

**COMMISSION OF SILICON VALLEY CLEAN WATER  
JOINT POWERS AUTHORITY  
SPECIAL MEETING – Monday, July 15, 2024  
8:00 a.m.**

Place: Silicon Valley Clean Water  
1406 Radio Road  
Redwood City, California

**Consistent with Government Code Section 54953, this meeting will be held both in person and virtually. See page 5 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 RON COLLINS, SAN CARLOS – SECRETARY  
COUNCIL MEMBER DAVINA HURT, BELMONT – MEMBER

**MANAGER:** TERESA A. HERRERA

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

**CONTROLLER:** BETH GOLDBERG

**TREASURER:** MATTHEW ANDERSON

**AMERICANS WITH DISABILITIES ACT**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact SVCW (650) 591-7121. Notification in advance of the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting.

**AGENDA**

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT

Any member of the public may address and ask questions of the Chair under this item relating to any matter within the Commission’s jurisdiction that does not appear as a separate item on the agenda. 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. Such item may be referred to staff for a decision with regard to placing it on a future agenda for discussion, action, or report.

5. SAFETY MOMENT and REPORTS

- A. Safety Moment.....pg. 7
- B. Manager’s Report
  - 1. Upcoming Commission Actions.....pg. 9
  - 2. Grand Jury Report / Internal Controls .....pg. 11
- C. Financial Report
  - 1. Investment Report .....pg. 14
  - 2. Third Quarter Variance Report .....pg. 18
- D. Engineering Capital Projects Report.....pg. 20
- E. Commission Requested Staff-Level Action Items..... pg. 25
- F. RESCU Program Design-Build Project Status Update..... pg. 28

6. MATTERS OF COMMISSION MEMBERS’ INTEREST

Election of New Chairperson, Vice Chairperson and Appoint New Secretary

7. CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR (begins pg. 38)

8. BUSINESS ITEMS

- A. CONSIDERATION OF MOTION AUTHORIZING LETTER OF SUPPORT FOR RUSHNU INC. HYPOCHLORITE PRODUCTION SYSTEM (pg. 59)

Proposed Action:

Move approval for MANAGER TO EXECUTE A LETTER OF SUPPORT FOR RUSHNU, INC TECHNOLOGY DEVELOPMENT

9. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION  
(Paragraph (4) of subdivision (d) of Gov. Code § 54956.9)  
*Initiation of litigation: (1 potential case)*

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

11. ADJOURN

## CONSENT CALENDAR

### NOTICE TO PUBLIC

All matters listed under CONSENT CALENDAR are considered to be routine. There may be discussion on items on the CONSENT CALENDAR. All items will be enacted by one motion with a voice vote unless members of the Commission, staff, or public request specific items be removed from the CONSENT CALENDAR for separate action.

7. A. APPROVAL OF MINUTES – June 10, 2024 - Regular Meeting (pg. 38)
- B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED APRIL 17 - JUNE 24, 2024, AND NECESSARY PAYMENTS THROUGH JUNE 24, 2024 (pg. 45)

- C. CONSIDERATION OF RESOLUTION APPROVING SILICON VALLEY CLEAN WATER'S CONFLICT OF INTEREST CODE AND LIST OF DESIGNATED POSITIONS (pg. 47)

Proposed Action:

Move adoption of RESOLUTION REVIEWING AND APPROVING 2024 CONFLICT OF INTEREST CODE FOR SILICON VALLEY CLEAN WATER

- D. CONSIDERATION OF RESOLUTION AWARDDING CONSTRUCTION CONTRACT FOR FIVE CORNERS INTERSECTION PROJECT (CIP #9131) (pg. 51)

Proposed Action:

Move adoption of RESOLUTION APPROVING CONSTRUCTION CONTRACT DOCUMENTS FOR THE FIVE CORNERS INTERSECTION (CIP# 9131); ACCEPTING BID OF LOWEST RESPONSIBLE BIDDER; AUTHORIZING EXECUTION OF AGREEMENT AND DIRECTING RETURN OF SECURITY DEPOSITS AND AUTHORIZING MANAGER TO APPROVE CONTRACT CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT PRICE FOR SAID PROJECT (\$736,150) – J.F. SHEA

- E. CONSIDERATION OF RESOLUTION AWARDDING BIOGAS UTILIZATION – GAS CONDITIONING SYSTEM PROCUREMENT CONTRACT TO UNISON SOLUTIONS (pg. 55)

Proposed Action:

Move adoption of RESOLUTION APPROVING PROCUREMENT DOCUMENTS FOR BIOGAS UTILIZATION PROJECT (CIP #9269); ACCEPTING BID OF

LOWEST RESPONSIBLE BIDDER; REJECTING ALL OTHER BIDS;  
AUTHORIZING EXECUTION OF PURCHASE AGREEMENT AND DIRECTING  
RETURN OF SECURITY DEPOSITS AND AUTHORIZING MANAGER TO  
APPROVE CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT  
VALUE FOR SAID PROJECT (\$2,441,366) – UNISON SOLUTIONS

Microsoft Teams Access Information  
Silicon Valley Clean Water  
Special Meeting  
Monday, July 15, 2024

**WEBSITE:** [Link to access meeting](#)

**MEETING ID:** 270 547 566 14

**CALL IN PHONE NUMBER:** +1 747-216-0281 **ID:** 925 412 740#

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.

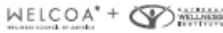
#### Accessibility for Individuals with Disabilities

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:

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 5A



# WELL BALANCED<sup>o</sup>

The Great Outdoors



A healthy workplace culture starts outside of the entry doors—literally. The outdoors is the biggest resource for self-care promotion. Switching your meeting from sitting in a conference room to walking a nearby trail can improve mental and physical health as well as create a greater sense of well-being and community wellness. Studies show exposure to nature at work boosted productivity, helpfulness, and creativity. Finding time to head outside in between the hustle and bustle of everyday office life can be difficult. Here are some ways to incorporate nature into your workday:

» **Take Conference Calls Outside**

Tired of keeping earbuds in to avoid disrupting coworkers? Take the meeting outside—no headphones needed.

» **Change Your Lunch Scenery**

Instead of scrolling through emails while trying to eat your lunch, take your lunchbag outside. Enjoy eating on the back of your car or on a public bench, or take a walk and eat as you go if you're able.

» **Park Strategically**

The closest parking spots are usually the first to go. If weather permits, enjoy a more leisurely stroll into your work building to soak in the sunshine and morning breeze.



**TRAIL TIP!** Find a trail or park close to your work building and schedule a weekly walk there during lunch—You'll look forward to the nature break all week.



**Want more resources on the benefit of the outdoors?**

Throughout history, cultures around the world have turned to nature as a source of increased health and well-being. While science continues to support this connection and more programs are emerging to help us understand it, humans continue to spend the majority of our time indoors. Welcome to the Nature of Wellness™, Podcast, where Dr. Mark Campbell will explore the relationship between the natural world and the human experience. <https://natureofwellness.buzzsprout.com/>

» **Plan Dedicated Time Outdoors**

Commit more time to Mother Nature by scheduling a nature break in your workday calendar, just like a regular meeting.

» **Utilize the Outdoors as a Workspace**

Gather your laptop and notebook to head outside for your next Zoom call. When able, encourage coworkers to host a walking meeting in place of a standard conference room setting.

By prioritizing outdoor time in the workplace, employers can create a healthier, more engaged workforce and foster a positive company culture that values employee well-being and sustainability.

[Research: A Little Nature in the Office Boosts Morale and Productivity \(hr.org\)](https://www.fishbase.org/news/2021/07/2021-07-20-01)  
[The wellness benefits of the great outdoors | US Forest Service \(usda.gov\)](https://www.fishbase.org/news/2021/07/2021-07-20-01)  
[10 Ways To Spend More Time Outdoors During The Workweek \(forbes.com\)](https://www.fishbase.org/news/2021/07/2021-07-20-01)

# AGENDA ITEM 5B1



Recurring and Upcoming 2024 Commission Actions  
Updated for July 2024 Meeting

<p><b>January</b></p> <ul style="list-style-type: none"> <li>• Meeting Cancelled</li> </ul>	<p><b>February</b></p> <ul style="list-style-type: none"> <li>• Review Investment Policy</li> <li>• Long Range Financial Plan</li> <li>• Capital Improvement Plan Update</li> </ul>	<p><b>March</b></p> <ul style="list-style-type: none"> <li>• Operating Budget Workshop</li> </ul>	<p><b>April</b></p> <ul style="list-style-type: none"> <li>• Operating Budget Approval</li> <li>• Initiate Manager Performance Evaluation</li> </ul>
<p><b>May</b></p> <ul style="list-style-type: none"> <li>• Manager Performance Evaluation</li> </ul>	<p><b>June</b></p> <ul style="list-style-type: none"> <li>• Approve Resolution 77-6 “Personnel Resolution”</li> <li>• Review Reserve Funds Policy</li> </ul>	<p><b>July</b></p> <ul style="list-style-type: none"> <li>• Elect Chair, Vice Chair; Appoint Secretary</li> <li>• Receive Q1 Investment Summary</li> <li>• Conflict of Interest Update (Biennial; even numbered years)</li> </ul>	<p><b>August</b></p> <ul style="list-style-type: none"> <li>• No Meeting</li> </ul>
<p><b>September</b></p> <ul style="list-style-type: none"> <li>• Review Investment Policy</li> <li>• Review Debt Management Policy</li> </ul>	<p><b>October</b></p> <ul style="list-style-type: none"> <li>• Annual Investment Update</li> </ul>	<p><b>November</b></p> <ul style="list-style-type: none"> <li>• Audited Financial Report</li> </ul>	<p><b>December</b></p> <ul style="list-style-type: none"> <li>• Commission Meeting Schedule for 2025</li> </ul>

-  - Recurring Commission Actions
-  - Upcoming Commission Actions

# AGENDA ITEM 5B2



July 15, 2024

To: SVCW Commission

From: Teresa Herrera, SVCW Manager  
Matt Anderson, SVCW Assistant Manager/CFO

Subject: Silicon Valley Clean Water Internal Controls

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On June 27, 2024, the San Mateo County Civil Grand Jury released a report “Assessing and Reporting Internal Controls in San Mateo County Agencies and School Districts”. This memo explains the assessment and report’s recommendations for SVCW. It also provides a recommendation on SVCW’s response and seeks input and direction from the Commission.

### **Report Emphasis**

The report emphasizes the importance of assessing governmental agencies’ internal controls and reporting the results to governing boards. Internal controls provide reasonable assurance that the entity will achieve its objectives. They are the key to ensuring goals are met without fraud and waste that otherwise erodes public trust.

Internal controls help an entity’s management achieve its objectives. Also, internal controls help an entity run its operations efficiently and effectively, report reliable information about its operations and comply with applicable laws and regulations.

The need for internal controls applies to all entities, regardless of size. Large complex entities have different risk profiles than small, less-complex entities. All entities seek to control risk appropriately for its operations, designing and implementing internal controls for its own particular risk profile.

### **Report Recommendations**

The Civil Grand Jury surveyed 75 entities in the County, of which it interviewed 28 agencies. Silicon Valley Clean Water responded to the survey and was interviewed by members of the Civil Grand Jury. Across all responses, the Civil Grand Jury focused on three questions from the survey:

1. Do you have an established process in place to identify organizational risks (also known as Enterprise Risk Management, or ERM)?
2. Other than outside audits of your organization's financial statements, have you or your organization performed an assessment of your organization's "internal controls" within the last 18 months?
3. Was a written report of the assessment produced?

## **Memo to Commission**

SVCW Internal Controls

July 15, 2024

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During the Civil Grand Jury interview, SVCW responded that it does have an established process in place to identify risks (Question #1) and it has not recently performed a formal assessment of its internal controls that could be reported to the Commission (Questions #2 and #3).

Further during the interview, SVCW described methods used to monitor, measure, and improve on internal controls. For example, SVCW expenditures are transparently reported to a third party, as the Redwood City Finance Director fulfills its role as SVCW Controller. Additionally, SVCW requires all disbursements are approved via a secure online system to ensure authorization limits are met. This approval system is secure and structured to ensure separation of duties and reduce the risk of fraud. Finance supervisory staff regularly audit vendor records to validate changes. Finally, key staff receive internal controls training that identifies ways to identify and prevent fraud.

Based on the results of its surveys and interviews, the Civil Grand Jury report recommends the following:

- R1. Beginning by no later than December 31, 2024 and at least annually thereafter, each entity will document its organizational risks and address those risks in its annual Assessment of Internal Controls.
- R2. Beginning by no later than March 31, 2025 and at least annually thereafter, each governing board will require its management to complete its annual assessments of internal controls.
- R3. Beginning by no later than June 30, 2025 and annually thereafter, each governing board will require management to report the results of its annual assessment of the entity's internal controls. that requires SVCW to respond to its findings and recommendations.

### **SVCW Response to Report**

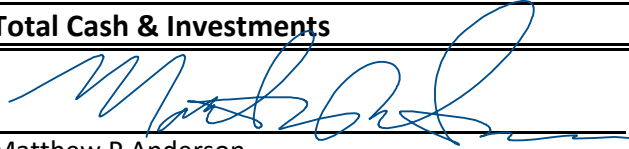
SVCW has satisfied R1 above. While staff is prepared to implement recommendations R2 and R3, reporting annually in this manner may not be necessary and, instead suggests a cadence of every three to five years is sufficient. The rationale behind this recommendation is that, annually throughout the year, SVCW management brings to the Commission its various and numerous policies related to internal controls as opposed to all policies encapsulated into a single report presented annually (reference Manager's Report, Item 5B). Staff will seek input from the Commission for direction.

SVCW is required to provide comment on the findings and recommendations within 90 days after the Grand Jury submits a report. SVCW did not receive a formal transmission of the report so will use the publication date of June 27, 2024 as the receipt date. The Manager will bring to the Commission an action item for the Commission to act upon at the September meeting; this will ensure compliance with the timing requirements.

# AGENDA ITEM 5C1

**Silicon Valley Clean Water Authority  
Cash & Investments Summary Report  
May 31, 2024**

Description	Market Value	% of Total Holdings	Yield to Market
<b>Reserve Accounts</b>			
Operating Reserve* - Securities	\$ 1,905,475	1.65%	1.86%
Operating Reserve - Money Market Fund Balance	2,395,722	2.08%	5.18%
CIP Reserve* - Securities	24,171,969	20.95%	3.13%
CIP Reserve - Money Market Fund Balance	833,768	0.72%	5.18%
Stage 2 Capacity Reserve* - Securities	8,441,557	7.32%	1.67%
Stage 2 Capacity Reserve - Money Market Fund Balance	6,037,311	5.23%	5.18%
Debt Coverage Reserve - CAMP	2,619,275	2.27%	5.43%
<b>Total Market Value: Operating and Reserve Accounts</b>	<b>\$ 46,405,076</b>	<b>40.2%</b>	<b>3.35%</b>
Total Accrued Interest: Operating and Reserve Accounts	178,269		
<b>GRAND TOTAL, RESERVE ACCOUNTS</b>	<b>\$ 46,583,344</b>		
<b>Trustee Accounts:</b>			
2018 Bond Project Fund Account - CAMP	\$ 6,104,713	5.29%	5.43%
2018 Bond Revenue Account	3,221	0.00%	4.97%
2021 Refunding Bonds Revenue Account	1,778	0.00%	4.97%
2021A Notes (RESCU) - Money Market Fund	249	0.00%	4.97%
2021A Notes (RESCU) - LAIF**	1,430,650	1.24%	4.33%
2021B Notes (WWTP) - Money Market Fund	17,541,857	15.21%	4.97%
2021B Notes (WWTP) - CAMP	13,408,531	11.62%	5.43%
2021B Notes (WWTP) - LAIF**	23,921,320	20.74%	4.33%
2021 Notes Capitalized Interest Account - Money Market Fund	834,345	0.72%	4.97%
<b>Total Market Value, Trustee Accounts</b>	<b>\$ 63,246,666</b>	<b>54.83%</b>	<b>4.86%</b>
Accrued Interest:	174,833		
Operating Cash (includes outstanding checks)	4,048,947	3.51%	0.00%
Local Agency Investment Funds (LAIF) Balance	1,655,756	1.44%	4.33%
<b>Total Cash &amp; Investments</b>	<b>\$ 115,709,546</b>	<b>100.00%</b>	<b>4.07%</b>

  
Matthew P Anderson

6/11/2024  
Date

Chief Financial Officer / Assistant Manager  
\* Monthly report of security transactions and interest available upon request  
\*\*Market value of LAIF based on the most available Fair Value factor

**Silicon Valley Clean Water**  
**Operating and Reserve Funds - Sector Allocation & Compliance May 31, 2024**

Security Type	Operating Reserve	CIP Reserve	Capacity Reserve	Debt Coverage Reserve	Total Market Value	% of Total Portfolio	% Allowed by Policy	In Compliance	% Change vs. Prior Month
U.S. Treasury	\$ 1,592,393	\$ 11,670,755	\$ 4,097,988	\$ -	\$ 17,361,136	37%	100%	✓	(2.1%)
Supranationals	-	-	-	-	-	0%	15%	✓	0.0%
Federal Agency/GSE	-	1,061,229	744,143	-	1,805,372	4%	100%	✓	0.1%
Federal Agency/CMBS	-	2,701,414	695,232	-	3,396,646	7%	100%	✓	0.1%
Federal Agency CMO	-	638,242	354,109	-	992,351	2%	100%	✓	0.0%
Federal Agency MBS	-	1,947,977	1,262,653	-	3,210,630	7%	100%	✓	0.1%
Municipal	-	875,849	709,196	-	1,585,045	3%	30%	✓	0.0%
Corporate Notes	299,375	5,078,603	536,101	-	5,914,079	13%	30%	✓	(4.5%)
Asset-Backed Securities	13,707	197,901	42,134	-	253,741	1%	10%	✓	(0.3%)
<b>Securities Sub-Total</b>	<b>1,905,475</b>	<b>24,171,969</b>	<b>8,441,557</b>	<b>-</b>	<b>34,519,001</b>	<b>74%</b>			
Accrued Interest	7,703	130,472	28,097	-	166,271				
<b>Securities Total</b>	<b>1,913,177</b>	<b>24,302,441</b>	<b>8,469,654</b>	<b>-</b>	<b>34,685,272</b>				
<b>Money Market Fund</b>	<b>2,395,722</b>	<b>833,768</b>	<b>6,037,311</b>	<b>-</b>	<b>9,266,800</b>	<b>20%</b>	<b>20%</b>	<b>✓</b>	<b>6.5%</b>
CAMP	-	-	-	2,619,275	2,619,275	6%	100%	✓	0.1%
Accrued Interest - CAMP	-	-	-	11,997	11,997				
<b>CAMP Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,631,272</b>	<b>2,631,272</b>	<b>6%</b>	<b>100%</b>	<b>✓</b>	<b>0.0%</b>
<b>Total Investments</b>	<b>\$ 4,308,899</b>	<b>\$ 25,136,208</b>	<b>\$ 14,506,965</b>	<b>\$ 2,631,272</b>	<b>\$ 46,583,344</b>	<b>100%</b>			
<i>As % of 6/30/24 Target:</i>	<i>102.9%</i>	<i>101.7%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>101.2%</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>*

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.
9. Amounts will slight differ due to timing of custodian account reports.



# AGENDA ITEM 5C2

**SVCW Operating Revenue and Expenditures versus Budget - Through March 31, 2024**

Description	YTD Actual	YTD Budget	\$ Higher (Lower) vs. Budget	% Higher (Lower) vs. Budget	Comments
<b>Revenue:</b>					
Member Operating Contrib.	\$ 23,259,312	\$ 23,259,316	\$ (4)	(0.0%)	
Source Control Revenue	75,964	62,852	13,112	20.9%	<i>Timing of staff activities between Source Control and Stormwater activities</i>
Storm Water Monitoring	57,988	86,190	(28,202)	(32.7%)	<i>Timing of staff activities between Source Control and Stormwater activities</i>
Grease & Septic Revenue	245,806	197,989	47,817	24.2%	<i>Increased volumes from grease and septic haulers</i>
Food Waste Revenue	-	16,800	(16,800)	(100.0%)	<i>Food waste program delayed. Scheduled to resume in fall 2024.</i>
Laboratory Services Revenue	1,603	3,281	(1,678)	(51.1%)	<i>Less requests from outside agencies</i>
Miscellaneous Revenue	110,891	98,863	12,028	12.2%	
Interest Income	16,334	9,375	6,959	74.2%	<i>Higher earnings as interest rates rose</i>
Grant Revenue	183,963	112,500	71,463	63.5%	<i>PG&amp;E incentive payment greater than estimated.</i>
Gain/(Loss) on Disposal	17,400	48,750	(31,350)	(64.3%)	<i>Timing of surplus equipment sales</i>
<b>Total Revenue:</b>	<b>\$ 23,969,261</b>	<b>\$ 23,895,916</b>	<b>\$ 73,345</b>	<b>0.3%</b>	
<b>Expenditures:</b>					
Salaries	\$ 10,417,879	\$ 10,690,151	\$ (272,272)	(2.5%)	<i>Vacancies in Operations and Maintenance divisions</i>
Overtime	273,810	210,220	63,590	30.2%	<i>Additional OT to cover vacancies</i>
Retirement	2,073,136	2,140,260	(67,124)	(3.1%)	
Health Insurance	1,336,164	1,361,741	(25,577)	(1.9%)	
Workers Compensation	279,492	302,415	(22,923)	(7.6%)	<i>Premiums higher than budget</i>
Medicare	154,193	162,363	(8,170)	(5.0%)	
Chemicals	2,204,102	2,243,331	(39,229)	(1.7%)	
Utilities	2,497,883	2,026,543	471,340	23.3%	<i>Cogeneration engines overhauled / out of service</i>
Professional Services	739,186	798,449	(59,263)	(7.4%)	<i>Timing</i>
Contractual Services	889,274	1,115,721	(226,447)	(20.3%)	<i>Timing</i>
Equipment Maintenance	2,030,886	1,708,516	322,370	18.9%	<i>More parts and equipment-industrial purchases than planned.</i>
Supplies	391,471	374,314	17,157	4.6%	
Rentals/Leases	25,520	49,215	(23,695)	(48.1%)	<i>Less leased equipment for repairs/maintenance required to date</i>
Administrative Expenses	602,119	652,286	(50,167)	(7.7%)	<i>Timing of permit expenses</i>
Memberships	52,712	73,837	(21,125)	(28.6%)	<i>Timing of Water Reuse / Potable Reuse membership payments</i>
Travel & Conference Fees	43,737	80,309	(36,572)	(45.5%)	<i>Timing of CWEA, CASA</i>
Training	41,437	160,539	(119,102)	(74.2%)	<i>Less training during RESCU project completion</i>
<b>Total Expenditures:</b>	<b>\$ 24,053,001</b>	<b>\$ 24,150,210</b>	<b>\$ (97,209)</b>	<b>(0.4%)</b>	

# AGENDA ITEM 5D

**ENGINEERING REPORT: JUNE 2024  
CAPITAL IMPROVEMENT PROGRAM**

**UPCOMING COMMISSION ACTIONS:**

**Five Corners Intersection (CIP#9131):** Five Corners Intersection Upgrade

This project will widen the Five-Corner intersection near the Recycled Water Facility and add drainage along Clean Water Way for storm water management.

Planned Commission Actions: Award Construction Contract – July 2024

**Biogas Utilization – Procurement of Gas Conditioning System (CIP #9269):** Procure Gas Treatment System to Meet IRA Timeline

Install five Linear Generators with a total additional capacity of 1,150kW to efficiently convert biogas to electricity for plant use. Early procurement is needed to qualify for the Inflation Reduction Act funding.

Planned Commission Actions: Approve Contract Award to Procure Gas Conditioning System – July 2024

**Solids Handling Building Switchgear Battery Replacement (CIP #9247):** Replace Switchgear Battery

This project replaces the battery that provides auxiliary power to the switchgear. The battery is at the end of its useful life.

Planned Commission Actions: Award Construction Contract – September 2024

**Facility Planning (CIP #9402):** Facility Planning of Liquid Side Treatment

This planning project also known as Strategic Treatment Advancement Roadmap (STAR) will review existing liquid stream treatment and explore alternatives for complying with upcoming nutrient removal permit requirements.

Planned Commission Actions: Approve Master Services Agreement and Task Order for Facility Planning – September 2024

**On-Bill Financing for LED Light Replacement:** Replace Lights with High Efficiency LED lights

This project will replace all old and inefficient light bulbs and fixtures with high efficiency LED lights. Upon entering into an agreement, PG&E will provide all services and finance it at zero interest.

Planned Commission Actions: Approve Agreement with PG&E – September 2024

**Chiller Replacement Project (Project #342):** Replace chillers that serve plant HVAC systems.

The three chillers that provide cooling for all plant demands were replaced and are now in the commissioning phase. Work is expected to be completed in July and the project is scheduled ready for acceptance in September.

Planned Commission Actions: Accept Project – September 2024

**Digester 3 Cleaning and Rehabilitation (9245):** Rehabilitation of Digester No. 3

Sludge from Digester No. 3 was recently transferred out of the digester and the interior was cleaned. This enables design engineers to enter the tank and evaluate rehabilitation needs. A task order for rehabilitation design services is needed, after which the rehabilitation project will be publicly advertised for bids. Once rehabilitation is complete on Digester No. 3, work on Digester No. 2 will begin.

Planned Commission Actions: Approve Design Task Order – September 2024

## **ONGOING PROJECTS IN CONSTRUCTION:**

**Ras Pipe Rehabilitation Project (CIP #9120):** RAS/WAS Pump Suction Pipe Rehab

This project includes rehabilitation of pipes serving the Return Activated Sludge (RAS) pumps and Waste Activated Sludge (WAS) pumps.

**SAF-MBR (9236):** Pilot Testing New Treatment Systems in Conjunction with Stanford University

SAF-MBR is operational with various types of equipment being tested. Additional equipment continues to be procured to further test different scenarios of treatment.

**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.

GP project construction is complete. Construction continues on the PSI project with expected substantial completion in late 2024. Acceptance testing of the FoP project is ongoing. Refer to Commission Item 5F for status updates.

**TASK ORDERS APPROVED CALENDAR YEAR 2024:**

A list of task orders approved for engineering division projects is attached.

**SVCW Engineering Division - Task Order Summary 01/01/2024-06/30/2024**

<b>Task Order Date</b>	<b>Consultant</b>	<b>TO Amt.</b>	<b>Project #</b>	<b>Project Name</b>	<b>Scope of Work</b>
<b>Commission-Approved Date Task Orders:</b>		<b>\$962,580</b>			
1/23/24	David J. Powers & Assoc	\$90,000	9501	Pump Station Improvements - TO Amendment	Environmental Services for RESCU Program
2/12/24	JHS Consulting	\$50,120	9501	Pump Station Improvements - TO Amendment	Environmental and Permitting Advisory for RESCU Program
In Progress	Beecher Engineering	\$350,000	9269	Biogas Utilization	Electrical Eng. Support Services for Mainspring Linear Generator System Installation
6/10/24	Brown & Caldwell	\$472,460	9269	Biogas Utilization	Design Engineering Consulting Services
*Uses Commission approved date					
<b>Task Order Date</b>	<b>Consultant</b>	<b>TO Amt.</b>	<b>Project #</b>	<b>Project Name</b>	<b>Scope of Work</b>
<b>Manager-Approved Task Orders*:</b>		<b>\$428,876</b>			
2/6/24	Freyer & Laureta	\$7,300	810	As-Needed Services FY 23-24	As needed surveying and civil engineering services
2/21/24	Trinity Consultatns	\$30,000	9502	Front of the Plant - TO Amendment	Air Permit Application Support
2/23/24	Brown & Caldwell	\$40,000	810	As-Needed Services FY 23-24	General Engineering Services
3/4/24	Freyer & Laureta	\$42,980	9131	Plant Service Road Resurfacing, Phase 2	Design, Bid, Construction Svcs.
3/8/24	Sierra Research/Trinity Consultants	\$5,000	810	As-Needed Services FY 23-24 - TO Amendment	Air Quality Permitting Services
3/26/24	Cascade Integration & Development, Inc.	\$46,640	9247	SHB Electrical Rehabilitation	Kohler Switchgear Programming; Troubleshooting & Program Conversion to Ladder Logic
4/11/24	Hanson Bridgett, Inc.	\$50,000	9130	Capital Improvement Engineering	As-needed Construction Legal Services
4/19/24	WRA	\$10,600	9265	Levee Repair	Levee Repair Environmental Evaluation
5/24/24	Cascade Integration & Development, Inc.	\$18,721	9257	Food Waste Improvements	Stanford Historical Data Integration Support
5/27/24	Stradling Yocca Carlson & Rauth LLP	\$50,000	9269	Biogas Utilization	Federal Tax Legal Advisory Services
5/31/24	Dr. Mike Stenstrom	\$10,000	810	Academic Advisory Committee, FY 23-24; Amend. 1	Advisory Consulting Services
5/31/24	Dr. Krishna Pagilla	\$20,000	810	Academic Advisory Committee, FY 23-24; Amend. 1	Advisory Consulting Services
5/31/24	Dr. George Tchnobanoglous	\$5,000	810	Academic Advisory Committee, FY 23-24; Amend. 1	Advisory Consulting Services
6/17/24	Sierra Research/Trinity Consultants	\$29,800	9269	Biogas Utilization	Air Permit Application Support
6/17/24	Sierra Research/Trinity Consultants	\$2,000	810	Engineering Operating Budget, FY 23-24	As-Needed Air Quality Permitting & Consulting Services
6/17/24	Cascade Integration & Development, Inc.	\$9,650	9242	Fixed Film Reactor Rehabilitation	Control Narrative Review & Control Strategies Dev. Svcs.
6/18/24	Cascade Integration & Development, Inc.	\$49,985	9269	Engineering Utilization Gas Conditioning System	Engineer Design Support Services for Stage 1
6/19/24	Kennedy Jenks	\$8,500	810	Engineering Operating Budget, FY 23-24, Amend. 1	As-Needed Engineering Services

\*JPA level of Manager approval is \$75,000

\*\*Uses last approval signature (Manager) date

# AGENDA ITEM 5E



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

**JULY 15, 2024  
AGENDA ITEM 5E**

Updated: 06/24/2024

Commission Meeting Date	Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
			Ongoing	In Progress	Complete		
6/10/2024	No Action Items						
5/13/2024	No Action Items						
4/8/2024	1	Investments	N/A		✓	5/13/2024	Research CA CLASS as an alternative to LAIF for short-term investing.
	2	May Commission Meeting	5/6/2024		✓	4/17/2024	Review what topics will be on the May Commission meeting agenda and determine if a Regular meeting is needed. Reviewed and email sent to Commissioners that a regular meeting is needed.
	3	Air Toxics Study	N/A		✓	4/9/2024	How long does the CARB Air Toxics study last? Email sent to Commissioners with answer.
	4	Bylaws	N/A	✓			Review bylaws with respect to annual Commission meeting calendar.
3/11/2024	1	Agenda Packet Distribution	4/8/2024		✓	4/3/2024	Provide agenda packets to Commissioners' alternates with the exception of WBSD
2/12/2024	1	Strategic Plan	3/11/2024		✓	3/11/2024	Integrate "Innovation" into the strategic plan; completed via adding to the Vision Statement.
	2	NPDES Annual Report	N/A		✓		Question: how are SVCW's treatment issues/problems/maintenance requirements codified and captured for future action? Mainly in our Annual Report to the Regional Water Board. Place this onto the SVCW website.
12/11/2023		Strategic Plan	1/1/2024		✓		Add a section for long-term strategies (10-15 year timeframe).
11/13/2023		Recycled Water and Energy Management	N/A	✓			Bring regular updates to meetings. Presentation on SPRP December 2023 meeting and on Energy Mgmt May 2024
10/9/2023	1	Investment Portfolio	N/A		✓	11/13/2023	Bring information on expected returns and administrative fees re: investing in ESG companies.
	2	Public Comments during Meetings	N/A		✓		Changes discussed at November meeting. Possible policy will be brought to the Commission at January 2024 meeting. No decisions made; topic tabled.

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

**JULY 15, 2024  
AGENDA ITEM 5E**

Updated: 06/24/2024

Commission Meeting Date	Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
			Ongoing	In Progress	Complete		
9/11/2023	Strategic Planning	1/1/2024			✓		Appoint subcommittee (Commissioners Aguirre and Otte) to develop new strategic plan. Subcmte appointed; draft provided to full Commission in Dec 2023. See action item from 12/11/23.
7/17/2023	Bylaws - Election/Appointment of Officers						Suggested to change bylaws such that new officers elected in February of each year. Decided against and will keep to July.
> One Year	8E - JPA Amendment; re-initiate "clean up" to JPA	N/A		✓			Manager presented a pathway to address critical changes to the JPA at the April 2023 meeting. Commission concurred; Manager following up with Members.
	Project Changes/Commission Notification	N/A	✓			Ongoing	Ensure Commission is kept apprised of possible/potential project cost and/or schedule increases.
	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 5F

# Overview

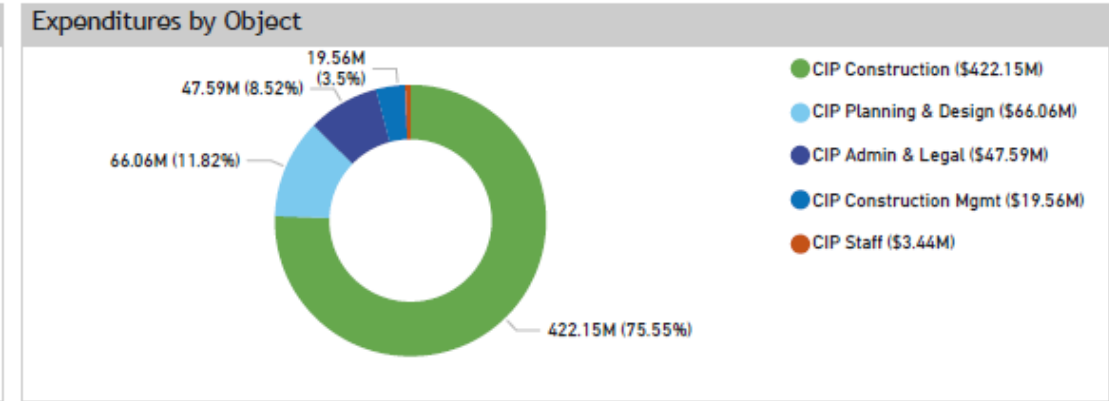
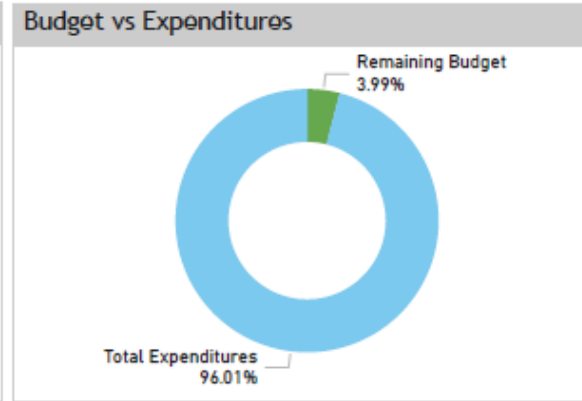
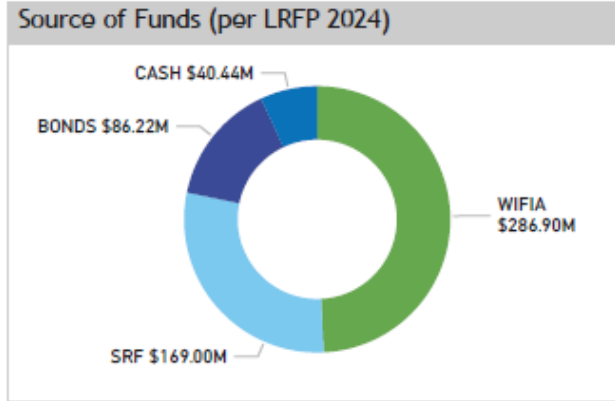


RESCU Program describes eleven projects which constitute full replacement and rehabilitation of SVCW's conveyance system. RESCU includes the Gravity Pipeline, Front of Plant, Pump Stations, and Belmont Force Main projects. The Front of Plant includes six and Pump Stations includes four of the eleven 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.

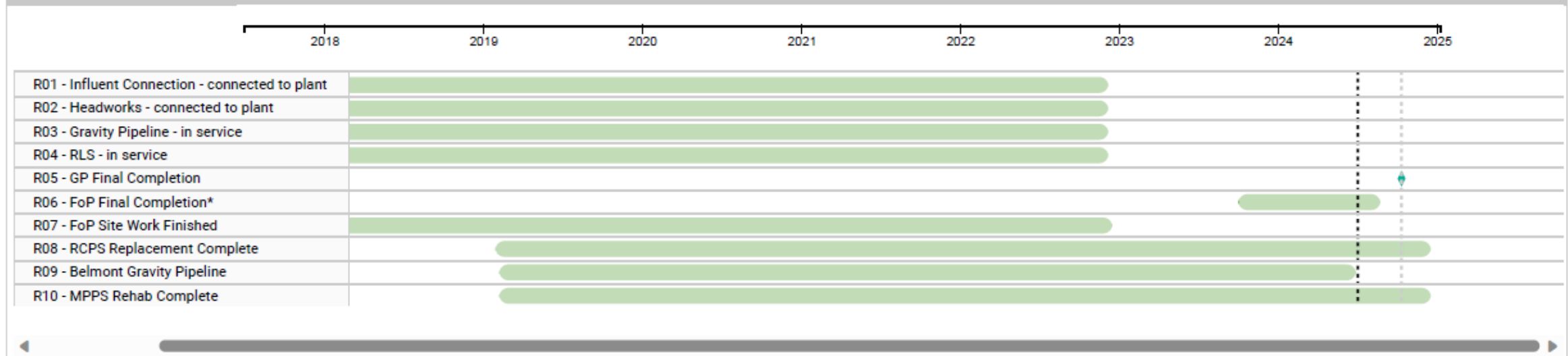
Available Budget  
\$582.56M

Total Expenditure  
\$559.30M

Remaining Budget  
\$23.26M



## Project Schedule



AGENDA ITEM 5F

\*Time extension is pending

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.

## Startup Progress

Project	PreCommissioning	Functional Testing (Design verification)	Functional Testing (Dry verification)	Functional Testing (Wet verification)	Acceptance Testing
FoP	100%	100%	100%	100%	100%
GP	100%	100%	100%	100%	0%
MPPS A side	100%	100%	100%	100%	100%
MPPS B side	100%	100%	100%	100%	100%
BGP	100%	100%	100%	100%	0%
RCPS	0%	0%	0%	0%	0%

## Major Accomplishments To Date

<p>▲ Front of Plant</p> <ul style="list-style-type: none"> <li>- FoP Control Strategies completed.</li> <li>- FoP Design Intent presentation completed.</li> <li>- Acceptance Testing plan completed.</li> <li>- All vendor trainings completed.</li> <li>- Headworks and SFS/RLS Functional Testing completed.</li> </ul>
<p>Gravity Pipeline</p> <ul style="list-style-type: none"> <li>- GP Design Intent presentation completed.</li> <li>- Acceptance Testing plan completed.</li> <li>- FM to GP switchover completed.</li> </ul>
<p>Pump Stations Improvements</p> <ul style="list-style-type: none"> <li>- MPPS A-Side 30-Day Acceptance Testing completed.</li> <li>- MPPS B-Side 30-Day Acceptance Testing completed.</li> <li>- BGP Cutover completed and Functional Testing completed. Acceptance testing began June 26, 2024.</li> </ul>
<p>Program</p> <ul style="list-style-type: none"> <li>- RESCU Commissioning Risk Register workshop completed.</li> <li>- Bi-weekly Risk Register meeting ongoing.</li> </ul>

## 3 - Month Look Ahead

	Start	End	July
San Carlos Connecting Piping Startup (Acceptance Testing)	June 3, 2024	July 3, 2024	X
BGP Startup (Acceptance Testing)	June 26, 2024	July 26, 2024	X





# 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.

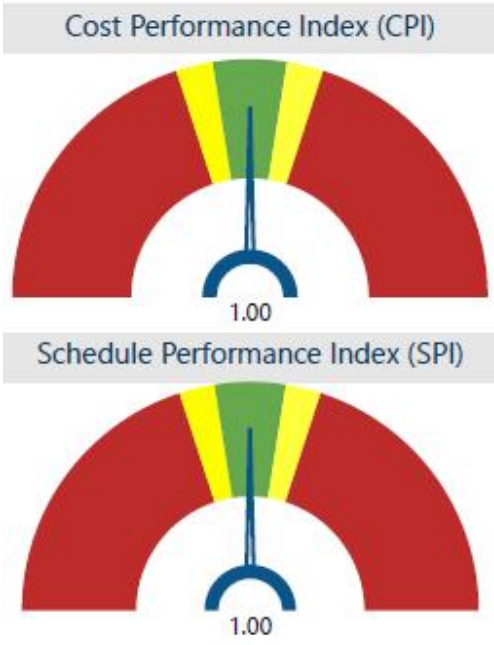
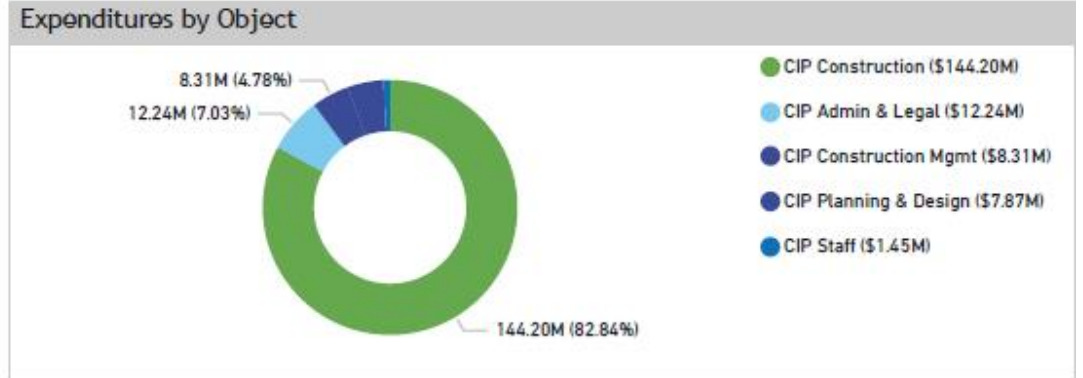
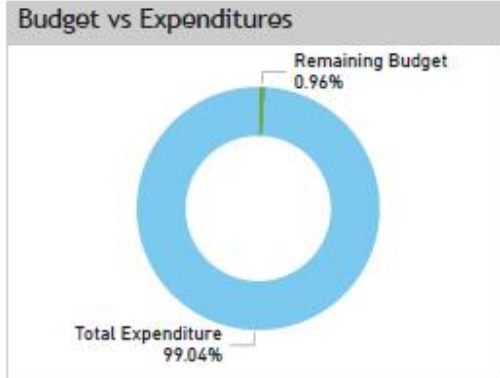
Available Budget  
**\$174.19M**

Total Expenditure  
**\$172.52M**

Remaining Budget  
**\$1.67M**

Milestone Schedule	Start	Finish
Interconnection Pipe Completed	7/24/2020	8/1/2023
Headworks Facility Completed	12/6/2018	11/30/2022
SFS/RLS Completed	12/6/2018	2/22/2023
Bair Island Connecting Piping Startup	10/3/2022	6/9/2024
San Carlos Connecting Piping Startup	8/5/2022	7/3/2024
Substantial Completion		5/13/2024
Final Completion*		9/13/2024

\*No-cost time extension pending



## Major Accomplishments this Period

Construction	<ul style="list-style-type: none"> <li>- SPJV continued to address punch list items throughout the RLS and Headworks such as the SFS radar transmitters and washer compactor augers. They also repaired Grit Pump #1.</li> <li>- SPJV installed fencing and performed grading on the IPL/SAFMBR lot. They also paved the West Access Road.</li> <li>- Vendor training is complete.</li> <li>- The 30-day acceptance testing of the Headworks, SFS, and RLS was completed.</li> <li>- SPJV completed the permanent connection of the force main to the drop structure at Bair Island and San Carlos.</li> </ul>
Design	- FoP design is complete.
Procurement of Trade Packages	- Front of Plant Trade Procurement is complete.

## 3 - Month Look Ahead

	Start	End	July	August	September
SCGL Connecting Piping	August 5, 2022	July 3, 2024	X		
Project Closeout	July 5, 2024	September 13, 2024	X	X	X

## Potential Issues

Odor control fan	No Cost Time Extension
------------------	------------------------

## Approved Project Changes

3 Water and Utilidor Improvements
Bair Island and San Carlos Pump Station Pipe Connection Work - mechanical
Change order for odor control system
COVID Costs
Credit for deletion of 48" bypass from 54" force main
Credit for the deletion of the chemical storage system
Electrical and Mechanical Miscellaneous Improvement
Electrical System
Extended Overhead Costs Associated with 54-inch Valve Delays
Extended Overhead Costs Associated with CFRP Delays
ILS Pipe Repair
Miscellaneous FoP Credit
Miscellaneous FoP Improvements
Miscellaneous Site Improvements
New County/Local Sales Tax
Power Loss and Recovery and Other Electrical Improvements
Project Management past December 2021
San Carlos and Bair Island Connecting Piping
SCPS & BI Miscellaneous and ILS Bypass
SCPS Miscellaneous Improvement

## Safety Spot Light

Lost Time	0
Near Misses	5
Recorded Losses	2



# Gravity Pipeline Progressive DB Project (CIP 6008)



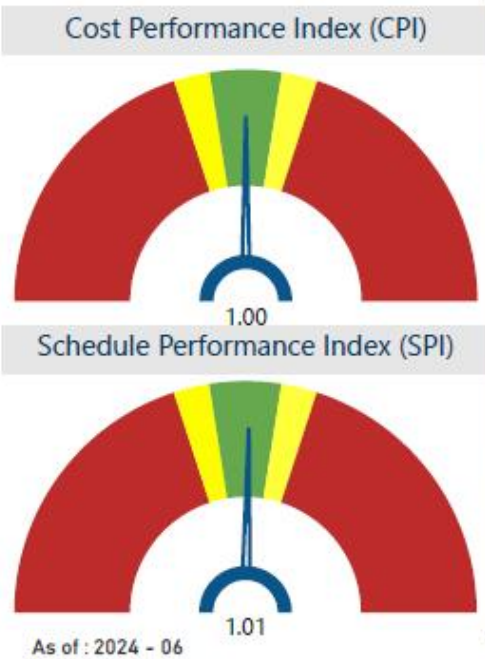
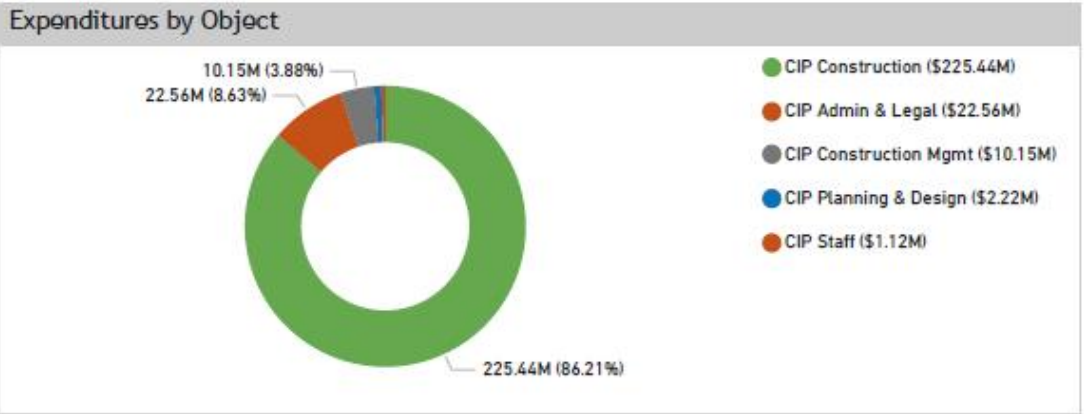
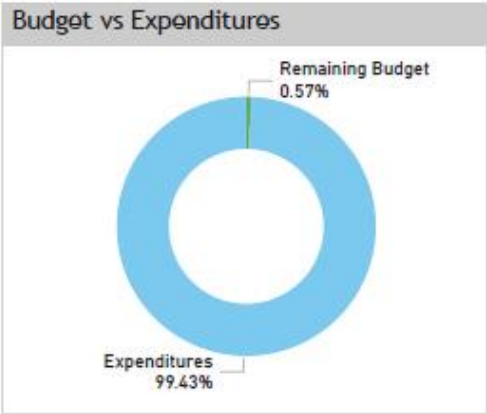
The Gravity Pipeline (GP) Project consists of the design, construction, permitting, start-up, commissioning, and closeout of approximately 17,600 feet of wastewater gravity FRP pipe inside a concrete-segment tunnel. The work includes three shafts and will interface directly with the Front of Plant (FoP)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

Available Budget  
**\$258.06M**

Total Expenditure  
**\$256.59M**

Remaining Budget  
**\$1.47M**

Milestone Schedule		
	Start	Finish
Conditional Substantial Completion		7/1/2022
Final Completion		10/11/2024





## Major Accomplishments this Period

Construction	<ul style="list-style-type: none"> <li>- BBJV completed backfill of the Airport Access Shaft.</li> <li>- BBJV completed site restoration at the AAS.</li> <li>- BBJV tentatively planning to perform Acceptance Testing the week of July 15, 2024.</li> </ul>
Design	- Gravity Pipeline design is complete.
Muck Disposal	<ul style="list-style-type: none"> <li>- 79% of Muck Disposal Amendment spent.</li> <li>- 21% of Muck Disposal Amendment remaining. Credit was issued for remaining funds.</li> </ul>
Procurement of Trade Packages	- Gravity Pipeline Trade Procurement is complete.

## Potential Issues

Remaining budget to be transferred to other RESCU project
---

## 3 - Month Look Ahead

	Start	End

## Approved Project Changes

Soil Conditioner Leak at CPT Hole STA 171 + 80
SFS Slurry Wall Hardness DSC
SCPS Basement Connection
San Carlos Shaft Ammonia Mitigation
San Carlos Adit Ammonia Mitigation
Redwood City Sales Tax Increase 2021
New County/Local Sales Tax and US Tariffs
Exceedence of Muck Offhaul Allowance
Bair Island Weir Optimization
Bair Island Force Main Exposure and Additional Monitoring
Additional Survey at Governors Bay
Acceptance Testing Time Extension

## Safety Spot Light

Lost Time	1
Near Misses	4
Recorded Losses	5

# Pump Stations Improvement Progressive DB Project (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 tunnel; flows from San Carlos and Belmont will enter into the gravity tunnel via a drop structure at the current San Carlos pump station site. Flows from MPPS and RCPS will flow through the 48-inch force main to a drop structure at Inner Bair Island. RCPS pumps MPPS flows during wet weather events.

Available Budget  
\$133.00M

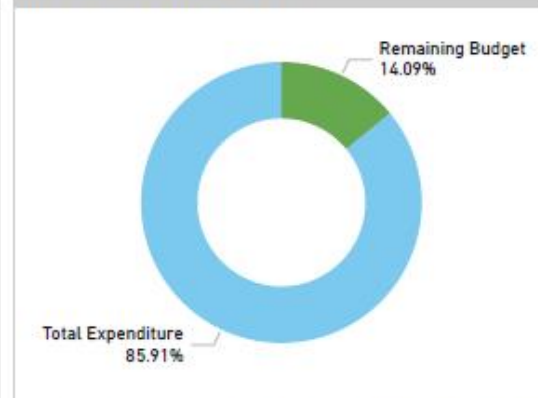
Total Expenditure  
\$114.25M

Remaining Budget  
\$18.74M

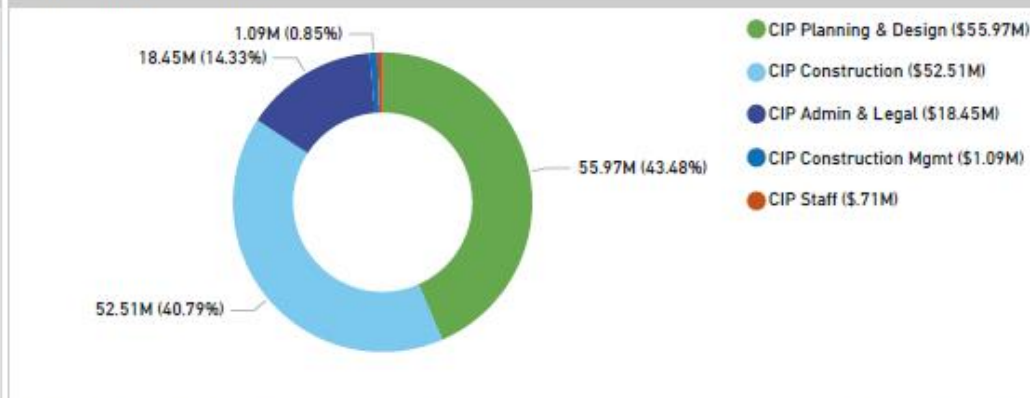
## Milestone Schedule

	Start	Finish
MPPS - B-side Pumps Completed	3/15/2022	10/13/2022
MPPS - A-side Pumps Completed	10/4/2022	2/16/2024
BGP - Gravity Pipe Installed	11/22/2023	3/6/2024
BGP - Shaft/Tunneling Work on Shoreway Road	4/12/2021	4/18/2023
RCPS - PG&E Service Work	5/4/2021	4/12/2024
RCPS - Wet Well & Screening Building Completed	4/17/2022	10/22/2024
RCPS - Electrical Building Completed	2/8/2021	7/2/2024
Substantial Completion - MPPS		1/7/2025
Substantial Completion - RCPS		1/7/2025
Substantial Completion - BGP		7/19/2024

## Budget vs Expenditures



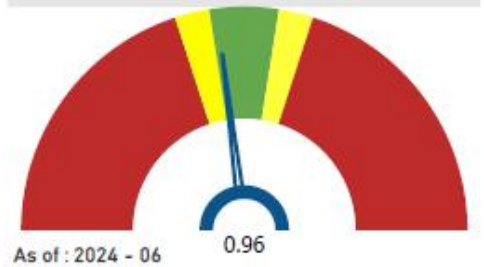
## Expenditures by Object



## Cost Performance Index (CPI)



## Schedule Performance Index (SPI)



As of : 2024 - 06





# Pump Stations Improvement Progressive DB Project (CIP 9501)



## Major Accomplishments this Period

Construction	<ul style="list-style-type: none"> <li>- BGP: BGP/SCPS Cutover to the Gravity Pipe was completed. SCPS Driveway and Hiller Aviation Parking Lot restoration was completed. Belmont Pump Station demolition was completed. BGP/SCPS 30-Day Acceptance Testing began.</li> <li>- Bair Island Road Restoration: The Northside of the road was completed and hydroseeded. The Southside restoration work was completed. Hydroseeding of the Southside of the road to happen in Fall of 2024.</li> <li>- RCPS: HDPE Pipe for use when double pumping was installed between the new Junction Box and the existing Mag Meter Vault, with the final connection to the existing Force Main pending. HDPE Pipe for RCPS Discharge was installed from the RCPS Structure to the future tie-in point just north of the existing mag meter vault. Both pipe excavations have been backfilled.</li> <li>- MPPS: A-Side 30-Day Acceptance has been completed. SPJV continues to complete remaining Punch List Work.</li> </ul>
Design	<ul style="list-style-type: none"> <li>- BGP: Coordination to finalize P&amp;IDs is in progress.</li> <li>- RCPS: SPJV provided the hydraulic report associated with the new RCPS Yard Piping Design.</li> </ul>

## Potential Issues

RCPS 60-inch Connection
Hiller Parking Lot Restoration
Future Connection for Redwood City 60-inch Pipe
Challenges from permitting and land acquisition conditions at RCPS

## 3 - Month Look Ahead

	Start	End	July	August	September
RCPS - Structural Concrete	September 8, 2021	July 31, 2024	X		
RCPS - Mechanical - Wet Well	November 28, 2022	October 22, 2024	X		
RCPS - Mechanical - Screening Structure	October 31, 2022	July 31, 2024	X		
RCPS - Electrical / I&C	April 1, 2024	July 9, 2024	X		
RCPS - Electrical Building & Restroom	February 8, 2021	July 2, 2024	X		
RCPS - 36" MPPS Force Main and Valve Vaults	May 16, 2024	September 20, 2024	X	X	X
RCPS - Site Utilities	September 28, 2023	October 8, 2024			X
RCPS - Effluent Piping and Meter Vault	December 19, 2023	September 20, 2024	X		X
RCPS - Standby Generator	June 2, 2021	July 9, 2024	X		

## Safety Spot Light

Lost Time	0
Near Misses	1
Recorded Losses	0

## Approved Project Changes

Updated MPPS Schedule to address Electrical Equipment Delays

Stage 2F Traffic Control Allowance Release

Stage 2 Baseline Schedule Revision

Segment 1 Force Main Junction Box Repairs

SCPS Declassification Construction Costs

SCPS Additional Site Restoration

Revised Piping and Flowmeter for BGP Piping in SCPS, Autostart for MPPS and RCPS Portable Generator, RCPS Pump Protection Panel "Reset" Button, MPPS Chemical Feed Pump Receptacles, MPPS and RCPS Phase Loss Relay, MPPS Bathroom Items, Additional Paving Thickness in San Carlos

Redwood City 48" Pipe Rehabilitation Costs and Impacts, Updated Stage 2A and 2C Substantial Completion

PSI Allowance Release - All Stages

Pre-design for 33-inch FM Stabilization and Maple Street Improvements

MPPS Roof Receptacle, MPPS E/I&C Adjustment from 60% to 100%, SCPS E/I&C Adjustment from 60% to 100% (Credit), BGP Manhole Lids, Differing Site Conditions at JS-1 and RS-1, San Carlos Pump Station Declassification Design, RCPS Chopper Pump Replacement (Credit), Raising Screenings Deck, Design of 60-inch Connection and Isolation Gate to RCPS Junction Box, PG&E Impacts at RCPS, RCPS E/I&C Adjustment from 60% to 100% (Credit)

MPPS PG&E Allowance Release, MPPS PG&E Electrical Impact Costs, MPPS PG&E Transformer Swap - Temporary Generator Additional Costs, RCPS Secondary Conductors

MPPS CARVs, MPPS 404 Valve Wiring, MPPS Irrigation Scope Removal, MPPS PVC Coating Scope Removal, MPPS FIT Re-Location, SCPS Leachate Flowmeter, Reuse Existing RCPS Sampler, RCPS Encased PG&E Conduit, Install MPPS UPS Power Display, Install SCPS UPS Power Display, Install RCPS UPS Power Display

Izzy's Lot Restoration

BPS Demo Allowance Release, Retaining Wall Slab Concrete Removal, Existing RCPS Crack Repair, Bigge Crane Costs, RCPS Hauling (Credit), Moving Conex and Equipment to the Cargill Lot, Updated Stage 2F Substantial Completion

BGP RS-2 Lane Realignment

BGP Design Development

Bair Island Road Restoration

Bair Island and San Carlos Pump Station Connecting Piping Electrical Scope (transfer from GP Project)

Allowance Release, Monitoring Off Position for PSI Valves, Communications Cable and Power Updates Related to Smartlinx Addition at MPPS, Remote ARV Monitoring Modification, RCPS Standby Generator Cost Increase, MPPS Sampler Piping, RCPS CARVs, Monitoring MPPS PRV, 12" Water Relocation and Calwater Costs (RS3) (Credit), MTBM Stoppage at STA 46+43, Irrigation Piping at ARV Vault, Raise KGVs and Piping, Credit for Segment 2 ARV (Sta. 155+80) (Credit)

Allowance Release, JS-4 Unforeseen Fiber Optic Utility Impacts, MPPS Baffle Wall, BPS Demo Design

# AGENDA ITEM 7A

**MINUTES OF SILICON VALLEY CLEAN WATER  
REGULAR MEETING – June 10, 2024  
8:00 a.m.**

Place: Silicon Valley Clean Water  
1406 Radio Road  
Redwood City, California

*Members of the public and SVCW staff and consultants were able to observe and participate remotely per instructions provided in the agenda.*

**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 Ron Collins, San Carlos – Secretary (Not Present)  
Council Member Davina Hurt, Belmont – Member

**Staff, Consultants and Visitors Present**

Teresa A. Herrera, SVCW Manager  
Christine C. Fitzgerald, SVCW Legal Counsel  
Matt Anderson, SVCW Chief Financial Officer/Assistant Manager  
Kim Hackett, SVCW Authority Engineer  
Jennifer Flick, SVCW Human Resources Director  
Arvind Akela, SVCW Engineering & Environmental Services Director  
Jessica Mangual, SVCW Secretary Pro Tem  
Daniel Buenrostro, Operations Director  
Jane Kao, SVCW Senior Engineer  
Chathu Abeyrathna, SVCW Senior Engineer  
Anir Bhagwat, SVCW Senior Engineer  
Kiki Newberry, SVCW Financial Analyst  
Mark Minkowski, Kennedy Jenks  
Bill Tanner, Tanner Pacific  
EJ Shalaby, DNS Strategies  
Sergio Ramirez, West Bay Sanitary District  
Elmer Martinez, Redwood City

**ITEM 3**

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited by those in attendance

**ITEM 4**

**PUBLIC COMMENT**

There were no Public Comments

**ITEM 5**

**SAFETY MOMENT AND REPORTS**

Instructions for enabling live captioning and providing public comment remotely during the meeting were provided.

Item 5A Safety Moment included tips on how to travel safely.

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

**ITEM 6**

**MATTERS OF COMMISSION MEMBER'S INTEREST**

No discussion.

**ITEM 7**

**CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR ITEMS 7A THROUGH 7H**

- A. APPROVAL OF MINUTES – May 13, 2024 - Regular Meeting
  
- B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED MARCH 19 – APRIL 16, 2024 AND NECESSARY PAYMENTS THROUGH APRIL 16, 2024
  
- C. CONSIDERATION OF RESOLUTION ASSIGNING RGM KRAMER INC MASTER SERVICES AGREEMENT TO CUMMING MANAGEMENT GROUP

Proposed Action:

Move adoption of RESOLUTION CONSENTING TO ASSIGNMENT OF MASTER SERVICES AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES – CUMMING MANAGEMENT GROUP INC.

- D. CONSIDERATION OF RESOLUTION APPROVING REVISION TO SILICON VALLEY CLEAN WATER COMMISSION POLICY NO. 2007-03, WORKPLACE VIOLENCE

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING REVISION C TO COMMISSION POLICY NO. 2007-03, WORKPLACE VIOLENCE

E. CONSIDERATION OF RESOLUTION APPROVING REVISION TO SILICON VALLEY CLEAN WATER COMMISSION POLICY NO. 2013-03, RESERVE FUND POLICY AND PROCEDURES

Proposed Action:

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

F. CONSIDERATION OF RESOLUTION AUTHORIZING INVESTMENT IN CALIFORNIA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM

Proposed Action:

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE AUTHORITY TO BECOME A PARTICIPANT AND PURCHASE SHARES OF BENEFICIAL INTEREST ISSUED BY THE CALIFORNIA CLASS FROM TIME TO TIME WITH AVAILABLE FUNDS OF THE AUTHORITY AND RELATED MATTERS

G. CONSIDERATION OF MOTIONS APPROVING OWNER ASSIST FUNDING FOR TANNER PACIFIC FOR CONSTRUCTION MANAGEMENT AND QUALITY ASSURANCE SERVICES AND COLLABORATIVE STRATEGIES CONSULTING FOR PUMP STATIONS IMPROVEMENT PROJECT MANAGEMENT SERVICES

Proposed Actions:

- i. Move approval of TASK ORDER SCOPE AND BUDGET AMENDMENT FOR CONSTRUCTION MANAGEMENT AND QUALITY ASSURANCE SERVICES FOR PUMP STATIONS IMPROVEMENTS PROJECT (CIP #9501); IN AN AMOUNT NOT TO EXCEED \$1,050,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – TANNER PACIFIC INC.
- ii. Move approval of TASK ORDER SCOPE AND BUDGET AMENDMENT FOR PROJECT MANAGEMENT ASSISTANCE FOR PUMP STATIONS IMPROVEMENTS PROJECT (CIP #9501); IN AN AMOUNT NOT TO EXCEED \$230,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – COLLABORATIVE STRATEGIES CONSULTING INC.
- iii. Move approval of TASK ORDER SCOPE AND BUDGET AMENDMENT FOR CONSTRUCTION MANAGEMENT AND QUALITY ASSURANCE SERVICES FOR FRONT OF PLANT PROJECT (CIP #9502); IN AN AMOUNT NOT TO EXCEED \$240,000 AND AUTHORIZE MANAGER TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED BASIS – TANNER PACIFIC INC.



H. CONSIDERATION OF MOTION APPROVING CONTRACT CHANGE ORDER TO FIXED FILM REACTOR REHABILITATION AND 3W UPGRADES PROJECT (CIP #9242)

Proposed Action:

Move approval of CONTRACT CHANGE ORDER FOR THE FFR REHABILITATION AND 3W UPGRADES PROJECT IN AN AMOUNT NOT TO EXCEED \$1,033,893 – JFSHEA INC

**Motion/Second: Ms. Hurt / Mr. Collins**

The Motion carried by Unanimous Vote

**ITEM 8A**

CONSIDERATION OF RESOLUTION TO APPROVE AMENDED AGREEMENT WITH WELLS FARGO BANK, NATIONAL ASSOCIATION FOR A LINE OF CREDIT

Proposed Action:

Move adoption of RESOLUTION OF THE COMMISSION OF SILICON VALLEY CLEAN WATER AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED CREDIT AGREEMENT WITH WELLS FARGO BANK, NATIONAL ASSOCIATION AND CERTAIN DOCUMENTS AND OTHER MATTERS IN CONNECTION THEREWITH

**Motion/Second: Mr. Collins / Ms. Hurt**

The Motion carried by Unanimous Vote

**ITEM 8B**

CONSIDERATION OF RESOLUTIONS APPROVING COMPENSATION FOR MANAGER, CONFIDENTIAL GENERAL, UNREPRESENTED GENERAL, PROFESSIONAL, AND MANAGEMENT EMPLOYEES; ADD ASSET MANAGEMENT SPECIALIST, JUNIOR INTERN AND PLANNER/SCHEDULER CLASSIFICATION; ADD OPERATOR-IN-TRAINING (OIT) TO GENERAL REPRESENTED

Proposed Actions:

- i. Chair to orally summarize recommended action regarding Manager salary in accordance with Government Code Section 54953(c)(3)

Move adoption of:

- ii. RESOLUTION APPROVING ANNUAL COMPENSATION FOR THE SILICON VALLEY CLEAN WATER MANAGER. Commissioner Aguirre reported the Manager's salary for FY2024-2025 in the amount of \$36,037 per month, reflecting a Cost-of-Living Adjustment of 4.5%

- iii. 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 23-14 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH
- iv. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR CONFIDENTIAL GENERAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING RESOLUTION NO. SVCW 23-15 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HEREWITH
- v. 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 23-17 AND ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH
- vi. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION PROVISIONS FOR PROFESSIONAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING RESOLUTION NO. SVCW 23-16 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH
- vii. 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 23-18 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HEREWITH
- viii. RESOLUTION APPROVING AND ADOPTING CONSOLIDATED PAY SCHEDULE FOR ALL REPRESENTED AND UNREPRESENTED EMPLOYEES OF SILICON VALLEY CLEAN WATER FOR FISCAL YEAR 2024-2025

Prior to vote, Chairperson Aguirre provided the following verbal summary of the recommended action regarding the Manager's salary:

"Item 8B(ii) before the Commission is to approve an annual adjustment to the Manager's compensation. In accordance with Government Code Section 54953(c)(3), the recommended action amends the Manager's salary by a Cost of Living Adjustment of 4.5% and sets the Manager's monthly salary at \$36,037 effective July 1, 2024. Additional information regarding the Manager's fringe benefits is contained in the Manager's employment agreement. This oral summary shall be recorded in the minutes."

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

The Motion carried by Unanimous Vote

**ITEM 9**

Closed Session - None

**ITEM 10**

RECONVENE IN OPEN SESSION – None

**ITEM 11**

ADJOURN

There being no further business, the meeting adjourned at 8:19 am

Minutes prepared by Teresa A. Herrera  
Reviewed by General Counsel

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Ron Collins, Secretary

# AGENDA ITEM 7B

**SVCW WARRANT REGISTER**

SVCW Warrant Registers dated April 17 – June 24, 2024, are awaiting Controller signature. Unsigned copies were scanned and emailed to Commissioners and Legal Counsel on July 10, 2024. Signed copies will follow when available.

# AGENDA ITEM 7C

**SILICON VALLEY CLEAN WATER  
2024 CONFLICT OF INTEREST CODE UPDATE**

ISSUE

Review and Approve Silicon Valley Clean Water’s Conflict of Interest Code and List of Designated Positions

BACKGROUND

The Political Reform Act (Act) requires all local agencies which have adopted Conflict of Interest Codes (Code) to review their Code at minimum biennially every even-numbered year and amend their Code if changes are necessary. The Code lists each position within the Authority filled by individuals who make or participate in making governmental decisions which could affect their personal interests (attached as Exhibit A). The Code also requires individuals holding those positions to file annually a disclosure of certain personal interests. Exhibit B defines the designated categories used in Exhibit A.

This Commission last reviewed and updated the Code in October 2022.

DISCUSSION

The Act requires all local agencies with an adopted Code to update said Code if changes occur that affect job title designations subject to such Code. The Commission approved a change to one job title classification which falls within the Code’s purview and, therefore, SVCW’s Conflict of Interest Code needs to be updated to meet the requirements of the Act.

Changed title classification is:

Previous: Executive Assistant to the Manager  
Current: Business Operations Associate

The Resolution which the Commission is adopting confirms that the SVCW Conflict of Interest Code, as updated above, has been reviewed, is current and accurate, and meets the requirements of the Political Reform Act.

CLIMATE EFFECTS

There are no associated climate effects with this action.

FINANCES

There are no financial impacts to this action.

RECOMMENDATION

Move adoption of RESOLUTION REVIEWING AND APPROVING 2024 CONFLICT OF INTEREST CODE FOR SILICON VALLEY CLEAN WATER

**EXHIBIT A**

**SILICON VALLEY CLEAN WATER  
2024 CONFLICT OF INTEREST CODE UPDATE**

**DESIGNATED OFFICIALS AND EMPLOYEES**

<b><u>Designated Positions</u></b>	<b><u>Disclosure Categories</u></b>
Commission, Commission of SVCW	All Categories
Secretary, SVCW	All Categories
Manager	All Categories
Assistant Manager/Chief Financial Officer	All Categories
Chief Operating Officer	All Categories
Authority Engineer	All Categories
Business Operations Associate	All Categories
Health & Safety Director	3, 4
Information Services Director	3, 4
Engineering/ Environmental Services Director	3, 4
Laboratory Director	3, 4
Operations Director	3, 4
Maintenance Director	3, 4
Human Resources Director	3, 4
Attorney	All Categories
Consultant	All Categories

Consultant is defined in Regulation 18700(a) (2) in 2 California Code of Regulations.

The (executive director or executive officer) may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of the disclosure requirements (Exhibit B). The (executive director or executive officer’s) determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code.



## EXHIBIT B

### SILICON VALLEY CLEAN WATER 2024 CONFLICT OF INTEREST CODE UPDATE

#### DESIGNATED CATEGORIES

**CATEGORY 1.** A designated employee assigned to Category 1 is required to disclose investments which may foreseeably be materially affected by any decision made or participated in by the designated employee.

**CATEGORY 2.** A designated employee assigned to Category 2 is required to disclose interests in real property which may be materially affected by any decision made or participate in by the designated employee.

**CATEGORY 3.** A designated employee assigned to Category 3 is required to disclose income which may be materially affected by any decision made or participated in by the designated employee.

**CATEGORY 4.** A designated employee assigned to Category 4 is required to disclose any business entity in which the designated employee is a director, officer, partner, trustee, or holds any position of management which may be materially affected by any decision made or participated in by the designated employee.

# AGENDA ITEM 7D

**FIVE CORNERS INTERSECTION (CIP #9131)  
AWARD CONSTRUCTION CONTRACT**

ISSUE

Award of Construction Contractor for Five Corners Intersection (CIP #9131) Project

BACKGROUND

“Five Corners Intersection” is located within the SVCW treatment facility and intersects five roadways: the main road leading from the entrance gate, Seybert Parking Lot, West Access Road, the Contractor entrance road, and the Recycled Water Storage Facility. This intersection has blind spots and poor visibility, raising safety concerns among drivers and pedestrians due to its current configuration. The narrow intersection also poses challenges to large chemical delivery trucks that frequently traverse the intersection. Over the years, minor modifications have been made to improve safety. However, these past modifications have proven insufficient in addressing the ongoing safety challenges posed by the five corners intersection.

The concerns were reviewed by SVCW’s Safety Committee, which recommended a comprehensive approach via a capital project to mitigate these issues.

DISCUSSION

In October 2023, SVCW staff initiated a Task Order with Freyer & Laureta, Inc. (F&L) to complete design and construction support services to improve the five corners intersection.

In May 2024, F&L completed the design and prepared bid documents for the project. The project scope includes widening and re-grading the five corners intersection and installing concrete sidewalks, crosswalks, storm drains and recycled water piping. The project was publicly advertised on May 28, 2024, and a mandatory pre-bid conference and site-walk took place on June 6, 2024, attended by two interested construction firms. Bids were due on June 25, 2024 and one bid was received. The bid summary sheet is attached. J.F. Shea submitted the only bid in the amount of \$895,161. The Engineer’s Estimate of Probable Cost for construction was \$605,300.

Since J.F. Shea is the only bidder on the project, SVCW engineering staff initiated negotiations to bring the project cost down. Following these negotiations, the final amount to perform the work was settled at \$736,150. Reasons for the cost to be higher than the Engineer’s estimate is mainly due to the overall construction arena being very busy, evidenced by only one bid being received. Staff does not believe that re-bidding the project will result in lower costs and, because the need for reconfiguration is high and the minor modifications performed to date are not satisfactory for overall travel safety, staff recommends approving the contract award for the negotiated amount to advance the project into the construction phase.

CLIMATE EFFECTS

There are no anticipated direct effects to climate from this action.


### FINANCIAL IMPACT

The Project is funded under CIP #9131 – Plant Service Road Resurfacing, Phase 2, which has a total budget of \$4 million. As of June 2024, \$134,048 has been expended and a budget of \$3.86 million remains.

### RECOMMENDATION

Move adoption of RESOLUTION APPROVING CONSTRUCTION CONTRACT DOCUMENTS FOR THE FIVE CORNERS INTERSECTION (CIP# 9131); ACCEPTING BID OF LOWEST RESPONSIBLE BIDDER; AUTHORIZING EXECUTION OF AGREEMENT AND DIRECTING RETURN OF SECURITY DEPOSITS AND AUTHORIZING MANAGER TO APPROVE CONTRACT CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT PRICE FOR SAID PROJECT (\$736,150) – J.F.SHEA

**SVCW**  
**Five Corners Intersection Project, CIP# 9131**  
**Bidders Checklist**  
**Tuesday, June 25, 2024; 2:00 PM PST**

Name of Bidder										
	Addendum	Proposal Guaranty Bond	Site Visit Affidavit	Bid Security Bond or Cashier's Check written to SVCW for 10% of total amount of Bid Proposal.	Desig. of Subcontractors	Certification of Bidder's Experience & Qualifications	Noncollusion Affidavit	Ackw. of Insurance Req's.	Affidavit of Safety Compliance	Total Bid Amt.
	#1 & 2	Section 00 41 00	Section 00 43 00	Section 00 43 13	Section 00 43 36	Section 00 45 13	Section 00 45 19	Section 00 45 21	Section 00 45 22, 00 45-22-1 00 45 22-2	
1 J.F. Shea Construction, Inc.	1, 2, 3 ✓	✓	✓	✓	✓	✓	✓	✓	0, 1, 2	\$895,161.00
** Pending Negotiation and Commission approval. Next Commission meeting is scheduled for Monday, July 15,2024.										

# AGENDA ITEM 7E

**BIOGAS UTILIZATION  
GAS CONDITIONING SYSTEM PROCUREMENT  
(CIP #9269)**

**ISSUE**

Award Biogas Utilization – Gas Conditioning System Procurement Contract to Unison Solutions

**BACKGROUND**

Biogas generated through anaerobic digestion in the digesters contain methane, volatile organic compounds (VOCs), moisture, hydrogen sulfide (H<sub>2</sub>S), and siloxane. Methane has a high energy (BTU) content and is useful to generate electricity. However, the other compounds present in biogas adversely affect power generation performance. and must be removed before transporting biogas for power generation. A gas conditioning system is used to remove the impurities.

At the May 13, 2024, meeting, the Commission approved procurement and installation of five Mainspring Linear Generators (Lgens) for onsite electricity generation. Initially, three Lgens will operate on biogas and two Lgens will operate on natural gas. Upon buildout of the food waste program, all five units can operate on biogas.

**DISCUSSION**

Gas conditioning is needed to clean raw biogas from the digesters by removing hydrogen sulfide, siloxanes and moisture before it can be consumed by the linear generators. Currently, SVCW uses a gas conditioning system in conjunction with the internal combustion engine cogeneration units. The capacity of the existing gas conditioning system is not adequate to support both the existing cogeneration units and the new Lgens; hence, a new gas conditioning system is needed to support the Lgens.

A new gas conditioning system is also a candidate for investment tax credits through the Inflation Reduction Act (IRA) if significant construction is achieved in 2024. The investment tax credit is provided in the form of direct payment by the Internal Revenue Service at the end of the construction period. Timely procurement of the gas conditioning system is critical to maximize financial benefits available to SVCW. Additionally, SVCW can realize a direct payment amount if more domestic content is used for the gas conditioning system.

Upon approval of the Mainspring Lgen procurement, staff with the help of consultants, quickly prepared a bid package for procurement of a gas conditioning system. The procurement bid package was advertised on June 8, 2024. SVCW received two bids; one from Unison Solutions and one from Granite Fuel Engineering. Bids were evaluated on a best value basis that considered capital costs, on-going lifecycle costs, percentage of domestic content used, ease of operation and maintenance, and company experience. Unison Solutions provided the lowest bid as well as led in the other bid evaluation criteria; therefore staff recommend award of the procurement contract to Unison Solutions in the amount of \$2,441,366.

The procurement agreement includes a schedule requirement for quick turnaround of submittals to enable the highest possible IRA credits to be received. After reviewing and approving submittals, the SVCW project team will prepare bid documents for gas conditioning system installation. Staff then will bring the gas conditioning system installation contract for Commission approval at a later date.

#### CLIMATE EFFECTS

This project offers a significant positive climate impact. The Lgens exhibit substantially higher electrical efficiency compared to internal combustion engines (28% for cogeneration engines versus 45% for Lgens). This heightened efficiency translates to reduced fuel consumption for equivalent electricity production.

Furthermore, Lgens produce significantly lower air emissions compared to internal combustion engines. For instance, internal combustion engines emit NOx at approximately 70 ppm, whereas Lgens emit less than 6 ppm of NOx.

#### FINANCIAL IMPACT


Biogas Utilization Project (CIP #9269) has an allocated budget of \$8 million and as of May 2024, no money has been expended. Total project costs are anticipated to be \$11 million. Staff anticipates receiving more than \$3 million in rebates and tax credits for this project, which accounts for the difference between the budget and the anticipated costs.

#### RECOMMENDATION

Move adoption of RESOLUTION APPROVING PROCUREMENT DOCUMENTS FOR BIOGAS UTILIZATION PROJECT (CIP #9269); ACCEPTING BID OF LOWEST RESPONSIBLE BIDDER; REJECTING ALL OTHER BIDS; AUTHORIZING EXECUTION OF PURCHASE AGREEMENT AND DIRECTING RETURN OF SECURITY DEPOSITS AND AUTHORIZING MANAGER TO APPROVE CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT VALUE FOR SAID PROJECT (\$2,441,366) – UNISON SOLUTIONS



**SVCW**  
**Biogas Utilization - Gas Conditioning System Procurement Project, CIP# 9269**  
**Bidders Checklist**  
**Wednesday, June 26, 2024; 1:00 PM PST**

 Name of Bidder	Addendum	Proposal Guaranty Bond	Qualifications Questionnaire	Noncollusion Affidavit	Domestic Content Compliance Certification	Digester Gas Conditioning System - *Not Required	Total Bid Amt.
	#1 & 2	Section 00 41 00	Section 00 42 00	Section 00 45 19	Section 00 49 30	*Section 43 22 77	
Unison Solutions, Inc.	1✓, 2✓	✓	✓	✓	✓		\$2,441,365.93
Granite Fuel Engineering	1✓, 2✓	✓	✓	✓	✓	✓	\$2,512,333.57
** Pending Best Value Selection/Scoring followed by Commission Approval. Next Commission meeting is scheduled for Monday, July 15,2024.							

# AGENDA ITEM 8A

**HYPOCHLORITE SYSTEM DEVELOPMENT SUPPORT**ISSUE

Authorize Letter of Support for Rushnu Inc. Hypochlorite Production System

BACKGROUND

Disinfecting final effluent from SVCW's wastewater treatment processes prior to either bay discharge or recycled water use is a regulatory requirement. SVCW uses hypochlorite (bleach) for effluent disinfection. Over the past five years, the cost of hypochlorite has risen significantly; in 2019, the cost was \$0.76 per gallon while today it is \$2.91 per gallon representing a nearly 400% increase in five years. The budget line item for hypochlorite is nearly \$1 million. Due to rising costs, staff consistently seeks ways to either 1) reduce the amount of hypochlorite use when possible and/or 2) seek alternative sources by competitively bidding chemicals every year.

Recently, a company called Rushnu reached out to the SVCW Manager describing a developing system that would produce hypochlorite. Rushnu's focus is carbon capture of emissions from various industries. They are developing a method to produce hypochlorite from carbon dioxide (CO<sub>2</sub>) and salt. Their concept was of enough interest to the Manager and Chief Operating Officer that a meeting was held, and a tour of the company's laboratory facility was taken. As a result of the meetings and tour, working with Rushnu in support of their product development continues to be of interest. Two primary drivers to SVCW's interest are: 1) offset the ever-increasing cost of hypochlorite and 2) hypochlorite production in the manner proposed by Rushnu is a carbon-negative process thus supporting SVCW's sustainability strategic plan goals. Another additional benefit is that not only would such a product assist SVCW, but it would be of great benefit to the greater wastewater and water industry.

DISCUSSION

Rushnu is at very early stages of their green chlorine development. Their system has been proven at lab-level scale and they are now seeking treatment facilities to partner with to move to pilot-level development. Along with SVCW, Rushnu is currently in discussions with City of Livermore and San Francisco PUC. They're moving forward with Livermore while SFPUC is very interested but likely won't move forward due to internal timing issues.

Rushnu is also seeking grant funding to further develop their green chlorine system. To improve their grant application, a letter of support and a chemical purchase and/or siting agreement would significantly help their chances of success. In addition to a letter of support and chemical purchase/siting agreement, a Non-Disclosure Agreement (NDA) would be sought by Rushnu prior to moving forward with SVCW.

Staff seeks authorization from the Commission for the SVCW Manager to provide a Letter of Support to Rushnu. The company will, in turn, use the letter to bolster their grant application. Following this Commission meeting, staff will negotiate a chemical

purchase/siting agreement and NDA with Rushnu with the intent to bring both forward for Commission approval in September.

Given that a pilot-scale system does not yet exist, any purchase and/or siting agreement will be negotiated with adequate caveats and off-ramps to protect SVCW. However, since Rushnu continues to seek funding, reviewers will want to know that they have a site to develop their facility and that there would be customers wanting to purchase their product.

#### CLIMATE EFFECTS

Discussions are very preliminary at this point but Rushnu's primary focus is carbon capture in support of combatting climate change. Should the technology be feasibly scaled up, the positive climate effects will be significant.

#### FINANCES

There is no financial implication to the agenda item.

#### RECOMMENDATION

Move approval for MANAGER TO EXECUTE A LETTER OF SUPPORT FOR RUSHNU, INC TECHNOLOGY DEVELOPMENT