

**COMMISSION OF SILICON VALLEY CLEAN WATER
JOINT POWERS AUTHORITY
REGULAR MEETING – Thursday April 10, 2025
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

BOARD MEMBER GEORGE OTTE, WEST BAY SANITARY DISTRICT– CHAIR
MAYOR ELMER MARTÍNEZ SABALLOS, REDWOOD CITY – VICE CHAIR
COUNCIL MEMBER TOM McCUNE, BELMONT – SECRETARY
COUNCIL MEMBER NEIL LAYTON, SAN CARLOS

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
 - C. Financial Report
 1. Investment Report February.....pg. 11
 2. Operating Budget Update Q2.....pg. 15
 - D. Engineering Capital Projects Report.....pg. 18
 - E. Commission Requested Staff-Level Action Items.....pg. 22
 - F. RESCU Program Design-Build Project Status Update..... pg. 24
6. MATTERS OF COMMISSION MEMBERS' INTEREST
7. CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR (begins pg. 27)
8. BUSINESS ITEMS
 - A. SILICON VALLEY CLEAN WATER MANAGER RECRUITMENT (pg. 45)

Proposed Action:
DISCUSS AND GAIN CONSENSUS ON OPTIONS FOR MANAGER SELECTION PROCESS
 - B. CONSIDERATION OF RESOLUTIONS APPROVING FISCAL YEAR 2025-26 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET (pg. 48)

Proposed Action:

 - i. FISCAL YEAR 2025-26 REVENUE PLAN IN THE AMOUNT OF \$33,554,045 IN NET OPERATING REVENUES REQUIRED AND \$1,727,200 FOR REVENUE-FUNDED CAPITAL PROJECTS
 - ii. FISCAL YEAR 2025-26 CASH RESERVE DESIGNATIONS IN THE AMOUNT OF \$4,000,000 TO THE CAPITAL IMPROVEMENT PROGRAM RESERVE FUND AND \$808,046 TO THE ANNUAL OPERATIONS AND CAPITAL BUDGET RESERVE FUND
 - iii. FISCAL YEAR 2025-26 CASH IN LIEU OF DEBT CONTRIBUTIONS
 - iv. FISCAL YEAR 2025-26 DEBT SERVICE EXPENDITURES IN AN AMOUNT OF \$28,289,934
 - v. AUTHORIZING SVCW MANAGER TO IMPLEMENT, MANAGE AND APPROVE EXPENDITURES AUTHORIZED WITHIN THE FISCAL YEAR 2025-26 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET

AND CAPITAL IMPROVEMENT PROGRAM RESERVE FUND AS
ADOPTED BY THE SILICON VALLEY CLEAN WATER COMMISSION

C. RECEIVE PRESENTATION AND TOUR TREATMENT FACILITY (pg. 58)

Proposed Action:

Receive Presentation and Tour Treatment Facility

9. CLOSED SESSION –

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of
Government Code Section 54956.9 (Two Potential Cases)

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 – March 13, 2025 – Regular Meeting (pg. 27)

B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED MARCH 5 – APRIL 1, 2025, AND NECESSARY PAYMENTS THROUGH APRIL 1, 2025 (pg. 32)

C. CONSIDERATION OF RESOLUTION ADOPTING UPDATED SVCW SEWER SYSTEM MANAGEMENT PLAN (SSMP) (pg. 34)

Proposed Action:

Move adoption of RESOLUTION APPROVING AND ADOPTING UPDATED SVCW SANITARY SEWER MANAGEMENT PLAN AND AUTHORIZING THE SVCW MANAGER TO RE-CERTIFY THE SAME

D. CONSIDERATION OF MOTION APPROVING ACCEPTANCE AND AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE FIVE CORNERS INTERSECTION PROJECT (CIP #9131) (pg. 38)

Proposed Action:

Move approval of MOTION TO ACCEPT CIP #9131; FIVE CORNERS INTERSECTION PROJECT AND AUTHORIZE FILING NOTICE OF COMPLETION – J.F. SHEA CONSTRUCTION INC.

E. CONSIDERATION OF RESOLUTIONS APPROVING MASTER SERVICES AGREEMENTS FOR STATE AND FEDERAL LOBBYING FIRMS, GONSALVES & SONS AND ENS RESOURCES, INC. (pg. 42)

Proposed Action:

- i. Move Adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT WITH ENS RESOURCES, INC. FOR FEDERAL LOBBYING SERVICES
- ii. Move Adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT WITH GONSALVES & SONS FOR STATE LOBBYING SERVICES

Microsoft Teams Access Information
Silicon Valley Clean Water
Regular Meeting
Thursday, April 10, 2025

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

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 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 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.

AGENDA ITEM 5A

SPRING SAFETY CHECKLIST

Home Safety

- Test and replace batteries in smoke and carbon monoxide detectors
- Inspect fire extinguishers and ensure they are accessible
- Check and clean dryer vents to prevent fire hazards
- Clean gutters and downspouts to prevent water damage
- Check outdoor stairs, decks, and railings for stability
- Update your first-aid kits
- Clean out your medicine cabinet
- Replace air filters
- Go green

Yard & Garden Safety

- Inspect lawn equipment (lawnmower, trimmer) for safe operation
- Store chemicals (fertilizers, pesticides) securely away from children and pets
- Remove debris and check for fallen branches
- Clean gutters

Allergy & Health Precautions

- Check pollen counts and take allergy medication if necessary
- Keep windows closed during high pollen days
- Clean air filters in your home and car
- Stay hydrated and use sunscreen when outdoors

Driving & Travel Safety

- Inspect tires, brakes, and wipers for spring rain readiness
- Watch for potholes and flooded roads
- Be mindful of pedestrians and bicyclists emerging with warmer weather

AGENDA ITEM 5B

Recurring and Upcoming 2025 Commission Actions
Updated for April 2025 Meeting

January	<ul style="list-style-type: none"> Long Range Financial Plan Capital Improvement Plan Update Commission Meeting Schedule for 2025 	<ul style="list-style-type: none"> Operating Budget Workshop Vacancies Reporting (AB2561) 	<ul style="list-style-type: none"> Operating Budget Approval Initiate Manager Performance Evaluation (skip for 2025)
May <ul style="list-style-type: none"> Manager Performance Evaluation 	June <ul style="list-style-type: none"> Approve Resolution 77-6 "Personnel Resolution" Review Reserve Funds Policy 	July <ul style="list-style-type: none"> Elect Chair, Vice Chair; Appoint Secretary Conflict of Interest Update (Biennial; even numbered years) 	August
September <ul style="list-style-type: none"> Review Investment Policy Review Debt Management Policy 	October <ul style="list-style-type: none"> Annual Investment Update Initiate Application for State/Fed'l Funding 	November <ul style="list-style-type: none"> Audited Financial Report Annual Investment Update 	December <ul style="list-style-type: none"> Commission Meeting Schedule for 2026

-  - Recurring Commission Actions
-  - Upcoming Commission Actions

AGENDA ITEM 5C1

**Silicon Valley Clean Water Authority
Cash & Investments Summary Report
February 28, 2025**

Description	Market Value	% of Total Holdings	Yield to Market
<u>Reserve Accounts</u>			
Operating Reserve* - Securities	\$ 2,657,478	2.96%	3.95%
Operating Reserve - Money Market Fund Balance	1,840,129	2.05%	4.23%
CIP Reserve* - Securities	28,272,477	31.45%	3.41%
CIP Reserve - Money Market Fund Balance	653,322	0.73%	4.23%
Stage 2 Capacity Reserve* - Securities	8,205,793	9.13%	1.64%
Stage 2 Capacity Reserve - Money Market Fund Balance	270,637	0.30%	4.23%
Total Market Value: Operating and Reserve Accounts	\$ 41,899,837	46.6%	3.15%
Total Accrued Interest: Operating and Reserve Accounts	186,444		
GRAND TOTAL, RESERVE ACCOUNTS	\$ 42,086,281		
<u>Trustee Accounts:</u>			
2018 Bond Project Fund Account - CAMP	1,598,123	1.78%	4.51%
2018 Bond Revenue Account	2,333	0.00%	4.00%
2021 Refunding Bonds Revenue Account	1,286	0.00%	4.00%
2021A Notes Interest Account	116	0.00%	4.00%
2021A Notes Principal Account	10,283	0.01%	4.00%
2021A Notes (RESCU) - Money Market Fund	450	0.00%	4.00%
2021A Notes (RESCU) - LAIF**	1,489,066	1.66%	4.33%
2021B Notes (WWTP) - Money Market Fund	-	0.00%	4.00%
2021B Notes (WWTP) - CAMP	13,038,332	14.50%	4.51%
2021B Notes (WWTP) - LAIF**	24,898,059	27.69%	4.33%
2021 Notes Capitalized Interest Account - Money Market Fund	676,038	0.75%	4.00%
Total Market Value, Trustee Accounts	\$ 41,714,086	46.40%	4.39%
Accrued Interest:	54,192		
Operating Cash (includes outstanding checks)	6,248,737	6.95%	0.00%
Cal-CLASS Balance	1,409	0.00%	4.41%
Local Agency Investment Funds (LAIF) Balance	39,611	0.04%	4.33%
Total Cash & Investments	\$ 90,142,907	100.00%	3.51%


Matthew P Anderson

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

3/17/2025

Date

Silicon Valley Clean Water Operating and Reserve Funds - Sector Allocation & Compliance January 31, 2025								
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	\$ 2,577,667	\$ 16,777,847	\$ 4,261,984	\$ 23,617,498	56%	100%	✓	0.8%
Supranationals	-	-	-	-	0%	15%	✓	0.0%
Federal Agency/GSE	-	1,085,277	761,896	1,847,173	4%	100%	✓	(0.0%)
Federal Agency/CMBS	-	2,603,083	606,207	3,209,290	8%	100%	✓	(0.1%)
Federal Agency CMO	-	575,527	320,263	895,790	2%	100%	✓	(0.0%)
Federal Agency MBS	-	1,808,016	1,179,964	2,987,980	7%	100%	✓	(0.1%)
Municipal	-	907,752	735,044	1,642,797	4%	30%	✓	(0.1%)
Corporate Notes	79,812	4,514,975	340,436	4,935,223	12%	30%	✓	1.2%
Asset-Backed Securities	-	-	-	-	0%	10%	✓	0.0%
Securities Sub-Total	2,657,478	28,272,477	8,205,793	39,135,749	93%			
Accrued Interest	4,911	153,169	28,364	186,444				
Securities Total	2,662,389	28,425,647	8,234,157	39,322,193				
Money Market Fund	1,840,129	653,322	270,637	2,764,088	7%	20%	✓	(1.7%)
Total Investments	\$ 4,502,518	\$ 29,078,969	\$ 8,504,794	\$ 42,086,281	100%			
As % of 6/30/25 Target:	103.8%	99.5%	100.0%	100.1%				

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*
- 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

QUARTERLY OPERATING FUND FINANCIAL STATUS REPORT**ISSUE**

Review of the Operating Fund Financial Update as of December 31, 2024. This update is through the second quarter of the 2024-25 Fiscal Year.

DISCUSSION

Staff present 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 \$16.82 million or \$130.2 thousand (0.8%) higher than budget. Notable comments:

- All Member contributions were received in full and on time.
- Source Control Revenue for leachate discharges exceeded budget by \$91 thousand as SVCW increased the rate for leachate received from the local landfill. Separately, grease & septic revenue from restaurants exceeded estimates by \$30.7 thousand.
- Revenue from Storm Water Monitoring services was \$26.8 thousand below budget due to timing of work, which tends to be performed in the second half of the fiscal year.
- Miscellaneous revenue was \$26.6 thousand above budget as a tenant prepaid their rent for the entire year.
- Grant revenue was \$92.5 thousand below budget, due to timing of battery storage incentive payments which will be received in the second half of the fiscal year.

Expense: Operating expenses to date were \$16.9 million, or \$639 thousand (3.9%) above budget. Notable items:

- Salaries, Overtime, and Retirement costs were a combined \$17.3 thousand below budget due to several retirements, which resulted in temporary vacancies and backfilling. This is anticipated to meet budget by the end of the fiscal year.
- Workers' Compensation insurance costs were \$49.8 thousand (19.9%) below budget, mostly due to rates being below anticipated insurance premiums.
- Chemicals were 8.3% (\$113 thousand) above budget, as polymer used for dewatering solids exceeded estimated volumes.
- Utilities Expense was \$269 thousand (19.6%) higher than budget as the electricity budget depicts a straight-line allocation and does not capture seasonality of wet weather nor PG&E seasonal summer rates. Given dry weather, strong cogeneration engine performance, and process changes to avoid PG&E daily peak rates, SVW hopes to reduce electricity expenses in second half of the year.
- Contractual Services were \$358 thousand (64%) higher than budget, mostly due to timing of solids hauling and tank cleaning activities prior to wet weather.
- Administrative Expenses were \$276.7 thousand (50%) higher than budget, as property insurance premiums were adjusted to include newly-completed assets.
- Remaining expenditure categories were below budget, largely the result of timing. It is anticipated that expenditures during the balance of the fiscal year will bring actuals in line with the full year's budget.

REPORT BY: M.A.

5C2-1

Year-to-Date Operating Revenue and Expenditures, Fiscal Year 2024-25
Six months ending December 31, 2024

Description	YTD Actual	YTD Budget	\$ Higher (Lower) vs. Budget	% Higher (Lower) vs. Budget
Revenue:				
Member Operating Contrib.	\$ 16,234,188	\$ 16,234,189	\$ (1)	(0.0%)
Source Control Revenue	244,994	43,756	201,238	459.9%
Storm Water Monitoring	26,325	53,192	(26,867)	(50.5%)
Grease & Septic Revenue	153,785	123,045	30,740	25.0%
Food Waste Revenue	40,322	41,600	(1,278)	(3.1%)
Laboratory Services Revenue	1,950	1,919	31	1.6%
Miscellaneous Revenue	95,569	68,951	26,618	38.6%
Interest Income	6,510	6,250	260	4.2%
Grant Revenue	-	92,500	(92,500)	(100.0%)
Gain/(Loss) on Disposal	17,000	25,000	(8,000)	(32.0%)
Total Revenue:	\$ 16,820,643	\$ 16,690,402	\$ 130,241	0.8%
Expenditures:				
Salaries	\$ 7,160,813	\$ 7,187,531	\$ (26,718)	(0.4%)
Overtime	168,070	126,532	41,538	32.8%
Retirement	1,582,824	1,614,967	(32,143)	(2.0%)
Health Insurance	911,378	904,546	6,832	0.8%
Workers Compensation	199,862	249,666	(49,804)	(19.9%)
Medicare	106,375	108,905	(2,530)	(2.3%)
Chemicals	1,470,439	1,357,345	113,094	8.3%
Utilities	1,645,287	1,376,226	269,061	19.6%
Professional Services	421,779	495,881	(74,102)	(14.9%)
Contractual Services	913,762	555,713	358,049	64.4%
Equipment Maintenance	1,073,631	1,219,682	(146,051)	(12.0%)
Supplies	218,400	288,818	(70,418)	(24.4%)
Rentals/Leases	74,948	35,054	39,894	113.8%
Administrative Expenses	830,029	553,315	276,714	50.0%
Memberships	44,051	51,208	(7,157)	(14.0%)
Travel & Conference Fees	39,540	53,285	(13,745)	(25.8%)
Training	49,873	93,420	(43,547)	(46.6%)
Total Expenditures:	\$ 16,911,061	\$ 16,272,094	\$ 638,967	3.9%

AGENDA ITEM 5D

**ENGINEERING REPORT: MARCH 2025
CAPITAL IMPROVEMENT PROGRAM****UPCOMING COMMISSION ACTIONS:****Five Corners Intersection Project (CIP #9131):** Regrade Five Corners Intersection

The current configuration of this intersection contains blind spots and poor visibility, posing safety risks to pedestrians and drivers. It also poses challenges to large chemical delivery trucks that traverse the intersection. This project mitigates hazards.

Planned Commission Actions: Accept Project – April 2025

Digester Gas Piping Replacement (CIP #9244): Replace digester gas piping system.

A significant portion of the digester gas piping from original construction are showing aging and deterioration. This project replaces the pipes for reliable operation and will minimize any gas leaks in future.

Planned Commission Actions: Approve Design Task Order – May 2025

Hypo System Upgrade (CIP #9263): Design and construct a replacement Sodium Hypochlorite Piping System.

Under this project, the existing sodium hypochlorite system piping will be replaced. This piping system is experiencing increasing leaks and is a safety issue due to its overhead location.

Planned Commission Actions: Approve Design Task Order – May 2025

Pump Station Improvements Project (CIP #9501): Progressive Design-Build project to rehabilitate Menlo Park Pump Station, replace Redwood City Pump Station, install a new Belmont Gravity Pipeline, and decommission San Carlos and Belmont Pump Stations.

This project is nearing completion; all pump stations and pipelines are in operation.

Planned Commission Actions: Accept Project – June 2025

SVCW EV Fleet Charging Infrastructure (Project#384): Installation of EV Fleet Charging Infrastructure.

Under this project, six Level 2 stations and two Level 3 DC fast charging stations will be installed. This project is supported and incentivized by PG&E. The installed infrastructure will provide 14 ports.

Planned Commission Actions: Award Construction Contract – July 2025

ONGOING PROJECTS IN CONSTRUCTION:

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.

FFR and 3W System Rehabilitation (CIP #9242): Rehabilitation of three fixed-film reactors and 3W system

This project includes rehabilitation of three remaining fixed-film reactors and upgrades to 3W system. The construction is expected to complete in 2026.

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 and FoP projects construction are complete. Construction continues on the PSI project with expected substantial completion in 2025.

Food Waste Improvements (CIP #9257): Design Build Project to design and build an organic waste receiving facility.

This project will design and build an organic (food waste) receiving facility to receive up to 150 tons of organic. The facility includes two large 18,000-gallon capacity tanks for storage, pumps, piping, valves and electrical system on a new concrete pad located east of Digester No. 1.

TASK ORDERS APPROVED CALENDAR YEAR 2025:

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

SVCW Engineering Division - Task Order Summary 01/01/2025-03/25/2025

Task Order Date	Consultant	TO Amt.	Project #	Project Name	Scope of Work
Commission-Approved Date Task Orders:		\$168,720			
2/10/2025	Brown & Caldwell - Amend. 1	\$95,758	9269	Biogas Utilization Gas Conditioning System	Design Engineering Consulting Services
2/10/2025	Beecher Engineering - Amend. 1	\$72,962	9269	Biogas Utilization Gas Conditioning System	Electrical Eng. Support Services for Mainspring Linear Generator System Installation
Task Order Date	Consultant	TO Amt.	Project #	Project Name	Scope of Work
Manager-Approved Task Orders*:		\$145,794			
1/31/2025	Freyer & Laureta	\$25,179	9269	Biogas Utilization Gas Conditioning System	Design Services
2/3/2025	Freyer & Laureta	\$24,571	388	Lab Roof Repair	Design Services
3/6/2025	Sierra Research/Trinity Consultants - Amend. 1	\$13,200	9269	Biogas Utilization Gas Conditioning System	Air Permit Application Support
3/14/2025	Collaborative Strategies	\$74,844	6018	Conveyance System Completion	Inner Bair Island Restoration Coordination
3/24/2025	Nexinite	\$8,000	810	FY 24-25 As Needed Services	Name Builder Reconfiguration Services

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

**Use last approval signature (TAH) date

AGENDA ITEM 5E

Silicon Valley Clean Water
Commissioners' Requested Action Items

Updated:

03/31/2025

APRIL 10, 2025
AGENDA ITEM 5E

Commission Meeting Date		Action Item	Requested or Estimated Date for Completion	Status			Date of Completion	Notes
				Ongoing	In Progress	Complete		
3/13/2025	1	Nitrogen Contributions by Member Agency	N/A			✓	3/31/2025	Send data on nitrogen measured from each member.
2/10/2025		Short-Term Notes vis a vis WiFIA loan	N/A		✓			Keep apprised of Feds policy with respect to Fed'l loans. Inform Commission of any changes.
1/13/2025		No Action Items						
12/9/2024		No Action Items						
11/11/2024		No Action Items						
10/14/2024	1	ESD and Lab Senior Positions	N/A		✓			When filled, report back on financial impact of senior-level positions in Laboratory and Environmental Services Divisions
9/14/2024	1	Internal Controls	Mar/Apr 2025		✓			Report back on audit status; reported at November 2024 mtg
	2	Report back on Prevailing Wage/Union	N/A			✓	9/10/2024	Question: is EcoGreen a Union shop? Not a union shop but pay prevailing wages per Public Works Labor Code.
7/15/2024		Internal Controls	9/9/2024			✓	8/28/2024	Bring item re: San Mateo Grand Jury Report on Internal Controls
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 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			✓	11/11/2024	Review bylaws with respect to annual Commission meeting calendar. Bylaws do not reference annual meeting calendar.
> 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.

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

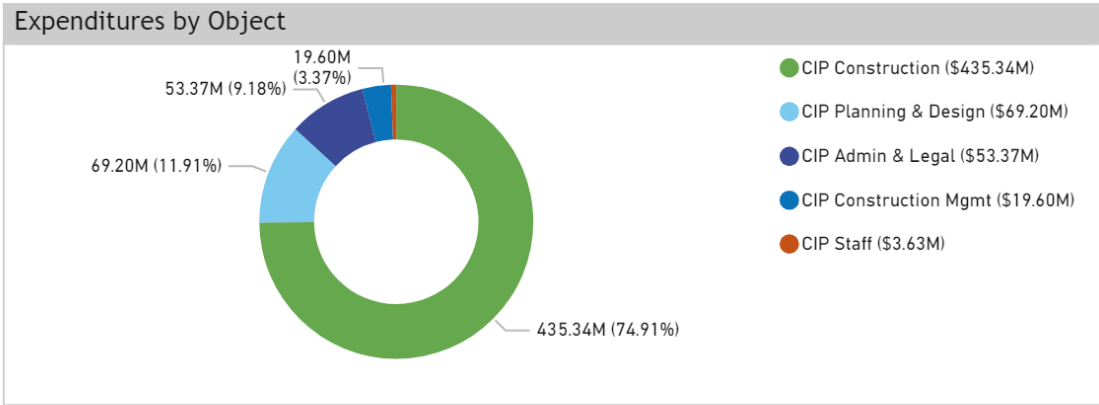
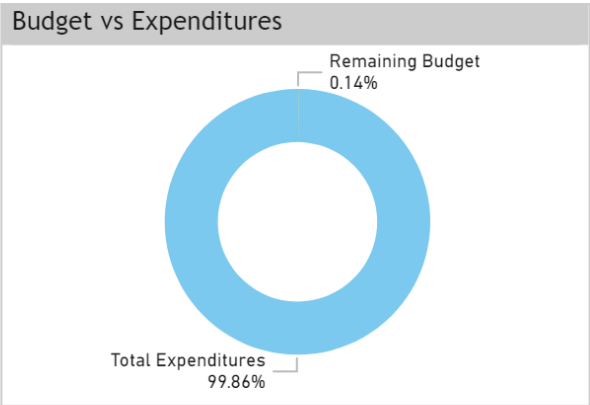
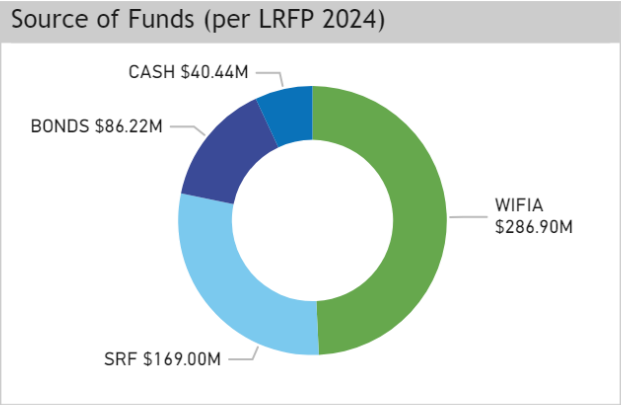
\$582.56M

Total Expenditure

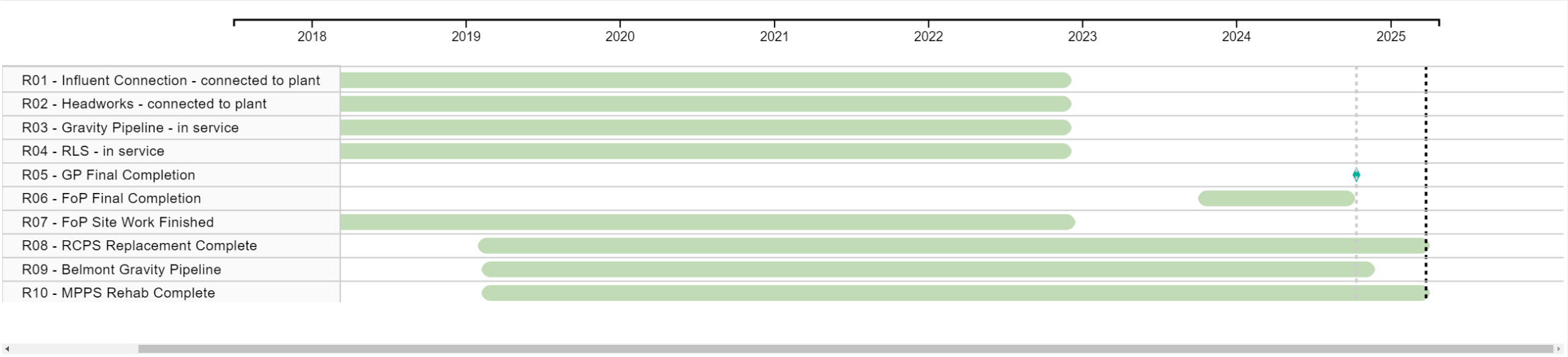
\$581.77M

Remaining Budget

\$788.97K



Project Schedule



Startup Overview



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%	100%
MPPS A side	100%	100%	100%	100%	100%
MPPS B side	100%	100%	100%	100%	100%
BGP	100%	100%	100%	100%	100%
RCPS	100%	100%	100%	100%	100%

Major Accomplishments To Date

Front of Plant	<ul style="list-style-type: none">- FoP Control Strategies completed.- FoP Design Intent presentation completed.- Acceptance Testing plan completed.- All vendor trainings completed.- Headworks and SFS/RLS Functional Testing completed.
Gravity Pipeline	<ul style="list-style-type: none">- GP Design Intent presentation completed.- Acceptance Testing completed.- FM to GP switchover completed.
Pump Stations Improvements	<ul style="list-style-type: none">- MPPS A-Side 30-Day Acceptance Testing completed.- MPPS B-Side 30-Day Acceptance Testing completed.- BGP 30-Day Acceptance Testing completed.- RCPS 30-Day Acceptance Testing completed.- RCPS Automatic Systems training and vendor training completed.
Program	<ul style="list-style-type: none">- RESCU Commissioning Risk Register workshop completed.

3 - Month Look Ahead

	Start	End



AGENDA ITEM 7A

**MINUTES OF SILICON VALLEY CLEAN WATER
REGULAR MEETING – March 13, 2025
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 also 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

Board Member George Otte, West Bay Sanitary District – Chair
Mayor Elmer Martínez Saballos, Redwood City – Vice Chair
Council Member Tom McCune, Belmont – Secretary
Council Member Neil Layton, San Carlos – 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
Jennifer Flick, SVCW Human Resources Director
Jessica Mangual, SVCW Secretary Pro Tem
Daniel Buenrostro, SVCW Chief Operations Officer
Arvind Akela, SVCW Engineering and Environmental Director
Jane Kao, SVCW Senior Engineer
Anir Bhagwat, SVCW Senior Engineer
Cindy Hui, SVCW Finance Supervisor
Kiki Newberry, SVCW Financial Analyst
Mark Minkowski, Kennedy Jenks
Bill Tanner, Tanner Pacific
Brett Margosian, Tanner Pacific
Sergio Ramirez, West Bay Sanitary District
E.J. Shalaby, DNS Strategies
Robert Porr, Fieldman Rolapp & Associates
Lora Nichols, Fieldman Rolapp & Associates
Fion Lui, Redwood City
Mark Gong, Local 39
Kirk Millhone, Headwaters

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 safety tips on how to prevent digital eye strain.

Item 5B Managers Report provided an update on the Fixed Film Reactor change order, contributions from each Member for the Nutrients Permit, and the Manager recruitment. In addition, a tour of SVCW will be provided to Commissioners following the April 10th Commission meeting.

Item 5C Financial Report included a discussion regarding CIP funding.

Item 5D Engineering Report provided an update on the Final Effluent Pumps Rehabilitation project.

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

ITEM 6**MATTERS OF COMMISSION MEMBER'S INTEREST****ITEM 7****CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR ITEMS 7A THROUGH 7C**

- A. APPROVAL OF MINUTES – February 10, 2025 – Regular Meeting
- B. CONSIDERATION OF MOTION APPROVING CLAIMS AND CHECKS DATED JANUARY 7 – MARCH 4, 2025, AND NECESSARY PAYMENTS THROUGH MARCH 4, 2025
- C. CONSIDERATION OF MOTION APPROVING FINAL ACCEPTANCE OF AND AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR THE RAS PUMP SUCTION PIPE REPLACEMENT PROJECT (CIP #9120) ()

Proposed Action:

Move approval of MOTION TO ACCEPT THE RAS PUMP SUCTION PIPE REPLACEMENT PROJECT (CIP #9120) AND AUTHORIZE FILING NOTICE OF COMPLETION – TRINET CONSTRUCTION, INC

Motion/Second: Mr. McCune / Mr. Layton

The Motion carried by Unanimous Vote

ITEM 8A

PUBLIC HEARING TO DISCUSS PUBLIC AGENCY JOB VACANCIES PURSUANT TO ASSEMBLY BILL 2561

Proposed Action:

HOLD PUBLIC HEARING, RECEIVE COMMENTS, AND ACCEPT REPORT ON SILICON VALLEY CLEAN WATER EMPLOYEE VACANCY RATES

- Opened Public Hearing at 8:40 am
- Closed Public Hearing 8:41 am

Motion/Second: Mr. McCune / Mr. Martínez Saballos

The Motion to Close the Public Hearing carried by Unanimous Vote

ITEM 8B

RECEIVE PRESENTATION ON THE FISCAL YEAR 2025-26 PROPOSED ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET

Proposed Action:

NO ACTION REQUIRED AT THIS TIME

ITEM 8C

RECEIVE AN UPDATE REGARDING FINANCIAL PLANNING FOR CAPITAL IMPROVEMENT PROGRAM AND DIRECT MANAGER TO INITIATE FINANCIAL ADVISORY AND ADMINISTRATIVE SERVICES RELATED TO VARIABLE RATE REVENUE_BOND ISSUANCE

Proposed Action:

PROVIDE DIRECTION TO STAFF TO PROCEED WITH THE FINANCIAL ADVISORY REVIEW PROCESS ASSOCIATED WITH THE ISSUANCE OF 2025 REVENUE BONDS

ITEM 9

Closed Session was called to order at 9:41 am

ITEM 10

RECONVENE IN OPEN SESSION

Open Session reconvened at 9:56 am

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

ITEM 11
ADJOURN

There being no further business, the meeting adjourned at 9:57 am

Minutes prepared by Teresa A. Herrera
Reviewed by General Counsel

Tom McCune, Secretary

AGENDA ITEM 7B

SVCW WARRANT REGISTER

SVCW Warrant Registers dated March 5 – April 1, 2025, will be distributed to the Commission and Legal Counsel on April 10, 2025.

AGENDA ITEM 7C

SEWER SYSTEM MANAGEMENT PLAN 2025 UPDATE

ISSUE

Adopt the Updated SVCW Sewer System Management Plan (SSMP)

BACKGROUND

A Sewer System Management Plan (SSMP) is a regulatory-required document that describes the activities SVCW uses to effectively manage its conveyance system. Effective management of the conveyance system includes:

1. Maintaining and improving the condition of the conveyance system pipeline and pumping infrastructure to provide reliable service now and in the future;
2. Providing adequate sewer capacity to accommodate design peak wet weather flows;
3. Minimizing the number and impact of sanitary sewer overflows (SSOs). An SSO is defined as any overflow, spill, release, or diversion of untreated or partially treated wastewater from a sanitary sewer.

In California, requirements for preparing a Sanitary Sewer Management Plan (SSMP) were established in 2006 and updated in December 2022. The promulgation and update reflect the growing emphasis on mitigating sanitary sewer overflows. Both the state and regional water quality control boards (SWRCB and RWQCB, respectively) mandate the implementation of an SSMP. Whenever the SSMP is revised, it must incorporate any significant program changes and receive adoption and approval from the governing board, the SVCW Commission, in accordance with Section 5.5 of the Statewide General Waste Discharge Requirements (GWDR) for Wastewater Collection Agencies. The Commission originally adopted the SSMP in 2008 and adopted and approved an update in 2019.

DISCUSSION

Although SVCW does not have a traditional collection system, its operation and maintenance of a network of pump stations and pipelines make it subject to SSMP regulations. The following paragraphs summarize the SSMP contents, starting with Paragraph A, which outlines the preparation of the SSMP, confirms compliance with regulatory standards, and affirms adherence to the established guidelines. Paragraph B discusses the SVCW treatment facility's specifications and treatment capacity, details the governing structure, and provides information on the agency's organization and conveyance facilities. Finally, Paragraph C includes a clear statement affirming that the SSMP complies with both state and regional water standards boards.

A. Sewer System Management Plan

The SSMP has been prepared by the SVCW Operations Director and reviewed for accuracy by the Chief Operations Officer. It serves as a comprehensive guide to the policies, procedures, and activities involved in planning, managing, operating, and

maintaining the Wastewater Conveyance System.

The SSMP complies with the requirements set forth by both the State Water Resources Control Board and the San Francisco Bay Regional Water Quality Control Board.

The structure (section numbering and nomenclature) of the SSMP adheres to the General Waste Discharge Requirements for Wastewater Collection Agencies (GWDR), as stated in State Water Resources Control Board Order Number 2022-0103, dated December 6, 2022. Additionally, requirements of the San Francisco Bay Regional Water Quality Control Board, which differ from those of the GWDR, are included.

B. Wastewater Treatment Plant/Facilities

SVCW is a Joint Powers Authority (JPA) that provides wastewater transmission, treatment, and recycled water production services to over 225,000 residents and businesses in the southern San Mateo County region. The Authority was established in 1975, and the Wastewater Treatment Plant became operational in 1981. SVCW functions as a regional wastewater treatment facility for the cities of Belmont, Redwood City, San Carlos, and the West Bay Sanitary District. The West Bay Sanitary District serves the southern part of San Mateo County.

The SVCW treatment plant has a permitted capacity to treat 29 million gallons of wastewater per day with a peak wet weather capacity of 71 million gallons per day.

SVCW is based in Redwood City and is governed by a four-person Commission comprised of a council member from each of the three city member entities and a board member from the West Bay Sanitary District.

SVCW consists of four departments: Technical Services (comprised of Engineering, Laboratory, and Environmental Services Divisions), Operations and Maintenance (comprising Operations and Maintenance,), Administrative Services (including Finance, Purchasing, and Information Systems) and Office of the Manager (overseeing Human Resources and Safety). Each Department has a Department Manager reporting to the SVCW Manager. SVCW employs 90 full-time and part-time staff members.

The responsibility of the SVCW SSMP starts at the inlet gate of SVCW's wastewater pump stations for each member agency. It encompasses an 8.86-mile conveyance system that combines a force main and a gravity pipeline. At the Menlo Park pump station, which serves the West Bay Sanitary District, there are 14,453 feet of 33-inch reinforced steel concrete pipe. From the Redwood City pump station, there is 10,361 feet of 48-inch high-density polyethylene pipe with fused joints.

Sewage flows from Menlo Park and Redwood City pump stations to the Bair Island drop structure where flows enter the Gravity Pipeline. This system proceeds past the San Carlos drop structure, where flow from both San Carlos and Belmont (the Belmont

Gravity line consists of 4,656 feet of 36-inch fiberglass reinforced polymer mortar pipe, leading to the San Carlos station) is introduced into the Gravity Pipeline.

The Gravity Pipeline is comprised of a 13-foot-diameter tunnel featuring an 11-foot-diameter reinforced fiberglass polymer mortar pipe, grouted into place. This serves as the primary sewage conveyance pipe for SVCW's four member agencies' collections systems to the SVCW Wastewater Facility, located approximately 3.3 miles away from the Bair Island drop structure.

C. SSMP Document Organization

The updated SSMP meets the requirements of both the SWRCB and the RWQCB as defined in the GWDR. The organization of the document is consistent with RWQCB guidelines, and its contents address both SWRCB and RWQCB requirements.

At least every six years or if major changes to an agency's collection system occurs, the SSMP must be updated to reflect actual conditions. The 2025 SSMP Update has been prepared and will be certified by the SVCW manager upon commission adoption.

CLIMATE EFFECTS

Abiding by SSMP requirements helps minimize sewer overflows and spills.

FINANCIAL IMPACT

There is no financial impact to this item.

RECOMMENDATION

Move adoption of RESOLUTION APPROVING AND ADOPTING UPDATED SVCW SANITARY SEWER MANAGEMENT PLAN AND AUTHORIZING THE SVCW MANAGER TO RE-CERTIFY THE SAME

AGENDA ITEM 7D

**FIVE CORNERS INTERSECTION PROJECT (CIP #9131)
FINAL PROJECT ACCEPTANCE AND
AUTHORIZATION TO FILE NOTICE OF COMPLETION**

ISSUE

Final Acceptance of and Authorization to file Notice of Completion for the Five Corners Intersection Project (CIP #9131)

BACKGROUND

The “Five Corners Intersection” is located within the SVCW treatment facility and intersects five roadways: the main road leading from the main entrance gate, Seybert Parking Lot, West Access Road, the contractor entrance road, and the Recycled Water Storage Facility roadway. This intersection had blind spots and poor visibility, raising safety concerns among drivers and pedestrians who frequently cross the roadway for sampling at the recycled water facility. The narrow intersection also posed challenges to large chemical delivery trucks that frequently traverse the intersection. Over the years, minor modifications were made to improve safety, however, those modifications proved insufficient in addressing the ongoing safety challenges posed by the five corners intersection configuration. The concerns were reviewed by SVCW’s Safety Committee, which recommended a comprehensive approach via a capital project to mitigate the issues.

DISCUSSION

This project was advertised on May 28, 2024 with bids due on June 25, 2024. On July 15, 2024, the SVCW Commission approved the construction contract to the lowest responsible bidder, J.F. Shea Construction Inc., in the amount of \$726,150 after negotiation to reduce scope and corresponding cost. Notice to Proceed was issued on September 3, 2024, and substantial completion (certificate of substantial completion attached) was achieved on January 11, 2025. The quality of work by the Contractor on the project is excellent and the intersection is safer for drivers and pedestrians. Staff recommend the project be accepted and the Notice of Completion for the project issued.

Five contract change orders were executed for this project: 1) a no-cost contract schedule extension, install 2) speed bumps and 3) concrete curbs, 4) fix a damaged stop sign and 5) a credit for removal of the storm drain piping work. Storm drains piping was part of the original project and was to be installed along the main roadway into the plant to resolve a flooding issue. Rather than doing this work, staff coordinated with the RESCU contractor (Shea Parsons Joint Venture) who agreed to regrade the contractor parking lot to drain away from the roadway as part of their scope of work; this change effectively eliminated the roadway flooding issue and resulted in a \$93,640 credit. The final contract change order total is a credit in the amount of \$65,397.18. The final construction contract amount is \$670,753, reflecting a net credit of 8.9%.

CLIMATE EFFECTS

Completion of the project does not have any climate effects.

FINANCIAL IMPACT

This Project is funded through CIP#9131 Plant Service Road Resurfacing -Phase 2 which has a total budget of \$4,000,000. As of February 2025, a total of \$926,266 has been expended.

RECOMMENDATION

Move approval of MOTION TO ACCEPT CIP #9131; FIVE CORNERS INTERSECTION PROJECT AND AUTHORIZE FILING NOTICE OF COMPLETION – J.F. SHEA CONSTRUCTION INC.

**Silicon Valley Clean Water
Five Corners Intersection, CIP #9131
SUBSTANTIAL COMPLETION CERTIFICATE**

The following portions of the Five Corners Intersection project are accepted as Substantially Complete in accordance with Specification Sections 00 72 00 - 8.6 and 00 73 00 - 1.5 and as defined herein.

As of January 11, 2025, these portions of the Project are accepted:

1. All work on the Project except as noted below:
 - a. PPR 005 for the Stop sign modifications.
 - b. All closeout documentation including but not limited to: as-builts, county inspection documentation, county permit closure documentation and information, O&M Manuals, and Warranty Information.

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. J.F. Shea Construction, Inc:
 - a. The Contractor shall maintain and provide proof of coverage as required by Specification Section 00 73 00 - 3.1.4 for all work required to complete the Punch List and for five years following Final Completion as required by Specification Section 00 73 00 - 3.2 or as otherwise referenced in the technical specifications.
 - b. The Contractor shall be responsible for repairs or maintenance, as necessary, until the Contractor has submitted, and the Authority has accepted all Record Documents and Operation & Maintenance Manuals.
 - c. The Contractor shall work in an expeditious manner to complete the remaining work and administrative requirements on the Project including the items on the Punch List, dated January 11, 2025, within sixty (60) days from the date of this certificate.

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents nor is it a release of Contractor's obligation to complete the Work in accordance with the Contract Documents. The one-year (365 Calendar Days) warranty for the accepted Work shall commence per Specification Section 01 78 36 – 1.0 on the date of Acceptance by Silicon Valley Clean Water.


The undersigned hereby acknowledge agreement to the above provisions:

J.F. Shea Construction, Inc.

Construction Manager: Tanner Pacific, Inc.

By: 
Ric Eli (Mar 20, 2025 13:06 PDT)

Ric Eli

By: 
Jose Martinez

Title: Project Manager

Title: Construction Manager

03/20/25
Date: _____

03/20/25
Date: _____

AGENDA ITEM 7E

**STATE AND FEDERAL LOBBYING
MASTER SERVICES AGREEMENTS**

ISSUE

Approval of Master Services Agreements for State and Federal Lobbying Firms, Gonsalves & Sons and ENS Resources, Inc.

BACKGROUND

Silicon Valley Clean Water is required to comply with various regulatory and legislative statutes from state and federal regulatory bodies and government. SVCW staff collaborate with local, state, and federal wastewater-focused associations to support industry initiatives and ensure that requirements are based on scientific evidence, economic feasibility, and public interest. There is, however, a limit to the scope that staff and associations can achieve.

DISCUSSION

To strengthen the influence SVCW can have upon state and federal legislation, the Manager recommends that SVCW hire lobbying firms to represent it within the respective legislative bodies. Having firms focused on SVCW-specific needs and interests is an important step to ensuring our ratepayers' interests are well served.

The Manager has reached out to wastewater agencies to gather names of firms who are active in California and the United States. Two firms stand out and the Manager recommends entering into Master Services Agreements (MSA) with each.

On the federal level, the firm of ENS Resources, based in Washington D.C., has been representing the wastewater industry for 40 years. The company's founder, Eric Saperstein, serves as CASA's federal lobbyist and will be SVCW's primary point of contact. ENS Resources is known for their effectiveness in influencing change to proposed federal legislation.

On the state level, the firm of Gonsalves and Sons, based in Sacramento, has provided services since 1975 to agencies and cities throughout California. The firm specializes in serving clients with the state legislature and state departments, such as the Water Resources Control Board and the Air Resources Board; two state departments with significant influence on SVCW. Gonsalves and Sons are well regarded and effective in influencing legislation, obtaining funding for projects, and assisting with grants.

Each firm will be contracted on a retainer basis, with annual task orders to cover services for the year. The annual fee for services is \$60 thousand for ENS Resources and \$50 thousand for Gonsalves and Sons.

CLIMATE EFFECTS

There are no direct climate effects as a result of this action.

FINANCES

There is no financial impact for approving the MSAs. Funds for lobbying services will derive from SVCW's operating budget.

RECOMMENDATION

- i. Move Adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT WITH ENS RESOURCES, INC.FOR FEDERAL LOBBYING SERVICES
- ii. Move Adoption of RESOLUTION APPROVING MASTER SERVICES AGREEMENT WITH GONSALVES & SONS FOR STATE LOBBYING SERVICES

AGENDA ITEM 8A

SILICON VALLEY CLEAN WATER MANAGER RECRUITMENT**ISSUE**

Discuss Process for Silicon Valley Clean Water Manager Recruitment

BACKGROUND

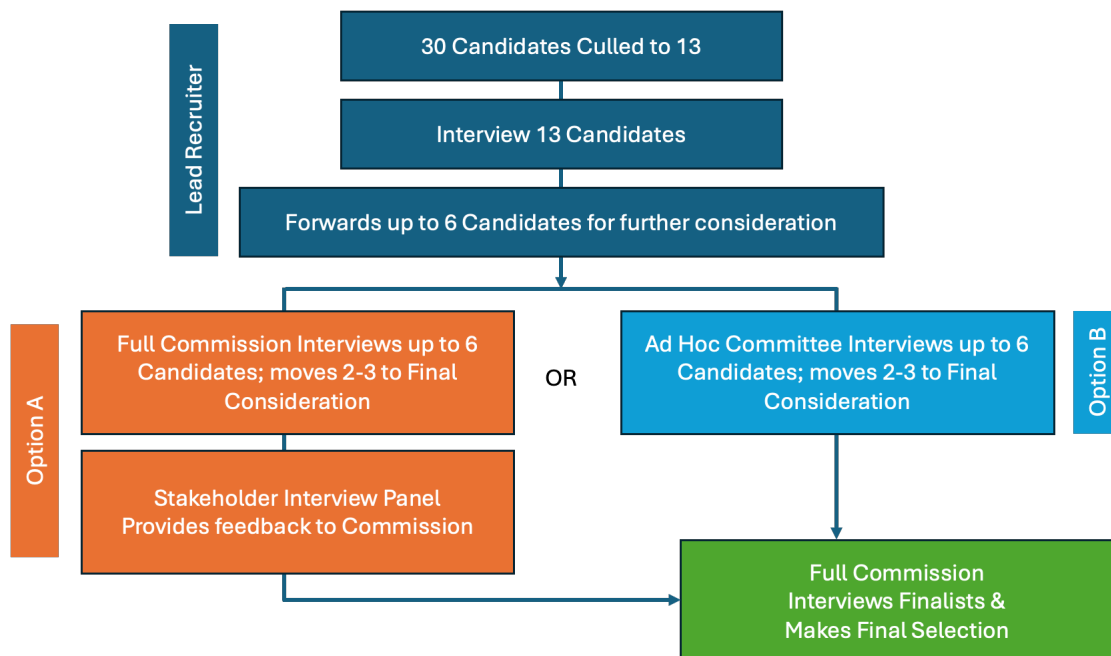
Silicon Valley Clean Water's (SVCW) Manager has announced their retirement to be no later than June 30, 2025. In light of the retirement, plans initiated in November 2024 to recruit for a replacement, beginning with hiring a recruitment firm, Bob Murray & Associates with Valerie Phillips acting as lead recruiter.

In its December 2024 meeting, the commission discussed formation of an Ad Hoc committee to facilitate selection of the new Manager. In March 2025, another discussion occurred related to an Ad Hoc Committee member addition to include one manager from one of SVCW's member agencies. The scope of the Ad Hoc Committee was to oversee the preliminary hiring process and provide guidance and recommendations to the Commission. The final decision-making authority to appoint the Manager resides with the Commission¹.

The position was advertised, and, upon the deadline date of April 1, 2025, 30 applications have been received. The selection process now can begin.

DISCUSSION

There are two selection procedure options for the Commission's consideration. Valerie Phillips will discuss the options at the meeting and will make recommendations as to how to proceed. The options are depicted in the following graphic:



¹ JPA: Art. III, Sec. 3.5 and Art. V, Sec. 5.1

Under Option A, the Ad Hoc Committee's role is complete and a new "Stakeholder Interview Panel" is formed. The Stakeholder Interview Panel would operate under the leadership of the Lead Recruiter and meet as a group 1-2 weeks after the full Commission had reduced the number of candidates to 2-3. The Stakeholder Interview Panel's input would be provided by the Lead Recruiter to the full Commission prior to final interviews. They will not have selection power as this rightly resides with the Commission. A possible makeup of the Stakeholder Interview Panel would be comprised of one member agency manager, one representative from SVCW's Local 39 union, and SVCW's Human Resources Director.

Under Option B, the Ad Hoc Committee is re-formed into a new Ad Hoc Committee/Stakeholder group. This group would have a significant impact on selection by reducing 6 candidates to 2 or 3 candidates. A possible makeup of the new Ad Hoc Committee/Stakeholder group would include two Commissioners (George Otte and Neil Layton), one member agency manager, one representative from SVCW's Local 39 union, and SVCW's Human Resources Director.

Discussion for the process moving forward for selection of the new SVCW manager will include the items above as well as the timeline of events. Additionally, scheduling days for the various activities will be discussed.

The Lead Recruiter, Valerie Phillips, will attend the meeting remotely and will lead the discussion.

CLIMATE EFFECTS

There are no direct climate effects as a result of this discussion.

FINANCES

There is no financial impact as a result of this discussion.

RECOMMENDATION

Discuss and Gain Consensus on Options for Manager Selection Process.

AGENDA ITEM 8B

FISCAL YEAR 2025-26 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET

ISSUE

Approval of Fiscal Year 2025-26 Annual Operating and Capital Expenditures Budget

BACKGROUND

Prior to May 1st of each calendar year, Silicon Valley Clean Water (“SVCW” or Agency”) must adopt an Operating and Capital Expenditures Budget (Budget) for the upcoming Fiscal Year¹. The Budget outlines revenues needed for operations, maintenance, administration, and regulatory compliance monitoring activities. Furthermore, it describes cash flow requirements to meet capital projects, debt service, and cash reserve needs.

This 2025-26 Budget incorporates the long-term impact of capital expenditures and follows a funding strategy described in the February 2025 Long-Range Financial Plan. A draft version of the Budget was presented to the Commission at the March 13, 2025 meeting.

DISCUSSION

Total Member Contributions described in the Proposed Budget would decrease by \$8.6 million, or 11.1% compared to the current budget. It allots \$33.6 million for Net Operating Expenses and \$1.7 million for Revenue-Funded Capital projects next year. Reserve Designations are aligned with Agency policy and include \$4.0 million in contributions to the CIP Reserve and \$0.8 million towards Operating Reserves.

Past updates to the Long-Range Financial Plan, the latest being the 2025 Plan, identified a \$66 million funding need for large capital projects over the next three years. This was presented to Member Agency technical and finance staff and to the Commission in the first quarter of 2025. Members thereafter indicated a desire to not issue \$66 million in debt at this time. In response, SVCW staff developed alternatives to delivering critical projects. Options are discussed below and will be presented to the Commission in this April 10th meeting; results from Commission member input will be embedded in the final Budget.

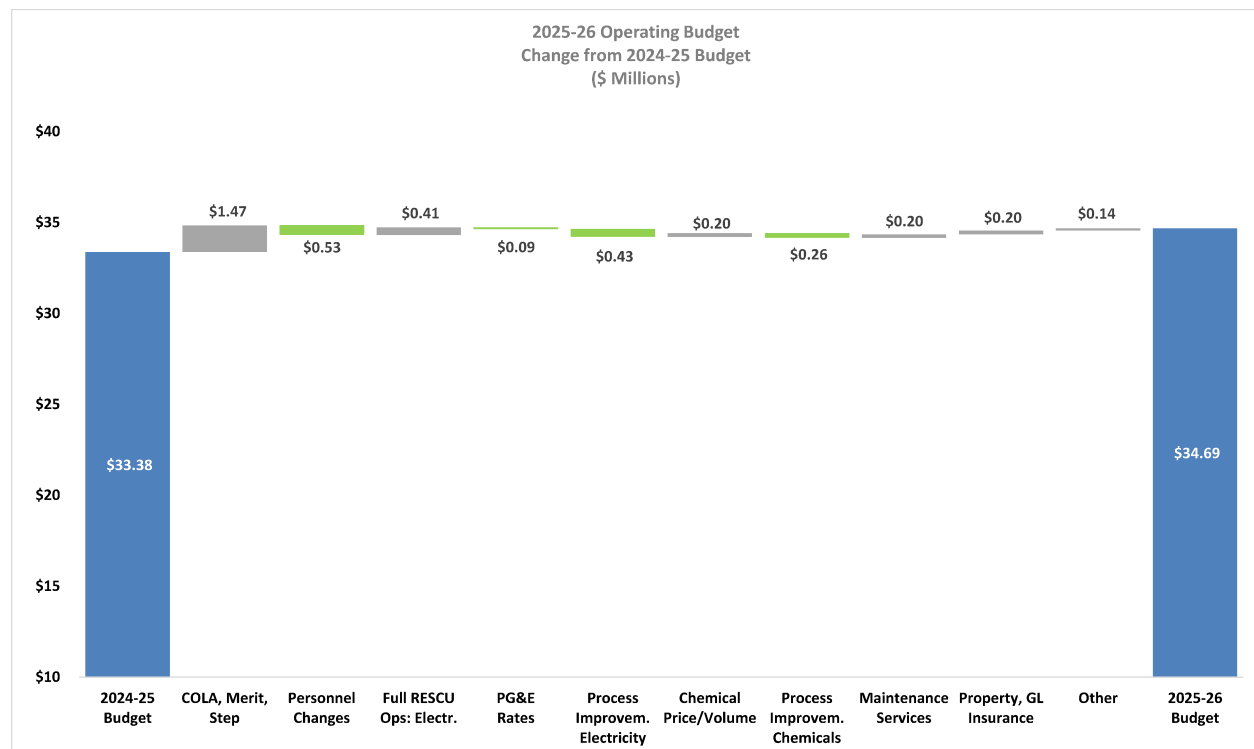
Budgeted Member Entity Contributions				
Description	2024-25 Adopted Budget	2025-26 Proposed Budget	\$ Increase/ (Decrease)	% Increase/ (Decrease)
Gross Operating Expenses	\$ 33,380,803	\$ 34,690,162	\$ 1,309,359	3.9%
Less: Miscellaneous Revenue	(912,425)	(1,136,117)	223,692	24.5%
Contributions, Net Operating Expenses	\$ 32,468,378	\$ 33,554,045	\$ 1,085,667	3.3%
Add: Revenue-Funded Capital Projects	1,499,635	1,739,200	239,565	16.0%
Contributions, Before Debt Service	\$ 33,968,013	\$ 35,293,245	\$ 1,325,232	3.9%
Add: Debt Service, Participating members	25,863,091	25,863,091	-	0.0%
Total, Excluding Reserves & Cash-in-lieu	\$ 59,831,104	\$ 61,156,336	\$ 1,325,232	2.2%

¹ Per SVCW Joint Powers Agreement, Section 6.1 “Annual Budget”

Gross Operating Expenses

Specific to the operating budget, the following table and chart compares the proposed budget to the current 2024-25 budget. The total increase of \$1.31 million, or 3.9%, reflects a detailed budgeting method that incorporates savings when possible. Noteworthy comparisons are drawn from the table and chart below.

Silicon Valley Clean Water Expenditure Summary - By Expense Category					
Description	2023-24 Actual	2024-25 Budget	2025-26 Budget	\$ Incr/(Decr)	% Incr/(Decr)
Personnel Costs	\$ 21,614,548	\$ 21,762,630	\$ 22,671,807	\$ 909,177	4.2%
Utilities	3,074,326	2,752,332	2,682,240	(70,092)	(2.5%)
Administrative Expenses	742,535	781,216	959,770	178,554	22.9%
Equipment & Supplies Expense	3,217,216	2,734,333	3,003,662	269,329	9.8%
Chemicals	2,887,585	2,873,109	2,860,815	(12,294)	(0.4%)
Professional & Contractual Services	2,995,493	2,037,174	2,050,221	13,047	0.6%
Training, Memberships, Travel	302,124	440,009	461,647	21,638	4.9%
TOTAL	\$ 34,833,828	\$ 33,380,803	\$ 34,690,162	\$ 1,309,359	3.9%



- Total Personnel expenditures will increase by \$0.9 million, or 4.2%, compared to the current budget. Whereas cost of living and merit / step increases add an estimated \$1.47 million, staffing changes after vacancies, retirements, and new positions will reduce personnel costs by a net \$530 thousand.
- Utility costs will decline by \$70 thousand (2.5%), despite higher electricity demands for operation of the Receiving Lift Shaft (RLS) operation. Offsetting the \$410 thousand of increased electricity demand is a \$91 thousand reduction in PG&E electricity rates as fire abatement fees expire. Separately, with experience in RLS operation, the Engineering and Operations Divisions developed strategies to reduce headworks pumping between 2pm and 11pm, when PG&E rates are high. If successful, this process change will save an estimated \$200 thousand. Additionally, Linear Generators are targeted for service by the last fiscal quarter and would save approximately \$230 thousand.
- Administrative expenses will increase by \$179 thousand, or 22.0%, primarily due to recently completed RESCU assets being added to the schedule of insured property.
- Equipment and Supplies Expense increases by 9.8%, or \$269 thousand, primarily to add cogeneration maintenance services that were mistakenly excluded from the current year's budget.
- Chemicals expenses are budgeted to remain flat year over year. While modest price increases on a limited number of chemicals are expected, the amount of polymer used for dewatering materially exceeded budgeted 2024-25 levels; this is not expected to change in 25-26 fiscal year. Separately, staff are working on internal strategies to reduce sodium hypochlorite and bisulfite use by 20% which if successful, would save \$200 thousand. While this is not ensured to be successful, the budget has incorporated this as a moderate risk.
- Professional and Contractual Services will remain flat year over year. Ordinary rate increases for consulting, tank cleaning, and hauling are offset by savings initiatives in the areas of biosolids dewatering.
- Training, Memberships, and Travel will increase by \$21.6 thousand (4.9%). SVCW anticipates more training and educational activities as divisions are fully staffed and are less engaged in construction activities.

Miscellaneous Revenue

SVCW is paid to receive grease & septage from community restaurants and other commercial sites, to monitor stormwater management programs, and to treat leachate from local landfills. Tipping fees are also received from a local municipality for organic waste disposal.

Next year's Miscellaneous Revenues are anticipated to increase by \$223.7 thousand (24.5%) from the 2024-25 Budget, mainly due to an increase in rates charged by SVCW to receive landfill leachate.

Flow and Loading Changes

Flows are measured by calibrated meters and composite loading values calculated from samples taken at each Members' sampling locations. These values generally reflect influences like a community's density, size and type of businesses, collection system conditions, and amount of rainfall. As communities transitioned after the Covid-19 pandemic, flow and loading values have shifted towards traditional behaviors including work-from-home and restaurant traffic. After incorporating the 2024 data, relative flows and loadings continue to trend towards historical averages.

Three-year Average Flow and Loading Averages - by Member				
Agency	Factor	2024-25 Budget	2025-26 Budget	Point Incr./ (Decr.)
Belmont	Flow	10.52%	10.82%	0.30
	Biochem. Oxygen Demand	9.15%	9.14%	(0.01)
	Suspended Solids	8.19%	8.56%	0.37
Redwood City	Flow	53.91%	51.85%	(2.06)
	Biochem. Oxygen Demand	58.76%	55.31%	(3.45)
	Suspended Solids	62.59%	58.51%	(4.08)
San Carlos	Flow	14.40%	14.88%	0.48
	Biochem. Oxygen Demand	11.33%	12.56%	1.23
	Suspended Solids	10.20%	10.99%	0.79
WBSD	Flow	21.17%	22.45%	1.28
	Biochem. Oxygen Demand	20.76%	22.99%	2.23
	Suspended Solids	19.02%	21.94%	2.92

2025-26 Budget Member Contributions Allocation Model													
				Belmont		Redwood City		San Carlos		West Bay San District		TOTAL	
Description													
Allocation Factors													
Flow				10.82%		51.85%		14.88%		22.45%		100%	
Biochemical Oxygen Demand (BOD)				9.14%		55.31%		12.56%		22.99%		100%	
Suspended Solids (SS)				8.56%		58.51%		10.99%		21.94%		100%	
Weightings													
Operating Expenditures				Flow	BOD	SS							
Operations				26.5%	33.5%	40.0%	\$ 1,307,971	\$ 7,785,440	\$ 1,754,570	\$ 3,136,223	\$ 13,984,204		
Maintenance				26.5%	33.5%	40.0%	663,828	3,951,308	890,489	1,591,713	7,097,337		
Laboratory				26.5%	33.5%	40.0%	204,364	1,216,437	274,143	490,020	2,184,964		
Environmental Services				26.5%	33.5%	40.0%	142,177	846,281	190,723	340,909	1,520,089		
Engineering				26.5%	33.5%	40.0%	226,918	1,350,686	304,398	544,099	2,426,101		
Safety				100.0%	0.0%	0.0%	56,298	269,783	77,423	116,811	520,315		
Information Services				26.5%	33.5%	40.0%	179,078	1,065,924	240,223	429,388	1,914,613		
Administrative Services				100.0%	0.0%	0.0%	545,603	2,614,556	750,330	1,132,050	5,042,539		
Total Operating Expend.							\$ 3,326,236	\$ 19,100,415	\$ 4,482,298	\$ 7,781,213	\$ 34,690,162		
Subtract Miscellaneous Income				26.5%	33.5%	40.0%	\$ 106,263	\$ 632,511	\$ 142,546	\$ 254,796	\$ 1,136,117		
2025-26 Net Operating Revenue Required							\$ 3,219,973	\$ 18,467,904	\$ 4,339,751	\$ 7,526,417	\$ 33,554,045		
2024-25 Net Operating Revenue Required							\$ 3,032,567	\$ 18,907,491	\$ 3,929,463	\$ 6,598,857	\$ 32,468,378		
\$ Increase / (Decrease)							\$ 187,406	\$ (439,587)	\$ 410,288	\$ 927,560	\$ 1,085,667		
% Increase / (Decrease)							6.18%	(2.32%)	10.44%	14.06%	3.34%		

Revenue-Funded Capital

Revenue-Funded Capital Expenditures fund individual capital projects each with costs less than \$1 million that can be completed within one year. These projects address immediate needs for equipment, facilities and other capital resources needed to support divisions' activities. The proposed budget is \$1.73 million made up of capital needs as shown in the table below.

2025-26 Revenue-Funded Capital Expenditures

Project Name	Estimated Cost
Fan Press 1 Channel replacement	\$ 285,000
Fan Press 2 housing replacement	48,000
DMF 6B media replacement, Full Scale Pilot Test	200,000
Activated Sludge PLC Upgrade	70,000
DMF 6B pipe repair	50,000
Storm Drain Pump	20,000
Telehandler Forklift	175,000
EV Charger expansion - Phase 2	100,000
Electric Vehicle - Fleet	60,000
Computer Room Air Conditioning (CRAC)	230,000
Laboratory Roof Repair	50,000
SHB Rollup Door replacement	37,400
Stratus Server Replacement	171,800
Camera Refresh Project	170,000
IMS Switch Replacement	60,000
TOTAL	\$ 1,727,200

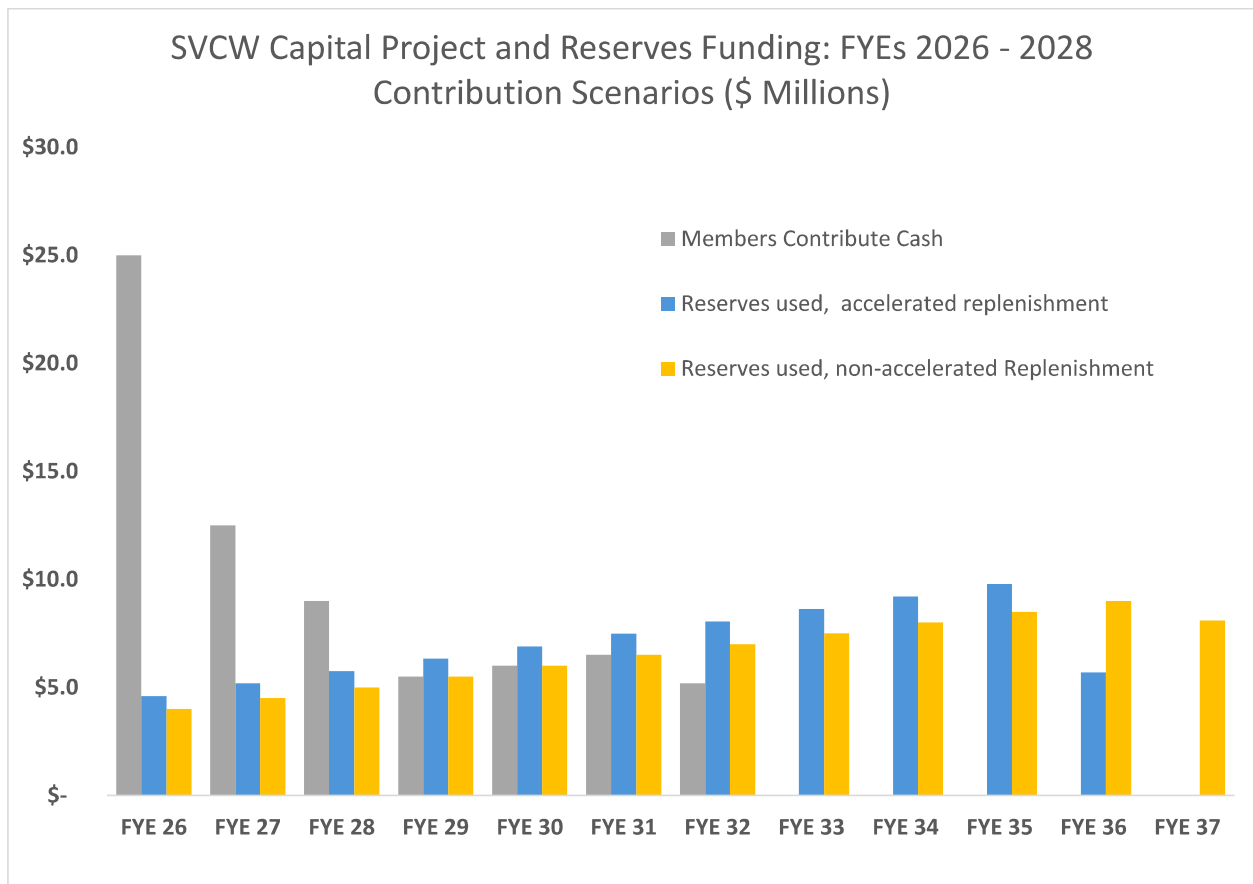
- **Wastewater Equipment:** Several projects are necessary to replace or modify existing treatment equipment. This includes upgrades to the rotary fan press used for solids dewatering and filter media replacement to determine optimal performance for recycled water production. Other small pipe repairs and storm drain pumps were also identified to be replaced.
- **Maintenance Equipment:** A telehandler is needed to lift and position heavy equipment during maintenance. This replaces a smaller unit, which will afterwards be sold. SVCW also continues to update its fleet and the electric vehicle charging network. Grant funds are being pursued to support this effort.
- **Facilities:** Existing Computer Room Air Conditioning (CRAC) units have reached the end of their useful life and require replacement. Funds include improvements to relocate the filtering system outside of the server room. The laboratory roof experienced leaks during the rainy season and, while the leaks were addressed, residual water damage must be addressed. The Solids Handling Building (SHB) original rollup door is manually operated and proposed to be updated with a motorized mechanism.
- **Technology:** The Industrial Automation Platform (IAP) is the network upon which operational technology resides. Servers are in need of replacement and upgrades. Separately, cameras are relied upon to view process equipment and ensure

treatment facility and pump stations' site security. Current cameras are no longer compliant and due to be upgraded throughout the facilities.

Long Range Financial Plan Requested Changes

Upon recent review of the February 2025 Long Range Financial Plan, Member Agencies' staff requested the timing of capital projects be deferred so that cash flow required over the next three years could be reduced. SVCW staff responded and determined that some projects could be deferred, resulting in an anticipated capital expenditure over the next three years of \$33 million rather than the planned amount of \$66 million.

Members' staff further indicated interest in three funding scenarios to avoid the issuance of new debt.



Funding Scenario Options

1. Members contribute cash to projects without drawing from SVCW's CIP Reserve funds. Contributions for projects would total \$33 million over the next three years (\$21 million in year one, \$8 million in year two, and \$4 million in year three). Budgeted contributions to SVCW CIP Reserves (a cumulative total of \$36.7 million over seven years) would remain as defined by policy, ending when the target balance is reached in 2032. Total cash contributions equal \$69.6 million (Net Present Value (NPV) of \$63.2 million).

2. SVCW draws project funds from its CIP Reserves, with an accelerated replenishment by Members. Contributions to reserves end when target balance is achieved; in this scenario, by 2036. Total contributions equal \$77.6 million (NPV of \$63.2 million).

In the event of an unexpected large capital need, the Authority's CIP Reserve balance may not be adequate as it would decline to as little as \$12 million in this scenario, \$8 million of which is reserved². It is estimated to take five years to return to the current \$30 million balance and 11 years to reach the policy's target balance.

3. SVCW draws from its CIP Reserves, which would be replenished by Members without an accelerated timeframe. Total contributions equal \$79.6 million (NPV of \$63.2 million).

In the event of an unexpected large capital need, the Authority's CIP Reserve balance may not be adequate as it would decline to as little as \$11 million in this scenario, \$8 million of which is reserved². It is estimated to take six years to return to the current \$30 million balance and 12 years to reach the policy's target balance.

Reserves

Operating Reserve contributions follows Policy to ensure an adequate balance is in place at fiscal year-end. The Operating Reserves Policy was amended in 2023, calling for an additional \$1 million in recognition of higher cost of emergency repairs. Net of investment returns earned after this amendment, approximately \$0.8 million is required.

Separately, the 2025-26 Budget currently includes \$4.0 million in contributions towards Capital Improvement Program Reserves in compliance with SVCW's Reserves Policy.

Cash-in-lieu of Debt

In the current year budget, Members were asked to contribute \$13.6 million of accumulated cash to fund CIP expenditures that deferred borrowing of new debt. The above scenarios determine the amount Members choose to continue such contributions in fiscal year 2025-26.

Debt Service

SVCW's debt service payments for the next fiscal year are estimated to remain unchanged at \$28.3 million.

RECOMMENDATION

Move approval of RESOLUTIONS ADOPTING:

- i. FISCAL YEAR 2025-26 REVENUE PLAN IN THE AMOUNT OF \$33,554,045 IN NET OPERATING REVENUES REQUIRED AND \$1,727,200 FOR REVENUE-FUNDED CAPITAL PROJECTS
- ii. FISCAL YEAR 2025-26 CASH RESERVE DESIGNATIONS IN THE AMOUNT OF \$4,000,000 TO THE CAPITAL IMPROVEMENT PROGRAM RESERVE FUND AND

² Equivalent to one year of Debt Service as Required by State Revolving Fund Loans

\$808,046 TO THE ANNUAL OPERATIONS AND CAPITAL BUDGET RESERVE FUND

- iii. FISCAL YEAR 2025-26 CASH IN LIEU OF DEBT CONTRIBUTIONS
- iv. FISCAL YEAR 2025-26 DEBT SERVICE EXPENDITURES IN AN AMOUNT OF \$28,289,934
- v. AUTHORIZING SVCW MANAGER TO IMPLEMENT, MANAGE AND APPROVE EXPENDITURES AUTHORIZED WITHIN THE FISCAL YEAR 2025-26 ANNUAL OPERATING AND CAPITAL EXPENDITURES BUDGET AND CAPITAL IMPROVEMENT PROGRAM RESERVE FUND AS ADOPTED BY THE SILICON VALLEY CLEAN WATER COMMISSION

AGENDA ITEM 8C

SVCW COMMISSION ONBOARDING

ISSUE

Receive Presentation and Tour Treatment Facility

BACKGROUND

Silicon Valley Clean Water (SVCW) is a Joint Powers Authority comprised of four Member Agencies: City of Belmont, City of Redwood City, City of San Carlos, and West Bay Sanitary District. SVCW is a public entity separate and apart from its members. SVCW is administered by a Commission of its four members; each member agency appoints a representative to serve on the SVCW Commission. The appointee must be a serving City Council or Board member when serving as SVCW's Commissioner. When appointees cease to hold office in their respective governing boards, they shall cease to be a member of the SVCW Commission.

When new commissioners are appointed, the SVCW Manager provides on-boarding material and tours of the treatment facility to ensure familiarization with the administration and duties of their roles.

DISCUSSION

In January 2025, three of SVCW's four member agencies appointed new commissioners. The manager has proposed and the commission has accepted that a presentation and tour of the treatment facilities will take place at the April 10, 2025 meeting.

A short presentation indicating basic administration responsibilities of the commission, voting rights, and depiction of the treatment facility tour route will be provided. A walking tour of the facility will follow.

CLIMATE EFFECTS

There are no effects to climate as a result of this item.

FINANCES

There are no financial impacts as a result of this item.

RECOMMENDATION

Receive Presentation and Tour Treatment Facility