

**COMMISSION OF SILICON VALLEY CLEAN WATER  
JOINT POWERS AUTHORITY  
REGULAR MEETING – Monday, June 13, 2022  
8:00 a.m.**

Place: Pelican Conference Room  
Silicon Valley Clean Water  
1400 Radio Road, 2<sup>nd</sup> Floor  
Redwood City, California

**Consistent with Government Code Section 54953, this meeting will be held both in person and virtually. See page 7 of this agenda for virtual 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. CLOSED SESSION
  - A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov't Code §54957)  
Title: Manager
  - B. CONFERENCE WITH LABOR NEGOTIATOR (Gov't Code §54957.6)  
Unrepresented Employee: Manager

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

6. 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.

7. SAFETY MOMENT and REPORTS

A. Safety Moment.....	pg. 9
B. Manager’s Report	
1. Upcoming Commission Actions.....	pg. 11
2. Risk Control Audit Scorecard.....	pg. 13
C. Financial Report	
1. Investment Report.....	pg. 16
2. Operating Budget Update .....	pg. 20
D. Engineering Capital Projects Report.....	pg. 23
E. Commission Requested Staff-Level Action Items.....	pg. 26
F. RESCU Program Design-Build Project Status Update.....	pg. 29

8. MATTERS OF COMMISSION MEMBER’S INTEREST

9. CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR (begins pg. 37)

10. BUSINESS ITEMS

A. CONSIDERATION OF MOTIONS APPROVING CONTRACT CHANGE ORDERS FOR RESCU’S FRONT OF PLANT PROJECT (CIP #9502) AND PUMP STATIONS IMPROVEMENTS PROJECT (CIP #9501) (pg. 63)

Proposed Actions:

- i. Move approval of CONTRACT CHANGE ORDER FOR THE FRONT OF PLANT PROJECT IN AN AMOUNT NOT TO EXCEED \$7,601,838 (SPJV)
- ii. Move approval of CONTRACT CHANGE ORDER FOR THE PUMP STATIONS IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$1,583,051 (SPJV)

B. CONSIDERATION OF RESOLUTION AND MOTION APPROVING AGREEMENT BETWEEN SILICON VALLEY CLEAN WATER AND KENNEDY/JENKS CONSULTANTS REGARDING SF-PENINSULA REGIONAL PUREWATER (SPRP) PROJECT (pg. 67)

Proposed Action:

- i. Move approval of RESOLUTION APPROVING AGREEMENT BETWEEN SVCW AND KENNEDY/JENKS CONSULTANTS FOR SF-PENINSULA REGIONAL PUREWATER (SPRP) LONG TERM STRATEGIC RECYCLED WATER PLANNING (CIP #9232)
- ii. Move approval of TASK ORDER SCOPE OF WORK AND BUDGET FOR BASIS OF DESIGN REPORT (BODR) RELATED TO LONG TERM STRATEGIC RECYCLED WATER PLANNING (CIP #9232) IN THE AMOUNT NOT TO EXCEED \$1,030,000 AND APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – KENNEDY/JENKS CONSULTANTS

C. CONSIDERATION OF RESOLUTIONS ESTABLISHING RATES OF PAY AND CLASSIFICATIONS FOR CONFIDENTIAL GENERAL, UNREPRESENTED GENERAL, PROFESSIONAL AND MANAGEMENT EMPLOYEES; ADDING BUSINESS OPERATIONS ASSOCIATE; AND APPROVING UPDATED CONSOLIDATED PAY SCHEDULE (pg. 71)

Proposed Actions:

- i. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR MANAGEMENT EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING AND RESTATING CERTAIN PROVISIONS OF RESOLUTION NO. SVCW 21-23 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 21-24 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 21-25 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 21-26 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 21-27 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 2022-2023

D. CONSIDERATION OF RESOLUTION APPROVING ANNUAL SALARY FOR FISCAL YEAR 2022-2023 AND BONUS FOR FISCAL YEAR 2021-2022 FOR THE MANAGER OF SILICON VALLEY CLEAN WATER (pg. 77)

Proposed Actions:

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

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.

9. A. APPROVAL OF MINUTES – May 9, 2022 - Regular Meeting (pg. 37)
- B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED APRIL 22, APRIL 29, AND MAY 2, 2022, AND NECESSARY PAYMENTS THROUGH MAY 2, 2022 (pg. 42)
- C. CONSIDERATION OF MOTION AUTHORIZING TO FILE NOTICE OF COMPLETION FOR THE CHLORINE CONTACT TANK VALVE REPLACEMENT AND SURFACE REHABILITATION PROJECT (pg. 44)

Proposed Action:

Move approval to ACCEPT CHLORINE CONTACT TANK VALVE REPLACEMENT AND SURFACE REHABILITATION PROJECT (CIP #9107) AND AUTHORIZE FILING NOTICE OF COMPLETION – ERS Industrial Services, Inc.

- D. CONSIDERATION OF MOTION AND RESOLUTION APPROVING SPECIFIC SOLE SOURCE EQUIPMENT IN USE AT SVCW FACILITIES (pg. 48)

Proposed Action:

- i. Move approval TO SUSPEND COMPETITIVE BIDDING REQUIREMENTS BASED ON PUBLIC CONTRACTS CODE SECTION 3400 AND REDWOOD CITY MUNICIPAL CODE SECTION 2.67.4 WHICH AUTHORIZES SILICON VALLEY CLEAN WATER TO PURCHASE SPECIFIC EQUIPMENT WITHOUT SPECIFYING “OR EQUAL” MANUFACTURERS AND EQUIPMENT (SOLE SOURCE) (5/7<sup>th</sup> weighted vote required)
  - ii. Move adoption of RESOLUTION ALLOWING FOR THE SOLE SOURCE SPECIFICATION AND PURCHASE OF STANDARDIZED EQUIPMENT AND MATERIALS AS LISTED, TO MATCH EXISTING, PROVEN EFFECTIVE OR TESTED EFFECTIVE EQUIPMENT FOR A PERIOD OF FIVE YEARS FROM JUNE 2022 THROUGH MAY 2027
- E. CONSIDERATION OF MOTION CONFIRMING REVIEW OF SILICON VALLEY CLEAN WATER COMMISSION POLICY NO. 2013-03, RESERVE FUND POLICY AND PROCEDURES (pg. 55)

Proposed Action:

Move approval CONFIRMING REVIEW AND APPROVAL OF CURRENT VERSION (REVISION E) OF COMMISSION POLICY NO. 2013-03, SILICON VALLEY CLEAN WATER RESERVE FUND POLICY AND PROCEDURES

- F. CONSIDERATION OF RESOLUTION APPROVING MASTER SERVICES AGREEMENT FOR KIMLEY-HORN AND ASSOCIATES, INC. FOR ENVIRONMENTAL SERVICES (pg. 60)

Proposed Action:

Move adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES AND TASK ORDER NO. 1 – KIMLEY-HORN AND ASSOCIATES, INC. (\$164,200)

Microsoft Teams Access Information  
Silicon Valley Clean Water  
Regular Meeting  
Monday, June 13, 2022

**WEBSITE:** [Link to access meeting](https://svcw.org/about/governance/commission-meetings)

**MEETING ID:** 395 025 034#

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

You may log in via URL located on SVCW's website at <https://svcw.org/about/governance/commission-meetings>. 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. Members of the public may provide public comments via the Teams platform by using the "raise hand" feature or, if calling in by phone, by unmuting and beginning to speak. In response to a "raised hand", SVCW will unmute the member of public and allow them to speak. In response to a phone request to speak, SVCW will ask what is the nature of the comment and will provide directions to follow to provide comment. Public comments will be limited to three minutes.

Public comment may also be made by emailing comments to [commission@svcw.org](mailto:commission@svcw.org) up to two hours prior to the scheduled meeting time. 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.

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 change 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 7A



Summer Safety Tips for Pets



**Summer Safety Tips For Pets**

<b>DO</b>	<b>DON'T</b>
 Provide pets with cool, fresh water at all times	 LEAVE PETS UNATTENDED IN CARS!
 Keep pets up-to-date on vaccinations & meds	 Leave dogs outdoors, unattended on a chain or tether
 Keep pets indoors (in A/C) during the heat of the day	 Let pets near gardening products, pesticides, fertilizers
 Walk your dogs early or late when it is cooler	 Walk dogs on hot sidewalks/asphalt that burns their paws
 Limit jogging and bicycling with your dog	 Leave pets outside during fireworks/firecracker displays
 Apply sunscreen to pets, especially those with short hair	 Exercise pets without providing water frequently

## AGENDA ITEM 7B1

Recurring and Upcoming 2022 Commission Actions  
Updated for June 2022 Meeting

January	February	March	April
<ul style="list-style-type: none"> <li>Review Investment Policy</li> <li>CIP Update (annual or biennial)</li> <li>Long Range Financial Plan</li> </ul>	<ul style="list-style-type: none"> <li>Recycled Water Planning</li> <li>Organic Co-Digestion Update</li> </ul>	<ul style="list-style-type: none"> <li>Budget Workshop</li> </ul>	<ul style="list-style-type: none"> <li>Operating Budget Approval</li> </ul>
May	June	July	August
<ul style="list-style-type: none"> <li>Initiate Manager Performance Evaluation</li> <li>Receive Q1 Investment Summary</li> </ul>	<ul style="list-style-type: none"> <li>Approve Resolution 77-6 "Personnel Resolution"</li> <li>Perform Manager Evaluation</li> <li>Review Reserve Funds Policy</li> </ul>	<ul style="list-style-type: none"> <li>Nominate Commission Chair &amp; Vice Chair; Appoint Secretary</li> <li>Cancel August Meeting</li> </ul>	
September	October	November	December
<ul style="list-style-type: none"> <li>Review Debt Management Policy</li> <li>Investment Program Status Annual Update</li> </ul>	<ul style="list-style-type: none"> <li>Conflict of Interest Update (Biennial; even numbered years)</li> </ul>	<ul style="list-style-type: none"> <li>Audited Financial Report</li> </ul>	<ul style="list-style-type: none"> <li>Commission Meeting schedule for following year</li> <li>Specifications Update (annual or biennial)</li> </ul>

-  - Recurring Commission Actions
-  - Upcoming Commission Actions

## AGENDA ITEM 7B2



June 13, 2022

To: SVCW Commission

From: Teresa Herrera, SVCW Manager

Subject: CSRMA Risk Control Survey Results

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SVCW belongs to an insurance JPA, CSRMA (California Sanitation Risk Management Authority), for Workers' Compensation, Property Liability, and General Liability insurance coverage. One of CSRMA's areas of focus is SAFETY as this translates to not only lower insurance rates but to the overall benefit of the wastewater industry and its workforce.

Recently, CSRMA conducted a Risk Control survey of its member agencies covering a myriad of risk management topics. Sixty-two topics are covered, each with multiple questions or requirements. Then the findings were compared to all agencies in the pool and a list of recommendations provided for those areas of risk whereby an agency's response doesn't adequately address regulatory compliance or best recommended risk management practices.

SVCW's Health and Safety Director and I recently met with the Risk Control Manager of CSRMA to review SVCW's survey results. The following is a summary of results.

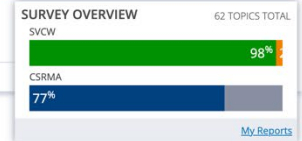
- SVCW scored 98 out of 100 for having in place adequate risk control measures.
- The average score of CSRMA pool members was 77%
- Two areas for improvement were recommended by CSRMA:
  - Cyber Breach Incident Response Plan. While SVCW has a robust cyber-security system in place, a plan for how to recover from a breach should be enhanced.
  - Wastewater Treatment Plant Contingency Plan. Suggestions for areas of improvement to SVCW's contingency plan for plant operations were provided.

Out of a list of 62 topics and well over 300 specific practices, plans, and procedures surveyed, I am enormously proud of how well SVCW is prepared for preventing and responding to all types of risks.

The next page is a screen shot of the overall score for SVCW and a small number of topics.



Welcome, Teresa Herrera  
Silicon Valley Clean Water



Select Any Topic Below to Start Survey

■ **YES**  
 Areas where compliance requirements and recommendations are ADEQUATELY addressed.

■ **NO**  
 Areas where compliance requirements and recommendations are NOT ADEQUATELY addressed.

■ **NOT ANSWERED**  
 Questions where a response was not provided.

■ **POOL**  
 Average "Yes" score of all member agencies in the pool.

FILTER TOPICS

All

Accident Prevention: Human Error



Bloodborne Pathogens



Certifications and Permits



Asset Mapping



Business Continuity Plan



Chemical Hygiene Plan



Biomechanics/Ergonomics



CalOSHA Record Keeping (300 Logs)




Confined Space



## AGENDA ITEM 7C1

**Silicon Valley Clean Water Authority**  
**Cash & Investments Summary Report**  
**April 30, 2022**

<b>Description</b>	<b>Market Value</b>	<b>% of Total Holdings</b>	<b>Yield</b>
<b><u>Reserve Accounts</u></b>			
Operating Reserve* - Securities	\$ 3,703,988	2.01%	1.18%
Operating Reserve - Money Market Fund Balance	41,704	0.02%	0.19%
CIP Reserve* - Securities	17,795,762	9.68%	1.71%
CIP Reserve - Money Market Fund Balance	956,526	0.52%	0.19%
Stage 2 Capacity Reserve* - Securities	13,876,138	7.55%	1.69%
Stage 2 Capacity Reserve - Money Market Fund Balance	139,179	0.08%	0.19%
<b>Total Market Value: Operating and Reserve Accounts</b>	<b>\$ 36,513,298</b>	<b>19.9%</b>	<b>1.60%</b>
Total Accrued Interest: Operating and Reserve Accounts	134,579		
<b>GRAND TOTAL, RESERVE ACCOUNTS</b>	<b>\$ 36,647,877</b>		
<b><u>Trustee Accounts:</u></b>			
2018 Bond Project Fund Account - CAMP	\$ 7,287,733	3.96%	0.50%
2018 Bond Revenue Account	7	0.00%	0.01%
2019A Notes WIFIA - Money Market Fund	1,580,305	0.86%	0.01%
2019A Notes Capitalized Interest Account* - Securities	12,307,075	6.69%	2.28%
2019A Notes Capitalized Interest Account - Money Market Fund	10,143	0.01%	0.01%
2021 Refunding Bonds Revenue Account	4	0.00%	0.01%
2021A Notes (RESCU) - Money Market Fund	46	0.00%	0.01%
2021A Notes (RESCU) - LAIF	47,631,000	25.90%	0.52%
2021B Notes (WWTP) - Money Market Fund	4,316,021	2.35%	0.01%
2021B Notes (WWTP)* - Securities	39,032,880	21.22%	1.23%
2021B Notes (WWTP) - LAIF	23,790,000	12.94%	0.52%
2021 Notes Capitalized Interest Account - Money Market Fund	1,821,423	0.99%	0.01%
2021 Notes Cost of Issuance Account	49,094	0.03%	0.01%
<b>Total Market Value, Trustee Accounts</b>	<b>\$ 137,825,730</b>	<b>74.94%</b>	<b>0.85%</b>
Accrued Interest:	171,931		
Operating Cash (includes outstanding checks)	9,358,328	5.09%	0.00%
Local Agency Investment Funds (LAIF) Balance	210,715	0.11%	0.52%
<b>Total Cash &amp; Investments</b>	<b>\$ 184,214,581</b>	<b>100.00%</b>	<b>0.96%</b>

  
Matthew P Anderson  
Chief Financial Officer / Assistant Manager

5/9/2022  
Date

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



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 bond, 2019A note, 2021 bond, 2021A and 2021B notes 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 and 2021A&B notes 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.

**Silicon Valley Clean Water**  
**Operating and Reserve Funds - Sector Allocation & Compliance April 30, 2022**

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	\$ 1,667,016	\$ 7,646,277	\$ 5,774,184	\$ 15,087,477	41%	100%	✓	(0.7%)
Supranationals	344,399	-	-	344,399	1%	15%	✓	(0.1%)
Federal Agency/GSE	631,616	1,612,708	1,370,906	3,615,229	10%	100%	✓	(1.1%)
Federal Agency/CMBS	-	627,385	434,437	1,061,822	3%	100%	✓	0.9%
Federal Agency CMO	-	848,377	650,697	1,499,074	4%	100%	✓	0.1%
Federal Agency MBS	-	2,079,622	1,668,412	3,748,034	10%	100%	✓	(0.7%)
Municipal	-	852,137	690,055	1,542,192	4%	30%	✓	0.2%
Corporate Notes	708,683	3,592,057	2,879,727	7,180,467	20%	30%	✓	0.7%
Asset-Backed Securities	352,273	537,198	407,722	1,297,193	4%	10%	✓	(0.4%)
<b>Securities Sub-Total</b>	<b>3,703,988</b>	<b>17,795,762</b>	<b>13,876,138</b>	<b>35,375,888</b>	<b>97%</b>			
Accrued Interest	7,382	70,752	56,444	134,579				
<b>Securities Total</b>	<b>3,711,370</b>	<b>17,866,514</b>	<b>13,932,583</b>	<b>35,510,467</b>				
Money Market Fund	41,704	956,526	139,179	1,137,410	3%	20%	✓	1.1%
<b>Total Investments</b>	<b>\$ 3,753,074</b>	<b>\$ 18,823,041</b>	<b>\$ 14,071,762</b>	<b>\$ 36,647,877</b>	<b>100%</b>			
<i>As % of 6/30/22 Target:</i>	<i>97.6%</i>	<i>91.3%</i>	<i>100.0%</i>	<i>95.1%</i>				

*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 at <https://emma.msrb.org>*

## AGENDA ITEM 7C2

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

Review Operating Fund Financial Update through Third Quarter of Fiscal Year 2021-22

**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 \$21.3 million or \$94 thousand (0.4%) less than budget. All Member contributions were paid in full. Miscellaneous Revenue was below budget, for reasons that include less investment earnings and lower deliveries from the community's grease & septic program. SVCW is not positioned to earn interest as it currently draws from State Revolving Fund loans, since working capital liquidity is provided by a Line of Credit and not invested. Grease and septic revenue is mostly from local restaurants, which, due to COVID, has not fully returned to historic levels.

**Expense:**

Operating expenses were \$19.3 million, or \$1.6 million (7.7%) less than budget. Notable variances to date include:

- Personnel costs were \$591 thousand (4.5%) below budget, the result of temporary vacancies during the fiscal year that were mostly filled at entry-level rates. Only one position, for a Controls Systems Technician, remains unfilled.
- Equipment Maintenance Expenses were \$231 thousand (14.2%) less than budget. This is largely a timing matter, as certain maintenance activities are anticipated in the 4<sup>th</sup> quarter.
- Utilities Expense was \$223 thousand (18.9%) more than the budget due to delayed PG&E invoices from that had to be charged to the current fiscal year.
- Contractual Services Expense was \$374 thousand (26.3%) less than budget due to certain operating services like tank cleaning being deferred during the pandemic. This variance should be closer to the straight-lined budget by year-end as tank cleaning is now underway in the 4<sup>th</sup> quarter.
- Chemicals Expense was \$295.4 thousand (20.4%) less than budget. Use of polymer chemicals was lower as an alternative dewatering process was used until a process improvement project is complete. This project is expected to be online by July 2022.
- Professional Services Expenses were \$148 thousand, or 19.2%, less than budget. Less legal services were required than anticipated, and certain engineering consulting activities are likely to be incurred in the 4<sup>th</sup> quarter.
- Administrative Expenses, Supplies, and Leases were \$60.8 thousand, or 5.6% below budget. Some permit fees occur in the 4<sup>th</sup> quarter, and to date, heavy equipment rentals have not been needed.
- Memberships, Conferences, & Training Expenses were \$140 thousand (53.5%) less than budget as training, conferences, and travel were interrupted during the pandemic.

REPORT BY: M.A.

7C2-1

**SVCW Operating Revenue and Expenditures versus Budget - Through March 31, 2022**

<b>Description</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>\$ Higher (Lower) vs. Budget</b>	<b>% Higher (Lower) vs. Budget</b>
<b>Revenue:</b>				
Member Operating Contributions	\$ 20,709,378	\$ 20,709,385	\$ (7)	(0.0%)
Other Revenue	547,151	641,250	(94,099)	(14.7%)
<b>Total Revenue:</b>	<b>\$ 21,256,529</b>	<b>\$ 21,350,635</b>	<b>\$ (94,106)</b>	<b>(0.4%)</b>
<b>Expenditures:</b>				
Personnel	\$ 12,496,228	\$ 13,087,665	\$ (591,437)	(4.5%)
Equipment Maintenance	1,395,148	1,626,570	(231,421)	(14.2%)
Utilities	1,405,867	1,182,465	223,402	18.9%
Contractual Services	1,046,148	1,420,325	(374,177)	(26.3%)
Chemicals	1,150,980	1,446,444	(295,464)	(20.4%)
Professional Services	624,788	772,837	(148,049)	(19.2%)
Admin., Supplies, & Leases	1,031,890	1,092,714	(60,824)	(5.6%)
Memberships, Travel, Training	121,656	261,672	(140,016)	(53.5%)
<b>Total Expenditures:</b>	<b>\$ 19,272,705</b>	<b>\$ 20,890,692</b>	<b>\$ (1,617,986)</b>	<b>(7.7%)</b>

Total expenditures are expected to end the fiscal year at approximately 3.0% to 3.5% (\$850 thousand to \$1 million) lower than Budget. This change from the above year-to-date variance reflects the timing of permit fees, maintenance repairs, tank cleaning, and engineering consulting activities that are planned in the 4<sup>th</sup> quarter.

## AGENDA ITEM 7D

**ENGINEERING REPORT: MAY 2022  
CAPITAL IMPROVEMENT PROGRAM****UPCOMING COMMISSION ACTIONS:**

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

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

Work to connect member agencies' flows to the new gravity pipe were not originally designed and priced into the Stage 2 contracts. Part of the interconnections have been done by BBJV under the GP project and the remaining, larger portion will be done by SPJV under the FoP and PSI projects. A change order was awarded to BBJV in February and two change orders for SPJV will be brought to the Commission in June.

All RESCU projects are in their construction phases; refer to Commission Item 5F for status updates.

Planned Commission Actions: Contract Change Orders for Interconnection Facilities  
– June 2022

**Long Term Strategic Recycled Water Planning (CIP#9232):** Planning for a Long-Term Solution to Drought and Sustainable Water Supply System

SVCW initiated and collaborated with Peninsula water suppliers to plan for a long-term solution to drought. After more than six years of planning efforts, the SPRP partners (formerly known as Portable Reuse Exploratory Plan, PREP) have agreed (pending their governmental body approval) to move forward with the next phase of work – Basis of Design Report (BODR). This phase of work will develop the preliminary design necessary to proceed with the CEQA/NEPA process and to be ready to seek out and apply for federal and state fundings.

Planned Commission Actions: Approve Agreement between SVCW and Kennedy/Jenks and Task Order for developing BODR – June 2022

**CCT Valve Replacement (9107):** Rehabilitate Chlorine Contact Tank

Recoating concrete surfaces in all three passes of the chlorine Contact Tank, recoating and/or replacement of CCT valves and piping. Work is complete.

Planned Commission Actions: Accept Construction Project – June 2022

**Generator Feed Relocation (9240):** Provide new generator feed and transformer.

Relocation of the power feed and a new transformer will enable SVCW's existing backup generators to be used for the Front of Plant facilities. This project will use existing infrastructure, saving significant costs. Work is near complete.

Planned Commission Actions: Accept Construction Project – July 2022

**Laboratory Building HVAC (9251):** Replace HVAC system serving Laboratory Building.

The HVAC system serving the Laboratory is original (circa 1991) and is past its useful life. Maintenance on the system is no longer possible. A new system was designed, the project bid and construction is in progress with anticipated completion in August.

Planned Commission Actions: Accept Construction Project –September 2022

**ONGOING PROJECTS IN CONSTRUCTION:**

**Primary Channels Rehabilitation and Hatch Replacement (9241):** Re-coating concrete surfaces and replacing deck hatches.

Recoating concrete surfaces in Primary Sedimentation Tanks 3 and 4, in Primary Influent Channel, and Primary Effluent Channel. Work needs to ensure continued treatment in other tanks and channel. Hatches on the deck above the tanks are aluminum and significant corrosion is visible; the hatches will be replaced with FRP (fiberglass reinforced plastic) hatches.

The extreme storm event on October 24, 2021 presented the potential for flooding due to constricted flow, in turn posing significant risk to the facilities and permit compliance. For these reasons, staff instructed the contractor to remove a channel bypass that was placed for this project and to stop work. The remaining work has been moved to this year's dry season period. Completion of the project is currently underway.

**BioforceTech Improvements (9231):** Biodryer and Pyrolysis Facility improvements.

Work involves replacing feed conveyor system to be followed by co-operation of the entire facility.

**SAF-MBR (9236):** Pilot testing new treatment systems in conjunction with Stanford University

System is operational with particular equipment being tested. Additional equipment is being procured to further test different scenarios of treatment.



## AGENDA ITEM 7E

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

**JUNE 13, 2022**  
**AGENDA ITEM 7E**

Updated: 6/2/2022

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
5/9/2022	1	No Action Items						
4/11/2022	1	CWEA State Employee Awards	N/A			✓	4/26/2022	Send letters of commendation and slide showing names to Commissioners to enable them to share with respective Councils.
	2	Commission Meetings: in person and hybrid	5/9/2022		✓			Determine capability to offer hybrid (onsite, in person and remote access).
3/14/2022	1	CWEA State Employee Awards	4/11/2022			✓	4/11/2022	Ask winners of State CWEA awards to attend and be recognized by Commission
	2	Remote Meetings	April or May			✓	4/11/2022	Determine when to return to onsite meetings. Will meet in person for May 2022 meeting.
2/14/2022	1	Recycled Water	N/A		✓			Possible BAWSCA water system facilities tour May 31; attendance dependent on BAWSCA Board members interest first
1/10/2022	1	Long-Range Financial Plan	prior to finalizing			✓		Enhance discussion re: nominal savings and NPV savings as to reflect (positive) impact on fixed-income individuals. Enhance description of dips and increases on treatment unit costs (primarily dependent on flows/drought conditions). LRFP redistributed to member agency finance staff.
12/13/2021	1	Investment Report Summary	N/A			✓		Show information on p. 43 of report for <u>all</u> funds on a single summary page (esp. Yield @ cost and Yield @ market)
	2	Article in Climate Magazine featuring SVCW	N/A			✓	12/13/2021	Send copy of article to all Commissioners
	3	RESCU Update	1/10/2022			✓	1/3/2022	Analyze effect of including all known risks into LRFP model. State values as \$ (vs %) as this translates to rates more readily
	4	Commission meeting dates	1/10/2022			✓	1/3/2022	Bring to Commission an agenda item to change meeting dates to 2nd Monday/month (vs 3rd Monday/month)
11/15/2021	1	Recycled Water Exploratory Program	Jan/Feb			✓	2/14/2022	Provide discussion on PREP (Potable Reuse Exploratory Program), status and activities. Summary provided Feb 14.
10/18/2021	1	Water Feature Development	N/A		✓			Research feasibility of creating a water feature behind the Shores Dog Park including possible funding mechanisms.
	2	RESCU Pump Station project	N/A			✓	11/9/2021	MTBM became stuck while tunneling the Belmont Gravity Pipe. It was repaired & tunneling continues. No schedule impact.

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

**JUNE 13, 2022**  
**AGENDA ITEM 5E**

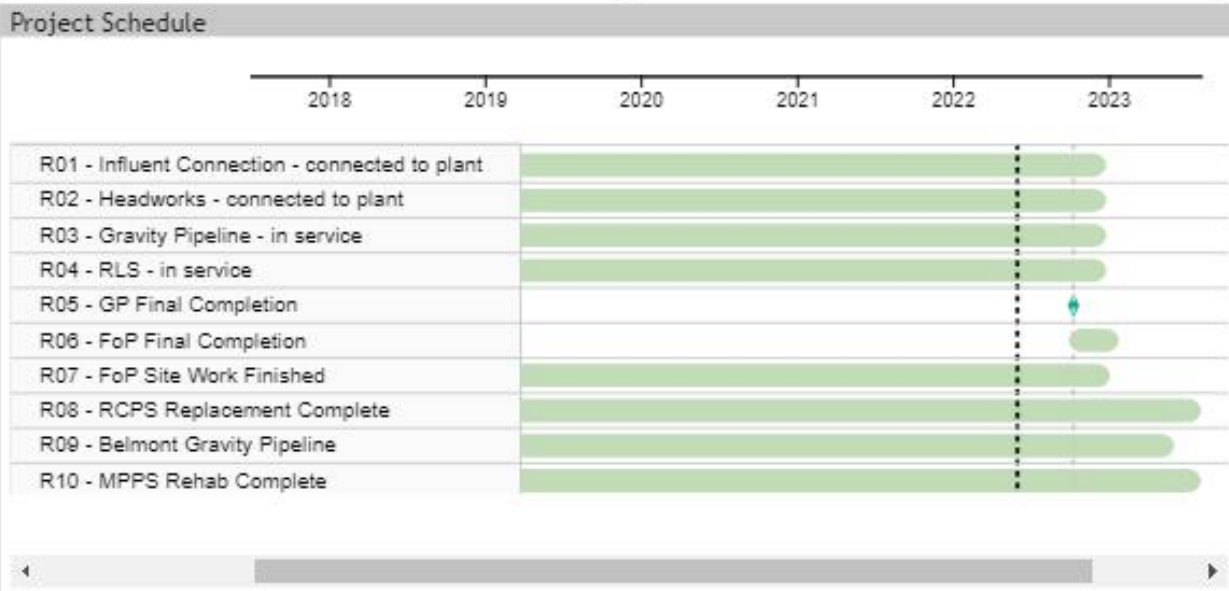
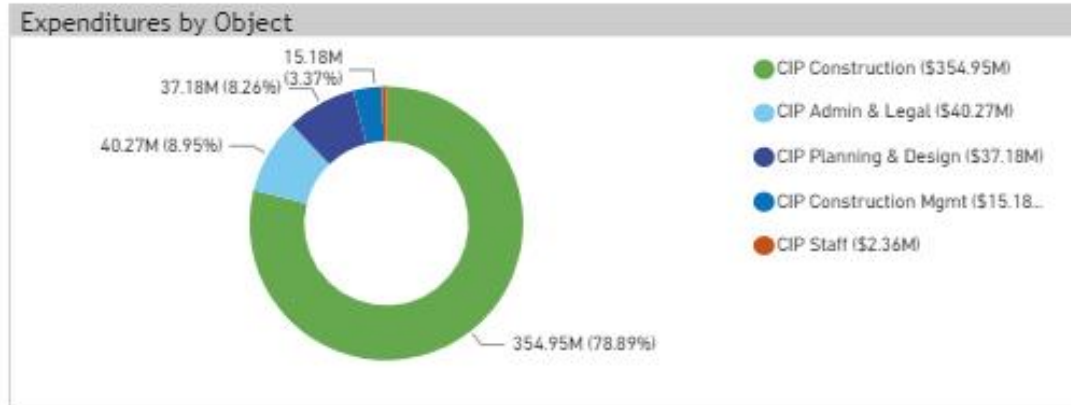
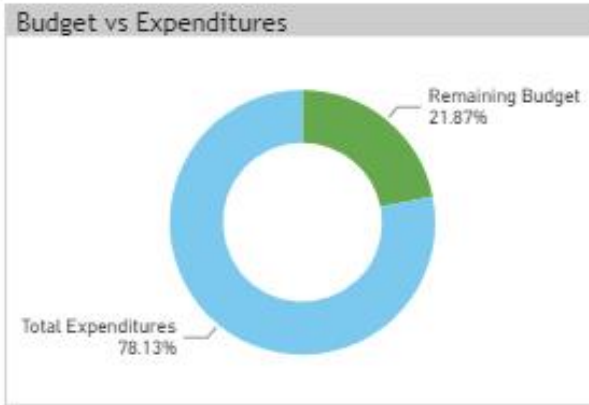
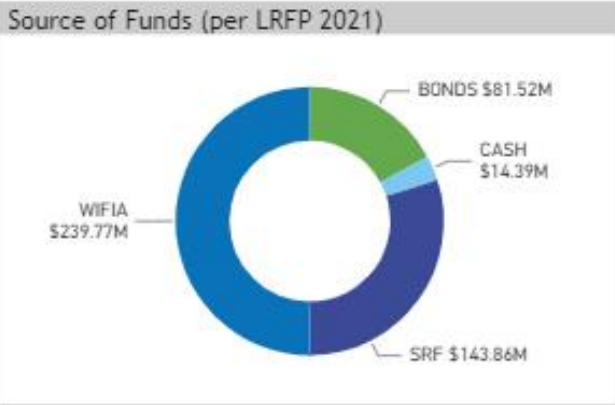
Updated: 6/2/2022

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
9/20/2021	1	Financial Information / Notes Issuance	N/A			✓	9/20/2021	Commission request powerpoint slides re: Notes Issuance. Slides sent to Commission and member agency finance staff.
	2	Meeting Log-in	10/18/2021			✓	10/11/2021	Spell out URL for Commission meeting log-in. Note that the URL is very long but it is now included in the agenda packet. Note also that logging in can be accomplished easily via the SVCW website.
8/16/2021	1	Investment Reports	next qrtly report			✓		Included in December Commission meeting agenda
7/16/2021	1	Cyber-Security Training	N/A			✓	11/15/2021	Reported at November Commission meeting
	2	Recycled Water Expansion	8/16/2021			✓		Presentation made to Commission at August meeting. As information changes, updates will be provided.
6/21/2021	1	No Action Items						
> One Year		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. Incorporate plant capacity information re: connection fees.
		Project Changes/Commission Notification	N/A	✓			Ongoing	Ensure Commission is kept apprised of possible/potential project cost and/or schedule increases.
		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. Historic marker applied Aug. 28, 2021.
		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.

## AGENDA ITEM 7F

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	Total Expenditure	Remaining Budget
\$574.16M	\$448.57M	\$125.59M



NOTE: all information in this report are as of the end of previous month, except for the SPI data, which is one month behind all other information.



# 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

\$162.21M

Total Expenditure

\$128.66M

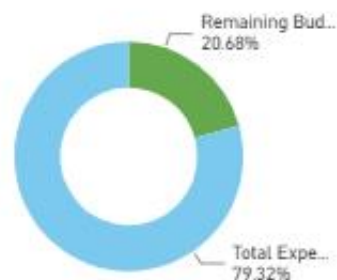
Remaining Budget

\$33.55M

## Milestone Schedule

	Start	Finish
Interconnection Pipe Completed	7/24/2020	4/13/2022
Headworks Facility Completed	12/6/2018	11/5/2022
SFS/RLS Completed	12/6/2018	7/1/2022
Substantial Completion		12/28/2022

## Budget vs Expenditures



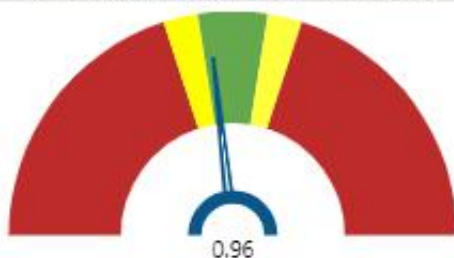
## Expenditures by Object



## Cost Performance Index (CPI)



## Schedule Performance Index (SPI)



## Major Accomplishments this Period

Construction	<p>-SPJV began IPL bypass setup including formwork, reinforcement, and concrete placement for the concrete temporary pumping pad. BC/SPJV working on coring opening in existing screening structure to create a pathway during the bypass event to continue screening influent flow.</p> <p>- SPJV has been working throughout the Headworks Facility and Receiving Lift Station (RLS) to pull and terminate conductor cables.</p> <p>- SPJV continues working on Headworks Facility punch list items including cleaning of CST channel covers, and chamfering grouting below headworks equipment supports.</p> <p>- In the Surge and Flow Splitter (SFS) shaft, the channel invert slab was placed at the bottom of the shaft which includes installation and removal of formwork, and concrete placement. The coating sub began mobilization for interior coating.</p> <p>- Ongoing storm drain scope of work includes excavation to subgrade, pipeline installation, catch basin installation, SFS shaft pipeline penetrations, and subsequent base rock and backfill placement.</p>
Design	- Software acceptance testing was completed.
Procurement of Trade Packages	- SPJV is procuring grit pump Variable Frequency Drives (VFD's) and bypass piping material.

## 3 - Month Look Ahead

	Start	End	June	July	August
ILS Demolition and IPL Bypass	May 24, 2022	October 24, 2022	x	x	x
Pull and terminate cables throughout the Headworks Facility	November 8, 2021	June 10, 2022	x		
SFS Shaft Sweep Blast and Apply Coating	May 16, 2022	July 14, 2022	x	x	
Existing Plant Utility Tie-in(s)	May 30, 2022	June 15, 2022	x		
Receiving Lift Station Manifold Pipe and Pumps Installed	May 2, 2022	June 22, 2022	x		

## Potential Issues

Bair Island and San Carlos Pump Station Pipe Connection Work - mechanical

Intrinsically Safe Relay Panel

Plant water pipeline size upgrade and related fixtures

Utilidor extension for piping

## Project Changes

Change order for odor control system

Credit for deletion of 48" bypass from 54" force main

Credit for the deletion of the chemical storage system

Electrical System

ILS Pipe Repair

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)

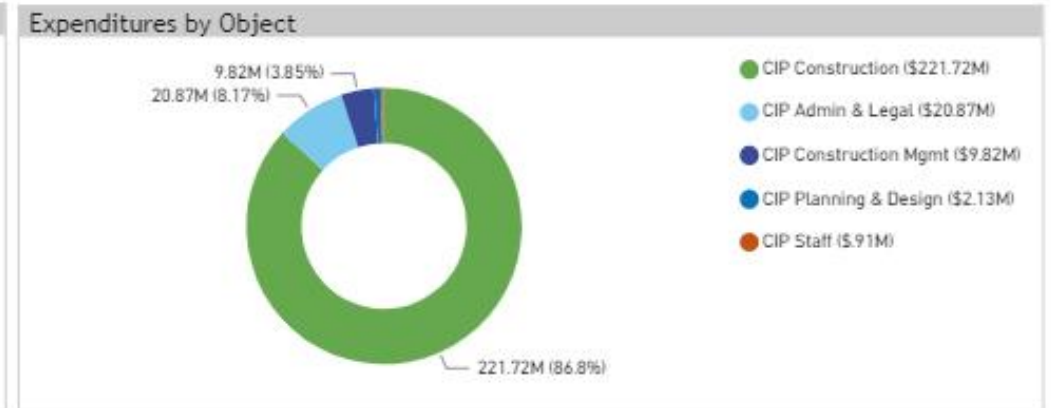
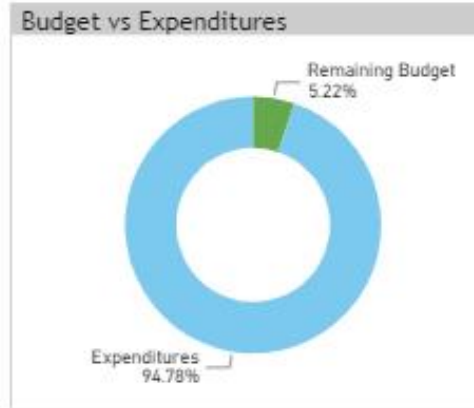
The Gravity Pipeline (GP) Project consists of the design, construction, permitting, start-up, commissioning, and closeout of approximately 17,600 feet of wastewater gravity FRP pipe inside a concrete-segment tunnel. The work includes three shafts and will interface directly with the Front of Plant (FoP)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

Available Budget  
**\$264.36M**

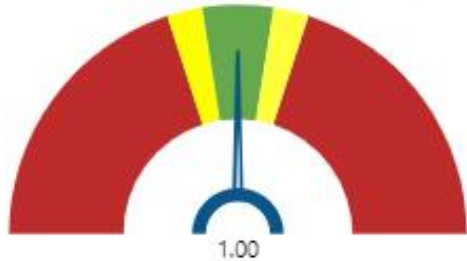
Total Expenditure  
**\$250.56M**

Remaining Budget  
**\$13.80M**

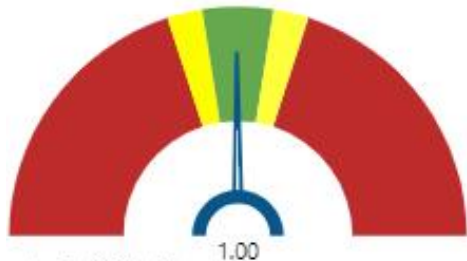
Milestone Schedule		
	Start	Finish
San Carlos Inlet Structure Installation	4/6/2022	5/12/2022
Bair Island Inlet Structure Installation	1/4/2022	4/21/2022
Basement Connection	2/15/2022	4/28/2022
Substantial Completion		7/1/2022



Cost Performance Index (CPI)



Schedule Performance Index (SPI)



As of: 2022 - 05





## Major Accomplishments this Period

▼	
Construction	<ul style="list-style-type: none"> <li>- BBJV began backfill of the Airport Access Shaft</li> <li>- BBJV continues site restoration at the AAS</li> </ul>
Design	<ul style="list-style-type: none"> <li>- Gravity Pipeline design is complete.</li> </ul>
Muck Disposal	<ul style="list-style-type: none"> <li>- 76% of Muck Disposal Amendment spent</li> <li>- 24% of Muck Disposal Amendment remaining</li> <li>- Last piles of muck at Bair Island remaining</li> </ul>
Procurement of Trade Packages	<ul style="list-style-type: none"> <li>- Outreach in conformance with SRF and WIFIA funding requirements</li> </ul>

## 3 - Month Look Ahead

	Start	End	June
AAS Site Restoration	May 4, 2022	June 15, 2022	x

## Potential Issues

Additional costs for SFS Break-in approach
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## Project Changes

Additional Survey at Governors Bay
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
Redwood City Sales Tax Increase 2021
San Carlos Adit Ammonia Mitigation
San Carlos Shaft Ammonia Mitigation
SCPS Basement Connection
Soil Conditioner Leak at CPT Hole STA 171 + 80

## Safety Spot Light

Lost Time	1
Near Misses	4
Recorded Losses	5

# 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 MPPS and RCPS will flow through the new 48-inch force main to a drop structure at Inner Bair Island. RCPS pumps MPPS flows during wet weather events.

Available Budget

\$132.29M

Total Expenditure

\$58.62M

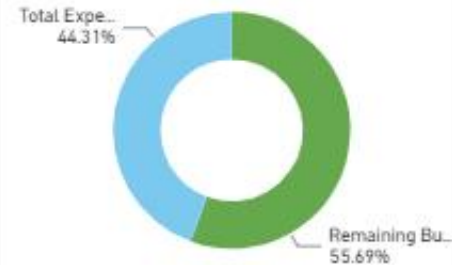
Remaining Budget

\$73.67M

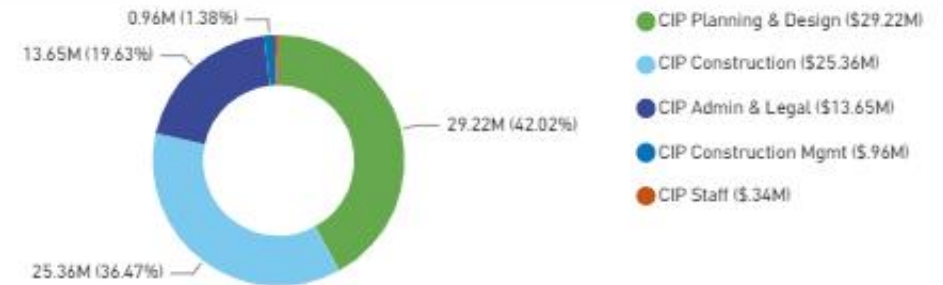
## Milestone Schedule

	Start	Finish
BGP - Gravity Pipe Installed	9/30/2022	12/13/2022
MPPS - A-side Pumps Completed	8/25/2022	2/10/2023
MPPS - B-side Pumps Completed	3/15/2022	8/24/2022
MPPS - Segment 1 and 2 CARVs Completed	3/7/2022	6/10/2022
RCPS - Electrical Building Completed	2/8/2021	1/17/2023
RCPS - PG&E Service Work	10/27/2022	11/9/2022
RCPS - Wet Well & Screening Building Completed	3/8/2023	3/21/2023
Substantial Completion - BGP		6/5/2023
Substantial Completion - MPPS		8/7/2023
Substantial Completion - RCPS		8/7/2023

## Budget vs Expenditures



## Expenditures by Object



## Cost Performance Index (CPI)



## Schedule Performance Index (SPI)



As of: 2022 - 05



## Major Accomplishments this Period

Construction	<p>BGP - Construction of RS-3 is completed and JS-3 construction is beginning, where Power Engineering has moved to Phase 4 of the traffic control plan. Vadnais Trenchless has mobilized to JS-4 and are beginning tunneling to RS-4.</p> <p>RCPS - SPJV completed backfill around the first level of the wet well and screening structure and is beginning work on the second level of the structures. The rollup door has been installed on the electrical building.</p> <p>MPPS: PEC has continued work on the ARV and VRV vault installation along the existing Segment 1 Force Main. SPJV has removed the existing B-side pumps and motors and are installing the new Vaughan pumps and motors. SPJV is also installing the new baffle in the B-side wet well. Morrow Meadows is continuing with conduit installation.</p>
Design	<p>BGP - A workshop to discuss the proposed approach for declassifying the San Carlos Pump Station has been scheduled with O&amp;M.</p> <p>RCPS - SPJV provided pricing on the 60-inch connection at RCPS and the OA team reviewed pricing, forwarded to senior SVCW management.</p>

## 3 - Month Look Ahead

	Start	End	June	July	August
MPPS - PG&E Design and Construction	August 26, 2020	September 15, 2022	x	x	x
MPPS - Segment 1 and 2 CARVs	March 15, 2022	June 21, 2022	x		
MPPS - Building/Roof Improvements	September 10, 2021	December 16, 2022	x	x	x
MPPS - Electrical Room Improvements	July 6, 2021	December 12, 2022	x	x	x
MPPS - Install B side pumps and motors	May 23, 2022	July 16, 2022	x	x	
BGP - Install Microtunnel from JS4 to RS4	May 26, 2022	June 10, 2022	x		
RCPS - Wet Well & Screening Building Excavation and Backfill	May 24, 2021	September 7, 2022	x	x	x
RCPS - Wet Well and Screening Building Structural Concrete	September 8, 2021	November 8, 2022	x	x	x
RCPS - Electrical Building & Restroom	February 8, 2021	January 17, 2023	x	x	x

## Potential Issues

Additional costs due to paving thickness in City of San Carlos  
 Bair Island and San Carlos Pump Station Pipe Connection Work - electrical/instrumentation  
 BGP Piping in San Carlos Pump Station  
 Challenges from permitting and land acquisition conditions at RCPS  
 MPPS PG&E-Related Changes  
 Redwood City 60-inch Pipe Installation/Connection

## Project Changes

Allowance Release, JS-4 Unforeseen Fiber Optic Utility Impacts  
 BGP Design Development  
 Differing Site Conditions and MPPS Generator Warranty Release  
 Segment 1 Force Main Junction Box Repairs  
 Stage 2 Baseline Schedule Revision  
 Traffic Control Changes Allowance Release

## Safety Spot Light

Lost Time	0
Near Misses	0
Recorded Losses	0

## AGENDA ITEM 9A



**MINUTES OF SILICON VALLEY CLEAN WATER**

**REGULAR MEETING – May 9, 2022**

**8:00 a.m.**

**This meeting took place remotely pursuant to  
SVCW Resolution No. 22-08 due to coronavirus pandemic**

**ITEM 1**

**CALL TO ORDER**

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

**ITEM 2**

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

Council Member 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

**Staff, Consultants and Visitors Present**

Teresa A. Herrera, SVCW Manager  
Christine C. 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  
Arvind Akela, SVCW Engineering & Environmental Services Director  
Kara Tremblay, SVCW Engineer  
Cindy Hui, SVCW Accounting Supervisor  
Kiki Newberry, SVCW Financial Analyst  
Jessica Mangual, SVCW Secretary Pro Tem  
Mark Minkowski, Kennedy Jenks  
Sheryl Chia, Kennedy Jenks  
Derek Rampone, City of Redwood City  
Molly Flowerday, City of Redwood City  
Aren Hansen, Brown & Caldwell  
EJ Shalaby, DNS Strategic Partners  
Sergio Ramirez, West Bay Sanitary District  
Steven Machida, City of San Carlos  
Jim Lewis, Member of the Public

**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 and providing public comment during the remote meeting site were provided.

Item 5A Safety Moment concerned tips on the ways you can participate in Clean Air Month and improve air quality.

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

**ITEM 6****MATTERS OF COMMISSION MEMBER'S INTEREST**

There were no matters discussed.

**ITEM 7****CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR ITEMS 7A THROUGH 7G**

- A. APPROVAL OF MINUTES – April 11, 2022 - Regular Meeting
- B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED MARCH 18, APRIL 1, APRIL 11, AND APRIL 15, AND NECESSARY PAYMENTS THROUGH APRIL 15, 2022
- C. CONSIDERATION OF RESOLUTION APPROVING SUBMITTAL OF APPLICATION TO ALL ELIGIBLE CALRECYCLE GRANT PROGRAMS AND LETTER OF DESIGNATION TO MANAGER AND HER DESIGNEE TO EXECUTE DOCUMENTS NECESSARY TO SECURE GRANT FUNDS AND IMPLEMENT APPROVED GRANT PROJECTS

Proposed Action:

Move approval of RESOLUTION TO AUTHORIZE SUBMITTAL OF APPLICATION FOR ALL ELIGIBLE CALRECYCLE GRANT PROGRAMS AND APPROVE LETTER OF DESIGNATION TO MANAGER AND HER DESIGNEE TO EXECUTE ALL GRANT DOCUMENTS NECESSARY TO SECURE GRANT FUNDS AND IMPLEMENT APPROVED GRANT PROJECTS

- D. CONSIDERATION OF MOTION APPROVING TASK ORDER FOR KENNEDY JENKS CONSULTANTS DESIGN AND BID PERIOD SERVICES SCOPE AND BUDGET FOR RETURN ACTIVATED SLUDGE PIPE REPLACEMENT PROJECT (CIP #9601)

Proposed Action:

Move approval of TASK ORDER SCOPE OF WORK AND BUDGET FOR DESIGN AND BID PERIOD SERVICES RELATED TO THE WASTE ACTIVATED SLUDGE INFLUENT PIPE REHABILITATION PROJECT (CIP #9601) IN THE AMOUNT NOT TO EXCEED \$156,020 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – KENNEDY JENKS CONSULTANTS

- E. CONSIDERATION OF MOTION SUSPENDING COMPETITIVE BIDDING REQUIREMENTS FOR PROCUREMENT OF ACCESS CONTROL SYSTEM TO MATCH EXISTING SYSTEM

Proposed Action:

Move approval to SUSPEND COMPETITIVE BIDDING REQUIREMENTS FOR OPENING TECHNOLOGIES ACCESS CONTROL SYSTEM PROCUREMENT AND INSTALLATION ON THE GROUNDS THAT THAT IT IS NECESSARY TO MATCH EXISTING PRODUCTS IN USE AND AVAILABLE FROM A SINGLE SOURCE ONLY (5/7th WEIGHTED VOTE COUNT REQUIRED)

- F. CONSIDERATION OF RESOLUTION REVISING FEE SCHEDULE FOR SVCW LEGAL SERVICES UNDER SVCW GENERAL COUNSEL LEGAL SERVICES AGREEMENT WITH FITZGERALD LAW OFFICES

Proposed Action:

Move adoption of RESOLUTION APPROVING SECOND AMENDMENT TO GENERAL COUNSEL LEGAL SERVICES AGREEMENT (FITZGERALD LAW OFFICES)

- G. CONSIDERATION OF RESOLUTION AUTHORIZING USE OF ELECTRONIC SIGNATURES TO CONDUCT AUTHORITY BUSINESS IN ACCORDANCE WITH STATE LAW

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING COMMISSION POLICY NO. 2022-01 "ELECTRONIC AND DIGITAL SIGNATURE POLICY"

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

The Motion carried by Unanimous Roll Call Vote

**ITEM 8A**

CONSIDERATION OF RESOLUTION AUTHORIZING RETURN TO IN-PERSON COMMISSION MEETINGS AND TERMINATING SVCW'S EMERGENCY COVID-19 PROCLAMATION

Proposed Action:

Move adoption of RESOLUTION TERMINATING PROCLAMATION OF LOCAL EMERGENCY, AUTHORIZING RETURN TO THE COMMISSION'S REGULAR MEETING LOCATION AND ESTABLISHING NECESSARY SAFETY PROTOCOLS

**Motion/Second: Mr. Collins/ Mr. Otte**

The Motion carried by Unanimous Roll Call Vote

**ITEM 9**

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov't Code §54957)  
Title: Manager

B. CONFERENCE WITH LABOR NEGOTIATOR (Gov't Code §54957.6)  
Unrepresented Employee: Manager

Closed Session was called to order at 8:18am

**ITEM 10**

RECONVENE IN OPEN SESSION

Open Session reconvened at 8:44am

Ms. Fitzgerald reported that, as to closed session 9A and 9B, no action was taken.

**ITEM 11**

ADJOURN

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

Minutes prepared by Teresa A. Herrera  
Reviewed by General Counsel

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Warren Lieberman, Secretary



## AGENDA ITEM 9B

**SVCW WARRANT REGISTER**

SVCW Warrant Register dated April 19 – May 2, was scanned and a copy was emailed to Commissioners and Legal Counsel on June 8, 2022.

## AGENDA ITEM 9C

**CHLORINE CONTACT TANK VALVE REPLACEMENT AND  
SURFACE REHABILITATION PROJECT (CIP #9107)  
FINAL PROJECT ACCEPTANCE**

**ISSUE**

Final Acceptance and Authorization to File Notice of Completion for the Chlorine Contact Tank Valve Replacement and Surface Rehabilitation Project (CIP# 9107)

**BACKGROUND**

The Chlorine Contact Tank (CCT) contains the final process for SVCW's wastewater before it is discharged to the bay. After secondary treatment and filtration, hypochlorite (a strong chlorine bleach solution) is added to the plant effluent to disinfect the water. After hypochlorite is added, the water is directed into the CCT. The CCT is comprised of three long "passes" (basically, three separate channels). The three passes are connected such that the water follows a serpentine path which allows enough time for the chlorine to adequately kill any remaining biological activity in the water. At the end of the last pass, sodium bisulfite is added to neutralize any remaining chlorine in the water to avoid discharging chlorinated water into the bay. This entire process is termed "Chlorination/De-chlorination" and is the final step in the overall treatment train.

The CCT has been in service since the plant began operation in 1980. In 2018, V&A Consulting Engineers (V&A), an engineering firm specializing in concrete and metal corrosion, completed an evaluation of the CCT. Results of the evaluation indicated that while most of the original coating of the tank has failed, the concrete had not significantly deteriorated due to corrosion. However, the inspection also noted hundreds of cracks in the tank walls and that some of the steel piping and valves in the CCT were showing signs of deterioration. V&A recommended the wall cracks be sealed and the steel pipe and valves be recoated and/or replaced. In addition, it was recommended to replace a large 60-inch butterfly valve and two bypass valves at the end of the CCT that had been found to be leaking and unable to be repaired.

Because the three passes within the CCT are connected in a serpentine manner and due to the criticality of this process, it is impossible to take the entire tank (all three passes) out of service at once. It is possible, however, to take individual passes out of service during low flow periods of the year. Careful sequencing of all recommended rehabilitation work for the CCT was needed and, to this end, three separate projects were delineated.

Project 1 – awarded to Redwood Painting in early 2017 and project closeout reached in November 2017. Work involved repair to all visible cracks in CCT Pass 1 concrete.

Project 2 – awarded to F.D.Thomas in June 2018 and project closeout reached in March 2019. Work included demolition of abandoned corroded piping in CCT Pass 2 and coating metal piping and valves in CCT Passes 1 and 2.

Project 3 (current project for acceptance) – awarded to ERS Industrial Services in March 2019.

### DISCUSSION

The scope of work for Project 3 included all remaining repair work required in CCT Passes 1 and 2 and all work required in Pass 3. Additionally, work involved replacing a large 60-inch butterfly valve and two bypass valves and installation of a baffle wall in Wet Pit B.

Project 3 was bid in February 2019, and in March 2019 the Commission awarded a contract to ERS Industrial Services, Inc. Notice to Proceed was issued on April 17, 2019 and substantial completion was reached on April 1, 2022 (Substantial Completion Certificate attached). The total contract amount, including change orders, is \$2,140,910.

The quality of work by the Contractor on the project is excellent and all CCT passes are now in operation. Staff recommends the project be accepted and Notice of Completion for the project issued.

### FINANCIAL IMPACTS

Funding for this project comes from CIP #9107: CCT Concrete and Steel Protective Coating Replacement. The combined budget of \$5,608,246 was allocated for this CIP. The total project expenditures, combined for all Projects 1 through 3, as of the end of April 2022, are \$4,352,262.77 including construction, engineering, and construction management costs. This project has been completed under budget by approximately \$1,200,000.

### RECOMMENDATION

Move approval to ACCEPT CHLORINE CONTACT TANK VALVE REPLACEMENT AND SURFACE REHABILITATION PROJECT (CIP #9107) AND AUTHORIZE FILING NOTICE OF COMPLETION – ERS Industrial Services, Inc.

**Silicon Valley Clean Water  
Chlorine Contact Tank Valve Replacement and Surface Rehabilitation  
CIP No. 9107  
SUBSTANTIAL COMPLETION CERTIFICATE**

The following portions of Chlorine Contact Tank Valve Replacement and Surface Rehabilitation are accepted as Substantially Complete in accordance with Specification Sections 00700-8.6, 00800-1.5 and 01010-2.3, and as defined herein.

As of April 1, 2022, these portions of the Project are accepted:

1. All work except as noted below:
  - a. All work on the attached Punch List, dated April 1, 2022.

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. ERS Industrial Services, Inc.:
  - a. The Contractor shall maintain and provide proof of insurance as required by Specification Section 00800-3.1.4 for all work required to complete the Punch List and for five years following Final Completion as required by Specification Section 00800-3.2.
  - 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, 2022.

The one year (365 Calendar Days) warranty for the accepted Work shall commence per Specification Section 01740-1.0 on the date of Acceptance by Silicon Valley Clean Water.

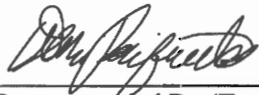
The undersigned hereby acknowledge agreement to the above provisions:



Accepted By (ERS Industrial Services, Inc.):  
Bradford Radonich, Project Manager



Date



Recommended By (Tanner Pacific, Inc.):  
Demi Pacifuentes, P.E., Construction Manager

04/01/2022

Date

## AGENDA ITEM 9D

**EQUIPMENT IN USE AT SVCW FACILITIES  
CONSIDERATION AND APPROVAL TO SOLE SOURCE EQUIPMENT**

**ISSUE**

Approval to Sole Source Specific Equipment in Use at SVCW Facilities

**BACKGROUND**

SVCW's purchasing guidelines are delineated by the charter of the City of Redwood City and the California Public Contracts Code (PCC). One of the statutes in the PCC (Section 3400) restricts public agencies from drafting specifications for bids 1) in a manner that limits the bidding, directly or indirectly, to any one specific concern, or 2) calling for a designated material, product, thing, or service by specific brand or trade name unless the specification is followed by the words "or equal" so bidders may furnish any equal material, product, thing, or service. However, this section is not applicable under certain circumstances, including:

- 1) for a field test or experiment to be made to determine the product's suitability for future use, or
- 2) to match other products in use on a particular public improvement either completed or in the course of completion or
- 3) to obtain a necessary item that is only available from one source or
- 4) to respond to an emergency declared by a local agency or by the state.

**DISCUSSION**

Staff periodically reviews the SVCW Sole Source list for equipment that should be added or removed or to reflect changes in equipment manufacture status. The list is typically approved for a 5-year period after which time the list is again presented to the Commission for adoption whether any changes are made or not. Staff last presented to the Commission in June 2020 equipment that has been standardized or proven to be effective for the delineated uses. The Commission approved the list of equipment allowing staff to proceed with sole source purchase when the need arises. From 2022 to now, some of the companies that provide the equipment have changed names and some items have been added to the list to match existing equipment at the treatment plant and pump stations. Also, some items have been deleted from the list.

Under PCC Section 3400, SVCW is allowed to use specific equipment without specifying "or equal" manufacturers and equipment (sole source). To facilitate equipment specifying and purchasing, staff is requesting that the sole source list update be approved. The updated Sole Source List is attached and new or modified items are italicized in the list. Staff recommends the Commission adopt the updated list.

**FINANCES**

The financial impact of this action is difficult to quantify. The theory behind the PCC directive is that sole sourcing equipment could add cost to capital projects since it reduces the competitive pressure on bids. However, these costs would be offset by a reduction in operating and maintenance costs associated with employee training, equipment familiarity, and spare part storage.



### RECOMMENDATION

- i. Move approval TO SUSPEND COMPETITIVE BIDDING REQUIREMENTS BASED ON PUBLIC CONTRACT CODE SECTION 3400 AND REDWOOD CITY MUNICIPAL CODE SECTION 2.67.4 WHICH AUTHORIZES SILICON VALLEY CLEAN WATER TO PURCHASE SPECIFIC EQUIPMENT WITHOUT SPECIFYING "OR EQUAL" MANUFACTURERS AND EQUIPMENT (SOLE SOURCE) (5/7<sup>ths</sup> weighted vote required)
- ii. Move adoption of RESOLUTION ALLOWING FOR THE SOLE SOURCE SPECIFICATION AND PURCHASE OF STANDARDIZED EQUIPMENT AND MATERIALS AS LISTED, TO MATCH EXISTING, PROVEN EFFECTIVE OR TESTED EFFECTIVE EQUIPMENT FOR A PERIOD OF FIVE YEARS FROM JUNE 2022 THROUGH MAY 2027

**Sole Source Specification and Purchase of Standardized Equipment List**  
**Prepared for Approval at June 13, 2022 SVCW Commission Meeting**

The following list of equipment eligible to sole source is valid for a five-year period from June 2022 to May 2027. This list does not REQUIRE the listed equipment to be sole-sourced; it ALLOWS the equipment to be sole-sourced if deemed appropriate. Items in *italics* are new or revised as part of this update.

Equipment to Match Existing for Standardization:

<b>Equipment</b>	<b>Manufacturer</b>	<b>Location Used</b>	<b>Reason for Sole Source</b>
Electric Valve Actuator <sup>1</sup>	Rotork	Process Piping	Match Existing Equipment for Standardization and Proven Effective and Reliable
Thermal Dispersion Flow Monitoring	FCI	Biogas and Natural Gas Systems, Hot Water and Lube Oil Systems	Match Existing Equipment for Standardization and Proven Effective and Reliable
Sludge Heat Exchanger	Alpha-Laval	Sludge Heating System	Match Existing Equipment for Standardization and Proven Effective and Reliable
Pressure Switch	Ashcroft	Process Piping	Match Existing Equipment for Standardization and Proven Effective and Reliable
Power Distribution Switchgear and Panels <sup>2</sup>	Eaton (Cutler-Hammer)	Electrical Power Distribution	Match Existing Equipment for Standardization
Motor Control Centers	Eaton (Cutler-Hammer)	Existing MCC Expansion or Modifications	Match Existing Equipment for Standardization
Paints and Coatings	Sherwin-Williams	Walls, Tanks, Digester Domes, Piping	Standardize, Proven Effective and Reliable; also Tested as Effective and Recommended
Centrifugal Pumps	FloServe (Worthington)	Final Effluent, DMFs, RAS, Pump Stations	Match Existing Equipment for Standardization
Centrifugal Pumps	Weir	Primary Sludge	Match Existing Equipment for Standardization
Chopper Pumps	Vaughn	Various locations	Match Existing Equipment for Standardization
<i>Drives</i>	<i>SEW Eurodrive</i>	<i>Conveyors, Fan Press, Primary, Invent Mixer</i>	<i>Match Existing Equipment for Standardization</i>
Gas Management	Varec	Digester Gas	Match Existing Equipment for Standardization

<b>Equipment</b>	<b>Manufacturer</b>	<b>Location Used</b>	<b>Reason for Sole Source</b>
Valves (pneumatic operators)	Pratt	Various and numerous locations	Match Existing Equipment for Standardization
Plug Valves	Dezurik	Various and numerous locations	Match Existing Equipment for Standardization
Sample Pumps	Grundfos	Various and numerous locations	Match Existing Equipment for Standardization
Polymer Systems	Excell	Thickening and dewatering	Match Existing Equipment for Standardization
<i>Radical Odor Control</i>	<i>Vapex</i>	<i>Various locations</i>	<i>Match Existing Equipment and only available from a single source</i>
PLC and Process Application Controllers	Allen Bradley (Rockwell Automation)	Programmable Electrical Control Equipment	Match Existing Equipment for Standardization
Operator Interface Graphic Terminals	Allen Bradley Panel View Plus (Rockwell Automation)	Various locations	Match Existing Equipment for Standardization
Variable Frequency Drives (internal to MCCs)	Eaton	Adjustable Frequency Drives in Electrical Equipment	Match Existing Equipment for Standardization
Variable Frequency Drives (not internal to MCCs)	Allen Bradley (Rockwell Automation)	Adjustable Frequency Drives in Electrical Equipment	Match Existing Equipment for Standardization
Magnetic Flow Meters	Endress+Hauser	Various and numerous locations	Match Existing Equipment for Standardization
Flow Monitoring	Flowtect (pressure switch)	Eyewash/Emergency Showers	Standardized and proven effective
<i>Turbidity</i>	<i>Rosemount</i>	<i>DMF Effluent</i>	<i>Tests on various manufacturers proved these effective</i>
Total Suspended Solids	Hach	Various locations	Matching existing
Chlorine Analyzers	DULCO	Disinfection, Recycled Water, Dechlorination	Match Existing and only one found to work consistently
SIA Analyzers	ATI	Plant Effluent	Match Existing
<i>H2S Sensor</i>	<i>Sulfilogger</i>	<i>Various locations</i>	<i>Standardized and proven effective</i>
Portable Hydrogen Sulfide meter	AMETEK Brookfield	Digester Gas and various staff and instrument buildings	Match Existing Equipment (2) which have operated successfully for 20+ years

<b>Equipment</b>	<b>Manufacturer</b>	<b>Location Used</b>	<b>Reason for Sole Source</b>
Hypochlorite, Bisulfite, and Ferric Chloride peristaltic dosing pumps	Watson Marlow	Chemical Storage Tanks	Standardized and proven effective
Flow-through Bioassay System	Aqua Science	Final Effluent monitoring in Laboratory	Sole provider for Cal EPA Region 2 Dischargers
<i>Network Appliances</i>	<i>Cisco and Subsidiaries</i>	<i>Data Center- Various IT Cabinet locations</i>	<i>Match Existing Equipment for Standardization and Proven Effective &amp; Reliable</i>
<i>Network Appliances</i>	<i>Cisco-Meraki</i>	<i>Cloud – Various SVCW Buildings &amp; locations</i>	<i>Match Existing Equipment for Standardization and Proven Effective &amp; Reliable</i>
<i>Network Appliances</i>	<i>Palo Alto Networks</i>	<i>Data Center – Cloud-Variou Site Buildings</i>	<i>Match Existing Equipment for Standardization and Proven Effective &amp; Reliable</i>
<i>Building Access Systems</i>	<i>HID</i>	<i>Various Buildings &amp; Locations</i>	<i>Match Existing Equipment for Standardization and Proven Effective &amp; Reliable</i>
<i>Console and Power Management</i>	<i>Raritan</i>	<i>Data Center Various IT cabinet locations</i>	<i>Match Existing Equipment for Standardization and Proven Effective &amp; Reliable</i>
Uninterruptable Power Supply (UPS)	Schneider/APC	Various control and/or communication panels throughout the plant	Match Existing Equipment for Standardization and Proven Effective & Reliable
Air Reactivity Monitoring	Purafil	Inside Occupied Buildings and Server Rooms	Match Existing Equipment for Standardization and Proven Effective & Reliable
Automatic Samplers	Teledyne/ISCO	Pump Stations & Process Areas	Match Existing Equipment for Standardization and Proven Effective & Reliable

Equipment Selected based on Testing and Efficacy<sup>3</sup>:

<b>Equipment</b>	<b>Manufacturer</b>	<b>Location Used</b>	<b>Reason for Sole Source</b>
Ultrasonic Level Monitoring	Siemens (aka Milltronics)	Various locations	Tests on various manufacturers proved these effective

<b>Equipment</b>	<b>Manufacturer</b>	<b>Location Used</b>	<b>Reason for Sole Source</b>
In-Plant Flow Meters	Endress+Houser	Various locations with high solids content material	Tests on various manufacturers proved these effective
Pressure Level Transducers	Endress+Hauser	Various locations	Tests on various manufacturers proved these effective
pH Monitoring	Hach	Various locations	Tests on various manufacturers proved these effective
In Line % Total Solids Monitoring	Valmet	High Solids Streams	Tested and recommended
Dissolved Oxygen	Hach	Aeration basins	Tested and recommended
Sludge Blanket Level	Entech EchoSmart	Secondary Clarifiers	Tested and recommended

<sup>1</sup>Reference Memorandum from Bill Bryan, SVCW re: SVCW Electric Valve Actuator – Sole Source Manufacturer Justification, June 25, 2014.

<sup>2</sup>Reference Memorandum from Beecher Engineering Inc. re: SBSA Switchgear PDP-2 – Sole Source Manufacturer Justification, August 27, 2012.

<sup>3</sup>Reference Instrumentation Screening and Evaluation Technical Memorandum for Activated Sludge Process Automation Design (CIP 8017), December 20, 2010, by Kennedy/Jenks

### **Basis for Ability to Sole Source Equipment, Material, Product, Service**

SVCW's purchasing guidelines are delineated by the charter of the City of Redwood City which, in turn, is guided by the California Public Contract Code (PCC). One of the statutes in the PCC (Section 3400) restricts public agencies from drafting specifications for bids (1) in a manner that limits the bidding, directly or indirectly, to any one specific concern, or (2) calling for a designated material, product, thing, or service by specific brand or trade name unless the specification is followed by the words "or equal" that that bidders may furnish any equal material, product, thing, or service. However, this subdivision is not applicable under certain circumstances, including:

- (1) in order for a field test or experiment to be made to determine the product's suitability for future use
- (2) in order to match other products in use on a particular public improvement either completed or in the course of completion
- (3) in order to obtain a necessary item that is only available from one source, or
- (4) in order to respond to an emergency declared by a local agency or by the state.

## AGENDA ITEM 9E

**REVIEW COMMISSION POLICY NO. 2013-03,  
SVCW RESERVE FUND POLICY AND PROCEDURES**

**ISSUE**

Review and Revise Silicon Valley Clean Water Commission Policy No. 2013-03, Reserve Fund Policy and Procedures

**BACKGROUND**

In August 2013, the SVCW Commission adopted a Reserve Fund Policy and Procedures ("Policy") formally establishing operating and capital reserve funds that will safeguard SVCW fiscal solvency. There are three separate reserve funds:

1. **Annual Operations and Capital Budget Reserve Fund.** Protects Member Agencies from having to quickly contribute cash if emergency events occur that cause need for immediate expenditures. As of April 30, 2022, has a market value of \$3.75 million.
2. **Capital Improvement Program Reserve Fund ("CIP Reserve")** This reserve serves several purposes. As it grows it reduces SVCW's dependence on future debt by gradually preserving funds for future capital improvement projects. Secondly, a portion of this fund is designated to meet reserve requirements for specific State Revolving Fund loans. Additionally, it can be used in cases of catastrophic emergency needs. Amendments to the Policy for this reserve fund have established a \$50 million target balance. As of April 30, 2022, the reserve fund has a market value of \$18.8 million.
3. **Stage 2 Capacity Reserve Fund.** This fund holds all proceeds generated from sewer connection fees and may only be spent on capital projects that address SVCW's operational capacity. As of April 30, 2022, this reserve fund has a market value of \$14.1 million.

**DISCUSSION**

Staff review the Policy annually and recommend changes to the Commission as required or recommended. After review of the Policy, SVCW staff have no recommended changes to the attached *Rev: E of Commission Policy No. 2013-03*. It will retain its designation as Revision E with the notation that the Commission reviewed the Policy and approved that no changes were made as of this Commission meeting date.

**RECOMMENDATION**

Move approval CONFIRMING REVIEW AND APPROVAL OF CURRENT VERSION (REVISION E) OF COMMISSION POLICY NO. 2013-03, SILICON VALLEY CLEAN WATER RESERVE FUND POLICY AND PROCEDURES

Approved by SVCW Commission at Meeting of May 17, 2021 by Resolution SVCW 21-17  
Reviewed by SVCW Commission at Meeting of June 13, 2022 with no Revisions Noted

**SUBJECT: SVCW Reserve Fund Policy and Procedures**

**PURPOSE**

To prudently protect the fiscal solvency of the Authority, it is important to maintain a minimum level of reserves. Reserves are important to mitigate the negative impact of revenue shortfalls from economic fluctuations, to fund unforeseen expense requirements, to provide stable rates for member entities, to fund future long-term capital needs, and to mitigate the need to borrow and pay interest for capital improvement projects.

Since establishing the Reserve Fund Policy in 2013, it is the desire of the SVCW Commission to ensure target minimum reserve levels that will safeguard the continued fiscal stability of the Authority.

This policy mandates the minimum reserve levels necessary to maintain credit worthiness and to adequately provide for:

- Economic certainty during financial hardships or downturns in the local, state or national economy
- Economic certainty in the event of local disasters or catastrophic events
- Coverage of debt reserve requirements
- Coverage for capital obligations
- Cash flow requirements
- Rate stability
- Legal requirements

**POLICY**

The Authority shall maintain reserve balances for the Annual Operations Budget, the Capital Equipment Replacement Fund, the Capital Improvement Program Fund and the Stage 2 Capacity Expansion Fund. The Authority shall target the minimum reserve level and funding sources for each of the funds as follows:

**1. ANNUAL OPERATIONS AND CAPITAL BUDGET RESERVE FUND**

The Annual Operations and Capital Budget Reserve Fund shall be maintained at a minimum balance of Ten Percent (10%) of the approved annual Operations and Capital budgeted Authority expenses, plus One Million Dollars (\$1,000,000.00). This fund will allow for continued operation in times of local, regional, state or national crisis or for unbudgeted, unexpected operational, maintenance or capital expenses approved by the SVCW Commission on a case-by-case basis.



Funding for the Annual Operations and Capital Budget Reserve Fund will be funded by each member agency in an amount equal to their percentage of capacity ownership in the SVCW. The reserve shall be funded to its minimum balance at the beginning of each fiscal year as part of the annual budget process. Any reserve balance will be available for spending on unanticipated, unbudgeted operating and maintenance or capital expenses approved by the Commission during that fiscal year. Any balance in excess of the 10% plus \$1,000,000 reserve level, at the end of the fiscal year, shall be used to offset the upcoming year's share of the Annual Operations Budget for each member agency in an amount equal to their percentage of capacity ownership in SVCW. All interest derived from the fund balance shall be credited to this fund.

2. CAPITAL IMPROVEMENTS PROGRAM RESERVE FUND

The Capital Improvement Program Reserve Fund shall be funded until it reaches a balance of \$50 million (\$50,000,000) in 2019 dollars, based upon inflation measures as described in the annual Engineering News-Record ("ENR") construction cost index for the San Francisco Bay Area. This will provide adequate resources in the event of a sudden and catastrophic infrastructure failure and, coupled with a robust and ongoing revenue-funded capital program approved by the Commission before each fiscal year, will allow most major expenses in the future, related to the facilities reaching the end of their useful life, to be paid for on a "pay as you go" basis and limit the need for borrowing. However, as significant infrastructure projects occur, it may be appropriate to leverage borrowing to ensure equitable contributions by future generations. This fund shall also provide funding, as available, for required plant improvements mandated by regulatory changes. This fund will maintain the dedicated minimum debt service amounts required by State Revolving Fund loans and other CIP loans not held in escrow.

Funding for the Capital Improvement Program Reserve Fund will be contributed by each member agency in an amount equal to their percent of capacity ownership in SVCW and will be contributed in addition to and at the same time as the member entity's monthly Annual Operating Budget payments. All interest derived from the fund balance shall be credited to this fund.

To meet specific debt reserves required by State Revolving Fund loans received from the California State Water Resource Control Board, SVCW may designate specific amounts as debt service reserves equivalent to one year's debt service for each respective State Revolving Fund loan.

3. STAGE 2 CAPACITY FUND

The Stage 2 Capacity Fund shall be utilized to pay for capital projects that increase the treatment capacity of the SVCW facilities. The fund shall be a "pay as you go" fund that derives income from fees paid by new customers to buy capacity for the use of the SVCW facilities. Projects to enhance capacity will be built when there are adequate cash reserves to fund the project or at the discretion of the SVCW Commission.

Payments will be made in accordance with the requirements of the SVCW Joint Powers Agreement (JPA) for new connections to the system. There is no limit to the amount of funds that can accumulate in this fund. All interest derived from the fund balance shall be credited to this fund.

## **ANNUAL CONTRIBUTIONS**

- **ANNUAL OPERATIONS AND CAPITAL BUDGET RESERVE FUND**

Upon adoption of this policy, the Annual Operations and Capital Budget Reserve Fund shall be adjusted annually to maintain the minimum balance required as part of the annual budget process.

- **CAPITAL IMPROVEMENTS PROGRAM RESERVE FUND**

Each fiscal year, beginning in Fiscal Year 2014-2015 an amount of One Million Dollars (\$1,000,000) shall be budgeted and added to the Capital Improvements Reserve Fund as part of the annual budget process. This is done to increase the balance to meet expected State Revolving Fund reserve requirements.

In order to address the goal of funding the depreciation of the SVCW facilities over the life of the facilities, the annual contribution of \$1,000,000 will be increased, beginning in Fiscal Year 2020–2021, by Five Hundred Thousand Dollars (\$500,000) per fiscal year, each fiscal year until the Capital Improvement Program Reserve Fund reaches a balance of \$50 million dollars (\$50,000,000) in 2019 dollars, based upon inflation measures as described in the annual Engineering News-Record (“ENR”) construction cost index for the San Francisco Bay Area.

Funds required to be held in reserve for State Revolving Funds or Bonds shall be deposited to the Capital Improvements Program Reserve Fund once the loans are paid off and shall not be used to pay the final payments for said loans.

- **STAGE 2 CAPACITY FUND**

Funding for the Stage 2 Capacity Fund is established and shall continue in accordance with the SVCW Joint Powers Agreement (JPA).

- **GENERAL POLICY PRACTICES**

All reserves will be reviewed by SVCW Finance Department and SVCW Controller at least annually to verify the organization is in compliance with this policy and a report will be presented to the SVCW Commission as part of the annual budget approval process.

The reserve funds will be invested in accordance with the investment policy adopted by the SVCW Commission.

Transfers between the reserve funds will be made only at the direction of the SVCW Commission.

Except in the case of emergency as defined by the Silicon Valley Clean Water JPA, the spending of reserves will be approved in advance by the SVCW Commission.

## AGENDA ITEM 9F

**ENVIRONMENTAL PLANNING SERVICES  
MASTER SERVICES AGREEMENT FOR KIMLEY-HORN AND ASSOCIATES, INC.**

**ISSUE**

Approve Master Services Agreement for Kimley-Horn and Associates, Inc. for Environmental Services

**BACKGROUND**

SVCW's capital projects require environmental documentation as part of the CIP implementation plan. Environmental documentation fulfills California Environmental Quality Act (CEQA) requirements and, in some cases, National Environmental Planning Act (NEPA) requirements. NEPA is required when construction work is planned on lands owned or managed by the Federal government or when sources of funding include federal loans (including WIFIA loans). In the CIP document, Appendix C includes a table in which environmental requirements for the projects are outlined.

In 2016, SVCW went through the environmental review process for the Conveyance System Program and in 2017, a Programmatic and Project-Level EIR was certified by the Commission. Other projects contained within the CIP have had Mitigated Negative Declarations prepared and some have been identified as Categorically or Statutorily Exempt from CEQA requirements.

Complying with CEQA and NEPA requires extensive knowledge of the environmental protection regulations and State and Federal requirements for funding.

**DISCUSSION**

John Schwarz of JHS Consulting has been working with SVCW providing environmental planning and oversight services for SVCW since 2010. During this time, he oversaw the development of the Conveyance System EIR, tracked and monitored that the mitigations were being completed in accordance with the EIR, coordinated with the SRF and WIFIA program during the loan application phases, and advised SVCW on several smaller CEQA and NEPA matters, including preparing and filing categorical exemptions.

In April 2022, Mr. Schwarz informed SVCW's Authority Engineer that he was closing his sole-proprietor business and joining Kimley-Horn. Kimley-Horn is a respected engineering and environmental firm with offices throughout the United States. Over the course of the twelve years SVCW staff has been working with John, a high level of confidence in his knowledge and capabilities to keep a broad view and oversight of necessary environmental planning activities has been established.

It continues to be beneficial for SVCW to have a single point of contact with expertise and experience on the environmental review process. Because of his knowledge and experience with SVCW, and the high level of confidence in his abilities to support staff in the environmental planning domain, staff recommends entering into a Master Services Agreement with Kimley-Horn to enable Mr. Schwarz' continued services. As with other

consulting agreements, work will be authorized on a task order basis and there is no direct or immediate fiscal impact resulting from the approval of the Master Services Agreement.

Incorporated into the Master Services Agreement, as Attachment A, is a scope of work to continue Mr. Schwarz's work associated with the RESCU program. The Task Order includes the following tasks:

- Task 1 – Meetings, Project Management, and Coordination
- Task 2 – Mitigation Monitoring for CEQA Compliance
- Task 3 – Unforeseen and As-Needed Tasks

The total budget for this Task Order is \$164,200. This is within RESCU's budget.

### FINANCES

There are no direct financial impacts to approving the MSA, apart from the \$164,200 authorization for the task order related to RESCU environmental oversight. For other projects, work will be authorized via Task Orders when needed and charged to specific projects for which Kimley-Horn provides services.

### RECOMMENDATION

Move adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES AND TASK ORDER NO. 1 – KIMLEY-HORN AND ASSOCIATES, INC. (\$164,200)

## AGENDA ITEM 10A

**FRONT OF PLANT PROJECT AND PUMP STATIONS IMPROVEMENT PROJECTS  
(CIP #9502 AND 9501)  
APPROVAL OF PROJECT CHANGE ORDERS**

**ISSUE**

Approve Contract Change Orders for RESCU's Front of Plant Project (CIP #9502) and Pump Stations Improvements Project (CIP #9501)

**BACKGROUND**

In 2017 SVCW approved design-build contracts for the design and construction of the projects within the Regional Environmental Sewer Conveyance Upgrade (RESCU) program. Design-build contracts consist of two stages of contract negotiations. Phase 1 of the contract is the design phase, in which the design-builder develops the design to the 60% level. Stage 2 consists of the completion of the design and the construction phases of the project.

Barnard Bessac Joint Venture (BBJV) was selected for the Gravity Pipeline Project using best value criteria. These criteria included cost, safety, and quality of work of the contractor in performing tunneling projects of similar size and level of complexity. Similarly, Shea Parsons Joint Venture (SPJV) was selected for the Front of Plant and Pump Stations Improvements Projects based on, in part, their experience in successfully completing projects similar in scope and scale.

As previously discussed with the Commission, when the Stage 2 contract for the Gravity Pipeline project was negotiated, design for the interconnections from member agencies collections systems to the gravity pipeline was not yet at the 60% design level. Significant progress couldn't be made on the design until the tunnel connecting shafts were fully designed and fabricated. It had been agreed that the interconnection facilities at the San Carlos Shaft and the Inner Bair Island Shaft locations were to be added to the Stage 2 scope of work via amendment once their designs were completed.

Interconnection facilities includes provision and installation of piping, valves, flow meters, pH meters, level transducers, and odor detection equipment as well as the programming required to monitor flow remotely via Supervisory Controls and Data Acquisition (SCADA). The signal for the flow meter is also used in the programming that controls the operation of the Receiving Lift Station at the Front of Plant.

**DISCUSSION**

Throughout all phases of the projects, SVCW and its Owner Advisor (OA) team has worked collaboratively with the contractors to look for ways to cost-effectively perform work while minimizing risks to the program. This collaborative approach to the work has been instrumental in the projects' success so far in delivering a reliable robust conveyance system with minimal schedule delays and contract change orders.

Interconnecting the member agencies collection systems to the gravity pipeline originally was in BBJV's scope of work to complete and BBJV and the OA team had extensive



discussions to develop the scope once the tunnel connecting shafts were completed. After a period of time, staff determined that the interconnection work is not part of BBJV's core expertise as a tunneling contractor as BBJV planned for the majority of the work to be performed by subcontractors with experience in installation of piping, mechanical, electrical, and instrumentation equipment.

Since the installation of piping and appurtenances is a strength of SPJV's, and the fact that successful completion of the interconnection facilities will be required for FoP startup, the SVCW OA team approached both contractors with the idea of transferring the pipe, valves, flowmeters, electrical and instrumentation system installation to SPJV. Both contractors recognized that this choice was in the best interests of the program. BBJV performed a small portion of the scope, the San Carlos connection tunneling, which had direct interface with the facilities previously installed by BBJV.

It was agreed that SPJV would perform the San Carlos and Bair Island interconnection facilities scope. SPJV is the design builder for both the Front of Plant Project and the Pump Stations Improvements Project. Given the scope of work and projects' schedule considerations, SPJV split the work into two scopes. The first, the piping and mechanical equipment installation, would be added to the Front of Plant Project, as the successful connection is required for Front of Plant Startup to begin. The second, the electrical, control wiring, and programming scope, would be added to the Pump Station Improvements (PSI) Project, as it will be performed in conjunction with the electrical and instrumentation work associated with the Belmont Gravity Pipeline element of PSI.

Connections need to occur at the Bair Island site and at the San Carlos Pump Station site. The scope to be added to the FoP project includes making temporary and final piping connections between the existing force main and the Gravity Pipeline on Bair Island and, at San Carlos, the scope includes tying into the San Carlos sanitary sewer, trenching to the San Carlos Pump Station, and installing piping connecting to the new Tunnel Drop Structure. This work encompasses all the mechanical and civil work needed to complete the physical connections. Staff has negotiated with SPJV to complete this work for a cost of \$7,601,838.

Scope to be added to the PSI project includes procurement and installation of electrical and control wiring and conduit for the flowmeter, samplers, pH meter, level transducers, and odor detection equipment. A remote I/O panel will also be fabricated, programmed and installed under this portion of work. A cost of \$1,583,051 was negotiated for this portion of work. This cost includes field startup and commissioning.

SPJV and the OA team performed value engineering services on the design, resulting in construction cost reductions. These value engineered design improvements have also reduced the risk of a sewage spill during the critical cutover process from the old conveyance system to the tunnel. It is estimated that SVCW has saved approximately \$2 million in transferring this scope from BBJV to SPJV.

## FINANCES

The two change orders will result in additional cost of \$9.2 million to the RESCU Program. This cost was previously estimated by the RESCU project team at \$3 to \$5 million. There are several factors that influence the cost including the current state of the construction market. The volatility in materials and labor costs is higher than seen in over 15 years. According to contractors' and our construction manager's input, 30% to 90% price fluctuations are being seen in recent bids. Atop this, the original estimating for the work six months ago was developed based on high level understanding of work required; once detailed design was performed, the complexity of making connections was recognized and is now reflected in the cost. While value engineering and negotiations will continue, the costs for the work are not anticipated to change significantly.

RESCU program contingency has sufficient funds to cover the additional costs. Staff anticipates that, in September, a comprehensive update of the RESCU costs, including status of contingency, can be provided to the Commission.

## RECOMMENDATION

- i. Move approval of CONTRACT CHANGE ORDER FOR THE FRONT OF PLANT PROJECT IN AN AMOUNT NOT TO EXCEED \$7,601,838 (SPJV)
- ii. Move approval of CONTRACT CHANGE ORDER FOR THE PUMP STATIONS IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$1,583,051 (SPJV)

## AGENDA ITEM 10B

**SF-PENINSULA REGIONAL PUREWATER (SPRP)  
LONG TERM STRATEGIC RECYCLED WATER PLANNING (CIP#9232)**

**ISSUE**

Approve Agreement between Silicon Valley Clean Water and Kennedy/Jenks Consultants regarding SF-Peninsula Regional PureWater (SPRP) Project (formerly named Portable Reuse Exploratory Plan)

**BACKGROUND**

SVCW has been collaborating with water and wastewater agencies for the last five years on a multi-phased concept-level analysis exploring opportunities for potable reuse on the San Francisco Mid-Peninsula area. SVCW had the vision to initiate this effort in 2016 as part of SVCW's Long Term Strategic Recycled Water Planning Efforts. At that time, SVCW was anticipating new effluent regulations from the San Francisco Regional Water Quality Control Board to reduce the concentration of nutrients in SVCW's effluent. To address the anticipated regulations, SVCW recognized the potential to reduce effluent discharges and nutrient concentrations by developing recycled water as a potable water supply. Indirect Potable Reuse (IPR) was seen as an opportunity to help lower wastewater treatment costs, reduce discharges of nutrients to the Bay, and create a new water supply source for the region. To explore this new opportunity for recycled water, SVCW began discussions with local Water Agencies to understand the mutual benefits that could be gained from a regional potable reuse program.

The SF-Peninsula Regional PureWater (SPRP) Project, previously referred as Potable Reuse Exploratory Plan (PREP) is a regional effort to resolve multiple water supply and wastewater issues, while realizing the benefits of shared infrastructure, asset recovery, economies of scale and a more competitive strategy to pursue funding. SPRP Parties include seven members: Bay Area Water Supply and Conservation Agency (BAWSCA), CalWater, San Francisco Public Utilities Commission (SFPUC), Silicon Valley Clean Water, City of Redwood City, Mid-Peninsula Water District and City of San Mateo.

CalWater delivers water to the City of San Carlos and unincorporated areas within SVCW's service area. The City of Belmont is served by Mid-Peninsula Water District who has also joined the group and is officially a participant of SPRP. The WBSD service area is provided water from a variety of sources, including CalWater and BAWSCA.

In February, Ms. Dawn Taffler from Kennedy Jenks Consultants presented to this Commission a summary of the PREP Phase 3 Feasibility Study. Phase 3 is the culmination of 4 years' work beginning with an Initial Study as Phase 1 and Concept / Institutional Studies as Phase 2. In Phase 3, reservoir augmentation and direct potable reuse opportunities were further explored with results of the study to be prepared in the form of a U.S. Bureau of Reclamation (USBR) Title XVI Feasibility Study / SWRCB Recycled Water Facilities Planning Study. Preparing the feasibility study in these formats will enable the SPRP to get in line for funding through USBR and the CA State Revolving Fund program, respectively.

In Phase 3, a short-list of projects was identified to progress into further development. The short list of projects aligns with San Francisco PUC's Regional Water System water supply planning efforts which have projected a water supply shortfall. SFPUC staff has made a commitment to the SFPUC Commission that, by July 2023, projects ready for analysis under the California Environmental Quality Act (CEQA) will be presented after which the SFPUC Commission can decide on what projects to implement. It is anticipated that a SPRP project could fit into SFPUC's overall water supply planning.

## DISCUSSION

The next step for SPRP is to develop a Basis of Design Report (BODR) for a project to be CEQA Ready. "CEQA Ready" means preparation of a preliminary design (10% level) that allows a project to be analyzed under CEQA and compared with other projects.

Since February, the SPRP parties have discussed and finalized the scope of work and fee for Kennedy/Jenks to prepare the BODR. The SPRP parties also discussed and agreed to a cost share for the next phase of work as depicted in the table below. SFPUC will share half of the total cost with the remainder spread amongst the other five parties.

Work performed by Kennedy/Jenks for Phases 1 through 3 have been authorized via Task Order under Agreement between SVCW and Kennedy Jenks. SVCW is then reimbursed costs from the other SPRP members, as delineated in a Memorandum of Agreement (MOA) between the parties. The same contractual arrangement for preparation of the BODR is recommended. A new MOA has been prepared and is being reviewed. The SPRP parties will bring the MOA to their respective governing bodies with the Agreement between SVCW and Kennedy/Jenks as an attachment to the MOA. The SPRP parties first need to have the SVCW-Kennedy/Jenks Agreement fully executed prior to approving the MOA. Staff anticipates that the MOA will be presented to this Commission at the July 2022 meeting.

## FINANCES

SPRP Parties have been working under an MOA which defines cost-sharing for the Phase 1 to 3 studies. A summary of expenditures to date is provided in the table below.

<b>PREP PARTIES</b>	<b>Phase 1 INITIAL STUDY</b>		<b>Phase 2 CONCEPT and INSTITUTIONAL STUDIES</b>		<b>Phase 3 FEASIBILITY STUDY</b>		<b>Phase 1 – 3 Contributions to Date</b>	
SVCW:	\$25,000	39%	\$35,750	25%	\$35,750	13%	\$96,500	20%
San Mateo:*		0%	\$35,750	25%	\$35,750	13%	\$71,500	15%
BAWSCA:*		0%	\$10,000	7%	\$10,000	4%	\$20,000	4%
Cal Water:	\$8,000	13%	\$10,000	7%	\$20,000	7%	\$38,000	8%
Redwood City:*		0%	\$10,000	7%	\$20,000	7%	\$30,000	6%
SFPUC:	\$31,000	48%	\$41,500	29%	\$160,661	57%	\$233,161	48%
<b>Total</b>	<b>\$64,000</b>	<b>100%</b>	<b>\$143,000</b>	<b>100%</b>	<b>\$282,161</b>	<b>100%</b>	<b>\$489,161</b>	<b>100%</b>

\*Did not participate in Phase 1 Initial Study

The scope of work and cost for the BODR (CEQA Ready, 10% Design) has been defined and the total anticipated cost of the study is \$1,030,000. The new MOA is in review by all parties; it delineates the newly defined cost-sharing percentages developed by the SPRP parties as shown in the following table.

Project Partners	Cost Share (%)	Cost Share (\$)
SVCW	9.0%	\$ 92,700
San Mateo	9.0%	\$ 92,700
BAWSCA	5.0%	\$ 51,500
Redwood City	9.0%	\$ 92,700
Cal Water	9.0%	\$ 92,700
MPWD	9.0%	\$ 92,700
SFPUC	50.0%	\$ 515,000
<b>TOTAL</b>	<b>100%</b>	<b>\$ 1,030,000</b>

SVCW's CIP #9232, Long Term Recycled Water Planning, has an allocated budget of \$200,000. As of April 2022, \$7,188 has been expended, with a remaining amount of \$192,812. SVCW's share of the project cost will be paid from this remaining budget.

#### RECOMMENDATION

- i. Move approval of RESOLUTION APPROVING AGREEMENT BETWEEN SVCW AND KENNEDY/JENKS CONSULTANTS FOR SF-PENINSULA REGIONAL PUREWATER (SPRP) LONG TERM STRATEGIC RECYCLED WATER PLANNING (CIP #9232)
- ii. Move approval of TASK ORDER SCOPE OF WORK AND BUDGET FOR BASIS OF DESIGN REPORT (BODR) RELATED TO LONG TERM STRATEGIC RECYCLED WATER PLANNING (CIP #9232) IN THE AMOUNT NOT TO EXCEED \$1,030,000 AND APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – KENNEDY/JENKS CONSULTANTS

## AGENDA ITEM 10C



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

**ISSUE**

Consideration of Compensation for Confidential General, Unrepresented General, Professional, and Management Employees; Add Business Operations Associate Classification

**BACKGROUND**

It is the Commission's responsibility to approve all SVCW personnel position titles, compensation, and classifications. A Memorandum of Understanding (MOU) with International Union of Operating Engineers - Local 39 (Local 39) was ratified by the Commission in October 2018. It is a five-year MOU and negotiations with Local 39 will occur in 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
Associate Engineer	Senior Capital Improvement Manager
Capital Improvement Program Manager	Senior Information System Analyst
Financial Analyst	Business Analyst
Business Operations Associate <sup>2</sup>	
Management Employees	
Laboratory Supervisor	Environmental Services Supervisor
Accounting Supervisor	Operations Supervisor
Maintenance Supervisor	Health & Safety Director
Administrative Services Director	Laboratory Director (Current)
Human Resources Director	Laboratory Director (Vacant) <sup>3</sup>
Information Systems Director	Operations Director
Environmental Services Director	Engineering/Environmental Services Director
Chief Operating Officer	Maintenance Director
Authority Engineer	Assistant Manager/Chief Financial Officer
SVCW Manager	

<sup>1</sup> These positions work with and have access to personnel, payroll, and other confidential documents

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

<sup>3</sup> This is a recommended new position which only applies to new hires on or after 7/1/2022

Two recommended changes to positions are 1) creation of Business Operations Associate and 2) change in salary range for Laboratory Director hires on or after July 1, 2022. Further details are provided in the following paragraphs.

The Manager is recommending the Commission approve a newly created position of Business Operations Associate in the Professional classification as an FLSA exempt position. Upon approval, the Manager will reclassify one existing Administrative Assistant into this new position (there will be no increase to employee headcount). The rationale behind this recommendation is to better reflect the type of work that the current individual performs, to shift from a non-exempt FLSA employee (hourly employee) to an exempt employee (salaried employee). Currently the individual is performing work outside a typical Administrative Assistant position and the new position will more accurately define roles and responsibilities.

Laboratory Director is a position that is currently filled by a tenured individual. The Manager proposes that the pay range for the currently filled position remain the same and that a new position (at the same title and currently vacant) be established at a different pay range. The new pay range would be implemented for new hires starting on or after July 1, 2022. The current higher pay range was established several years ago when the current Laboratory Director's responsibilities expanded to include both the Laboratory Division and the Environmental Services Division. The responsibilities are now reduced to only oversee the Laboratory Division.

<b>Current Position Title</b>	<b>Current Monthly Salary Range</b>	<b>New Monthly Salary Range</b>
Laboratory Director (Current)	\$17,986 - \$21,861	No Change
Laboratory Director (Vacant) *	N/A	\$16,794 - \$20,413

\* This position applies to new hires on or after 7/1/2022

## 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, 2022 through June 30, 2023. The SVCW Manager recommends a COLA increase for unrepresented employees of four percent (4.0%) effective July 1, 2022. The budget approved by the Commission in April 2022 for fiscal year 2022-23 includes this recommended COLA increase.

The SVCW Manager is employed by the Commission under separate contract and the COLA increase they receive is described in their 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 22-23 operating budget includes the recommended COLA increase and was relayed to member agency finance staff in April 2022.

### 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 21-23 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 21-24 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 21-25 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 21-26 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 21-27 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 2022-2023

# Silicon Valley Clean Water Salary Schedule For Fiscal Year 2022-2023 (effective 7/1/2022 through 6/30/2023)

Resolution No. SVCW 22-28 approved by the Commission Meeting of June 13, 2022

Cost-of-Living Adjustment: 4.0%

General Represented Employees  
Stationary Engineers Local 39

Class 0 Positions	Codes	A0	B0	C0	D0	E0	F0	G0
Senior Operator	D130	\$ 9,205	\$ 9,665	\$ 10,143	\$ 10,654	\$ 11,299	\$ 11,747	\$ 12,332
Operator	D400	\$ 7,356	\$ 7,728	\$ 8,109	\$ 8,519	\$ 8,952	\$ 9,398	\$ 9,861
Senior Plant Mechanic	D200	\$ 8,870	\$ 9,317	\$ 9,780	\$ 10,264	\$ 10,784	\$ 11,321	\$ 11,889
Senior Plant Mechanic - Electrician	D250	\$ 9,482	\$ 9,958	\$ 10,453	\$ 10,974	\$ 11,529	\$ 12,104	\$ 12,710
Senior Plant Mechanic - Instrumentation Tech	D230	\$ 9,482	\$ 9,958	\$ 10,453	\$ 10,974	\$ 11,529	\$ 12,104	\$ 12,710
Senior Plant Mechanic - Control Systems Technician	D260	\$ 9,955	\$ 10,457	\$ 10,975	\$ 11,522	\$ 12,106	\$ 12,709	\$ 13,346
Plant Mechanic	D450	\$ 6,823	\$ 7,166	\$ 7,525	\$ 7,906	\$ 8,305	\$ 8,717	\$ 9,149
Plant Mechanic - Electrician	D460	\$ 6,823	\$ 7,166	\$ 7,525	\$ 7,906	\$ 8,305	\$ 8,717	\$ 9,149
Plant Mechanic - Instrumentation Tech	D440	\$ 6,823	\$ 7,166	\$ 7,525	\$ 7,906	\$ 8,305	\$ 8,717	\$ 9,149
Plant Mechanic - Control Systems Technician	D470	\$ 7,165	\$ 7,524	\$ 7,902	\$ 8,302	\$ 8,721	\$ 9,152	\$ 9,608
Planner / Scheduler Assistant	D852	\$ 6,823	\$ 7,166	\$ 7,525	\$ 7,906	\$ 8,305	\$ 8,717	\$ 9,149
Water Quality Specialist *	D360	\$ 8,580	\$ 9,105	\$ 9,671	\$ 10,256	\$ 10,886	\$ 11,555	\$ 12,133
Senior Laboratory Analyst **	D305	\$ 9,982	\$ 10,482	\$ 11,005	\$ 11,555	\$ 12,133	-	-
Laboratory Analyst II	D303	\$ 9,077	\$ 9,531	\$ 10,007	\$ 10,507	\$ 11,031	-	-
Laboratory Analyst I	D301	\$ 8,251	\$ 8,662	\$ 9,094	\$ 9,551	\$ 10,029	-	-
Senior Environmental Compliance Inspector *	D351	\$ 9,053	\$ 9,508	\$ 9,982	\$ 10,482	\$ 11,005	-	-
Environmental Compliance Inspector	D353	\$ 8,232	\$ 8,643	\$ 9,077	\$ 9,531	\$ 10,007	-	-
Pollution Prevention Specialist	D355	\$ 8,232	\$ 8,643	\$ 9,077	\$ 9,531	\$ 10,007	-	-
Materials Specialist	D703	\$ 8,789	\$ 9,240	\$ 9,712	\$ 10,188	\$ 10,697	-	-
Utility Worker	D850	\$ 6,316	\$ 6,664	\$ 7,028	\$ 7,417	\$ 7,824	-	-

Class 1 Positions	Codes	A1	B1	C1	D1	E1	F1	G1
Senior Operator	D131	\$ 9,390	\$ 9,855	\$ 10,345	\$ 10,868	\$ 11,524	\$ 11,982	\$ 12,578
Operator	D401	\$ 7,503	\$ 7,883	\$ 8,271	\$ 8,688	\$ 9,133	\$ 9,585	\$ 10,059
Senior Plant Mechanic	D201	\$ 9,048	\$ 9,504	\$ 9,976	\$ 10,468	\$ 11,001	\$ 11,547	\$ 12,126
Senior Plant Mechanic - Electrician	D251	\$ 9,672	\$ 10,158	\$ 10,660	\$ 11,192	\$ 11,760	\$ 12,346	\$ 12,965
Senior Plant Mechanic - Instrumentation Tech	D231	\$ 9,672	\$ 10,158	\$ 10,660	\$ 11,192	\$ 11,760	\$ 12,346	\$ 12,965
Senior Plant Mechanic - Control Systems Technician	D261	\$ 10,155	\$ 10,665	\$ 11,195	\$ 11,753	\$ 12,348	\$ 12,963	\$ 13,613
Plant Mechanic	D451	\$ 6,959	\$ 7,309	\$ 7,676	\$ 8,063	\$ 8,472	\$ 8,892	\$ 9,333
Plant Mechanic - Electrician	D461	\$ 6,959	\$ 7,309	\$ 7,676	\$ 8,063	\$ 8,472	\$ 8,892	\$ 9,333
Plant Mechanic - Instrumentation Tech	D441	\$ 6,959	\$ 7,309	\$ 7,676	\$ 8,063	\$ 8,472	\$ 8,892	\$ 9,333
Plant Mechanic - Control Systems Technician	D471	\$ 7,308	\$ 7,675	\$ 8,060	\$ 8,467	\$ 8,895	\$ 9,337	\$ 9,799
Planner / Scheduler Assistant	D853	\$ 6,959	\$ 7,309	\$ 7,676	\$ 8,063	\$ 8,472	\$ 8,892	\$ 9,333
Water Quality Specialist *	D361	\$ 8,752	\$ 9,286	\$ 9,865	\$ 10,462	\$ 11,105	\$ 11,786	\$ 12,375
Senior Laboratory Analyst **	D306	\$ 10,183	\$ 10,691	\$ 11,225	\$ 11,786	\$ 12,375	-	-
Laboratory Analyst II	D304	\$ 9,257	\$ 9,720	\$ 10,206	\$ 10,715	\$ 11,252	-	-
Laboratory Analyst I	D302	\$ 8,416	\$ 8,837	\$ 9,277	\$ 9,743	\$ 10,229	-	-
Senior Environmental Compliance Inspector *	D352	\$ 9,233	\$ 9,699	\$ 10,183	\$ 10,691	\$ 11,225	-	-
Environmental Compliance Inspector	D354	\$ 8,398	\$ 8,815	\$ 9,257	\$ 9,720	\$ 10,206	-	-
Pollution Prevention Specialist	D356	\$ 8,398	\$ 8,815	\$ 9,257	\$ 9,720	\$ 10,206	-	-
Materials Specialist	D704	\$ 8,966	\$ 9,424	\$ 9,906	\$ 10,392	\$ 10,912	-	-
Utility Worker	D851	\$ 6,442	\$ 6,797	\$ 7,170	\$ 7,566	\$ 7,982	-	-

**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	\$ 23.54	\$ 24.70	\$ 25.94	\$ 27.25	\$ 28.61
Engineering Intern	E505	\$ 23.54	\$ 24.70	\$ 25.94	\$ 27.25	\$ 28.61
General Intern	E508	\$ 23.54	\$ 24.70	\$ 25.94	\$ 27.25	\$ 28.61

<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	\$ 9,137	\$ 9,594	\$ 10,074	\$ 10,577	\$ 11,107	\$ 11,662	\$ 12,244
Accounting Technician	E200	\$ 6,756	\$ 7,092	\$ 7,448	\$ 7,821	\$ 8,214	\$ 8,622	\$ 9,053
Administrative Assistant	E100	\$ 8,112	\$ 8,520	\$ 8,947	\$ 9,393	\$ 9,861	\$ 10,355	\$ 10,871
Administrative Clerk	E175	\$ 5,679	\$ 5,964	\$ 6,265	\$ 6,576	\$ 6,905		
Office Assistant	E150	\$ 4,847	\$ 5,089	\$ 5,344	\$ 5,614	\$ 5,893		
Procurement Specialist	E702	\$ 8,789	\$ 9,229	\$ 9,690	\$ 10,174	\$ 10,683	\$ 11,217	\$ 11,706
Information System Analyst	E510	\$ 10,979	\$ 11,529	\$ 12,106	\$ 12,710	\$ 13,347		
Information System Technician	E520	\$ 7,766	\$ 8,163	\$ 8,582	\$ 9,026	\$ 9,489		

<b>Professional Employees (monthly)</b>	<b>Codes</b>	<b>Minimum</b>	<b>Maximum</b>
Senior Engineer	E500	\$ 16,182	\$ 19,670
Engineer	E501	\$ 13,253	\$ 16,102
Associate Engineer	E503	\$ 11,599	\$ 14,098
Senior Capital Improvement Manager	C902	\$ 16,182	\$ 19,670
Capital Improvement Program Manager (Vacant) ***	C903	\$ 12,946	\$ 15,737
Senior Information System Analyst	E530	\$ 12,199	\$ 14,828
Financial Analyst	E300	\$ 11,420	\$ 15,306
Business Analyst	E325	\$ 11,420	\$ 15,306
Business Operations Associate	E330	\$ 11,420	\$ 15,306

\*\*\* 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	\$ 22,042	\$ 26,790
Chief Operating Officer	C120	\$ 23,428	\$ 28,477
Assistant Manager / Chief Financial Officer	C205	\$ 22,813	\$ 27,727
Maintenance Director	C261	\$ 17,986	\$ 21,861
Operations Director	C271	\$ 17,986	\$ 21,861
Engineering/Environmental Services Director	C181	\$ 17,986	\$ 21,861
Laboratory Director (Current)	C500	\$ 17,986	\$ 21,861
Environmental Services Director	C411	\$ 16,794	\$ 20,413
Laboratory Director (Vacant) ****	C501	\$ 16,794	\$ 20,413
Information Systems Director	C511	\$ 16,794	\$ 20,413
Administrative Services Director	C201	\$ 15,526	\$ 18,978
Human Resources Director	C208	\$ 15,526	\$ 18,978
Health and Safety Director	C191	\$ 15,526	\$ 18,978
Maintenance Supervisor	C300	\$ 13,599	\$ 16,529
Operations Supervisor	C400	\$ 13,599	\$ 16,529
Accounting Supervisor	C405	\$ 13,599	\$ 16,529
Laboratory Supervisor	C512	\$ 13,599	\$ 16,529
Environmental Services Supervisor	C420	\$ 13,599	\$ 16,529
Capital Improvement Program Manager (Current)	C901	\$ 12,946	\$ 15,737

\*\*\*\* This position applies to new hires on or after 7/1/2022.

## AGENDA ITEM 10D

**ESTABLISH MANAGER'S FISCAL YEAR 2022-2023 ANNUAL SALARY  
AND FISCAL YEAR 2021-2022 BONUS**

ISSUE

Approve Annual Salary for Fiscal Year 2022-2023 and Bonus for Fiscal Year 2021-2022 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 13, 2022, whereby the Commission considers the job performance of the SVCW Manager for Fiscal Year 2021-2022 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 13, 2022 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 FY21-22 and FY22-23 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