MINUTES OF SILICON VALLEY CLEAN WATER
MEETING OF JUNE 9, 2016

ITEM 1
CALL TO ORDER
The meeting was called to order at 3:58 p.m.

ITEM 2
ROLL CALL - Commissioners Duly Appointed By Each Agency
Council Member John Seybert, Redwood City - Chair
Council Member Eric Reed, Belmont - Vice Chair (Alternate)
Board President Edward Moritz, West Bay Sanitary District - Member
Council Member Robert Grassilli, San Carlos - Secretary

Staff, Consultants and Visitors Present
Christine C. Fitzgerald, SVCW Legal Counsel
Daniel T. Child, Manager
Teresa Herrera, Assistant Manager/Authority Engineer
Matt Anderson, SVCW Chief Financial Officer
Monte Hamamoto, SVCW Wastewater Superintendent
Kim Hackett, SVCW Engineering Director
Bill Bryan, SVCW Senior Engineer
Arvind Akela, SVCW Senior Engineer
Cindy Hui, SVCW Financial Analyst
Susan Hiestand, SVCW Pollution Prevention Specialist
Mick Daly, SVCW Maintenance Supervisor
Norm Domingo, Environmental Services Director
Ilana Schmidt, SVCW Administrative Clerk
Bill Tanner, Tanner Pacific, Inc.
Mike Jaeger, Tanner Pacific, Inc.
Aren Hansen, Brown and Caldwell
Mark Minkowski, Kennedy/Jenks
Bob Donaldson, Collaborative Strategies
Toni Saldu, City of Redwood City
Jay Walter, City of San Carlos

ITEM 3
PLEDGE OF ALLEGIANCE
The Pledge of Allegiance was recited by those in attendance led by Eric Reed, Alternate Commissioner for the City of Belmont.

ITEM 4
PUBLIC COMMENT
There was no Public Comment
ITEM 5A
SAFETY MOMENT

Mr. Child discussed grilling and firework safety for the upcoming July 4th holiday and how to take the necessary steps to avoid common mistakes, including fires.

ITEM 5B
MANAGER'S REPORT

Mr. Child shared how fortunate SVCW is to have five employees that recently received recognition from their peers as outstanding performers in the field of wastewater treatment from the California Water Environment Association, including two who won statewide honors. The recipients were:

- Gurpal Sandhu, Santa Clara Valley Section “Electrical Instrumentation Person of the Year”
- Jeff Hubbard, Santa Clara Valley Section “Mechanical Technician of the Year”
- Walter Walsh, Santa Clara Valley Section and State of California “Operator of the Year”

Two of the recipients were present at the Commission Meeting to receive these awards:

- Mick Daly, Santa Clara Valley Section “Supervisor of the Year”
- Susan Hiestand, Santa Clara Valley Section and State of California “Community Engagement and Outreach Person of the Year”

Commission Chair Mr. Seybert presented Ms. Hiestand and Mr. Daly with a Letter of Recognition and a cash reward from the SVCW Commission in recognition of their tremendous efforts and continued excellence in their fields.

Mr. Child expressed gratitude on behalf of former SVCW General Counsel, Mr. David Schricker, for the celebration held in his honor for over 40 years of service at SVCW. Mr. Child presented a thank you card sent by Mr. Schricker, which expressed his gratefulness to the Commission for authorizing the celebration and stating it was a very heartwarming event for him.

Mr. Child also reported that SVCW is continuing to move forward with the CEQA process related to the Conveyance System. A significant part of that work requires construction of facilities in the manmade decorative ponds at the Front of the Plant (FOP) area. SVCW staff is coordinating closely with the Redwood City Planning Department to obtain needed changes and permits for the work. SVCW will be submitting appropriate applications on Thursday, June 16, 2016 to officially start the process and will keep the Commission informed on all upcoming CEQA activities.

ITEM 6
MATTERS OF COMMISSION MEMBER’S INTEREST
No comments were made by the Commission.
ITEM 7
CONSIDERATION OF MOTION APPROVING CONSENT CALENDAR

Mr. Moritz had a question on the meeting minutes (Agenda Item 7A). His question focused on the Emergency at the Redwood City Pump Station. He stated he had heard from a West Bay Sanitary District employee that there may have been a pump repair going on at that time that was caused by operator error. After verifying with SVCW’s Wastewater Superintendent, Mr. Monte Hamamoto, Mr. Child confirmed there was not a pump failure nor was operator error associated with the leak, but it was caused by a very old expansion coupling on the discharge side of the pump failing. The inability to close isolation valves, also due to their age, exacerbated the situation and was the cause of the near spill. Ms. Herrera added that assistance was needed and received from member agency staff and the additional aid was a tremendous help in avoiding a major spill.

Motion/Second:  Mr. Grassilli / Mr. Reed
The motion carried by unanimous roll call vote.

ITEM 8A
CONSIDERATION OF MOTION TO APPROVE CDM-SMITH TASK ORDER SCOPE AND BUDGET FOR DIGESTER GAS UTILIZATION ANALYSIS FOR FOOD WASTE RECEIVING AND DIGESTER IMPROVEMENTS PROJECT (CIP #9229)

Ms. Herrera shared the configuration of the SVCW treatment plant’s solids handling facilities. The solids process consists of three digesters receiving solids from the liquid phase treatment process, as well as SVCW’s Fats, Oils and Grease (FOG) program which significantly increases the production of gas in the digesters and feed the cogeneration engines (2) to produce electricity. As the SVCW FOG program expands with the organic food waste project, SVCW will produce more gas than the existing cogeneration engines can consume. Ms. Herrera stated this is a good problem to have because excess gas has high monetary value. It is beneficial for SVCW to find alternative ways to use the gas since it has the ability to offset operational costs at the treatment plant. In addition, the Bay Area Air Quality Management District prohibits the flaring of excess digester gas as a disposal method and it would be a waste of a precious resource. The cogeneration engines are capable of consuming 300 cfm of digestor gas. SVCW’s digesters currently produce approximately 270 cfm of gas, so they are approaching the cogenerations system’s capacity to utilize the gas produced. As SVCW continues to fine tune the digester operation and begins the food waste project, it is expected that gas production will more than double, and possibly triple, current production. SVCW staff recommends that we hire a consultant, who has knowledge of potential use options, to evaluate the best alternative for the utilization of the gas. Staff believes it is in the best interest of SVCW ratepayers to identify the highest value options for use of the surplus of gas. Three options have been identified to date, however, the evaluation is not limited to them and a consultant may find even better alternatives. The proposed task order for CDM-Smith will authorize them to evaluate alternatives and recommend the most advantageous and monetarily attractive ways SVCW can utilize the gas as we move forward. The funds spent on this analysis, and ultimately the capital project to utilize the gas, will be a revenue enhancement for SVCW
ratepayers and repaid from tipping fees and other revenue sources developed by digester
gas use programs.

Motion/Second: Mr. Grassilli / Mr. Moritz
Move approval of TASK ORDER FOR DIGESTER GAS UTILIZATION ALTERNATIVE
ANALYSIS FOR FOOD WASTE RECEIVING AND DIGESTER IMPROVEMENTS (CIP
#9229) IN THE AMOUNT OF $164,295 AND AUTHORIZE MANAGER TO APPROVE UP
TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN AS-NEEDED
BASIS – CDM-SMITH
The motion carried by unanimous roll call vote

ITEM 8B
CONSIDERATION OF MOTION TO APPROVE CDM SMITH AMENDMENT 1 TO TASK
ORDER 2015-04 FOR CEQA EVALUATION AND ADDITIONAL PROJECT
DEVELOPMENT WORK FOR THE HEADWORKS PROJECT

CDM Smith is currently working on SVCW's headworks and odor control strategy
development. This amendment is required for additional CEQA support efforts related to a
previously unknown need for odor control at the San Carlos Pump Station site related to
the future operation of the tunnel, as well as work related to the interaction of the
headworks facilities with other front of the plant facilities. CDM Smith's original scope of
work focused exclusively on the headworks and odor control at the plant. Ms. Herrera
confirmed this task order amendment does not move SVCW into pre-design for the
conveyance system and is solely for services to facilitate the CEQA evaluation process
now requiring a more in-depth project description. Mr. Moritz requested the minutes reflect
this is a 14.2% increase in the original task order amount.

Motion/Second: Mr. Moritz / Mr. Reed
Move approval of AMENDMENT TO TASK ORDER NO. 2015-04 SCOPE AND BUDGET
FOR PROJECT DEVELOPMENT FOR THE WWTP HEADWORKS FACILITY PROJECT
(CIP #9160) IN AN AMOUNT NOT TO EXCEED $74,353 AND AUTHORIZE MANAGER
TO APPROVE UP TO TEN PERCENT CONTINGENCY FOR ADDITIONAL WORK ON AN
AS-NEEDED BASIS – CDM SMITH (Total Authorization $596,515)
The motion carried by unanimous roll call vote.

ITEM 8C
CONSIDERATION OF RESOLUTION TO ESTABLISH RATES OF PAY FOR
CONFIDENTIAL GENERAL, PROFESSIONAL, MANAGEMENT AND UNREPRESENTED
GENERAL EMPLOYEES AND APPROVE A CONSOLIDATED PAY SCHEDULE FOR ALL
EMPLOYEES

Mr. Child explained this action contains multiple parts. The Memorandum of Understanding
(MOU) with Local 39 is going into its 4th year and negotiations will commence in about one
year in preparation for its expiration in 2018. The MOU calls for a 3% annual Cost of Living
Adjustment (COLA) for those employees covered by this labor agreement. Historically, a
COLA has been given to unrepresented SVCW employees, not covered by the MOU, equal
to that given those employees covered by the labor agreement. As a reminder, SVCW has hired a firm to perform a salary survey and this effort will start shortly after July 1st when most public agencies will have their latest salary information available. As part of the budget process, SVCW allocated funds to re-classify the HR Analyst to HR Director in preparation of the Administrative Services Director’s retirement. The position is being reclassified from an hourly wage employee to an exempt position with a monthly salary. The salary has the pay range noted on the consolidated pay schedule. This action will implement that reclassification. Lastly, the action authorizes the posting of the approved consolidated pay schedule on SVCW’s website in compliance with laws requiring the posting for transparency purposes.

Mr. Seybert requested SVCW provide background information, as part of the budget process next year, regarding how labor negotiations have been performed in the past.

Motion/Second: Mr. Grassilli / Mr. Moritz
Move adoptions of:

i. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION FOR MANAGEMENT EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING AND RESTATING CERTAIN PROVISIONS OF RESOLUTION NO. SVCW 15-24 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH

ii. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION FOR CONFIDENTIAL GENERAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING AND RESTATING CERTAIN PROVISIONS OF RESOLUTION NO. SVCW 15-36 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HEREWITH

iii. RESOLUTION ESTABLISHING RATES OF PAY AND RELATED COMPENSATION FOR UNREPRESENTED GENERAL EMPLOYEE POSITIONS OF ENGINEERING INTERN AND LABORATORY ASSISTANT AND RESCINDING RESOLUTION NO. SVCW 15-26 AND ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH

iv. RESOLUTION ESTABLISHING RATES OF PAY FOR PROFESSIONAL EMPLOYEES OF SILICON VALLEY CLEAN WATER AND RESCINDING AND RESTATING CERTAIN PROVISIONS OF RESOLUTION NO. SVCW 15-27 AND RESCINDING ANY AND ALL OTHER RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HEREWITH

v. RESOLUTION AMENDING SECTION 6 OF RESOLUTION NO. SVCW 77-6, THE SVCW PERSONNEL RESOLUTION, RELATING TO CLASSIFICATION OF POSITIONS AND RESCINDING PARAGRAPH 1 OF RESOLUTION NO. SVCW 15-30 AND ANY AND ALL OTHER RESOLUTIONS OR PROVISIONS THEREOF IN CONFLICT HEREWITH
vi. RESOLUTION APPROVING CONSOLIDATED PAY SCHEDULE FOR ALL
REPRESENTED AND UNREPRESENTED EMPLOYEES OF SILICON VALLEY
CLEAN WATER EFFECTIVE JUNE 19, 2016

The resolutions carried by unanimous roll call vote.

ITEM 8D
CONSIDERATION OF RESOLUTION TO ACCEPT BIDS AND AUTHORIZE WORK TO
INSTALL SURFACE IMPROVEMENTS AT THE TUNNEL PROJECT SHAFT
CONSTRUCTION SITE LOCATED ON AIRPORT PROPERTY

SVCW pays San Mateo County for use of a site in San Carlos near the airport in order to
ensure the availability of a launch shaft construction site for the conveyance system
program. In order to off-set the monthly permit fee, SVCW staff is negotiating with a
potential sub-tenant who will pay a significant portion of the $97,000 monthly permit fee in
order to use the land in the interim. In order for SVCW to perform the launch shaft and
tunnel work, it is necessary to grade the area and place gravel/rock to stabilize the soil.
The potential sub-tenants are requesting that work be done now, to make the area useable
for them. The site improvements to the area will not be a “sunk” cost, as the work needs to
be done for SVCW’s future use. The sub-tenant will be able to use the site until SVCW is
ready to begin work in approximately eighteen months. When SVCW begins working at the
site, the sub-tenant may be able to shrink their use over time as SVCW’s use expands
which could result in additional revenue to offset some of the long term cost.

Motion/Second: Mr. Reed / Mr. Moritz
Move adoption of RESOLUTION APPROVING CONTRACT DOCUMENTS AND
ACCEPTING BID OF LOWEST RESPONSIBLE BIDDER FOR SAN MATEO COUNTY
AIRPORT PROPERTY SITE IMPROVEMENTS (CIP #6008); REJECTING ALL OTHER
BIDS, AND AUTHORIZING PURCHASE ORDER FOR SAID WORK, AND AUTHORIZE
MANAGER TO APPROVE CHANGE ORDERS UP TO TEN PERCENT OF THE
CONTRACT AMOUNT FOR SAID WORK ($210,000) – O’GRADY PAVING
The resolution carried by unanimous roll call vote.

ITEM 8E
CONSIDERATION OF RESOLUTION TO AWARD CONSTRUCTION CONTRACT FOR
THE COGENERATION ROOM FAN MODIFICATIONS PROJECT (CIP #9152)

Ms. Herrera described the current fan configuration that pulls in cool air for the
cogeneration engines, pointing out problematic areas such as the lack of filters on the fans
and the large amount of dust collecting on the generator internals. This project will alleviate
constant issues with debris and dust coming in through the fan intakes as well as enlarge
the openings in the building to provide adequate air intake. The result will be extended life
between cleanings that cost approximately $63,000 and are required at least annually.
Motion/Second: Mr. Reed / Mr. Grassilli
Move adoption of RESOLUTION APPROVING CONTRACT DOCUMENTS AND ACCEPTING BID OF LOWEST RESPONSIBLE BIDDER FOR THE COGENERATION ROOM FAN MODIFICATIONS PROJECT (CIP #9152); REJECTING ALL OTHER BIDS, AND AUTHORIZING EXECUTION OF AGREEMENT FOR SAID WORK, AND DIRECTING RETURN OF SECURITY DEPOSITS THEREFORE, AND AUTHORIZE THE AUTHORITY’S MANAGER TO APPROVE ALL CHANGE ORDERS UP TO TEN PERCENT OF THE CONTRACT AMOUNT – ($84,100) – MONTEREY MECHANICAL CO. The resolution carried by unanimous roll call vote.

ITEM 9
CLOSED SESSION
Closed Session commenced at 4:32 p.m.

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
   Government Code §54956.9(d)(1)
   Case Name: In the Matter of the Calculation of Final Compensation of David A. Hall, Respondent, and Silicon Valley Clean Water, Respondent (Board of Administration, California Public Employees’ Retirement System, Agency Case No. 2015-1236 OAH NO. 2016030664)

C. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code §54957)
   Title: Manager

ITEM 10
RECONVENING FROM CLOSED SESSION
Open Session reconvened at 4:50 p.m.

SVCW Legal Counsel, Ms. Christine Fitzgerald, reported discussions were held on the Closed Session items, no action was taken and direction was given. Ms. Fitzgerald also noted that there was no item 9B and that item 9C was labeled incorrectly.

ITEM 11
ADJOURN
There being no further business, the meeting adjourned at 4:52 p.m.

Robert Grassilli, Secretary
By: Daniel T. Child, Manager