a)(1)(A) of the Code.
- (b) The finance charge of the Loan, including all fees and charges paid to third parties, is estimated at \$22,925.
- (c) Proceeds of the Loan received by the Authority for the sale of the Loan, including the estimated principal amount of the proposed Loan of \$60,388,681, less the finance charges set forth in (b) above and accrued interest in the amount of \$783,102, is equal to \$59,605,579 (estimated amount for the Project Fund).
- (d) The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at \$69,200,203.

The foregoing are estimates and the final costs will depend on market conditions and can be expected to vary from the estimated amounts set forth above.

#### **CWSRF Loan – Pump Stations**

Set forth below are **good faith estimates** of Fieldman, Rolapp & Associates, Inc., the municipal advisor, as required under Section 5852.1 of the California Government Code (the “Code”). **The following estimates have no bearing on, and should not be misconstrued as, any not-to-exceed financial parameters authorized by resolution.**

- (a) The true interest cost of the Loan is estimated at 0.90%, calculated as provided in Section 5852.1(a)(1)(A) of the Code.
- (b) The finance charge of the Loan, including all fees and charges paid to third parties, is estimated at \$22,216.
- (c) Proceeds of the Loan received by the Authority for the sale of the Loan, including the estimated principal amount of the proposed Loan of \$58,295,935, less the finance charges set

forth in (b) above and accrued interest in the amount of \$532,777, is equal to \$57,763,158 (estimated amount for the Project Fund).

- (d) The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at \$66,802,183.

The foregoing are estimates and the final costs will depend on market conditions and can be expected to vary from the estimated amounts set forth above.

### **CWSRF Loan – Front of Plant**

Set forth below are **good faith estimates** of Fieldman, Rolapp & Associates, Inc., the municipal advisor, as required under Section 5852.1 of the California Government Code (the “Code”). **The following estimates have no bearing on, and should not be misconstrued as, any not-to-exceed financial parameters authorized by resolution.**

- (a) The true interest cost of the Loan is estimated at 0.90%, calculated as provided in Section 5852.1(a)(1)(A) of the Code.
- (b) The finance charge of the Loan, including all fees and charges paid to third parties, is estimated at \$19,859.
- (c) Proceeds of the Loan received by the Authority for the sale of the Loan, including the estimated principal amount of the proposed Loan of \$52,284,417, less the finance charges set forth in (b) above and accrued interest in the amount of \$652,838, is equal to \$51,631,579 (estimated amount for the Project Fund).
- (d) The total payment amount calculated as provided in Section 5852.1(a)(1)(D) of the Code is estimated at \$59,913,428.

The foregoing are estimates and the final costs will depend on market conditions and can be expected to vary from the estimated amounts set forth above.

## **AGENDA ITEM 8B**

**AUTHORIZATION TO AMEND AND INCREASE EXISTING  
LINE OF CREDIT AGREEMENT**

**ISSUE**

Authorization to Amend and Increase Line of Credit Agreement with Wells Fargo Bank, National Association

**BACKGROUND**

Over the past ten years, SVCW has used a Line of Credit facility (LOC) to manage cash liquidity needs as capital projects were implemented and project expenditures increased. The LOC is a valuable tool to manage cash flow and reduce borrowing costs by providing bridge financing and allowing capital projects to continue uninterrupted.

SVCW's LOC specifically supports State Revolving Fund (SRF) Loans from the State Water Resources Control Board (SWRCB). The SRF program is structured such that, during construction, SVCW initially pays for project expenditures then afterwards seeks reimbursement from the SWRCB. The SWRCB then recognizes reimbursed amounts as cumulative principal owed on the SRF Loan, plus accrued interest, until construction is complete. Each reimbursement claim made by SVCW to the SWRCB may take 90 to 120 days to be processed and for reimbursed funds to be received by SVCW. It is this 90-to-120-day period in which LOC bridge funding is used.

In 2012, SVCW entered into an LOC Agreement with Bank of the West which was replaced in 2015 with an Agreement with Wells Fargo, National Association (Wells Fargo). The Wells Fargo Agreement was renewed in 2018 for an LOC facility at \$30 million with an option for the principal amount to flex up to \$65 million. Most recently, on March 15, 2021 the LOC was extended for three years and its maximum principal amount was increased to \$75 million.

**DISCUSSION**

Construction on SVCW's Regional Environmental Sewer Conveyance Upgrade (RESCU) is at its peak, with expenditures projected at approximately \$15 million per month over the next year. The source of funds for the next year is nearly exclusively from a series of new SRF Loans. Execution of these new SRF Loans, however, has taken longer than anticipated. SVCW financial models had assumed the SRF Loans would be available for drawdown by April 2021, but it now appears agreements will not be executed until June 30, 2021.

This delay will likely increase the total principal needed from the Wells Fargo LOC by approximately \$40 million. Wells Fargo has agreed to increase the maximum principal amount of the LOC from the current \$75 million maximum to \$115 million at the same terms and conditions.

**FINANCES**

The LOC utilizes a variable short-term interest rate. At current conditions, the LOC rate is approximately 0.15% (15 basis points) below the SRF Loans' interest rate. As such, if

\$40 million were drawn from the LOC in lieu of accruing interest against the SRF Loans, estimated savings may be approximately \$5 thousand per month. All interest expense is allocated to member agencies according to capacity percentages as defined in the Joint Powers Agreement.

RECOMMENDATION

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE AMENDMENT OF A CREDIT AGREEMENT WITH WELLS FARGO BANK, NATIONAL ASSOCIATION, AND APPROVING RELATED FINANCING DOCUMENTS AND OFFICIAL ACTIONS

## **AGENDA ITEM 8C**



**ESTABLISH MANAGER'S FISCAL YEAR 2021-2022 ANNUAL SALARY  
AND FISCAL YEAR 2020-2021 BONUS**

ISSUE

Approve Annual Salary for Fiscal Year 2021-2022 and Bonus for Fiscal Year 2020-2021 for the Manager of Silicon Valley Clean Water

BACKGROUND

The Silicon Valley Clean Water (SVCW) Manager is employed under the terms and conditions of an employment contract with and approved by the SVCW Commission. The employment contract provides that the Commission establish by resolution the rate of pay for the Manager ("base salary"), subject to adjustments following performance reviews as provided in said contract. Specifically, the contract provides that the Manager is entitled to 1) an annual performance review prior to the close of each fiscal year, which includes consideration of adjustments to the Manager's base salary, 2) consideration of an annual performance incentive payment not to exceed 10% of the Manager's base salary and based upon the Manager's achievement of performance goals as agreed upon for the fiscal year, and 3) automatic cost of living adjustments applied to the Manager's base salary per the formula set forth in the contract.

DISCUSSION

The SVCW Manager's annual performance review will be conducted in closed session on June 21, 2021, whereby the Commission considers the job performance of the SVCW Manager for Fiscal Year 2020-2021 based upon certain agreed-upon performance goals. The Brown Act permits closed session discussions for the purpose of adjusting the Manager's annual compensation, including the base salary and incentive payment; however, the law requires that the amount of salary and other compensation of local agency executives be considered and finally approved by Commission vote in an open session.

In conformance with Brown Act requirements for salaries of local agency executives, final action on the decisions made by the Commission at their June 21, 2021 closed session discussion will be announced and taken in open session.

FINANCES

The Commission Chair will make announcement as to monthly salary and performance incentive payment. SVCW operating budgets for FY20-21 and FY21-22 anticipated amounts up to the maximum delineated in Ms. Herrera's employment contract.

RECOMMENDATION

- i. Chair to summarize recommended action in accordance with Government Code Section 54953(c)(3)
- ii. Move adoption of RESOLUTION APPROVING ANNUAL COMPENSATION FOR THE SILICON VALLEY CLEAN WATER MANAGER

## AGENDA ITEM 8D

**ESTABLISHING RATES OF PAY AND CLASSIFICATIONS FOR CONFIDENTIAL  
GENERAL, UNREPRESENTED GENERAL, PROFESSIONAL AND MANAGEMENT  
EMPLOYEES; ADDING ENGINEER; AND APPROVING UPDATED  
CONSOLIDATED PAY SCHEDULE**

**ISSUE**

Consideration of Compensation for Confidential General, Unrepresented General, Professional, and Management Employees; Add Engineer Classification

**BACKGROUND**

It is the Commission's responsibility to approve all SVCW personnel position titles, compensation, and classifications via Resolution. A Memorandum of Understanding (MOU) 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, classifications, and compensation via Resolution ("Resolution 77-6"). Unrepresented employee categories requiring Commission approval are Confidential General, Unrepresented General, Professional, and Management. Positions within each classification are indicated in the following table.

Confidential General Employees <sup>1</sup>	
Accountant	Administrative Assistant
Accounting Technician	Administrative Clerk
Office Assistant	Information System Analyst
Procurement Specialist	Information System Technician
Unrepresented General Employees	
Laboratory Assistant	Engineering Intern
General Intern	
Professional Employees	
Senior Engineer	Engineer <sup>2</sup>
Associate Engineer	Senior Capital Improvement Manager
Capital Improvement Program Manager	Senior Information System Analyst
Financial Analyst	Business Analyst
Management Employees <sup>3</sup>	
Laboratory Supervisor	Environmental Services Supervisor
Accounting Supervisor	Operations Supervisor
Maintenance Supervisor	Health & Safety Director
Administrative Services Director	Laboratory Director
Human Resources Director	Operations Director
Information Systems Director	Engineering/Environmental Services Director
Environmental Services Director	Maintenance Director
Chief Operating Officer	Assistant Manager/Chief Financial Officer
Authority Engineer	SVCW Manager

<sup>1</sup> These positions work with and have access to personnel, payroll and other confidential documents and are excluded from the bargaining unit

<sup>2</sup> This is a recommended new position

<sup>3</sup> Management includes Supervisors, Directors, and Senior Managers

Currently, the Engineering Division has two position classifications: Associate Engineer and Senior Engineer. The range of requirements for each are significantly different such that, even if an Associate Engineer exceeds its job description requirements, it could take up to three years to meet the Senior Engineer requirements. Succession planning warrants an interim classification of Engineer be added so current Associate Engineers would have the ability to promote within the organization rather than leaving the organization to attain their professional goals thus helping to ensure employee retention.

### DISCUSSION

It has been the ongoing practice for the Commission to approve the same Cost of Living Adjustment (COLA) for all unrepresented positions based upon the MOU agreement with Local 39. The approved COLA increase for the bargaining unit is four percent (4.0%) effective July 1, 2021 through June 30, 2022. The SVCW Manager recommends a COLA increase for unrepresented employees of four percent (4.0%) effective July 1, 2021. The budget approved by the Commission in April 2021 for fiscal year 2021-22 includes this recommended COLA increase.

The SVCW Manager is employed by the Commission under separate contract and the COLA increase she receives is described in her employment agreement. When the Commission performs its annual performance evaluation of the Manager, a corresponding salary adjustment will be discussed and authorized separately from this action.

The attached consolidated pay schedule includes previously approved pay rates for the general represented employees as well as 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.

### FINANCES

The approved SVCW Fiscal Year 21-22 operating budget includes the recommended COLA increase and was relayed to member agency finance staff in April 2021.

### 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 20-20 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 20-21 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 20-22 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 20-23 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 20-24 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 2021-2022

# Silicon Valley Clean Water Salary Schedules for Fiscal Year 2021-2022 (effective 7/1/2021 through 6/30/2022)

Resolution No. SVCW 21-21 approved at the Commission Meeting of June 21, 2021

General Represented Employees  
Stationary Engineers Local 39

Cost-of-Living Adjustment: 4.0%

Class 0 Positions	Codes	A0	B0	C0	D0	E0	F0	G0
Senior Operator	D130	\$ 8,851	\$ 9,293	\$ 9,753	\$ 10,244	\$ 10,864	\$ 11,295	\$ 11,858
Operator	D400	\$ 7,073	\$ 7,431	\$ 7,797	\$ 8,191	\$ 8,608	\$ 9,037	\$ 9,482
Senior Plant Mechanic	D200	\$ 8,529	\$ 8,959	\$ 9,404	\$ 9,869	\$ 10,369	\$ 10,886	\$ 11,432
Senior Plant Mechanic - Electrician	D250	\$ 9,117	\$ 9,575	\$ 10,051	\$ 10,552	\$ 11,086	\$ 11,638	\$ 12,221
Senior Plant Mechanic - Instrumentation Tech	D230	\$ 9,117	\$ 9,575	\$ 10,051	\$ 10,552	\$ 11,086	\$ 11,638	\$ 12,221
Senior Plant Mechanic - Control Systems Technician	D260	\$ 9,572	\$ 10,055	\$ 10,553	\$ 11,079	\$ 11,640	\$ 12,220	\$ 12,833
Plant Mechanic	D450	\$ 6,561	\$ 6,890	\$ 7,236	\$ 7,602	\$ 7,986	\$ 8,382	\$ 8,797
Plant Mechanic - Electrician	D460	\$ 6,561	\$ 6,890	\$ 7,236	\$ 7,602	\$ 7,986	\$ 8,382	\$ 8,797
Plant Mechanic - Instrumentation Tech	D440	\$ 6,561	\$ 6,890	\$ 7,236	\$ 7,602	\$ 7,986	\$ 8,382	\$ 8,797
Plant Mechanic - Control Systems Technician	D470	\$ 6,889	\$ 7,235	\$ 7,598	\$ 7,983	\$ 8,386	\$ 8,800	\$ 9,238
Planner / Scheduler Assistant	D852	\$ 6,561	\$ 6,890	\$ 7,236	\$ 7,602	\$ 7,986	\$ 8,382	\$ 8,797
Water Quality Specialist *	D360	\$ 8,250	\$ 8,755	\$ 9,299	\$ 9,862	\$ 10,467	\$ 11,111	\$ 11,666
Senior Laboratory Analyst **	D305	\$ 9,598	\$ 10,079	\$ 10,582	\$ 11,111	\$ 11,666	-	-
Laboratory Analyst II	D303	\$ 8,728	\$ 9,164	\$ 9,622	\$ 10,103	\$ 10,607	-	-
Laboratory Analyst I	D301	\$ 7,934	\$ 8,329	\$ 8,744	\$ 9,184	\$ 9,643	-	-
Senior Environmental Compliance Inspector *	D351	\$ 8,705	\$ 9,142	\$ 9,598	\$ 10,079	\$ 10,582	-	-
Environmental Compliance Inspector	D353	\$ 7,915	\$ 8,311	\$ 8,728	\$ 9,164	\$ 9,622	-	-
Pollution Prevention Specialist	D355	\$ 7,915	\$ 8,311	\$ 8,728	\$ 9,164	\$ 9,622	-	-
Materials Specialist	D703	\$ 8,451	\$ 8,885	\$ 9,338	\$ 9,796	\$ 10,286	-	-
Utility Worker	D850	\$ 6,073	\$ 6,408	\$ 6,758	\$ 7,132	\$ 7,523	-	-

Class 1 Positions	Codes	A1	B1	C1	D1	E1	F1	G1
Senior Operator	D131	\$ 9,029	\$ 9,476	\$ 9,947	\$ 10,450	\$ 11,081	\$ 11,521	\$ 12,094
Operator	D401	\$ 7,214	\$ 7,580	\$ 7,953	\$ 8,354	\$ 8,782	\$ 9,216	\$ 9,672
Senior Plant Mechanic	D201	\$ 8,700	\$ 9,138	\$ 9,592	\$ 10,065	\$ 10,578	\$ 11,103	\$ 11,660
Senior Plant Mechanic - Electrician	D251	\$ 9,300	\$ 9,767	\$ 10,250	\$ 10,762	\$ 11,308	\$ 11,871	\$ 12,466
Senior Plant Mechanic - Instrumentation Tech	D231	\$ 9,300	\$ 9,767	\$ 10,250	\$ 10,762	\$ 11,308	\$ 11,871	\$ 12,466
Senior Plant Mechanic - Control Systems Technician	D261	\$ 9,764	\$ 10,255	\$ 10,764	\$ 11,301	\$ 11,873	\$ 12,464	\$ 13,089
Plant Mechanic	D451	\$ 6,691	\$ 7,028	\$ 7,381	\$ 7,753	\$ 8,146	\$ 8,550	\$ 8,974
Plant Mechanic - Electrician	D461	\$ 6,691	\$ 7,028	\$ 7,381	\$ 7,753	\$ 8,146	\$ 8,550	\$ 8,974
Plant Mechanic - Instrumentation Tech	D441	\$ 6,691	\$ 7,028	\$ 7,381	\$ 7,753	\$ 8,146	\$ 8,550	\$ 8,974
Plant Mechanic - Control Systems Technician	D471	\$ 7,027	\$ 7,380	\$ 7,750	\$ 8,141	\$ 8,553	\$ 8,978	\$ 9,422
Planner / Scheduler Assistant	D853	\$ 6,691	\$ 7,028	\$ 7,381	\$ 7,753	\$ 8,146	\$ 8,550	\$ 8,974
Water Quality Specialist *	D361	\$ 8,415	\$ 8,929	\$ 9,486	\$ 10,060	\$ 10,678	\$ 11,333	\$ 11,899
Senior Laboratory Analyst **	D306	\$ 9,791	\$ 10,280	\$ 10,793	\$ 11,333	\$ 11,899	-	-
Laboratory Analyst II	D304	\$ 8,901	\$ 9,346	\$ 9,813	\$ 10,303	\$ 10,819	-	-
Laboratory Analyst I	D302	\$ 8,092	\$ 8,497	\$ 8,920	\$ 9,368	\$ 9,836	-	-
Senior Environmental Compliance Inspector *	D352	\$ 8,878	\$ 9,326	\$ 9,791	\$ 10,280	\$ 10,793	-	-
Environmental Compliance Inspector	D354	\$ 8,075	\$ 8,476	\$ 8,901	\$ 9,346	\$ 9,813	-	-
Pollution Prevention Specialist	D356	\$ 8,075	\$ 8,476	\$ 8,901	\$ 9,346	\$ 9,813	-	-
Materials Specialist	D704	\$ 8,621	\$ 9,062	\$ 9,525	\$ 9,992	\$ 10,492	-	-
Utility Worker	D851	\$ 6,194	\$ 6,536	\$ 6,894	\$ 7,275	\$ 7,675	-	-

**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.

<b>General Non-Represented Employees (hourly)</b>	<b>Codes</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
Lab Assistant	D550	\$ 22.63	\$ 23.75	\$ 24.94	\$ 26.20	\$ 27.51
Engineering Intern	E505	\$ 22.63	\$ 23.75	\$ 24.94	\$ 26.20	\$ 27.51
General Intern	E508	\$ 22.63	\$ 23.75	\$ 24.94	\$ 26.20	\$ 27.51

<b>Confidential General Employees (monthly)</b>	<b>Codes</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
Accountant	E250	\$ 8,786	\$ 9,225	\$ 9,687	\$ 10,170	\$ 10,680	\$ 11,213	\$ 11,773
Accounting Technician	E200	\$ 6,496	\$ 6,819	\$ 7,162	\$ 7,520	\$ 7,898	\$ 8,290	\$ 8,705
Administrative Assistant	E100	\$ 7,800	\$ 8,192	\$ 8,603	\$ 9,032	\$ 9,482	\$ 9,957	\$ 10,453
Administrative Clerk	E175	\$ 5,461	\$ 5,735	\$ 6,024	\$ 6,323	\$ 6,639		
Office Assistant	E150	\$ 4,661	\$ 4,893	\$ 5,138	\$ 5,398	\$ 5,666		
Procurement Specialist	E702	\$ 8,451	\$ 8,874	\$ 9,317	\$ 9,783	\$ 10,272	\$10,786	\$11,256
Information System Analyst	E510	\$ 10,557	\$ 11,086	\$ 11,640	\$ 12,221	\$ 12,834		
Information System Technician	E520	\$ 7,467	\$ 7,849	\$ 8,252	\$ 8,679	\$ 9,124		

<b>Professional Employees (monthly)</b>	<b>Codes</b>	<b>Minimum</b>	<b>Maximum</b>
Senior Engineer	E500	\$ 15,560	\$ 18,913
Engineer	E501	\$ 12,743	\$ 15,483
Associate Engineer	E503	\$ 11,153	\$ 13,556
Senior Capital Improvement Manager	C902	\$ 15,560	\$ 18,913
Capital Improvement Program Manager (Vacant) ***	C903	\$ 12,448	\$ 15,132
Senior Information System Analyst	E530	\$ 11,730	\$ 14,258
Financial Analyst	E300	\$ 10,981	\$ 14,717
Business Analyst	E325	\$ 10,981	\$ 14,717

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

<b>Management Employees (monthly)</b>	<b>Codes</b>	<b>Minimum</b>	<b>Maximum</b>
Manager	C100	\$	\$
Authority Engineer	C110	\$ 21,194	\$ 25,760
Chief Operating Officer	C120	\$ 22,527	\$ 27,382
Assistant Manager / Chief Financial Officer	C205	\$ 21,936	\$ 26,661
Maintenance Director	C261	\$ 17,294	\$ 21,020
Operations Director	C271	\$ 17,294	\$ 21,020
Engineering/Environmental Services Director	C181	\$ 17,294	\$ 21,020
Laboratory Director	C500	\$ 17,294	\$ 21,020
Environmental Services Director	C411	\$ 16,148	\$ 19,628
Information Systems Director	C511	\$ 16,148	\$ 19,628
Administrative Services Director	C201	\$ 14,929	\$ 18,248
Human Resources Director	C208	\$ 14,929	\$ 18,248
Health and Safety Director	C191	\$ 14,929	\$ 18,248
Maintenance Supervisor	C300	\$ 13,076	\$ 15,893
Operations Supervisor	C400	\$ 13,076	\$ 15,893
Accounting Supervisor	C405	\$ 13,076	\$ 15,893
Laboratory Supervisor	C512	\$ 13,076	\$ 15,893
Environmental Services Supervisor	C420	\$ 13,076	\$ 15,893
Capital Improvement Program Manager (Current)	C901	\$ 12,448	\$ 15,132

Alicia Aguirre  
CHAIR, Silicon Valley Clean Water Commission

Warren Lieberman  
SECRETARY, Silicon Valley Clean Water Commission