



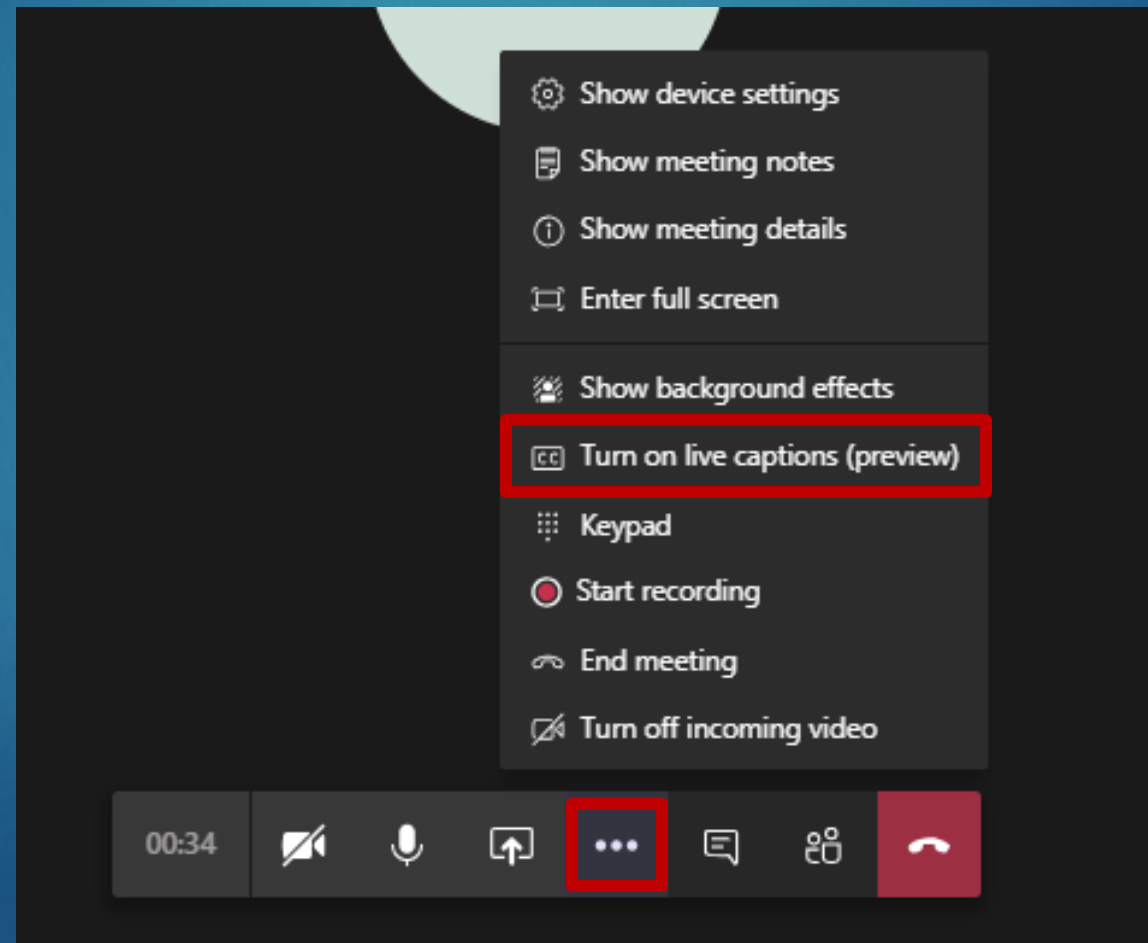
# Silicon Valley Clean Water Commission Meeting

JANUARY 10, 2022

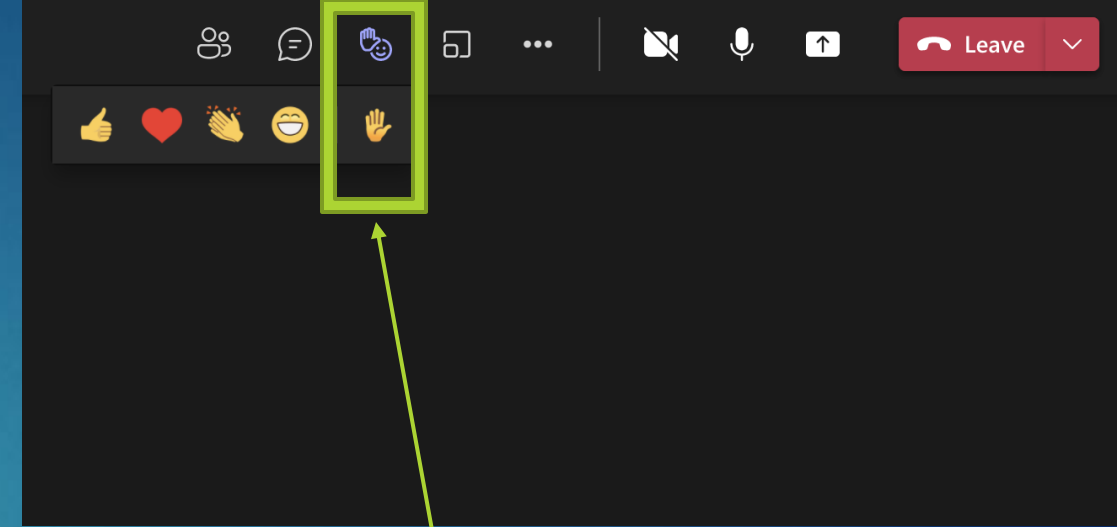


# Turn on Live Captions

- ▶ To turn on live captions, go to your meeting controls and select **More actions ...** > **Turn on live captions (preview)**.



# Public Comment



- ▶ To provide public comment during the meeting:
  - ▶ Click on raise hand button
  - ▶ SVCW will unmute member of the public
  - ▶ State your name and make your comment
  - ▶ Three minutes is provided for comment
- ▶ If joined via phone:
  - ▶ Unmute yourself and state what item you want to comment on







# Agenda Item 8A

## Remote Commission Meetings

# Commission Meetings Attendance



- ▶ Remote Meetings Allowable
- ▶ Per AB361 Amendment to CA Gov't Code
  - ▶ Waiver of in-person meeting requirements under Brown Act
- ▶ State/Local Officials recommend measures re: social distancing
- ▶ In-Person Meetings pose Imminent Risk to Health and Safety of Attendees
- ▶ Reconsider / Make Findings every 30 Days

# Recommendation

Adopt Resolution Allowing for Remote  
Teleconference Meetings under Emergency  
Conditions related to Covid-19



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# Agenda Item 8B

2022 CIP Update /  
CEQA Conclusions

# CIP Update – Overview

- ▶ Program Status
- ▶ Updated Costs and Expenditure Projections
- ▶ CIP Outline
- ▶ CEQA

# 2022 CIP Update

Ongoing & Continuing Projects

Identified Predictive Maintenance Projects

Condition Assessment Program Implementation

Cashflow Data for Financial Planning

# CIP – Status of Ongoing Projects

Since the 2020  
Update

```
graph TD; A[Since the 2020 Update] --> B[20-months have passed]; A --> C[RESCU Program expended $200 million]; A --> D[Treatment Plant Projects expended $23 million];
```

20-months have  
passed

RESCU Program  
expended  
\$200 million

Treatment Plant  
Projects expended  
\$23 million



# CIP 10-year Expenditure Plan

Projects	Changed Costs
RESCU	\$19.8 million Add
Non-RESCU	\$ 8.1 million Deduct
New Projects	
Process Piping Rehabilitation	\$19 million Add
Preventative Maintenance	\$ 7 million Add
Process Optimization	\$ 4 million Add

# CIP Contains...

Conveyance  
System  
(includes  
RESCU)

Structural  
Rehabilitation

Piping  
Rehabilitation

Mechanical /  
Electrical /  
Instrumentation

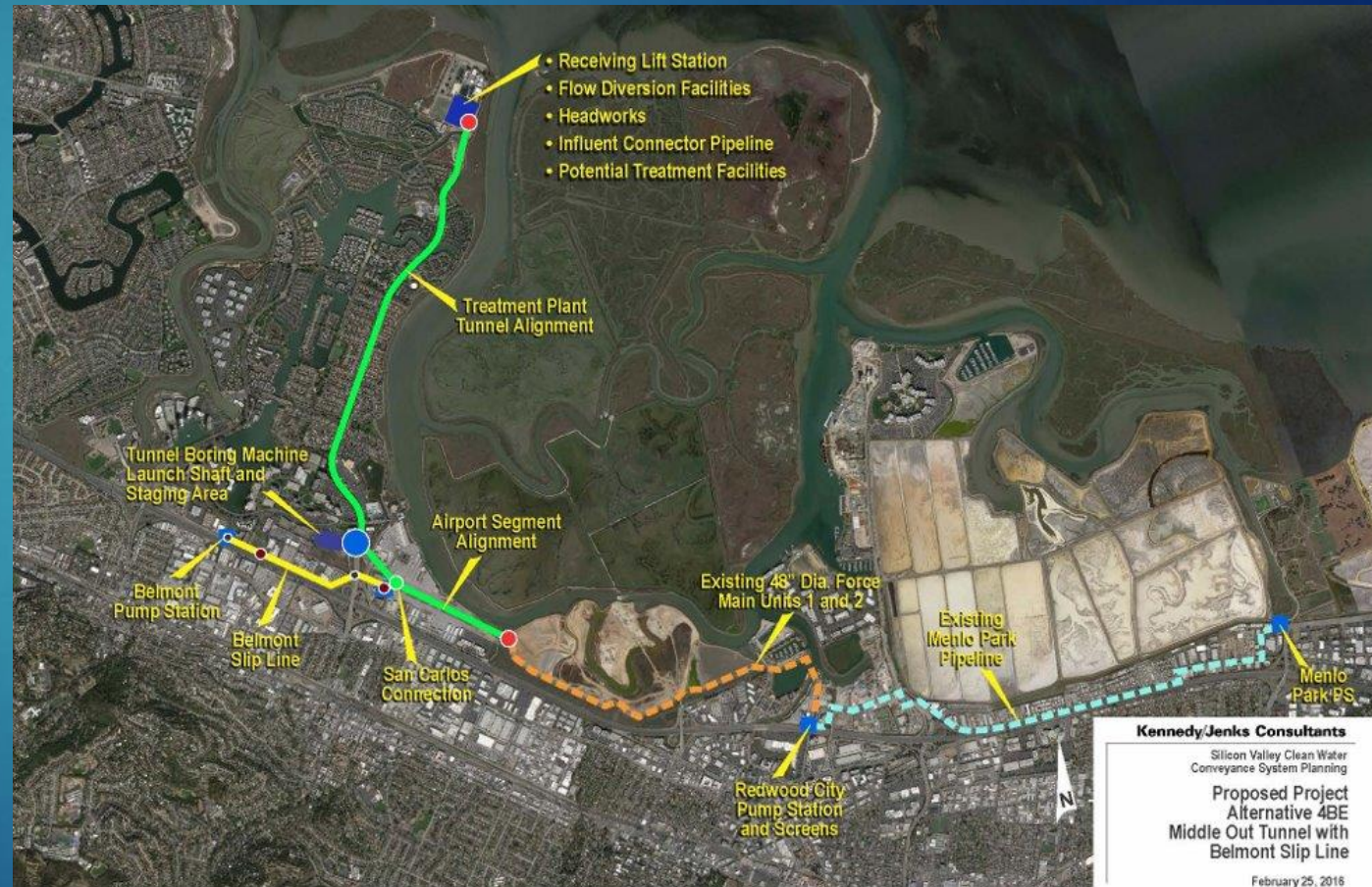
Process  
Efficiency &  
Regulatory

Site Civil

CIP Support

# Conveyance System

- ▶ RESCU Costs  
(as presented in December)
  - ▶ \$574.2 million
- ▶ New Non-RESCU Project –  
Decommission 54-In Force  
Main
  - ▶ \$500,000 budget





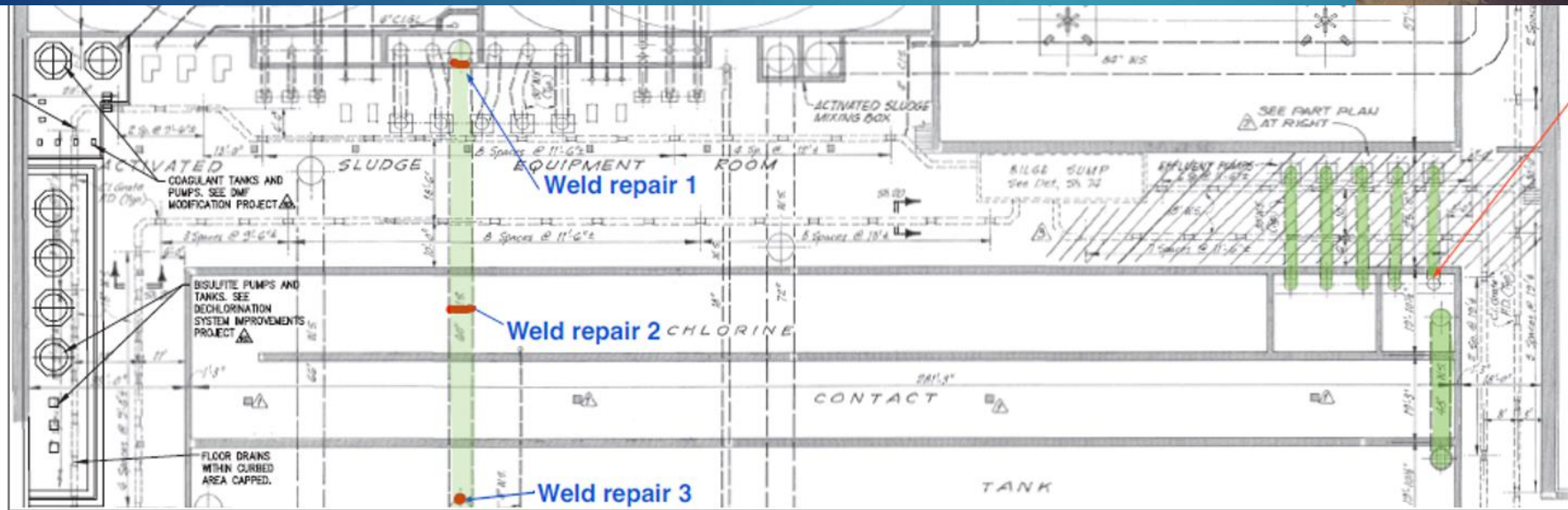
# Structural Rehabilitation

- ▶ 10-year Recurrence Frequency on Process Tank/Digester Coating Projects
- ▶ Crack Assessment & Repair



# Process Piping Rehabilitation

- Inspection / Repair / Rehabilitation of Underslab & Above-Grade Process Piping





# Mechanical, Electrical, and Instrumentation Rehabilitation

- ▶ Failing Equipment
  - ▶ Fixed Film Reactor
- ▶ Equipment Installed via Original CIP



# Process Efficiency and Regulatory

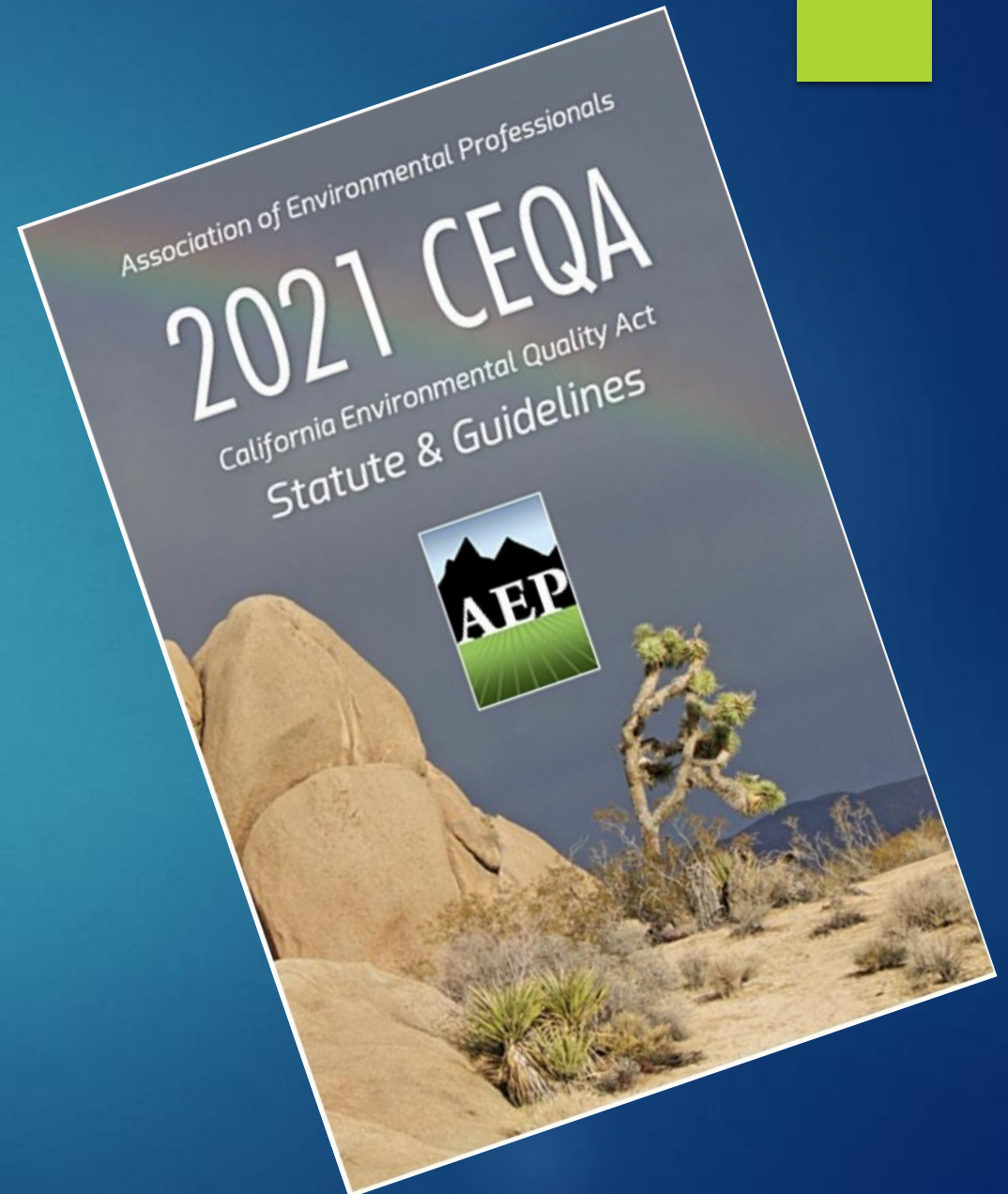
- ▶ Plant Operations Efficiency
  - ▶ Food Waste Improvements, Process Optimization Pilot Programs
- ▶ Future Regulatory Requirements
  - ▶ Nutrient Removal, Waste Gas Burners





# CEQA Conclusions

- ▶ Statutory Exemptions
  - ▶ CIP itself, planning studies, emergency projects
- ▶ Categorical Exemptions
  - ▶ Repair, maintenance, minor construction
- ▶ Initial Study
  - ▶ Mitigated Negative Declaration
  - ▶ Environmental Impact Report



# Recommendation

Adopt 2022 CIP Update and  
CEQA Conclusions



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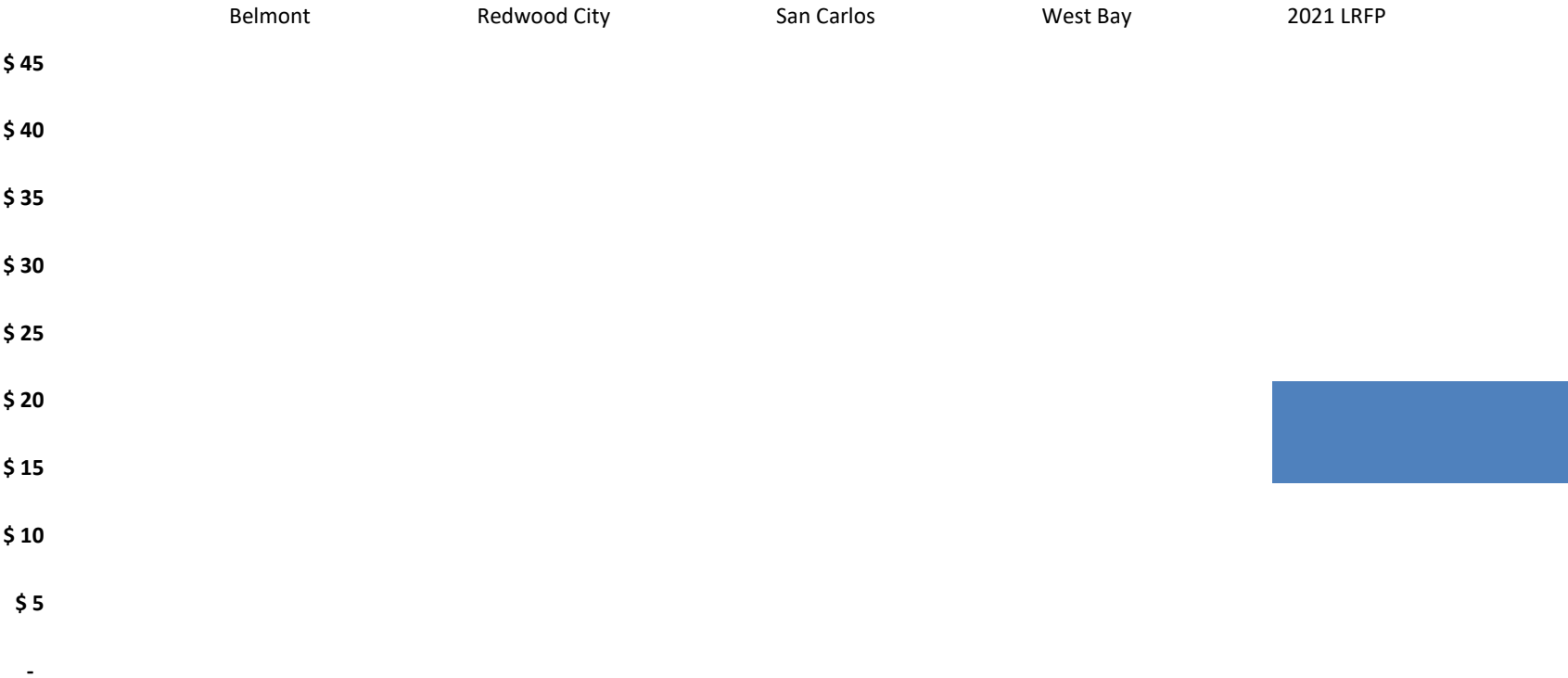
# Agenda Item 8C

## Long Range Financial Plan 2022 Update

# Comparisons to Prior Year LRFP

- ▶ Adjusts for Changes in Debt Terms
  - ▶ Benefited from 2021 transactions (WIFIA, SRF, & Refunding)
- ▶ Incorporates Changes Proposed in 2022 CIP Update
  - ▶ Includes project additions, deletions, & new cost estimates
- ▶ Considers Changes in Construction Schedules
  - ▶ Modest adjustments
  - ▶ RESCU Design-Build Delivery Method

SVCW Aggregate Debt Service by Member Agency  
(\$ Millions)



# Updated CIP Expenditures

- ▶ FYE 2022 Capital Expenditures - Largest in SVCW History
- ▶ Significant Decline in Expenditures as RESCU completes

Identified Capital Expenditures through Fiscal Year 2031; by CIP Program  
(\$ Millions)

CIP Program	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	Total
Gravity Pipeline	\$ 39.6	\$ 1.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41.3
Front of Plant Facilities	43.7	12.1	-	-	-	-	-	-	-	-	55.8
Pump Stations & Pipelines	70.0	29.3	4.9	-	-	-	-	-	-	-	104.1
Treatment Facilities	30.9	28.7	26.7	13.9	9.6	6.1	4.1	4.1	2.6	2.6	129.4
<b>Total</b>	<b>\$184.2</b>	<b>\$ 71.7</b>	<b>\$ 31.6</b>	<b>\$ 13.9</b>	<b>\$ 9.6</b>	<b>\$ 6.1</b>	<b>\$ 4.1</b>	<b>\$ 4.1</b>	<b>\$ 2.6</b>	<b>\$ 2.6</b>	<b>\$ 330.5</b>

# Majority of CIP Already Funded

CIP Funding Sources / Remaining Need (\$ Millions)											
Description	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	TOTAL
<b>CIP Expenditures</b>	<b>\$184.2</b>	<b>\$ 71.7</b>	<b>\$ 31.6</b>	<b>\$ 13.9</b>	<b>\$ 9.6</b>	<b>\$ 6.1</b>	<b>\$ 4.1</b>	<b>\$ 4.1</b>	<b>\$ 2.6</b>	<b>\$ 2.6</b>	<b>\$330.5</b>
<b>Less Available Proceeds:</b>											
2018 Bond Proceeds	\$ 12.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.2
Current Cash-in-lieu	2.4	-	-	-	-	-	-	-	-	-	2.4
SRF RESCU Loan	121.8	8.7	-	-	-	-	-	-	-	-	130.5
WIFIA RESCU Loan	29.1	34.3	4.9	-	-	-	-	-	-	-	68.2
WIFIA WWTP Loan	18.7	28.7	24.5	-	1.9	-	-	-	-	-	73.8
<b>Subtotal</b>	<b>\$184.2</b>	<b>\$ 71.7</b>	<b>\$ 29.4</b>	<b>\$ -</b>	<b>\$ 1.9</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$287.2</b>
<b>Remaining Need:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2.2</b>	<b>\$ 13.9</b>	<b>\$ 7.7</b>	<b>\$ 6.1</b>	<b>\$ 4.1</b>	<b>\$ 4.1</b>	<b>\$ 2.6</b>	<b>\$ 2.6</b>	<b>\$ 44.3</b>



# Proposed Funding Sources

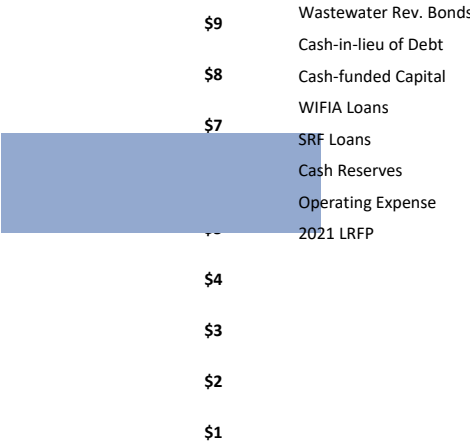
1. Draw \$14.3 million from available Stage 2 Funds
2. Use cash positions to bridge \$26.4 million (FYE 2025 – 2030)
3. Use CIP Reserve in FYE 2031, when cash contributions available

**Proposed Sources to fund CIP Expenditures not yet secured by existing debt  
(\$ Millions)**

<b>Description</b>	<b>FYE 2023</b>	<b>FYE 2024</b>	<b>FYE 2025</b>	<b>FYE 2026</b>	<b>FYE 2027</b>	<b>FYE 2028</b>	<b>FYE 2029</b>	<b>FYE 2030</b>	<b>FYE 2031</b>	<b>FYE 2032</b>	<b>TOTAL</b>
Stage 2 Capacity Funds	\$ -	\$ 2.2	\$ 12.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$14.3
Cash in lieu of Debt	-	-	1.8	7.7	6.1	4.1	4.1	2.6	-	-	26.4
CIP Reserve, Redirected	-	-	-	-	-	-	-	-	2.6	1.0	3.5
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 2.2</b>	<b>\$ 13.9</b>	<b>\$ 7.7</b>	<b>\$ 6.1</b>	<b>\$ 4.1</b>	<b>\$ 4.1</b>	<b>\$ 2.6</b>	<b>\$ 2.6</b>	<b>\$ 1.0</b>	<b>\$44.3</b>



**Projected Cash Flows - Belmont  
(\$ Millions)**



2023-24 2024-25 2025-26 2026-27 2027-28 2028-29 2029-30 2030-31 2031-32

# Recommendation

Receive and Accept  
Silicon Valley Clean Water  
Long Range Financial Plan  
2022 Update



**SVCW**

**Silicon Valley Clean Water**



Thank You