



AGENDA

REGULAR BOARD OF DIRECTORS MEETING

DELTA DIABLO

(a California Special District)

2500 Pittsburg-Antioch Highway | Antioch, CA 94509
WEDNESDAY, NOVEMBER 14, 2018
4:30 P.M.

Persons who wish to address the Board during Public Comment or with respect to an item on the Agenda, will be limited to three (3) minutes. The Board Chair may reduce the amount of time allotted per speaker at the beginning of each Item or Public Comment period depending on the number of speakers and the business of the day. Your patience is appreciated. A break may be called, or an item may be taken out of order, at the discretion of the Board Chair.

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. PUBLIC COMMENTS

D. RECOGNITION

Adopt Resolution of Appreciation, Director D. Pete Longmire (Vince De Lange)

E. CONSENT CALENDAR

- 1) **Approve** Minutes of Regular Board of Directors Meeting, October 10, 2018 (Cecelia Nichols-Fritzier)
- 2) **Receive** District Monthly Check Register, September 2018 (Eka Ekanem)
- 3) **Receive** First Quarter Fiscal Year 2018/2019 District Investment Report (Kathy Chang)
- 4) **Adopt** Resolution Commending and Congratulating Denise Cappucini Jones, Office Manager/Secretary to the Board, on her Retirement from the District (Vince De Lange)
- 5) **Authorize** an Appropriation of \$253,000 from Wastewater Capital Asset Replacement Fund; **Authorize** General Manager or Designee to Negotiate and Execute Parts and Materials Procurement and Repair Service Contracts, Peterson Power Systems, Inc., and other Related Services Contracts in a Total Combined Amount Not to Exceed \$230,000; **Authorize** General Manager or Designee to Approve Change Orders in an Amount Not to Exceed \$23,000 for Emergency Overhaul and Repair of the Cogeneration Engine (Terry Spurgeon)
- 6) **Authorize** General Manager to Execute Amendment No. 1 to Consulting Services Contract in an Amount Not to Exceed \$31,900, Fraxia Engineering, Inc., Engineering Services, Bay Point Sewer Repairs - Phase IV, Project No. 18119 (Patricia Chapman)

The District will provide reasonable accommodations for persons with disabilities planning to participate in Board (or committee) meetings who contact the Office Manager/Secretary to the Board at (925) 756-1927 at least 24 hours prior to the scheduled meeting. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the District to a majority of members of the Board of Directors less than 72 hours prior to that meeting are available for public inspection at 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal working business hours.



F. DELIBERATION ITEMS: *The Board will consider and take action on the following:*

None

G. PRESENTATIONS AND REPORTS: *The Board may consider and take action on the following:*

Receive Update on Energy Management Program (Dean Eckerson)

H. MANAGER'S COMMENTS

I. DIRECTORS' COMMENTS

J. CORRESPONDENCE

Receive Monthly Lobbyist Report dated October 2018, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024 (Jayne Strommer)

K. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8)

Property: Antioch Pump Station Property Acquisition, Portions of Parcel Nos. 065-050-037 and 065-020-002

Agency Negotiators: Vince De Lange, Thanh Vo

Negotiating Party: City of Antioch

Under Negotiation: Price and Terms of Payment

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

(Significant exposure to litigation pursuant to Gov. Code § 54956.9 (d) (2)): One potential case

L. ADJOURNMENT

The next regular meeting of the Board of Directors will be Wednesday, December 12, 2018, at 4:30 p.m.

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ITEM D

November 14, 2018

ADOPT RESOLUTION OF APPRECIATION, DIRECTOR D. PETE LONGMIRE

RECOMMENDATION

Adopt a Resolution of Appreciation recognizing Director D. Pete Longmire for his service on the District's Board of Directors.

Background

Director Longmire has served on the Board of Directors since January 2015, representing the City of Pittsburg. Because he has decided not to seek re-election to the Pittsburg City Council, his tenure on the District's Board of Directors will end this month.

Analysis

Director Longmire has effectively served the District in his role as a Board member, including serving as the Board Chair in 2017. In support of key strategic initiatives, he brought active engagement and leadership to the District's efforts to secure state and federal funding for the Bay Area Biosolids-to-Energy effort, the East County Bioenergy Project, and recycled water projects. In his role as Chair of the Finance Committee, Director Longmire helped guide the District in meeting its long-term financial sustainability goals during the rate-setting, capital improvement program, and budget development and implementation process.

Director Longmire strongly supported the District's efforts to identify and implement required infrastructure and procedural improvements to ensure safety at District facilities for staff and member of the public. Based on best practices at other agencies, he underscored the importance of maintaining a cybersecurity program to prevent financial and operational harm to the District.


In addition to maintaining a policy focus as a Board member, Director Longmire demonstrated his genuine care for District staff by investing in relationships, supporting succession planning efforts, and emphasizing the importance of communication and feedback at all levels.

Staff recommends the Board adopt the attached Resolution in appreciation of Director Longmire's service to the District.

Attachment

Resolution of Appreciation

Signature: _____


Vince De Lange, General Manager

cc: District File HR.01-TEF-22



**BEFORE THE BOARD OF DIRECTORS
OF
DELTA DIABLO**

Re: Resolution of Appreciation for)
Board Director D. Pete Longmire)

RESOLUTION NO. X/2018

THE BOARD OF DIRECTORS OF DELTA DIABLO HAS DETERMINED THAT:

WHEREAS, Director D. Pete Longmire has effectively served as a Board Member since January 2015, including serving as Board Chair in 2017; and

WHEREAS, in support of key strategic initiatives, he brought active engagement and leadership to the District’s efforts to secure state and federal funding for the Bay Area Biosolids-to-Energy effort, the East County Bioenergy Project, and recycled water projects; and

WHEREAS, in his role as Chair of the Finance Committee, Director Longmire helped guide the District in meeting its long-term financial sustainability goals during the rate-setting, capital improvement program, and budget development and implementation process; and

WHEREAS, he supported the District’s efforts to identify and implement required infrastructure and procedural improvements to ensure safety at District facilities for staff and member of the public, and underscored the importance of maintaining a cybersecurity program to prevent financial and operational harm to the District; and

WHEREAS, Director Longmire demonstrated his genuine care for District staff by investing in relationships, supporting succession planning efforts, and emphasizing the importance of communication and feedback at all levels.

NOW THEREFORE, the Board of Directors of Delta Diablo DOES HEREBY RESOLVE AND ORDER as follows:

D. Pete Longmire is hereby commended for his outstanding service, achievements, and contributions to the District and the local community, and the Board extends its best wishes for success in his future endeavors.

PASSED AND ADOPTED on November 14, 2018, by the following vote:

AYES:
NOES:

ABSENT:
ABSTAIN: LONGMIRE

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo on November 14, 2018.

ATTEST: Federal D. Glover
 Board Chair

By: _____

RESOLUTION NO. X/2018

ITEM E/1

November 14, 2018

APPROVE MINUTES OF REGULAR BOARD OF DIRECTORS MEETING, OCTOBER 10, 2018

RECOMMENDATION

Approve Minutes of the Regular Board of Directors Meeting of October 10, 2018.

DRAFT

Minutes of the Regular Board of Directors Meeting DELTA DIABLO October 10, 2018

The meeting was called to order by Chair Glover on Wednesday, October 10, 2018, at 4:34 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Present were Chair Federal Glover and Directors Sean Wright and D. Pete Longmire. District Counsel; Mary Ann Mason, was not present, but arrived later. Also present were Vince De Lange, General Manager; Denise Cappucini Jones, Office Manager/Secretary to the Board; Carol Margetich, Business Services Director; Dean Eckerson, Resource Recovery Services Director; Brian Thomas, Engineering Services Director/District Engineer; Joaquin Gonzalez, Operations Manager/Management Association Representative; Darrell Cain, Laboratory Manager; Jayne Strommer, Government Affairs Manager; Amanda Roa, Environmental Programs Manager; Thanh Vo, Senior Engineer; Kathy Chang, Finance Manager; Cheryl Rhodes Alexander, Human Resources and Risk Manager; Steve Rodriguez, Operations Supervisor; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; Irene O'Sullivan, Associate Engineer/P&T Bargaining Unit Representative; Nicholas Steiner, Recycled Water Coordinator/P&T Bargaining Unit Representative; Mary Harvey, Safety Manager; Dustin Bloomfield, Maintenance Supervisor; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; and Holland White, Supervisor's Aide for Special Projects, Office of Supervisor Federal D. Glover.

PUBLIC COMMENTS

None

RECOGNITION

Introduction of Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board

Mr. De Lange introduced Ms. Cecelia Nichols-Fritzler, who started at the District on September 24, 2018. In her 15-year career, Ms. Nichols-Fritzler has worked for the cities of Oakley, Pleasant Hill, Lathrop, and Stockton. She holds a Bachelor of Science Degree in Business Administration from California State University of East Bay. Mr. De Lange highlighted that Ms. Jones will continue training Ms. Nichols-Fritzler, as part of the District's Succession Planning Strategy, prior to her planned retirement at the end of November.

Ms. Nichols-Fritzler thanked the Board for the opportunity to serve Delta Diablo and expressed how she is looking forward to working with the Board, the General Manager, and staff.

The Board welcomed Ms. Nichols-Fritzler to the District.



District Counsel arrived at 4:38 p.m.

Receive Presentation of Utility of the Future Award from National Association of Clean Water Agencies

Mr. De Lange reported that the District, along with 31 other water utility leaders from across the country, was recently presented the prestigious “Utility of the Future Award” at the 2018 Water Environment Federation (WEF) annual national conference. The program was initiated in 2016 by the National Association of Clean Water Agencies (NACWA), WEF, the Water Research Foundation (WRF), and the WaterReuse Association to recognize “clean water utility leaders that pioneer technologies and cutting-edge practices with a focus on resource recovery, efficiency, and sustainability.”

The Board congratulated staff on this prestigious award.

CONSENT CALENDAR

Director Longmire moved approval, seconded by Director Wright, and by unanimous voice vote (*Ayes: Longmire, Wright; and Glover; Noes: None; Absent: None*), the following Consent Calendar items were approved according to staff recommendations: Approve District Monthly Check Register, August 2018; Adopt Resolution Approving Updated Sewer System Management Plan as Mandated by the State Water Resources Control Board; Authorize General Manager to Execute Consulting Services Contract in an Amount Not to Exceed \$806,810, Shah Kawasaki Architects, Inc., Design Services, District Office Building Rehabilitation, Project No. 18113; Authorize General Manager to Execute Cooperative Agreement Related to the City of Antioch Brackish Water Desalination Project; and Authorize General Manager to Execute Consulting Services Contract in an Amount not to Exceed \$126,791, Larry Walker Associates, Permitting Assistance, National Pollutant Discharge Elimination System Permit Reissuance.

DELIBERATION

Approve Minutes of Regular Board of Directors Meeting, June 13, 2018 (Wright and Glover)

Director Wright moved approval, seconded by Chair Glover, and by unanimous voice vote (*Ayes: Wright and Glover; Noes: None; Abstain: Longmire*), the Board approved the Minutes of the Regular Board of Directors meeting of June 13, 2018.

Approve Minutes of Regular Board of Directors Meeting, September 12, 2018 (Wright and Longmire)

Director Wright moved approval, seconded by Director Longmire, and by unanimous voice vote (*Ayes: Wright and Longmire; Noes: None; Abstain: Glover*), the Board approved the Minutes of the Regular Board of Directors meeting of September 12, 2018.



PRESENTATIONS AND REPORT

Receive Delta Household Hazardous Waste Collection Facility Fiscal Year 2017/2018 Report
Ms. Roa presented the Fiscal Year 2017/2018 (FY17/18) Delta Household Hazardous Waste Collection Facility (DHHWCF) report. There has been an increase in the number of vehicles served each year since inception of DHHWCF operation 15 years ago with participation currently at 18% of households in the DHHWCF's service area. The cost per vehicle has decreased due to economies of scale and the volume of waste received. In FY17/18, approximately 545 tons of waste was collected with recycling of 72% of this material. Facility operating costs were \$704,623 (or 91% of budget) with \$462,776 paid by the program partners and the remaining \$241,847 paid by the District.

Ms. Roa discussed the Retail Take Back Program, which includes fluorescent bulbs, household batteries, sharps, and medications. Staff currently works with Ace Hardware, City Center Pharmacies, Antioch and Pittsburg Police Departments, County Supervisor Burgis' office, and the Brighter Beginnings Family Health Clinic. The Safe Drug Disposal Ordinance has spurred drug take-back programs at CVS Pharmacies and hospitals.

Chair Glover asked how the success of the drug take-back program is measured, and Ms. Roa responded that direct measurement of the impact of this program on wastewater quality is challenging to measure given the range of compounds present and the difficulty is separating contributions from material disposal versus what is discharged after passing through the body.

Director Wright asked about fluorescent bulb disposal limits. Ms. Roa responded there is no limit at the DHHWCF; however, retail stores may have a limit due to storage space limitations.

The Board received and filed the Report.

Receive Presentation on Safety Program

Ms. Harvey provided a presentation on the District's Injury and Illness Prevention Program, a written program required by Cal/OSHA indicating the District's commitment to providing and maintaining a safe and healthful workplace for employees. She noted the eight key program elements and discussed the safety training improvements highlighted in last year's presentation, including the addition of five-minute safety talks, classroom/group hands-on activities, online self-paced exercises, safety quizzes, and large group activities such as the emergency preparedness training/fair.

This year, the District is developing key performance indicators to measure defined safety program metrics, identify safety-related trends, influence continuous program improvement, and track program results and outcomes. She described leading vs. lagging indicators and how they could be tracked via a Safety Dashboard to provide monthly information to staff.

Chair Glover stated he is pleased to see the District is tracking program outcomes to ensure the safety of staff. The Board received and filed the Report.

Receive Update on Succession Planning and Training Program



Ms. Margetich presented the District's Succession Planning and Training Program. In FY17/18, the District developed a Succession Planning Strategy, which is now being implemented in FY18/19 and largely includes provisions for early-recruitments to allow training and overlap for "critical" positions as identified by the District. The Board approved inclusion of \$200,000 in the FY18/19 budget to support this initiative.

The key program drivers include supporting workforce development and business continuity, providing effective transition following a significant number of near-term staff retirements, and developing mechanisms to retain critical institutional knowledge. In the initial phase, a District-wide review of all positions was conducted to determine critical positions, assess loss of knowledge vulnerability, identify targeted positions for early recruitment efforts to allow overlap, and solicit staff interest in critical positions. The assessment identified eight critical positions, with six staff expressing interest in four of the critical positions. The second phase will focus on developing knowledge retention plans and identifying targeted staff development initiatives. This is a multi-faceted approach that will include staff mentoring and coaching. In addition, Ms. Margetich outlined key highlights of the District's training program in support of the Strategic Plan objective to "Develop Future Leaders." She highlighted that the District is pursuing implementation of a new training database to improve tracking and provide individual professional development portfolios.

The Board expressed its support for the program and emphasized the importance of building staff capabilities to develop competitive internal candidates when vacancies occur.

The Board received and filed the Report.

MANAGER'S COMMENTS

Mr. De Lange reported that Ms. Jones' official retirement date is November 26, 2018 and this is her last Board Meeting. Ms. Jones started as a Receptionist for the District in 1991 and was promoted to her current position of Office Manager/Secretary to the Board in 2006. Mr. De Lange stated that her departure will be very impactful to the District and her presence will be greatly missed.

Mr. De Lange expressed staff support for Director Longmire and his family.

DIRECTORS COMMENTS

The Board thanked Ms. Jones for her years of service to the District and expressed their sincere appreciation for the outstanding support she has provided to the Board members. District Counsel added that she has enjoyed working with Ms. Jones over the years and appreciates her thoughtful insight and attention to detail.

Director Wright and Chair Glover expressed their support for Director Longmire and his family.

CORRESPONDENCE

Receive Monthly Reports dated September 2018, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024

The Board received and filed the report.



CLOSED SESSION

None

ADJOURNMENT

Chair Glover adjourned the meeting at 5:37 p.m. The next regular meeting of the Board of Directors will be on Wednesday, November 14, 2018, at 4:30 p.m.

D. Pete Longmire, Board Secretary

(Recording Secretary:

Denise Cappucini Jones)

DRAFT



ITEM E/2

November 14, 2018

RECEIVE DISTRICT MONTHLY CHECK REGISTER, SEPTEMBER 2018

RECOMMENDATION

Receive District Monthly Check Register for the month ending September 30, 2018.

Background Information

The Check Register for the month of September 2018 is attached. This report reflects payments to the District's suppliers, consultants, service providers, and contractors. A total of 124 checks totaling \$812,662.43 were disbursed in the month of September 2018.

Financial Impact

All payments made during the month are within funding levels included in the adopted operating and capital budgets for Fiscal Year 2018/2019.

Attachment

Check Register, month ending September 30, 2018

Prepared by:



Eka Ekanem
Senior Accountant

Reviewed by:



Carol Margetich
Business Services Director



CHECK REGISTER

DELTA DIABLO

CASH DISBURSEMENTS FOR THE MONTH OF SEPTEMBER 2018

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
9/5/2018	PACIFIC GAS & ELECTRIC COMPANY		30285	10,000.00
		44706	10,000.00	PERMIT & REG FEE
9/5/2018	DEPT OF GENERAL SERVICES		30286	12,044.82
		44707	12,044.82	UTILITIES - GAS
9/6/2018	ABC IMAGING		30287	1,901.97
		44708	1,901.97	PRINTING OF CONFORMED PLANS &
9/6/2018	AT&T		30288	1,129.81
		44748	1,129.81	PHONE AUG 18
9/6/2018	REGINA CARTWRIGHT-MORALES		30289	1,572.18
		44739	1,572.18	COMPUTER LOAN
9/6/2018	CLASS C SOLUTIONS GROUP/		30290	268.46
		44762	268.46	MAINTENANCE OPERATING EXPENSES
9/6/2018	CORELOGIC INFORMATION SOLUTIONS, INC		30291	175.00
		44715	175.00	REALQUEST PROPERTY INFORMATION
9/6/2018	GOLDEN STATE WATER CO.		30292	1,731.66
		44712	1,157.73	WATER AUG 18
		44714	573.93	WATER AUG 18
9/6/2018	MANAGED HEALTH NETWORK		30293	417.30
		44718	417.30	EAP SEPT 18
9/6/2018	MAZE & ASSOCIATES		30294	5,500.00
		44727	5,500.00	Audit Services FYE 6/30/2018
9/6/2018	MDRR PITTSBURG		30295	635.40
		44750	635.40	WASTE
9/6/2018	JAIME A. MOSQUEDA		30296	8,837.00
		44741	1,400.00	MOSQUEDA LANDSCAPE QUOTE
		44742	7,437.00	STOP GAP LANDSCAPE SERVICES
9/6/2018	MUNIQUIP, LLC		30297	1,400.00
		44722	1,400.00	4 Mission Control stand alone
9/6/2018	NELSON STAFFING		30298	1,980.00
		44723	1,980.00	O/S TEMP
9/6/2018	PACIFIC GAS & ELECTRIC COMPANY		30299	52,896.23
		44725	52,848.09	ELECTRIC AUG 18
		44751	48.14	GAS AUG 18
9/6/2018	CITY OF PITTSBURG		30300	739.84
		44726	739.84	WATER JUL 18
9/6/2018	RH TECHNOLOGY		30301	7,824.21

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		44729		4,330.77	O/S TEMP
		44730		3,493.44	O/S TEMP
9/6/2018	SCHAAF & WHEELER CONSULTING		30302	7,798.11	
		44731		7,798.11	DESIGN FOR PUMP STATION FACILI
9/6/2018	STANDARD INSURANCE COMPANY		30303	4,176.13	
		44732		4,176.13	LIFE INSURANCE SEPT 18
9/6/2018	STERICYCLE ENVIRONMENTAL SOLUTIONS		30304	43,089.68	
		44746		35,920.22	TRANS/DISPOSAL/LABOR FOR HHW F
		44747		7,169.46	TRANS/DISPOSAL/LABOR FOR HHW F
9/6/2018	SYSTEM 1 STAFFING		30305	3,048.40	
		44733		3,048.40	O/S TEMP
9/6/2018	VERIZON WIRELESS		30306	2,368.91	
		44760		2,368.91	PHONE AUG 18
9/6/2018	VISION SERVICE PLAN		30307	1,929.58	
		44758		1,886.00	VISION INSURANCE
		44759		43.58	VISION COBRA INS
9/13/2018	AMERICAN MANAGEMENT ASSOCIATION		30308	45.78	
		44775		45.78	Communications Training Agreem
9/13/2018	DEANNA BLAKESLEE		30309	25.57	
		44779		25.57	T&M
9/13/2018	REGINA CARTWRIGHT-MORALES		30310	927.82	
		44793		927.82	COMPUTER LOAN
9/13/2018	CHEMTRADE CHEMICALS US LLC		30311	6,433.23	
		44789		3,175.64	ALUMINUM SULFATE
		44790		3,257.59	ALUMINUM SULFATE
9/13/2018	COMCAST BUSINESS COMMUNICATIONS, LI		30312	537.13	
		44847		537.13	UTILITY - TELEPHONE
9/13/2018	CONCENTRA/OCCUPATIONAL HEALTH CEN1		30313	230.00	
		44792		230.00	PRE EMPLOYMENT COSTS
9/13/2018	DATCO		30314	52.00	
		44711		52.00	PRE EMPLOYMENT COSTS
9/13/2018	EAST BAY MUNICIPAL UTILITIES		30315	54,475.00	
		44780		54,475.00	PERMIT & REG FEES
9/13/2018	EKA EKANEM		30316	165.20	
		44798		165.20	T&M
9/13/2018	FEDERAL EXPRESS		30317	82.13	
		44800		82.13	OE - POSTAGE
9/13/2018	DAN GARIG		30318	6,287.71	
		44801		606.38	P.O. - B.I.T. INSPECTIONS
		44811		1,721.31	REPALCE CATALYTIC CONVERTER ON

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		44812		3,960.02	GARIG QUOTE # Q1238 DATED 5/29
9/13/2018	IN SHAPE HEALTH CLUBS		30319	839.00	
		44803		839.00	GYM SEPT 18
9/13/2018	KENNEDY/JENKS CONSULTANTS INC.		30320	65,172.02	
		44806		65,172.02	FACILITY CONDITION ASSESSMENT
9/13/2018	LEE & RO, INC.		30321	3,024.00	
		44808		3,024.00	PG&E RULE 21 APPLICATION
9/13/2018	MCMASTER CARR SUPPLY CO		30322	404.28	
		44849		404.28	INVENTORY
9/13/2018	MDRR-PARK (MT. DIABLO RESOURCE RECC		30323	325.55	
		44817		325.55	WASTE
9/13/2018	JENNIFER MONIZ		30324	332.85	
		44816		332.85	T&M
9/13/2018	NELSON STAFFING		30325	1,980.00	
		44818		1,980.00	O/S TEMP
9/13/2018	NV5 INC.		30326	7,175.00	
		44724		7,175.00	RWF EMERGENCY BACKUP GENERATOR
9/13/2018	PACIFIC GAS & ELECTRIC COMPANY		30327	403.24	
		44819		345.15	R&M BUILDING
		44820		58.09	R&M BUILDING
9/13/2018	PUBLIC EMPLOYEES UNION		30328	1,384.17	
		3163339		1,384.17	UNION DUES P&T
9/13/2018	PUBLIC EMPLOYEES UNION		30329	4,320.70	
		3163239		4,320.70	UNION DUES O&M
9/13/2018	REPUBLIC SERVICES #210		30330	5,461.77	
		44822		950.25	WASTE
		44823		4,511.52	WASTE
9/13/2018	RH TECHNOLOGY		30331	3,493.44	
		44824		3,493.44	O/S TEMP
9/13/2018	MICHAEL A. BORDERS		30332	2,426.00	
		44829		2,426.00	EMER PO/ CLEANUP TP BUILDING,
9/13/2018	SPINITAR		30333	448.51	
		44850		448.51	BOARD ROOM A/V SUPPORT
9/13/2018	CA STATE DISBURSEMENT UNIT		30334	750.00	
		CS9648264		750.00	GARNISHMENT
9/13/2018	STATE OF CALIFORNIA		30335	325.00	
		446171		325.00	INCOME TAX WITHOLDING ORDER
9/13/2018	STATE OF CALIFORNIA		30336	246.35	
		446181		246.35	COURT-ORDERED WITHOLDING
9/13/2018	SUBTRONIC CORP.		30337	2,000.00	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		44830		600.00	LOACATE DISTRICT UTILITIES WAS
		44831		400.00	LOACATE DISTRICT UTILITIES WAS
		44832		1,000.00	LOACATE DISTRICT UTILITIES WAS
9/13/2018	SYSTEM 1 STAFFING		30338	2,496.40	
		44833		2,496.40	O/S TEMP
9/20/2018	ALAN PRE-FAB BUILDING CORPORATION		30339	68,081.42	
		44761		68,081.42	PN 10187 - NEW 12FT BY 30 FT M
9/20/2018	CITY OF ANTIOCH- WATER		30340	9,164.67	
		44858		111.30	WATER AUG18
		44859		1,156.02	WATER AUG 18
		44888		111.30	WATER AUG 18
		44889		111.30	WATER AUG 18
		44890		73.23	WATER AUG 18
		44891		7,490.22	WATER AUG 18
		44912		111.30	WATER AUG 18
9/20/2018	AYYEKA INC.		30341	216.44	
		44861		216.44	OE- ONE YEAR SERVICE PLAN
9/20/2018	MICHAEL BAKALDIN		30342	261.64	
		44907		261.64	REIMBURSEMENT - RETIREE MED PREM
9/20/2018	BARTEL ASSOCIATES, LLC		30343	3,600.00	
		44709		3,600.00	ACTUARIAL SERVICES
9/20/2018	CALTEST ANALYTICAL LABORATORY		30344	3,261.15	
		44710		307.80	CONTRACT LABORATORY SERVICES
		44782		1,182.60	CONTRACT LABORATORY SERVICES
		44783		295.65	CONTRACT LABORATORY SERVICES
		44784		913.50	CONTRACT LABORATORY SERVICES
		44785		307.80	CONTRACT LABORATORY SERVICES
		44786		126.90	CONTRACT LABORATORY SERVICES
		44787		126.90	CONTRACT LABORATORY SERVICES
9/20/2018	CHEMTRADE CHEMICALS US LLC		30345	3,096.39	
		44791		3,096.39	ALUMINUM SULFATE
9/20/2018	CINTAS CORPORATION # 38K		30346	770.43	
		44734		394.08	STOP GAP COVERAGE FOR LINEN SE
		44735		355.65	STOP GAP COVERAGE FOR LINEN SE
		44745		20.70	UNIFORM/LAUNDRY SERVICE AGREEM
9/20/2018	CLASS C SOLUTIONS GROUP/		30347	1,153.47	
		44910		211.96	MAINTENANCE OPERATING EXPENSES
		44911		941.51	MAINTENANCE OPERATING EXPENSES
9/20/2018	CONCENTRA/OCCUPATIONAL HEALTH CENT		30348	349.50	
		44879		349.50	PRE EMPL COSTS

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
9/20/2018	CONSTRUCTION TESTING SERVICES		30349	2,479.34	
		44893	708.08		CONSTRUCTION TESTING SERVICES
		44906	1,771.26		MATERIALS TESTING SERVICES PN
9/20/2018	CONTRA COSTA WATER DISTRICT		30350	209.83	
		44862	209.83		WATER AUG 18
9/20/2018	CORELOGIC INFORMATION SOLUTIONS, INC		30351	165.00	
		44864	165.00		REALQUEST PROPERTY INFORMATION
9/20/2018	DIABLO WATER DISTRICT		30352	443.29	
		44866	443.29		WATER AUG 18
9/20/2018	DISCOVERY BENEFITS, INC.		30353	115.50	
		44796	115.50		FSA AUG18
9/20/2018	JOSEPH PETRONIO		30354	690.00	
		44737	690.00		CMMS SUPPORT & SERVICES
9/20/2018	ERIKS NORTH AMERICA, INC.		30355	1,719.19	
		44835	1,044.87		INVENTORY
		44867	674.32		INVENTORY
9/20/2018	EVOQUA WATER TECHNOLOGIES, LLC		30356	461.47	
		44797	461.47		DI WATER FOR THE LABORATORY
9/20/2018	GRAINGER		30357	674.43	
		44749	674.43		INVENTORY
9/20/2018	HIRERIGHT, INC.		30358	154.11	
		44716	154.11		PRE EMPLOYMENT COSTS
9/20/2018	HUNT & SONS INC		30359	930.94	
		44869	930.94		LUBRICANTS
9/20/2018	JWC ENVIRONMENTAL		30360	30,491.33	
		44804	30,491.33		CHANNEL GRINDER FOR BHPS
9/20/2018	KEY ADVOCATES INC.		30361	7,900.00	
		44717	7,900.00		FEDERAL ADVOCACY WRWC PN 90024
9/20/2018	LEGAL SHIELD		30362	173.55	
		44881	173.55		LEGAL MEMBERSHIPS
9/20/2018	MDRR PITTSBURG		30363	2,061.55	
		44870	2,061.55		WASTE AUG 18
9/20/2018	NELSON STAFFING		30364	1,584.00	
		44880	1,584.00		O/S TEMP
9/20/2018	NWN CORPORATION		30365	3,827.58	
		44895	3,827.58		PHONE EXP AUG 18
9/20/2018	PACIFIC GAS & ELECTRIC COMPANY		30366	41,760.67	
		44871	41,760.67		ELECTRIC AUG 18
9/20/2018	ABEL PALACIO		30367	545.45	
		44909	545.45		REIMB RETIREE MED PREM

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
9/20/2018	PITTSBURG WINSUPPLY		30368	1,072.39	
		44882	1,072.39		INVENTORY
9/20/2018	RED WING SHOE STORE 165		30369	155.87	
		44728	155.87		SAFETY SHOES - D. BLOOMFIELD
9/20/2018	REGIONAL GOVERNMENT SERVICES		30370	8,230.50	
		44885	8,230.50		JOB DESCRIPTION PROJECT
9/20/2018	RH TECHNOLOGY		30371	3,554.44	
		44876	3,493.44		O/S TEMP
		44883	61.00		PRE EMPL COSTS
9/20/2018	STEVEN RODRIGUEZ		30372	93.10	
		44872	93.10		TRAINING COST REIMB
9/20/2018	ROTO ROOTER SEWER SERVICE		30373	10,156.10	
		44743	256.10		CHECKING/CLEARING DRAIN LINES
		44826	5,000.00		RAISE 3 MANHOLES IN BAY POINT
		44827	4,900.00		EXCAVATE MAINLINE AT 79 BAY VI
9/20/2018	SYNAGRO WEST, LLC		30374	36,918.77	
		44752	36,918.77		BIOSOLIDS HAULING
9/20/2018	SYSTEM 1 STAFFING		30375	3,048.40	
		44884	3,048.40		O/S TEMP
9/20/2018	TELSTAR INSTRUMENTS INC		30376	913.38	
		44834	913.38		INVENTORY
9/20/2018	UNIVAR USA INC		30377	14,746.30	
		44754	3,227.04		SODIUM HYPOCHLORITE
		44755	5,124.90		SODIUM BISULFITE
		44756	3,228.73		SODIUM HYPOCHLORITE
		44757	3,165.63		SODIUM HYPOCHLORITE
9/20/2018	V.W. HOUSEN & ASSOCIATES, INC.		30378	28,573.55	
		44886	28,573.55		DESIGN WORK
9/20/2018	WEST YOST & ASSOCIATES		30379	508.00	
		44887	508.00		PRELIM PLANS & ANALYSIS PN 171
9/27/2018	JUAN AREVALO		30380	15.00	
		44896	15.00		MED REIMBURSEMENT
9/27/2018	BROWN AND CALDWELL		30381	4,011.25	
		44922	4,011.25		CONSULTING SERV FOR PITTS FM
9/27/2018	DARRELL CAIN		30382	13.00	
		44897	13.00		MED REIMBURSEMENT
9/27/2018	CALTEST ANALYTICAL LABORATORY		30383	405.90	
		44788	405.90		CONTRACT LABORATORY SERVICES
9/27/2018	CHEMTRADE CHEMICALS US LLC		30384	3,178.34	
		44873	3,178.34		ALUMINUM SULFATE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
9/27/2018	FRAXIA ENGINEERING		30385	43,728.82	
		44932	43,728.82		DESIGN SERVICES BP SEWER REHAB
9/27/2018	GURMUKH SINGH GREWAL		30386	20.00	
		44899	20.00		MED REIMBURSEMENT
9/27/2018	MARY HARVEY		30387	60.28	
		44946	60.28		T&M
9/27/2018	JEFF IMACHI		30388	60.67	
		44900	60.67		MED REIMBURSEMENT
9/27/2018	DENISE JONES		30389	91.54	
		44901	91.54		MED REIMBURSEMENT
9/27/2018	KONE. INC.		30390	103.28	
		44807	103.28		ELEVATOR SERVICE AGREEMENT
9/27/2018	KRUGER, INC		30391	7,105.06	
		44848	7,105.06		MICROSAND
9/27/2018	LEE & RO, INC.		30392	56,167.42	
		44894	56,167.42		SWGR DESIGN SERVICES
9/27/2018	LINDE, INC.		30393	636.19	
		44809	636.19		LIQUID OXYGEN
9/27/2018	JAIME A. MOSQUEDA		30394	7,982.00	
		44951	7,982.00		STOP GAP LANDSCAPE SERVICES
9/27/2018	SUE THOMASON		30395	265.00	
		44815	265.00		INDOOR PLANT MAINTENANCE
9/27/2018	MSC INDUSTRIAL SUPPLY CO. INC.		30396	341.53	
		44813	341.53		INVENTORY
9/27/2018	NELSON STAFFING		30397	1,980.00	
		44934	1,980.00		O/S TEMP
9/27/2018	PACIFIC GAS & ELECTRIC COMPANY		30398	29,962.08	
		44935	29,962.08		UTILITIES
9/27/2018	PETTY CASH CUSTODIAN		30399	97.35	
		39932	-203.99		PETTY CASH
		40257	-145.55		PETTY CASH
		40601	-115.61		PETTY CASH
		40968	-108.47		PETTY CASH
		41313	208.40		PETTY CASH
		41610	-61.89		PETTY CASH
		41819	45.46		PETTY CASH
		42289	82.33		PETTY CASH
		42624	-92.51		PETTY CASH
		42928	-104.10		PETTY CASH
		43300	0.66		PETTY CASH

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
		43606		-68.77	PETTY CASH
		44317		16.00	PETTY CASH
		44648		293.93	AUGUST 18
		44954		351.46	SEPT 18
9/27/2018	RAIN FOR RENT		30400	685.44	
		44950		685.44	PPS WATER STORAGE TANK
9/27/2018	CA STATE DISBURSEMENT UNIT		30401	750.00	
		CS9648265		750.00	GARNISHMENT
9/27/2018	STATE OF CALIFORNIA		30402	325.00	
		446172		325.00	INCOME TAX WITHOLDING ORDER
9/27/2018	STATE OF CALIFORNIA		30403	255.58	
		446182		255.58	COURT-ORDERED WITHOLDING
9/27/2018	TRI-VALLEY JANITORIAL SERVICE & SUPPL'		30404	6,966.00	
		44744		6,966.00	JANITORIAL SERVICES
9/27/2018	STACY TUCKER		30405	54.00	
		44902		21.00	MED REIMBURSEMENT
		44903		8.00	MED REIMBURSEMENT
		44904		25.00	MED REIMBURSEMENT
9/27/2018	UNIVAR USA INC		30406	8,565.35	
		44836		3,228.45	SODIUM HYPOCHLORITE
		44837		5,336.90	SODIUM BISULFITE
9/27/2018	JASON WONG		30407	10.67	
		44905		10.67	MED REIMBURSEMENT
9/27/2018	YORKE ENGINEERING, LLC		30408	778.00	
		44945		778.00	AIR QUALITY SUPPORT
	GRAND TOTAL			<u>812,662.43</u>	

ITEM E/3

November 14, 2018

RECEIVE FOURTH QUARTER FISCAL YEAR 2018/2019 DISTRICT INVESTMENT REPORT

RECOMMENDATION

Receive Fiscal Year 2018/2019 (FY18/19) First Quarter District Investment Report.

Background Information

Attached is the Investment Report (Quarterly Schedule of Cash and Investments) showing results for the first quarter of FY18/19. The purpose of this report is to inform the Board regarding the status of the District's investment portfolio as of the end of the previous quarter in accordance with the District's Investment Policy, adopted on February 14, 2018. Included in the report are the District's portfolio composition, portfolio performance, and other key investment and cash flow information.

The primary objectives of the investment portfolio, in priority order, are safety of the principal invested, sufficient liquidity to meet ongoing cash flow requirements, and a return (or yield) on investment that exceeds the State of California's Local Agency Investment Fund (LAIF) and is comparable to the six-month Treasury return.

Analysis

The District's total Cash and Investments as of September 30, 2018 was \$46.7 million, including \$1.7 million (3.6%) in cash, \$40.0 million (85.5%) in LAIF, and \$5.1 million (10.9%) in California Asset Management Program (CAMP). This was a decrease of \$8.8 million from the quarter ending June 30, 2018, but an increase of \$1.6 million from the same period last year of \$45.1 million. Cash and Investment balances fluctuate from quarter to quarter primarily due to the timing of when service charges and/or loan proceeds are received, and debt service and/or large progress payments are disbursed.

At the recommendation of the District's investment advisor, PFM, the District invested \$5.1 million in CAMP. CAMP is a California Joint Powers Authority (JPA) that was established in 1989 to provide public agencies with professional investment services. The District's most recent Investment Policy revisions adopted by the Board in February 2018 included the ability to use the CAMP pool to provide further diversification of invested funds. It is a permitted short-term cash reserve portfolio for all local agencies under Government Code Section 53601(p) and aligns with the District's planned short-term cash flow needs to support several large capital improvement projects.

Cash on deposit with Wells Fargo Bank accounts is used for operating purposes and the interest earned on the cash is used to offset the Wells Fargo account service fees. For investment yield calculation purposes, the Wells Fargo balance is excluded. For the quarter ending September 30, 2018, LAIF had an effective yield of 2.06% while CAMP had a yield of 2.12%. The blended yield for the quarter was 2.07%. This yield was on par with the target rate of return for the



overall portfolio, which was benchmarked with the LAIF yield of 2.06% and slightly lower than the average six-month Treasury Bill rate of 2.25%.

Financial Impact

Investment earnings contributed close to \$0.7 million or 1.75% to the District's total revenue of \$38.8 million in FY17/18. As the economy continues to expand, interest rates are expected to increase. With rising interest rates and an increase in the District's available balance for investment, it is anticipated that investment income will also increase. Staff will continue to monitor yields and implement strategies within the District's Investment Policy to maximize yields for fiscal stewardship.

Attachment

Quarterly Schedule of Cash and Investments as of September 30, 2018

Prepared by: 
Kathy Chang
Finance Manager

Reviewed by: 
Carol Margetich
Business Services Director

cc: FIN.12-REP-XX



Delta Diablo
Quarterly Schedule of Cash and Investments Ending September 30, 2018

DESCRIPTION OF SECURITY	CUSIP NUMBER	SECURITY TYPE	COUPON RATE	MATURITY DATE	INVESTED AMOUNT	% OF TOTAL INVESTMENTS	PAR VALUE	MARKET VALUE	Quarterly Yield	PRICING SOURCE
<u>FUNDS SUBJECT TO INVESTMENT POLICY</u>										
<i>Cash Accounts</i>										
Cash - Wells Fargo			N/A	N/A	\$ 1,301,153.58	2.78%	\$ 1,301,153.58	\$ 1,301,153.58	See note (1)	
Cash - Cash Held at the County			N/A	N/A	367,781.24		\$ 367,781.24	\$ 367,781.24		
Cash - Petty Cash			N/A	N/A	600.00		\$ 600.00	\$ 600.00		
Total Cash					\$ 1,669,534.82	2.78%	\$ 1,669,534.82	\$ 1,669,534.82		
<i>Investment</i>										
LAIF:										
County Treasurer-Capital Exp Project Funds		Public Agency Pool	N/A	N/A	\$ 74,411.12	0.16%	\$ 74,411.12	\$ 74,249.83	2.063%	LAIF
District/Integrated Finance		Public Agency Pool	N/A	N/A	39,906,549.87	85.36%	39,906,549.87	39,820,048.59	2.063%	LAIF
California Asset Management Program (CAMP)		Short-term Cash Portfolio	N/A	N/A	5,099,179.06	10.91%	5,099,179.06	5,092,999.63	2.120%	CAMP
Total LAIF:					\$ 45,080,140.05	96.43%	\$ 45,080,140.05	\$ 44,987,298.05		
Grand Total					\$ 46,749,674.87	99.21%	\$ 46,749,674.87	\$ 46,656,832.87		

NOTE: This is the information required by Government Code Section 53646 (6).
All report information is unaudited but due diligence was utilized in its preparation with the most current information available.
(1) Interest earned (earnings credit) on account balance is used to offset banking fees and charges for Wells Fargo account.

COMPLIANCE STATEMENT:

I certify that this report reflects all District investments and is in conformity with the Investment Policy of Delta Diablo.
A copy of the investment policy is available at the Administrative building.
The Investment Program provides sufficient cash flow liquidity to meet the next six (6) months expenditure requirements.

Kathy Chang

Kathy Chang
Finance Manager

November 14, 2018

ADOPT RESOLUTION COMMENDING AND CONGRATULATING DENISE CAPPUCINI JONES, OFFICE MANAGER/SECRETARY TO THE BOARD, ON HER RETIREMENT FROM THE DISTRICT

RECOMMENDATION

Adopt Resolution commending and congratulating Ms. Denise Cappucini Jones on her retirement from the District.

Background Information

Ms. Jones began her employment with the District on December 2, 1991 as the District's Receptionist. She was promoted to Clerk/Typist on March 18, 1996 and began serving as an Administrative Support Assistant III on February 23, 2004. She served in an acting capacity as an Assistant to the General Manager from June 2002 to February 2004. Ms. Jones was promoted to Office Manager/Secretary to the Board on May 1, 2006.

Analysis

Ms. Jones recently announced her plans to retire on November 26, 2018 after serving the District for the past 27 years. She has effectively supported District operations by providing high-quality, customer-service oriented administrative support and leadership throughout her career. Ms. Jones has helped navigate the District through many significant events, including plant expansions; construction of a new Plant Operations Center; changes to work processes, policies, and procedures; and changes in leadership at the Board, management, and staff level.

Ms. Jones has served on several District committees and teams throughout her career, including the Communications Team, Fiscal Integrity Committee, Information Technology Steering Committee, Management Committee, Newsletter Committee, and Annual Picnic Committee. She has also served as an elected officer in the Professional and Technical Bargaining Unit.

Ms. Jones has played a key role in developing and maintaining a sense of tradition and "family-oriented" culture at the District through her direct role in organizing a variety of District functions and events to provide opportunities for employee engagement and recognition in celebrating the District's many significant achievements. Her knowledge and experience coupled with her friendly, open, and positive demeanor will be greatly missed at the District.

Financial Impact

None

Attachments

Proposed Resolution

Prepared by: 
Vince De Lange, General Manager

cc: Denise Cappucini Jones
District File HR.01-PEF-193



**BEFORE THE BOARD OF DIRECTORS
OF
DELTA DIABLO
(a Special District)**

**Re: Commending and Congratulating)
Denise Cappucini Jones on her) RESOLUTION NO. /2018
Retirement from the District)**

THE BOARD OF DIRECTORS OF DELTA DIABLO HAS DETERMINED THAT:

WHEREAS, Ms. Jones has effectively served the District since her original hiring on December 2, 1991 until her retirement on November 26, 2018, a period of 27 years; and

WHEREAS, during that period, she has served the District as Receptionist, Clerk/Typist, Administrative Support Assistant III, Acting Assistant to the General Manager, and Office Manager/Secretary to the Board; and

WHEREAS, Ms. Jones has effectively supported District operations by providing high-quality, customer-service oriented administrative support and leadership throughout her career; and

WHEREAS, she has helped navigate the District through many significant events, including plant expansions; construction of a new Plant Operations Center; changes to work processes, policies, and procedures; and changes in leadership at the Board, management, and staff level; and

WHEREAS, Ms. Jones has served on several District committees and teams throughout her career, including the Communications Team, Fiscal Integrity Committee, Information Technology Steering Committee, Management Committee, Newsletter Committee, Annual Picnic Committee, and as an elected officer in the Professional and Technical Bargaining Unit; and

WHEREAS, she has played a key role in developing a sense of tradition and “family-oriented” culture at the District through her direct role in organizing a variety of District functions and events to provide opportunities for employee engagement and recognition in celebrating the District’s many significant achievements; and

WHEREAS, Ms. Jones has actively participated over the past five years in Soroptimist International, a global volunteer service organization for business and professional women that works to improve the lives of women and girls in local communities and throughout the world, and thereby positively representing the District in the local community it serves.

NOW THEREFORE, the Board of Directors of Delta Diablo DOES HEREBY RESOLVE AND ORDER as follows:

Ms. Jones is hereby commended and thanked for her 27 years of outstanding service and dedication to the District. Her knowledge and experience coupled with her friendly, open, and positive demeanor will be greatly missed by the Board, who also wishes her a healthy, fulfilling, and active retirement for many years to come.

PASSED AND ADOPTED on November 14, 2018, by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo on November 14, 2018.

ATTEST: D. Pete Longmire
Board Secretary

By: _____

RESOLUTION NO. /2018

ITEM E/5

November 14, 2018

AUTHORIZE AN APPROPRIATION OF \$253,000 FROM WASTEWATER CAPITAL ASSET REPLACEMENT FUND; AUTHORIZE GENERAL MANAGER OR DESIGNEE TO NEGOTIATE AND EXECUTE PARTS AND MATERIALS PROCUREMENT AND REPAIR SERVICE CONTRACTS, PETERSON POWER SYSTEMS, INC., AND OTHER RELATED SERVICES CONTRACTS IN A TOTAL COMBINED AMOUNT NOT TO EXCEED \$230,000; AUTHORIZE GENERAL MANAGER OR DESIGNEE TO APPROVE CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED \$23,000 FOR EMERGENCY OVERHAUL AND REPAIR OF THE COGENERATION ENGINE

RECOMMENDATION

1. Authorize an appropriation of \$253,000 from the Wastewater Capital Asset Replacement Fund (CAR) for emergency overhaul and repair of the cogeneration engine.
2. Authorize the General Manager or designee to negotiate and execute Parts and Materials Procurement and Repair Service Contracts with Peterson Power Systems, Incorporated, and other related Services Contracts in a total combined amount not to exceed \$230,000.
3. Authorize the General Manager or designee to approve contract change orders up to \$23,000 (10%) of the combined contract amount.

Background Information

The District has a gas-fired engine/generator set (cogeneration system) that generates electrical power and is the primary source of heat for plant processes. The cogeneration system provides an added level of redundancy in the event of a utility power outage. On October 20, 2018, the cogeneration system experienced engine failure and has subsequently been inoperable to date. Peterson Power Systems Company (Peterson), the authorized company hired to examine the engine, determined that the cogeneration system experienced a major engine malfunction and a significant overhaul is required to restore system operation. Peterson would assist staff with the engine rebuild to bring the engine within required factory specifications.

Analysis

Staff evaluated various options and determined that overhauling the engine is the most cost-effective solution. Staff performed interim emergency measures to disassemble the engine to determine the extent of the damage. Peterson provided a written estimate to rebuild the engine. On October 31, 2018, staff was informed by the factory that the required parts could be delivered within two to three weeks, which would place the critical cogeneration system back into service without the need to implement the interim emergency measures. In order to expedite engine repairs and minimize electricity purchase expenditures, the General Manager initiated a parts order in the amount of \$132,000 with Peterson on November 5, 2018.

Financial Impact

Savings on commercial energy costs range from \$15,000 to \$30,000 per month, with the higher savings occurring in the peak summer months when energy rates are higher. Based on current



energy demand and utility rates, the additional utility cost incurred with the cogeneration engine out of service is approximately \$800 per day. Having the cogeneration system back in service as soon as possible will provide for maximum savings with a payback of less than one year. There are sufficient funds in the Wastewater CAR fund to cover these parts and services.

Prepared by: 
Terry Spurgeon
Maintenance Manager

Reviewed by: 
Dean Eckerson
Resource Recovery Services
Director

cc: CORP.10-AGR



ITEM E/6

November 14, 2018

AUTHORIZE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 1 TO CONSULTING SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$31,900, FRAXIA ENGINEERING, INC., ENGINEERING SERVICES, BAY POINT SEWER REPAIRS – PHASE IV, PROJECT NO. 18119

RECOMMENDATION

Authorize the General Manager to execute Amendment No. 1 to Consulting Services Contract with Fraxia Engineering, Inc. (Fraxia) for additional engineering services in an amount not to exceed \$31,900, for a new total contract amount of \$278,956.

Background Information

In May 2018, the District executed a consulting services contract with Fraxia to provide engineering design services for the Bay Point Sewer Repairs – Phase IV Project. The original project scope included rehabilitating and replacing approximately 3,000 lineal feet of 6- to 10-inch diameter sewer mains with severe structural defects to restore collection system reliability. The project design is approximately 75% complete and is anticipated to be finalized in early 2019. Project construction is scheduled to commence in early summer 2019 and will be coordinated with the County's planned road resurfacing work in Bay Point.

Analysis

While the design work for the original project scope was underway, the District continued to perform closed-circuit television (CCTV) inspection of the collection system in Bay Point to comply with the terms of the Settlement Agreement and Mutual Release of Claims (Settlement Agreement) with Northern California River Watch. As required by the Settlement Agreement, the District has completed CCTV inspection of sewer mains in Bay Point that are within 200 feet of surface waters. The CCTV inspection identified approximately 5,000 lineal feet of additional sewer mains with significant structural defects with an estimated capital repair cost of \$4.9 million.

Staff recommends adding these additional high-priority sewer mains to the scope for the planned 2019 construction project, which would allow the District to fund this work with the low-interest loan (1.9%) secured through the State Water Resources Control Board (SWRCB). SWRCB staff has indicated a willingness to increase the loan amount once the additional scope and estimated cost are further defined during design. In addition, addressing the additional sewer mains will ensure full compliance with the Settlement Agreement, which requires major defects within 200 feet of surface waters to be rehabilitated within three years of discovery. Fraxia provided a design services scope and fee proposal of \$31,900 to incorporate the additional sewer main footage into current design documents. A summary of Fraxia's contract is attached.

Financial Impact

The adopted Fiscal Year 2018/2019 – 2022/2023 (FY18/19 – FY22/23) Capital Improvement Program includes an appropriation of \$1.1 million through FY18/19 for the Bay Point Sewer



Repairs – Phase IV Project. Sufficient funding is available to complete the recommended action. The District will request that the SWRCB amend the existing loan to include the added sewer main footage to reflect the revised total anticipated project cost of \$6.0 million.

Attachment

Cost Estimate Summary

Prepared by: PC
FOR Patricia Chapman
Associate Engineer

Reviewed by: BT
Brian Thomas
Engineering Services Director/
District Engineer

cc: District File No. P.18119.01.04



SCOPE AND COST ESTIMATE SUMMARY – AMENDMENT NO. 1

Project: Bay Point Sewer Repairs Phase IV, Project No. 18119

Consultant: Fraxia Engineering, Inc.

Scope of Work Items:

Estimated Cost:

Original Design Contract	\$	247,056
Amendment 1 – Additional footage from CCTV inspection	\$	31,900
TOTAL CONSULTING SERVICES CONTRACT	\$	278,956

November 14, 2018

RECEIVE UPDATE ON ENERGY MANAGEMENT PROGRAM

RECOMMENDATION

Receive update on Energy Management Program.

Background Information

Under the Board's leadership and direction, the District has embraced its role as a water resource recovery facility that seeks opportunities to provide more reliable, cost-effective, and sustainable services. In March 2018, the Board adopted a Sustainability Policy to affirm the District's long-term commitment to resource recovery, environmental stewardship, and the local community, while integrating sustainability concepts into business practices and decision-making processes. In support of this key organizational focus area, the District is currently formalizing an Energy Management Program that is based on performance measurement, management, communication, and improvement.

Analysis

Key program activities include identifying and implementing capital and operational initiatives that drive increased energy production and/or reduce energy consumption. The District is currently pursuing implementation of a large-scale, long-term organics co-digestion project via a public-private partnership—the East County Bioenergy Project—that would triple renewable energy production and increase energy self-sufficiency. In addition, staff has identified a suite of potential energy conservation measures that would reduce power demand at the District's Wastewater Treatment Plant and yield associated cost savings. The next step will be to evaluate and prioritize these potential capital and operational improvements to further reduce the plant power demand.

The District has engaged in several established national and international programs to inform and guide its Energy Management Program activities. In April 2016, the Board approved the District's participation in the U.S. Department of Energy (DOE) Better Plants Program. The Better Plants Program is a national partnership initiative created to drive significant improvement in energy efficiency across the country with participants committing to a 25% reduction in energy intensity over a ten-year period. In addition, the District was subsequently invited to participate in a DOE pilot program called Superior Energy Performance (SEP). SEP requires implementation of an international energy management system (ISO 50001) with third-party verification of actual energy improvements. As required by SEP and ISO 50001, the District adopted the Energy Management System Pledge in September 2016 to demonstrate a commitment to energy management and continual improvement.

In Fiscal Year 2018/2019 (FY18/19), staff will develop and recommend energy management goals and associated key performance indicators to guide program implementation. At the September 2018 Board Meeting, staff presented a Strategic Business Plan Initiative under "Financial Sustainability" with a multi-year effort to "Implement energy use and production measures, and achieve Superior Energy Performance and ISO 50001 certifications."



Financial Impact

The FY18/19 operating budget includes an estimated annual energy cost (i.e., electricity, natural gas) of \$1.2 million for the Wastewater Treatment Plant, pumping stations, and Recycled Water Facility. Staff will evaluate the cost effectiveness of energy conservation measures and energy production initiatives prior to implementation. As part of the District's capital improvement program development and implementation process, staff will consider energy management principles in the District's planning, design, and construction activities.

Attachments

None

Prepared by:



Dean Eckerson
Resource Recovery Services Director

cc: CORP.01.06-DOCS



ITEM J

November 14, 2018

RECEIVE MONTHLY LOBBYIST REPORT DATED OCTOBER 2018, KEY ADVOCATES, INC., WESTERN RECYCLED WATER COALITION, PROJECT NO. 90024

RECOMMENDATION

Receive and file Report.

Background Information

As Lead Agency for the Western Recycled Water Coalition, the District administers a contract with a lobbyist, Key Advocates, Inc. (KA), and receives a monthly summary report regarding related lobbying activities.

Analysis

Attached is the report for October 2018, which was produced by KA and distributed to members of the Western Recycled Water Coalition.

Financial Impact

None

Attachment

Monthly Report, October 2018

Prepared by:

JWS
FOR

Jayne Strommer
Government Affairs
Manager

Reviewed by:

BThomas

Brian Thomas
Engineering Services Director/
District Engineer

cc: Project File No. P.90024.06.01





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October 31, 2018

To: Western Recycled Water Coalition
From: Sante Esposito
Subject: October Monthly Report

Note: Congress is in recess until Nov. 13.

The Recess and Lame Duck Session

Congress will return to DC after the election for a "Lame Duck" session. It is unclear at this time how long the Lame Duck will last and what, if any, legislation will get passed. The outcome of the November elections will have a big impact on the duration and productivity of the session, particularly if the Democrats take over the House. Any pending legislation that is not passed and signed into law when Congress adjourns for the year - likely in mid-December - is officially dead and must be reintroduced again in the new 116th Congress which begins in mid-January 2019.

Congress was able to pass a few of the FY19 appropriations bills, including the Energy & Water funding bill, before the October 1 start of the new fiscal year. However, Congress did not pass the Interior bill before leaving town. In order to avoid a partial government shutdown, Congress passed a Continuing Resolution (CR) to fund all remaining federal agencies through December 7. The CR funds federal programs at the FY18 funding levels.

Infrastructure Initiative

Relatively quiet pending the outcome of the election but have confirmed the recent report that the Administration said that "everything is on the table" when it comes to figuring out how to fund an infrastructure package next year. On the highway side as an example, the Administration is talking about a possible increase in the gas tax and many other "pay-fors." Congressional Democrats are also continuing to talk up the possibility of cooperation on infrastructure next year. A day after Minority Leader Pelosi gave mixed signals about prospects on the issue, it was reported that House Transportation Committee Ranking Member [DeFazio](#) recently met with Shahira Knight, White House Director of Legislative Affairs. Apparently, Knight didn't give any feedback on specific proposals but relayed an encouraging tone from President Trump on potential infrastructure efforts next year. Congressman John Yarmuth, who is in line to chair the Budget Committee if Democrats take back the chamber, said that Democrats have an infrastructure proposal they're planning to introduce in the lame duck session or next year including bonding authority via an infrastructure bank, raising the gas tax and using a carbon tax to fund

infrastructure. Former VP Biden said at a recent event that America needs to invest in better roads, waterways, ports and transit. Congressman Earl Blumenauer (D-Ore.) is pushing to create an infrastructure subcommittee within the Ways and Means Committee, again if Democrats take back the House. Blumenauer has had conversations with key decision-makers in the chamber but has not received any commitments. The proposed subcommittee would be a new forum for lawmakers to work on an issue that both parties and the administration have said is a priority and a potential area for cooperation. Lastly, former Pennsylvania Gov. Ed Rendell, who co-founded a bipartisan coalition aimed at boosting infrastructure spending, said that if Democrats win the House they could start infrastructure hearings in late January, with the goal of passing a bill by May.

Regarding earmarks, of interest is a recent comment by Congressman [David Price](#) who would take the Appropriations Transportation-HUD Subcommittee gavel if Democrats gain control of the House. He said that he would back the return of earmarks.

WRDA Reauthorization

To review, on October 23 the President signed into law (P.L. 115- 270) S.3021, “America’s Water Infrastructure Act of 2018.” which combines the biennial Water Resources Development Act (WRDA) that funds the Corps of Engineers along with the Safe Drinking Water Act, authorization of hydropower projects, and reauthorization and expansion of WIFIA financing for storm water and wastewater infrastructure improvements, as follows:

- Authorizes the Corps of Engineers to undertake 15 major new construction projects that will cost a total of \$8.3B and feasibility studies for 65 new projects.
- Provides for a two-year \$100M reauthorization of the WIFIA program for large-scale water infrastructure projects loans at the Treasury Department's long-term interest rate.
- Allows State financing authorities to apply for 100% project financing through WIFIA, provided they are solely responsible in the event of a default. Before this new program can receive funding, the SRFs must be funded at or above the FY18 Appropriations level or 105% of the previous fiscal year’s appropriation, whichever is greater.
- Nearly doubles grants to states for Drinking Water Revolving Loan Funds. This is the first reauthorization of the Drinking Water SRF in more than two decades. It authorizes \$1.17B for FY19; \$1.3B for FY20; and \$1.95B for FY21 for the Drinking Water SRF funds. This nearly doubles the current annual authorization.
- Includes S. 1137, the Clean, Safe, Reliable Water Infrastructure Act, to address the need to invest in the nation's drinking water, sewer and stormwater systems. It also provides for increased water efficiency, specifically by including \$450M to protect the sources of drinking water and funding to repair and eliminate combined sewer overflows (CSOs). And it formally authorizes the voluntary WaterSense program, which identifies and promotes water-efficient products through voluntary labeling.
- Creates Multiagency Federal Task Force on Stormwater Infrastructure. The task force will, with feedback from permittees, state and local governments and other stakeholders,

provide in a report to Congress suggestions for improving the funding and financing of stormwater systems.

- Expands onsite wastewater treatment by addressing the need for information about onsite waste water recycling as one alternative for communities who cannot afford the upfront costs or ongoing maintenance costs of traditional wastewater infrastructure.
- Includes S. 451, the Water Resources Research Amendments Act, for additional research into increasing the effectiveness and efficiency of new and existing water treatment works.
- Enhances drinking water infrastructure resilience and sustainability by directing the EPA to establish a "Water Infrastructure Resilience and Sustainability Program" to award grants in each of FY19 and FY20 to increase the resiliency or adaptability of drinking water systems to regional changes in hydrologic conditions like droughts, floods and sea level rise. This section authorizes \$4M to carry out this section for each of the two fiscal years.

Other Bills

There are still the original Boozman/Feinstein SRF WIN Bill, and the Carbajal/Reed bill, both of which have bipartisan support. To review, S. 2364 was introduced by Senators John Boozman (R-AR), Chair of the Water Subcommittee of the Environment and Public Works Committee (EPW), and Senator Diane Feinstein (D-CA), Ranking Democrat of the Energy and Water Appropriations Subcommittee. H.R. 4902 was introduced by Congressmen John Katko (R-NY-24), a member of the Water Resources Subcommittee of the Transportation and Infrastructure Committee, and Earl Blumenauer (D-OR-3), a member of the Ways and Means Committee (now with 7 sponsors) and, if you recall, the author of the voluntary fee labeling bill.

Generally, the bills - a new loan program - are intended to combine the "best aspects of the SRF's with the leveraging power of WIFIA." Specifically, the bills authorize \$200M for each of FY19-23 for states to apply for loans. There is a \$7B per state loan cap for the 5 years. Fifty percent of the funds would be loaned at the current Treasury rate. The bill states that those funds would support \$10B in loans per year. The other fifty percent would go to states that receive less than 2 percent of the total amount of funds made available to the states for the state loan funds for the most recent fiscal year OR to major disaster declared states if the loan is for a project related to wastewater or drinking water infrastructure damaged by the disaster. The bills state that those funds would support \$850M in loans per year. The Federal share for loans is up to \$100%. Eligible project activities are those included in a state's SRF "intended use plan."

The \$100,000 WIFIA application fee is waived. The application process is limited to 180-days maximum. No new project approval requirements would be needed - existing approvals would suffice. The new program is tied to FY18 appropriation levels for the SRF's - if at any year in the appropriations process the SRF funding levels are below the FY18 levels, this new program will not kick in for that year.

H.R. 5596 was introduced on April 24 by Congressmen Salud Carbajal (D-CA-24) and Tom Reed (R-NY-23) and H.R. 5609 and introduced on April 25 by Congressman Keith Ellison (D-MN-5). H.R. 5596 authorizes \$50M for each of FY18-22 for a new EPA grant program for owners or

operators of water systems who wish to increase resiliency or adaptability to extreme weather events. Eligible projects include efforts to conserve water or increase efficiency in its use, preserve or improve water quality, rebuild or relocate threatened infrastructure, protect source waters, etc. The Federal share is 75%. H.R. 5609 creates a new water trust fund financed by increasing the corporate tax rate from 21 to 24.5% with an annual funding cap of up to \$35B going into the trust fund. Of that amount, 45% would be available for the Clean Water SRF and 44% for the Safe Drinking Water SRF. Other water programs – pollution control, non-point source, agriculture programs, etc. – make up the balance.

We continue to monitor these and other bills that have introduced that represent issues of interest to legislators and serve to position themselves for a future infrastructure bill. There have been no substantive developments to the bills of interest to the Coalition - H.R. 3275, the WEST Act; H.R. 2510, the “Water Quality Protection and Job Creation Act of 2017;” H.R. 5127, the “Water Recycling Investment and Improvement Act;” and, H.R. 1647, the Water Infrastructure Trust Fund Act of 2017” - since the last report.

Lastly, the Democrats on the House Natural Resources Committee continue to look at McNerney’s WEST Act (H.R. 3275), which the Coalition was very much involved in, with the goal of re-writing the bill to reflect the Committee’s jurisdiction and introducing it as such. Progress is slow.

FY 19 Federal Funding Generally

Congress passed a Continuing Resolution extending funding until December 7 at FY18 levels for those appropriations bills not enacted by October 1. That includes the Interior Appropriations Bill (SRF funding) which is currently in conference and expected to be finalized soon. It does not include the Energy and Water Appropriations Bill (Corps of Engineers) which was signed into law on September 21.

FY19 Interior Appropriations Bills

The Senate version contains higher appropriations for CWSRF and WIFIA than the House version. Specifically, the House bill contains lower numbers (\$1.34 for the CWSRF and \$900M for the SDWSRF) than the Senate despite the FY19 raised budget caps. The Senate has the same numbers as for FY18, which are \$1.694B for the CWSRF and \$1.16B for the SDWSRF. The House provides \$75M for WIFIA and the Senate \$63M.

Final FY19 Energy and Water Appropriations Bill

The Energy and Water Bill was signed into law on September 21. It includes \$34 M for WaterSMART, \$39 M for the “traditional” Title XVI program, \$20 M for WIIN Act recycled water grants, and \$134 M for water storage.

WIN Grants Round #2

In checking with USBR today, October 31, no further developments. Grant selections have been made but they did not conclude in enough time for the selected projects to be listed in the Energy and Water Appropriations bill. The next likely opportunity is the Continuing Resolution. In the

last round of funding, they announced the selected projects prior to listing in the bill. This time Reclamation hasn't made their decision on whether they will make an announcement in advance of listing the projects in an appropriations bill.

GAO Title XVI Report

GAO reported that they are in the final stages but we are not likely to see the report for a couple months (may not be until 2019). They said they would contact us when it has been made public.

Bill Tracking - 115th Congress (2017-2018)

S. 3012 - To establish an innovative water technology grant program and to amend the Safe Drinking Water Act and the Federal Water Pollution Control Act to encourage the use of innovative water technology, and for other purposes. Sponsor: Senator Tammy Baldwin (D-WI). Introduced on June 6. No cosponsors. Referred to the Committee on Environment and Public Works.

H.R.434 —New WATER Act

Sponsor: Rep. Denham, Jeff [R-CA-10] (Introduced 01/11/2017) **Cosponsors:** (9)

Committees: House - Natural Resources **Latest Action:** House - 02/07/2017 Referred to the Subcommittee on Water, Power and Oceans

H.R.465 —Water Quality Improvement Act of 2017

Sponsor: Rep. Gibbs, Bob [R-OH-7] (Introduced 01/12/2017) **Cosponsors:** (8)

Committees: House - Transportation and Infrastructure **Latest Action:** House - 01/13/2017 Referred to the Subcommittee on Water Resources and Environment

H.R.547 —National Infrastructure Development Bank Act of 2017

Sponsor: Rep. DeLauro, Rosa L. [D-CT-3] (Introduced 01/13/2017) **Cosponsors:** (86)

Committees: House - Energy and Commerce, Transportation and Infrastructure, Financial Services, Ways and Means **Latest Action:** House - 01/17/2017 Referred to the Subcommittee on Water Resources and Environment.

H.R.1579 —Secure and Resilient Water Systems Act

Sponsor: Rep. Peters, Scott H. [D-CA-52] (Introduced 03/16/2017) **Cosponsors:** (2)

Committees: House - Energy and Commerce **Latest Action:** House - 03/17/2017 Referred to the Subcommittee on Environment.

H.R.1647 —Water Infrastructure Trust Fund Act of 2017

Sponsor: Rep. Blumenauer, Earl [D-OR-3] (Introduced 03/21/2017) **Cosponsors:** (2)

Committees: House - Energy and Commerce, Ways and Means, Transportation and Infrastructure **Latest Action:** House - 03/24/2017 Referred to the Subcommittee on Environment.

H.R.1669 —Partnership to Build America Act of 2017

Sponsor: Rep. Delaney, John K. [D-MD-6] (Introduced 03/22/2017) **Cosponsors:** (27)

Committees: House - Transportation and Infrastructure, Ways and Means **Latest Action:** House - 03/23/2017 Referred to the Subcommittee on Water Resources and Environment.

H.R.2510 —Water Quality Protection and Job Creation Act of 2017

Sponsor: Rep. DeFazio, Peter A. [D-OR-4] (Introduced 05/18/2017) **Cosponsors:** (28)
Committees: House - Transportation and Infrastructure **Latest Action:** House - 05/19/2017
Referred to the Subcommittee on Water Resources and Environment.

H.R.2799 —Western Water Recycling and Drought Relief Act

Sponsor: Rep. McNerney, Jerry [D-CA-9] (Introduced 06/07/2017) **Cosponsors:** (6)
Committees: House - Natural Resources **Latest Action:** House - 06/16/2017 Referred to the
Subcommittee on Water, Power and Oceans.

H.R.3275 —Water and Energy Sustainability through Technology Act

Sponsor: Rep. McNerney, Jerry [D-CA-9] (Introduced 07/17/2017) **Cosponsors:** (15)
Committees: House - Energy and Commerce, Natural Resources, Transportation and
Infrastructure, Agriculture, Science, Space, and Technology, Ways and Means, Foreign Affairs
Latest Action: House – 5/22/2018 Referred to the Subcommittee on Energy.

H.R.4492 —Water Infrastructure Finance and Innovation Reauthorization Act of 2017

Sponsor: Rep. Mast, Brian J. [R-FL-18] (Introduced 11/30/2017) **Cosponsors:** (6)
Committees: House - Transportation and Infrastructure, Energy and Commerce
Latest Action: House - 12/01/2017 Referred to the Subcommittee on Environment.

H.R.5127 — 115th Congress - Water Recycling Investment and Improvement Act

Sponsor: Rep. Napolitano, Grace F. [D-CA-32] (Introduced 2/27/2018) **Cosponsors:** (16)
Committees: House - Natural Resources, Transportation and Infrastructure
Latest Action: House - 03/06/2018 Referred to the Subcommittee on Water, Power and Oceans.

H.R.5609 —Water Affordability, Transparency, Equity, and Reliability Act of 2018

Sponsor: Rep. Ellison, Keith [D-MN-5] (Introduced 4/25/2018) **Cosponsors:** (40)
Committees: House - Transportation and Infrastructure, Energy and Commerce, Ways and
Means, Agriculture **Latest Action:** House - 05/22/2018 Referred to the Subcommittee on
Commodity Exchanges, Energy, and Credit.

H.R.5596 —Water Infrastructure Resiliency and Sustainability Act of 2018

Sponsor: Rep. Carbajal, Salud O. [D-CA-24] (Introduced 04/24/2018) **Cosponsors:** (2)
Committees: House - Transportation and Infrastructure, Energy and Commerce, Natural
Resources **Latest Action:** House - 05/01/2018 Referred to the Subcommittee on Water, Power
and Oceans.

S.1137 —Clean Safe Reliable Water Infrastructure Act

Sponsor: Sen. Cardin, Benjamin L. [D-MD] (Introduced 05/16/2017) **Cosponsors:** (3)
Committees: Senate - Environment and Public Works **Latest Action:** Senate - 05/16/2017 Read
twice and referred to the Committee on Environment and Public Works.

S.2329 —Water Infrastructure Finance and Innovation Reauthorization Act of 2018

Sponsor: Sen. Hoeven, John [R-ND] (Introduced 1/23/2018) **Cosponsors:** (3)
Committees: Senate - Environment and Public Works **Latest Action:** Senate - 01/23/2018 Read
twice and referred to the Committee on Environment and Public Works