

AGENDA
REGULAR BOARD OF DIRECTORS MEETING
DELTA DIABLO
(a California Special District)

2500 Pittsburg-Antioch Highway | Antioch, CA 94509
(Note: There will be no in-person meeting at the District.)
WEDNESDAY, MAY 13, 2020
4:30 P.M.

To slow the spread of COVID-19, the Contra Costa County Health Officer's Shelter-in-Place Order of March 31, 2020 prevents public gatherings. In lieu of a public gathering, the Board of Directors meeting will be accessible via ZOOM to all members of the public as permitted by the Governor's Executive Order 29-20, which suspends certain requirements of the Ralph M. Brown Act to allow for greater flexibility in conducting public meetings.

Persons who wish to address the Board during the Public Comment period or with respect to an item on the Agenda will be limited to two (2) minutes. The Secretary to the Board will call on members of the public alphabetically by last name (A-L) and (M-Z) at the beginning of the meeting to establish a speaking order. Please indicate whether you wish to speak during the Public Comment period or on a specific Agenda item at that time.

The Board Chair may reduce or eliminate the amount of time allotted to provide comments at the beginning of each item or public comment period depending on the number of comments and the business of the day. Your patience is appreciated.

Presentations will be made available online at <https://www.deltadiablo.org/board-meetings> approximately one hour prior to the start of the Board meeting.

How to participate in the meeting via ZOOM (audio only)

Zoom Meeting Dial-In Number: (669) 900 6833

Meeting ID: 839 0260 6421

The District will provide reasonable accommodations for persons with disabilities who plan to participate in Board (or committee) meetings by contacting the Secretary to the Board 24-hours prior to the scheduled meeting at (925) 756-1927. 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 on the District website at www.deltadiablo.org

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. PUBLIC COMMENTS

D. RECOGNITION

None.

E. CONSENT CALENDAR

- 1) **Approve** Minutes of Special Board of Directors Meeting, April 23, 2020 (Cecelia Nichols-Fritzler)
- 2) **Receive** Notes from Finance Committee Meeting, April 29, 2020 (Cecelia Nichols-Fritzler)
- 3) **Receive** District Monthly Check Register, March 2020 (Eka Ekanem)
- 4) **Authorize** Amendment to Purchase Order in the Amount of \$35,000 for New Amount Not to Exceed \$245,000, Kemira, Inc., Supply and Delivery of Ferrous Chloride and Amendment to Purchase Order in the Amount of \$15,000 for New Amount Not to Exceed \$243,000, Univar USA, Inc., Supply and Delivery of Sodium Bisulfite For Fiscal Year 2019/2020 (Joaquin Gonzalez)
- 5) **Authorize** Issuance of the following Purchase Orders for One Year beginning July 1, 2020: in an Amount Not to Exceed \$268,000, Univar USA, Inc., Supply and Delivery of Sodium Bisulfite; in an Amount Not to Exceed \$284,000, Kemira, Inc., Supply and Delivery of Ferrous Chloride; in an Amount Not to Exceed; \$320,000, Chemtrade Chemicals-US, LLC, Supply and Delivery of Liquid Aluminum Sulfate; in an Amount Not to Exceed \$373,000, Univar USA, Inc., Supply and Delivery of Sodium Hypochlorite; in an Amount Not to Exceed \$293,000, Polydyne, Inc., Supply and Delivery of Dry Polymer; and in an Amount Not to Exceed \$116,000, Polydyne, Inc. Supply and Delivery of Liquid Polymer. (Eka Ekanem)
- 6) **Receive** Second Quarter Fiscal Year 2019/2020 District Investment Report (Eka Ekanem)

F. DELIBERATION ITEMS

Receive Presentation on Proposed Fiscal Year 2020/2021 through 2024/2025 Capital Improvement Program and **Set** Public Hearing for June 25, 2020 to Consider Approval of Five-Year Capital Improvement Program (Thanh Vo)

G. PRESENTATIONS AND REPORTS

Receive Key Assumptions for Proposed Fiscal Year 2020/2021 Operating Budget (Carol Margetich)

H. MANAGER'S COMMENTS

I. DIRECTORS' COMMENTS

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J. CORRESPONDENCE

Receive Monthly Lobbyist Report dated April 2020, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024 (Jayne Strommer)

K. CLOSED SESSION

None.

L. ADJOURNMENT

The next Board meeting will be June 10, 2020 at 4:30 p.m.

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ITEM E/1

May 13, 2020

APPROVE MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING, APRIL 23, 2020

RECOMMENDATION

Approve Minutes of the Special Board of Directors Meeting of April 23, 2020.

DRAFT

Minutes of the Special Board of Directors Meeting

DELTA DIABLO

April 23, 2020

The meeting was called to order by Chair Banales on Thursday, April 23, 2020, at 4:30 p.m., via Zoom audio. Present were Chair Juan Banales, and Directors Federal Glover and Sean Wright. Also present on the call were Stephen Siptroth, District Counsel (alternate); Vince De Lange, General Manager; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Dean Eckerson, Resource Recovery Services Director; Brian Thomas, Engineering Services Director/District Engineer; and Carol Margetich, Business Services Director.

Chair Banales read the following statement: "To slow the spread of COVID-19, the Contra Costa County Health Officer's Shelter-in-Place Order of March 31, 2020 prevents public gatherings. In lieu of a public gathering, the Board of Directors meeting will be accessible via ZOOM Audio to all members of the public as permitted by the Governor's Executive Order 29-20, which suspends certain requirements of the Ralph M. Brown Act."

PUBLIC COMMENTS

None.

RECOGNITION

None.

CONSENT CALENDAR

Director Wright moved approval, seconded by Director Glover, and, by a roll call vote (Ayes: *Banales, Glover, and Wright*; Noes: *None*; Absent: *None*), the following consent items were approved according to staff recommendations: Approve Minutes of Regular Board of Directors Meeting, April 8, 2020; Receive Notes from the Finance Committee Meeting, April 17, 2020.

DELIBERATION ITEMS

Review Proposed Sewer Service Charge Increases; Set Public Hearing for June 25, 2020, at 4:30 p.m. to Consider Protests and Adoption of Sewer Service Charge Increases and to Consider Authorizing Collection of Increased Sewer Service Charges on the Tax Roll; and Authorize Distribution of Proposition 218 Hearing Notices and Publication of Hearing Notices



Ms. Margetich provided an overview of the FY20/21 budget and Sewer Service Charge (SSC) development schedule. She highlighted key guiding principles in developing proposed SSC increases, including critically reviewing the operating budget, ensuring effective capital improvement program (CIP) prioritization, utilizing a 5-year financial plan, maximizing cash funding of the CIP (versus debt financing), meeting the District's operating reserve policy, reserving future debt management capacity, and complying with all legal requirements. Ms. Margetich noted the District's five key funds that receive portions of the SSCs. She summarized key assumptions in the 5-year SSC analysis, including the SSC-funded portion of the preliminary FY20/21 operating budget (\$26.7 million), draft 5-year CIP (\$82 million total, \$71 million funded by SSCs), current and pending debt, suspension of the Advanced Treatment Reserve Fund SSC component, and significant reduction of planned debt financing.

Ms. Margetich provided an overview of the proposed FY20/21 SSC increase for Antioch/Pittsburg (+3.5%) and Bay Point (+3.0%), while noting the total increase in SSC annual revenue is \$1.1 million to fund increased District costs. She highlighted how portions of the SSCs would be allocated to specific funds, including a significant increase in allocation to the Capital Asset Replacement (CAR) Fund to support cash funding of critical wastewater conveyance and treatment system infrastructure improvement projects. Ms. Margetich noted that AT Fund contributions would be suspended in FY20/21. Ms. Margetich presented a breakdown of the District's SSC-funded expenses, highlighted that the District's SSCs remain below the average of its peer agencies, and noted that the current 5-year SSC increase projection is slightly lower than last year's forecast. She demonstrated future financial impacts in the absence of the proposed SSC increases and presented anticipated revenues, expenses, and use of fund balance in the CAR Fund over the next five years.

Ms. Margetich highlighted the key drivers for the increased CAR Fund contributions in FY20/21, including \$55 million in CAR-funded critical wastewater infrastructure projects over the next five years. She noted that the increase in the CAR SSC component would allow the District to increase cash funding of capital projects, which would eliminate the need to take on approximately \$20 million in assumed debt financing for the projects (assumed in last year's 5-year SSC analysis). She explained that this is expected to save customers approximately \$20 million in financing costs over the long term.

Ms. Margetich illustrated that the District's rates are well below average when compared to peer agencies in the Bay Area. In addition, she demonstrated that significantly higher annual SSC increases would be required in the next few years if the proposed SSC increase is not implemented. Ms. Margetich emphasized the District's progressive efforts to reduce the magnitude of projected 5-year SSC increases over the last few years.

Ms. Margetich summarized key elements of the draft Proposition 218 Notice, the SSC implementation timeline, and recommended actions. On April 17, 2020, the Finance Committee reviewed the proposed SSC increases, reviewed setting the public hearing and authorization of Proposition 218 notices and recommended that they be presented to the Board for consideration. Staff recommended that the Board approve the recommended actions.

During public comment, Mr. Paul Hodge inquired as to how Bay Point SSCs are related to the CAR Fund and how the Bay Point collection system capital project work is prioritized. Mr. De Lange responded that Bay Point improvements are developed in the CIP based on condition inspection and assessment information. Mr. Thomas stated that this process helps the District in



prioritizing and developing project repair work in Bay Point. Mr. De Lange requested that Mr. Thomas follow up with Mr. Hodge directly to discuss his specific questions and issues.

Director Wright noted that he expressed his comments during the Finance Committee meeting on April 17, 2020 and that staff had addressed his comments in today's presentation. Director Wright moved adoption, seconded by Director Glover, and, by roll call vote (Ayes: *Wright, Glover, Banales*; Noes: *None*) the Board: Approved Setting a Public Hearing for June 25, 2020, at 4:30 p.m. to Consider Protests and Adoption of Sewer Service Charge Increases and to Consider Authorizing Collection of Increased Sewer Service Charges on the Tax Roll; and Authorize Distribution of Proposition 218 Hearing Notices and Publication of Hearing Notices.

PRESENTATIONS AND REPORTS

Receive Update on District Response to Coronavirus

Mr. Eckerson provided an overview of the District's ongoing COVID-19 response actions, highlighting recent preventative measures and actions to protect the health, safety, and well-being of all employees. He noted that, as of April 20, 2020, no District staff have tested positive for COVID-19, and that 85% of non-O&M/Lab staff have been transitioned off-site via designation as non-essential or teleworking status. Mr. Eckerson summarized key workforce planning activities and revised, optimized staffing plans for Operations and Maintenance personnel. He described the District's ongoing capital projects that were essential to District operations. He explained that contractors would implement social distancing practices, including those required to reduce potential staff exposure. In closing, Mr. Eckerson shared key next steps in the District's response.

The Board received and filed the report.

MANAGER'S COMMENTS

None.

DIRECTORS' COMMENTS

None.

CORRESPONDENCE

None.

CLOSED SESSION

None.

ADJOURNMENT

Chair Banales adjourned the meeting at 5:21 pm. The next Board meeting will be May 13, 2020, at 4:30 p.m.



May 13, 2020

RECEIVE NOTES FROM FINANCE COMMITTEE MEETING, APRIL 29, 2020

RECOMMENDATION

Note receipt and file.

Background Information

The Finance Committee met on April 29, 2020. The meeting was attended by Committee Chair, Sean Wright; Vince De Lange, General Manager; Carol Margetich, Business Services Director; Brian Thomas, Engineering Services Director; Dean Eckerson, Resource Recovery Services Director; Thanh Vo, Senior Engineer; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

The purpose of the meeting was to review and comment on preparation of Proposed Fiscal Year 2020/2021-2024/2025 Capital Improvement Program and to review and comment on Key Assumptions for Proposed Fiscal Year 2020/2021 Operating Budget. Mr. Vo and Ms. Margetich provided summary presentations, respectively, which are summarized in the attachment.

Analysis

Committee Chair Wright recommended the proposed Fiscal Year 2020/2021-2024/2025 Capital Improvement Program and the Key Assumptions for Proposed Fiscal Year 2020/2021 Operating Budget be submitted for consideration to the Board at the May 13, 2020 meeting. Committee meeting notes are provided as an informational report at regular Board Meetings as part of the Consent Calendar.

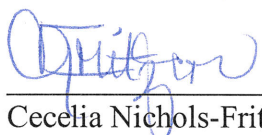
Financial Impact

None

Attachment

Finance Committee Meeting Notes, April 29, 2020

Prepared by:



Cecelia Nichols-Fritzler
Office Manager/Secretary to the Board

Reviewed by:



Vince De Lange
General Manager



DRAFT MEETING NOTES

BOARD OF DIRECTORS FINANCE COMMITTEE MEETING DELTA DIABLO (a California Special District)

2500 Pittsburg-Antioch Highway | Antioch, CA 94509
(Note: There will be no in-person meeting at the District.)
WEDNESDAY, APRIL 29, 2020
10:00 A.M.

The meeting was called to order by Committee Chair, Sean Wright, on Wednesday, April 29, 2020 at 10:01 a.m. via Zoom audio. Present on the call were Vince De Lange, General Manager; Carol Margetich, Business Services Director; Dean Eckerson, Resource Recovery Services Director; Brian Thomas, Engineering Services Director; Thanh Vo, Senior Engineer; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

PUBLIC COMMENTS

None.

REVIEW REPORT ON PREPARATION OF PROPOSED FISCAL YEAR 2020/2021-2024/2025 CAPITAL IMPROVEMENT PROGRAM (Thanh Vo)

Mr. Vo provided an overview of the Fiscal Year 2020/2021-2024/2025 (FY20/21-FY24/25) Capital Improvement Program (CIP) development process, goals, and associated Board interactions. He highlighted that the total planned 5-year CIP is \$81.3 million, and the FY20/21 CIP budget request is \$16.7 million. Mr. Vo noted that 14 new projects were identified within the five-year CIP totaling \$20.3 million, which includes \$8.3 million for the Antioch Pump Station and Conveyance System Improvements Project. He shared that 70% of the CIP total is allocated to support rehabilitation and/or replacement of existing critical wastewater infrastructure. Mr. Vo stated that the District is adapting to shifting project priorities and changes, most notably, the District is no longer pursuing the East County Bioenergy Project and continues to adapt to changes in assumptions for nutrient management-related capital improvements. In addition, Mr. Vo highlighted two areas in which the CIP will support organizational improvement: 1) Asset Management Program development, and 2) Information Technology expansion. He reviewed five master planning efforts that are included in the proposed CIP to identify near- and long-term strategies, needs, and priorities. Mr. Vo reviewed the next steps and upcoming Board interactions, including presentation of the draft and final CIP at the May 13, 2020 and June 25, 2020 Board meetings, respectively.

Chair Wright thanked Mr. Vo for the report and recommend the item be submitted to the Board for consideration at the May 13, 2020 meeting.

REVIEW KEY ASSUMPTIONS FOR PROPOSED FISCAL YEAR 2020/2021 OPERATING BUDGET (Carol Margetich)

Ms. Margetich provided an overview of the proposed FY20/21 Operating Budget, which totals \$29.6 million (\$0.9 million or 3.0% higher than FY19/20 Operating Budget). She presented a breakdown by major cost category including salaries and benefits (\$17.5 million), chemicals (\$1.7 million), office and operating expenses (\$4 million), outside services (\$4.4 million), and utilities (\$2.0 million). Ms. Margetich review key assumptions for each major cost category. In



closing, she noted that the proposed FY20/21 Operating Budget reflects near- and long-term financial sustainability considerations and is consistent with the proposed SSC increases presented to the Board at its April 23, 2020 meeting. Ms. Margetich review next steps and future Board interactions.

Chair Wright thanked Ms. Margetich for the report and recommended the item be submitted to the Board for consideration at its May 13, 2020 meeting.

ADJOURNMENT

Chair Wright adjourned the meeting at 10:36 am.

Recording Secretary: Cecelia Nichols-Fritzler

DRAFT



ITEM E/3

May 13, 2020

RECEIVE DISTRICT MONTHLY CHECK REGISTER, MARCH 2020

RECOMMENDATION

Receive District Monthly Check Register for the month ending March 31, 2020.

Background Information

The Check Register for the month of March 2020 is attached. The report reflects payments to the District's suppliers, consultants, service providers, and contractors. A total of \$2,074,490.54 was disbursed in March 2020, which includes 173 checks.

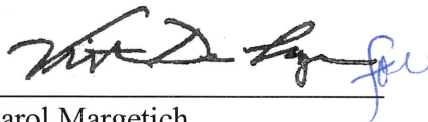
Financial Impact

All payments made during the month are within funding levels included in the adopted Fiscal Year 2019/2020 Budget.

Attachment

Check Register, month ending March 31, 2020.

Reviewed by:



Carol Margetich
Business Services Director



CHECK REGISTER

DELTA DIABLO

CASH DISBURSEMENTS FOR THE MONTH OF MARCH 2020

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
3/5/2020	AT&T		33333	1,220.12
		50609	1,220.12	PHONE EXPENSE
3/5/2020	BARNETT MEDICAL SERVICES, LLC		33334	39.00
		50489	39.00	SHARPS/PHARMACEUTICAL DISPOSAL
3/5/2020	BAY AREA LEEDS		33335	1,000.00
		50603	1,000.00	AR MISCELLANEOUS
3/5/2020	CAROLLO ENGINEERS		33336	47,525.00
		50395	47,525.00	CONSULTING SERVICES HEADWORK I
3/5/2020	CHEMTRADE CHEMICALS US LLC		33337	3,625.78
		50493	3,625.78	ALUMINUM SULFATE
3/5/2020	COLANTUONO, HIGHSMITH & WHATLEY, PC		33338	118.50
		50429	118.50	LEGAL SERVICES
3/5/2020	CONCENTRA/OCCUPATIONAL HEALTH CENT		33339	47.50
		50564	47.50	POST EMPL COSTS
3/5/2020	CONTRACT SWEEPING SERVICES		33340	59,869.91
		50599	29,988.81	STREET SWEEPING SERVICES
		50601	29,881.10	STREET SWEEPING SERVICES
3/5/2020	DEPT OF GENERAL SERVICES		33341	13,362.46
		50565	13,362.46	UTILITIES
3/5/2020	FEDERAL EXPRESS		33342	56.25
		50602	56.25	OE - POSTAGE
3/5/2020	GOLDEN STATE WATER CO.		33343	1,509.55
		50585	1,509.55	UTILITIES
3/5/2020	GRAINGER		33344	1,749.84
		50566	1,749.84	INVENTORY
3/5/2020	HACH COMPANY		33345	7,461.71
		50557	6,824.85	MIXED LIQUOR SUSPENDED SOLIDS MET
		50558	636.86	MIXED LIQUOR SUSPENDED SOLIDS MET
3/5/2020	JWC ENVIRONMENTAL		33346	32,565.98
		50465	32,565.98	REPLACMENT DOUBLE DRUM GRINDER
3/5/2020	KENNEDY/JENKS CONSULTANTS INC.		33347	3,060.60
		50587	3,060.60	ASSET MANAGEMENT PLANNING PROJ
3/5/2020	KOA HILLS CONSULTING LLC.		33348	960.00
		50550	960.00	MUNIS CONTRACT SERVICES
3/5/2020	MANAGED HEALTH NETWORK		33349	390.55
		50577	390.55	EAP - MARCH
3/5/2020	MDRR PITTSBURG		33350	1,175.00

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		50611	1,175.00	WASTE
3/5/2020	MEYERS NAVE		33351	4,626.72
		50403	4,626.72	LEGAL SERVICES
3/5/2020	MOSS ADAMS LLP		33352	1,000.00
		50567	1,000.00	IT ASSESSMENT, POLICY, & PROCEDURE
3/5/2020	MSC INDUSTRIAL SUPPLY CO. INC.		33353	403.51
		50574	403.51	RWF INVENTORY
3/5/2020	OEM AIR COMPRESSOR CORP.		33354	763.39
		50578	763.39	RWF INVENTORY
3/5/2020	OFFICE DEPOT		33355	589.43
		50521	185.23	OFFICE SUPPLIES
		50522	28.36	OFFICE SUPPLIES
		50569	206.26	OFFICE SUPPLIES
		50591	81.93	OFFICE SUPPLIES
		50592	13.16	OFFICE SUPPLIES
		50593	74.49	OFFICE SUPPLIES
3/5/2020	PACIFIC GAS & ELECTRIC COMPANY		33356	25,574.30
		50579	25,574.30	UTILITIES
3/5/2020	PITTSBURG WINSUPPLY		33357	509.97
		50621	437.11	INVENTORY
		50623	72.86	INVENTORY
3/5/2020	PITTSBURG WINSUPPLY		33358	293.86
		50604	293.86	INVENTORY
3/5/2020	READY PRINT		33359	75.38
		50619	75.38	SUPPLIES - OTHER
3/5/2020	RESTORATION MANAGEMENT COMPANY		33360	30,552.64
		50608	30,552.64	EMER PO- WATER LINE BREAK -TP
3/5/2020	RH TECHNOLOGY		33361	8,362.80
		50572	3,716.80	O/S TEMP
		50618	4,646.00	O/S TEMP
3/5/2020	DARLENE D.RHODES		33362	1,489.69
		50418	1,489.69	HR CONSULTANT
3/5/2020	STANDARD INSURANCE COMPANY		33363	3,662.18
		50582	3,662.18	LIFE INSURANCE
3/5/2020	UNIFIRST CORPORATION		33364	326.43
		50435	127.53	UNIFORM/ LAUNDRY SERVICE
		50436	167.24	UNIFORM/ LAUNDRY SERVICE
		50437	31.66	UNIFORM/ LAUNDRY SERVICE
3/5/2020	UNIVAR USA INC		33365	8,409.41
		50450	3,312.22	SODIUM HYPOCHLORITE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		50542	5,097.19	SODIUM BISULFITE
3/5/2020	VERIZON WIRELESS		33366	2,473.63
		50590	2,473.63	PHONE EXPENSE
3/5/2020	VISION SERVICE PLAN		33367	1,887.12
		50583	144.66	COBRA - VISION INSURANCE
		50584	1,742.46	VISION INSURANCE
3/5/2020	WOLLBORG MICHELSON PERSONNEL		33368	17,490.00
		50545	5,904.00	O/S TEMP
		50546	5,944.50	O/S TEMP
		50547	2,304.00	O/S TEMP
		50548	3,337.50	O/S TEMP
3/5/2020	AMANDA WONG ROA		33369	81.13
		50595	81.13	T&M
3/5/2020	ZORO TOOLS, INC		33370	676.50
		50451	676.50	INVENTORY
3/12/2020	AIRGAS USA, LLC		33371	3,735.50
		50573	3,735.50	INVENTORY
3/12/2020	CITY OF ANTIOCH- WATER		33372	5,303.10
		50654	66.74	UTILITIES
		50655	670.74	UTILITIES
		50656	94.60	UTILITIES
		50657	4,187.22	UTILITIES
		50658	94.60	UTILITIES
		50659	94.60	UTILITIES
		50660	94.60	UTILITIES
3/12/2020	ARMOUR PETROLEUM SERVICE AND		33373	550.38
		50662	550.38	FUEL PUMP INSPECTION
3/12/2020	BARNETT MEDICAL SERVICES, LLC		33374	39.00
		50490	39.00	SHARPS/PHARMACEUTICAL DISPOSAL
3/12/2020	BRENTWOOD PRESS		33375	2,088.00
		50636	89.00	AD
		50641	1,999.00	AD
3/12/2020	CALTEST ANALYTICAL LABORATORY		33376	1,656.90
		50455	336.60	PROVIDE LAB ANALYTICAL SERVICES
		50456	360.00	PROVIDE LAB ANALYTICAL SERVICES
		50458	960.30	PROVIDE LAB ANALYTICAL SERVICES
3/12/2020	CHEMTRADE CHEMICALS US LLC		33377	3,573.44
		50563	3,573.44	ALUMINUM SULFATE
3/12/2020	COMCAST BUSINESS COMMUNICATIONS, LI		33378	548.19
		50698	548.19	PHONE EXPENSE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
3/12/2020	CONCENTRA/OCCUPATIONAL HEALTH CENT		33379	108.00	
		50666	108.00		OCCUP SAFETY
3/12/2020	CONTRA COSTA CNTY PUBLIC WORKS		33380	460.81	
		50737	460.81		PERMIT INSPECTION CHARGE
3/12/2020	CONTRA COSTA WATER DISTRICT		33381	27.25	
		50667	27.25		UTILITIES
3/12/2020	DARRIN G. STANLEY		33382	18,597.07	
		50669	1,991.50		EMERGENCY PO- ANTIOCH SEWER LINE
		50670	6,298.67		EMERGENCY PO- ANTIOCH SEWER LINE
		50671	6,413.48		EMERGENCY PO- ANTIOCH SEWER LINE
		50672	3,893.42		EMERGENCY PO- ANTIOCH SEWER LINE
3/12/2020	VINCENT DE LANGE		33383	279.72	
		50710	279.72		T&M
3/12/2020	EPIC COMPLIANCE SYSTEMS, INC.		33384	1,152.95	
		50596	1,152.95		MONTHLY UNDERGROUND STORAGE TA
3/12/2020	FEDERAL EXPRESS		33385	177.00	
		50675	145.96		OE - POSTAGE
		50676	31.04		OE- POSTAGE
3/12/2020	FREMONT ANALYTICAL INC.		33386	330.00	
		50500	330.00		DIGESTER GAS ANALYSIS need q
3/12/2020	FRESCHI AIR SYSTEMS		33387	456.00	
		50502	456.00		REFRIGERANT LEAK SEARCH HVAC 9
3/12/2020	HARRINGTON PLASTICS INC		33388	3,922.60	
		50677	3,922.60		FIBERGLASS SHEETS
3/12/2020	MARY HARVEY		33389	46.06	
		50678	46.06		T&M
3/12/2020	HAZEN & SAWYER		33390	58,297.31	
		50559	58,297.31		RESOURCE RECOVERY FACILITY MASTEI
3/12/2020	IN SHAPE HEALTH CLUBS		33391	964.00	
		50648	964.00		GYM - MARCH
3/12/2020	INFERRERA CONSTRUCTION MANAGEMENT		33392	41,878.38	
		50679	41,878.38		CSC PN 80008 (17128, 17129, 17
3/12/2020	JWC ENVIRONMENTAL		33393	26,181.04	
		50681	26,181.04		REPLACEMENT SINGLE DRUM GRINDER /
3/12/2020	KEMIRA WATER SOLUTIONS, INC.		33394	6,964.45	
		50504	6,964.45		FERROUS CHLORIDE
3/12/2020	KENNEDY/JENKS CONSULTANTS INC.		33395	12,148.71	
		50653	12,148.71		FACILITY CONDITION ASSESSMENT
3/12/2020	LEE & RO, INC.		33396	19,483.70	
		50551	19,483.70		SWGR DESIGN SERVICES

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
3/12/2020	LEGAL SHIELD		33397	107.20	
		50684	107.20		LEGAL MEMBERSHIPS
3/12/2020	McCAULEY AGRICULTURAL & PEST SERVIC		33398	13,000.00	
		50685	2,550.00		VEGETATION MANAGEMENT/ WEED AB
		50686	1,250.00		VEGETATION MANAGEMENT/ WEED AB
		50687	3,500.00		VEGETATION MANAGEMENT/ WEED AB
		50688	950.00		DISC LAYDOWN YARD NW OF RWF
		50689	1,250.00		VEGETATION MANAGEMENT/ WEED AB
		50690	3,500.00		VEGETATION MANAGEMENT/ WEED AB
3/12/2020	MDRR PITTSBURG		33399	2,132.65	
		50652	2,132.65		WASTE
3/12/2020	MISSION COMMUNICATIONS, LLC		33400	1,913.95	
		50691	1,913.95		MANHOLE MONITORING
3/12/2020	NETRONIX INTEGRATION		33401	4,172.80	
		50517	4,172.80		SECURITY SYSTEM SUPPORT RENEWAL
3/12/2020	NORTHERN SAFETY CO.		33402	219.87	
		50568	219.87		INVENTORY
3/12/2020	NWN CORPORATION		33403	3,933.88	
		50741	3,933.88		PHONE EXPENSE
3/12/2020	OFFICE DEPOT		33404	200.55	
		50594	34.92		OFFICE SUPPLIES
		50598	165.63		OFFICE SUPPLIES
3/12/2020	PACIFIC GAS & ELECTRIC COMPANY		33405	403.24	
		50692	58.09		UTILITIES
		50693	345.15		UTILITIES
3/12/2020	PHIL'S DIESEL CLINIC INC.		33406	740.00	
		50742	264.00		HEAVY DUTY TRUCK REPAIR(S)
		50743	238.00		HEAVY DUTY TRUCK REPAIR(S)
		50744	238.00		HEAVY DUTY TRUCK REPAIR(S)
3/12/2020	PITTS. CHAMBER OF COMMERCE		33407	280.00	
		50694	280.00		M&D
3/12/2020	PITTSBURG WINSUPPLY		33408	322.30	
		50707	322.30		INVENTORY
3/12/2020	POLYDYNE INC		33409	45,858.78	
		50524	45,858.78		DRY POLY
3/12/2020	PSOMAS		33410	14,332.50	
		50580	14,332.50		CONSTRUCTION MGMT & INSPECTION PN
3/12/2020	PUBLIC EMPLOYEES UNION		33411	1,484.72	
		3163357	1,484.72		UNION DUES P&T
3/12/2020	PUBLIC EMPLOYEES UNION		33412	3,539.66	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		3163257		3,539.66	UNION DUES O&M
3/12/2020	R & B COMPANY		33413	26,357.82	
		50625		4,626.94	REPAIR MATERIALS FOR AFM 102 REPAIR
		50626		3,769.22	REPAIR MATERIALS FOR AFM 102 REPAIR
		50627		13,481.45	AFM 102 Repair at 7TH AND G
		50628		1,480.21	REPAIR MATERIALS FOR AFM 102 REPAIR
		50629		3,000.00	REPAIR MATERIALS FOR AFM 102 REPAIR
3/12/2020	REPUBLIC SERVICES #210		33414	4,989.93	
		50745		3,935.20	WASTE
		50746		1,054.73	WASTE
3/12/2020	RGM KRAMER INC		33415	1,742.50	
		50560		1,742.50	LABOR COMPLIANCE MONITORING PN
3/12/2020	SCHAAF & WHEELER CONSULTING		33416	16,382.81	
		50695		16,382.81	DESIGN FOR PUMP STATION FACILI
3/12/2020	SHAPE INCORPORATED		33417	4,964.72	
		50706		4,964.72	INVENTORY
3/12/2020	CA STATE DISBURSEMENT UNIT		33418	750.00	
		CS9648300		750.00	GARNISHMENT
3/12/2020	STATE OF CALIFORNIA		33419	150.00	
		4461740		150.00	INCOME TAX WITHOLDING ORDER
3/12/2020	STATE WATER RESOURCES		33420	326,357.73	
		50696		326,357.73	LOAN PAYMENT
3/12/2020	STERICYCLE ENVIRONMENTAL SOLUTIONS		33421	34,831.19	
		50606		34,831.19	PROVIDE TRANS/DISPOSAL/LABOR FOR F
3/12/2020	SUBTRONIC CORP.		33422	1,184.50	
		50531		1,184.50	UTILITY LOCATING SERVICES PN 19112
3/12/2020	SYSTEM 1 STAFFING		33423	4,537.40	
		50704		4,537.40	2019 FORD F250 SAFETY LIGHT INSTALLA
3/12/2020	BRIAN THOMAS		33424	238.51	
		50712		238.51	T&M
3/12/2020	TRANSENE COMPANY, INC.		33425	1,440.74	
		50445		1,440.74	INVENTORY
3/12/2020	UNIFIRST CORPORATION		33426	369.43	
		50469		170.53	UNIFORM/ LAUNDRY SERVICE
		50470		167.24	UNIFORM/ LAUNDRY SERVICE
		50471		31.66	UNIFORM/ LAUNDRY SERVICE
3/12/2020	UNITED RENTALS		33427	4,606.32	
		50630		4,536.67	10K REACH FORKLIFT ANTIOCH FORCE M
		50631		69.65	10K REACH FORKLIFT ANTIOCH FORCE M
3/12/2020	UNIVAR USA INC		33428	15,197.77	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
		50487		5,250.36	SODIUM BISULFITE
		50533		3,316.05	SODIUM HYPOCHLORITE
		50543		3,315.68	SODIUM HYPOCHLORITE
		50716		3,315.68	SODIUM HYPOCHLORITE
3/12/2020	VELODYNE		33429	4,715.21	
		50571		4,715.21	INVENTORY
3/12/2020	WOLLBORG MICHELSON PERSONNEL		33430	4,608.00	
		50637		2,304.00	O/S TEMP
		50638		2,304.00	O/S TEMP
3/12/2020	WOODARD & CURRAN INC.		33431	7,770.15	
		50703		7,770.15	ON-SITE FUELING STATION REPLACEMENT
3/16/2020	AIRGAS USA, LLC		33432	126.91	
		50661		126.91	INVENTORY
3/16/2020	ASSOCIATED SERVICES COMPANY		33433	54.67	
		50605		54.67	PROVIDE PREMIUM COFFEE SERVICE
3/16/2020	BARNETT MEDICAL SERVICES, LLC		33434	759.00	
		50639		585.00	SHARPS/PHARMACEUTICAL DISPOSAL
		50640		39.00	SHARPS/PHARMACEUTICAL DISPOSAL
		50734		96.00	SHARPS/PHARMACEUTICAL DISPOSAL
		50754		39.00	SHARPS/PHARMACEUTICAL DISPOSAL
3/16/2020	GARRISON BOTTS		33435	1,600.00	
		48998		1,600.00	NETWORK SUPPORT SERVICES
3/16/2020	CALTEST ANALYTICAL LABORATORY		33436	336.60	
		50664		336.60	PROVIDE LAB ANALYTICAL SERVICES
3/16/2020	CHEMTRADE CHEMICALS US LLC		33437	3,471.77	
		50665		3,471.77	ALUMINUM SULFATE
3/16/2020	CORELOGIC INFORMATION SOLUTIONS, INC		33438	165.00	
		50755		165.00	REALQUEST PROPERTY INFORMATION
3/16/2020	DISCOVERY BENEFITS, INC.		33439	131.25	
		50673		131.25	EAP - FEBRUARY
3/16/2020	EATON CORPORATION		33440	2,597.00	
		50620		2,597.00	UTILITY BREAKER BRKR8961C CLASS 3 R
3/16/2020	FASTENAL COMPANY		33441	768.84	
		50674		768.84	MAINTENANCE CONSUMABLE ITEMS
3/16/2020	GURMUKH SINGH GREWAL		33442	72.21	
		50647		72.21	REIMBURSEMENT
3/16/2020	INFERRERA CONSTRUCTION MANAGEMENT		33444	34,520.56	
		50680		34,520.56	CSC PN 80008 (17128, 17129, 17
3/16/2020	JOHN MUIR HEALTH		33445	837.58	
		50682		837.58	2020 Wellness Agreement with John Muir He

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
3/16/2020	KEMIRA WATER SOLUTIONS, INC.		33446	3,799.59	
		50610	6,193.63		FERROUS CHLORIDE
		50756	-8,796.25		CREDIT MEMO
		50757	6,402.21		FERROUS CHLORIDE
3/16/2020	KEN GRADY COMPANY		33447	414.96	
		50597	414.96		INVENTORY
3/16/2020	KEY ADVOCATES INC.		33448	7,375.00	
		50588	7,375.00		FEDERAL ADVOCACY FOR WRWC PN
3/16/2020	KOA HILLS CONSULTING LLC.		33449	3,040.00	
		50549	560.00		MUNIS CONTRACT SERVICES
		50589	2,320.00		MUNIS CONTRACT SERVICES
		50758	160.00		MUNIS CONTRACT SERVICES
3/16/2020	KONE. INC.		33450	110.40	
		50739	110.40		ELEVATOR SERVICE
3/16/2020	LEE & RO, INC.		33451	7,693.50	
		50759	7,693.50		SWGR DESIGN SERVICES
3/16/2020	LEHR		33452	3,024.26	
		50705	3,024.26		2019 FORD F250 SAFETY LIGHT INSTALLA
3/16/2020	SUE THOMASON		33453	275.00	
		50576	275.00		INDOOR PLANT MAINTENANCE
3/16/2020	OFFICE DEPOT		33454	638.70	
		50699	229.99		OFFICE SUPPLIES
		50700	99.31		OFFICE SUPPLIES
		50711	309.40		OFFICE SUPPLIES
3/16/2020	PACIFIC GAS & ELECTRIC COMPANY		33455	69,901.19	
		50769	38,484.58		UTILITIES
		50770	31,416.61		UTILITIES
3/16/2020	R.F. MCDONALD CO.		33456	1,222.70	
		50616	1,222.70		INVENTORY
3/16/2020	RED WING SHOE STORE 165		33457	155.87	
		50570	155.87		SAFETY SHOES - B. PADILLA
3/16/2020	SUBTRONIC CORP.		33458	1,030.00	
		50697	1,030.00		UTILITY LOCATING SHORE ACRES PUMP :
3/16/2020	SYNAGRO WEST, LLC		33459	37,054.09	
		50747	37,054.09		BIOSOLIDS HAULING
3/16/2020	TERRYBERRY		33460	99.77	
		50765	99.77		EMPLOYEE RECOGNITION
3/16/2020	TRI-VALLEY JANITORIAL SERVICE & SUPPL'		33461	7,386.00	
		50701	7,386.00		JANITORIAL SERVICES
3/16/2020	STACY TUCKER		33462	85.00	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		50632		4.00	REIMBURSEMENT
		50633		50.00	REIMBURSEMENT
		50634		16.00	REIMBURSEMENT
		50766		15.00	REIMBURSEMENT
3/16/2020	UNIFIRST CORPORATION			33463	994.22
		50538		132.80	UNIFORM/ LAUNDRY SERVICE
		50539		167.24	UNIFORM/ LAUNDRY SERVICE
		50540		31.66	UNIFORM/ LAUNDRY SERVICE
		50748		132.36	UNIFORM/ LAUNDRY SERVICE
		50749		167.24	UNIFORM/ LAUNDRY SERVICE
		50750		31.66	UNIFORM/ LAUNDRY SERVICE
		50751		132.36	UNIFORM/ LAUNDRY SERVICE
		50752		167.24	UNIFORM/ LAUNDRY SERVICE
		50753		31.66	UNIFORM/ LAUNDRY SERVICE
3/16/2020	UNIVAR USA INC			33464	21,086.26
		50612		3,315.23	SODIUM HYPOCHLORITE
		50613		5,645.03	SODIUM BISULFITE
		50614		3,316.64	SODIUM HYPOCHLORITE
		50702		5,493.75	SODIUM BISULFITE
		50767		3,315.61	SODIUM HYPOCHLORITE
3/16/2020	V.W. HOUSEN & ASSOCIATES, INC.			33465	2,177.00
		50615		2,177.00	DESIGN WORK
3/16/2020	ZORO TOOLS, INC			33466	2,985.41
		50717		1,952.44	INVENTORY
		50768		1,032.97	INVENTORY
3/26/2020	AFLAC			33467	974.34
		50874		974.34	INSURANCE
3/26/2020	ALHAMBRA & SIERRA SPRGS WATER			33468	305.61
		50842		305.61	BOTTLED WATER SERVICE
3/26/2020	MICHAEL AUER			33469	130.07
		50817		130.07	REIMBURSEMENT
3/26/2020	MICHAEL BAKALDIN			33470	130.07
		50818		130.07	REIMBURSEMENT
3/26/2020	WILLIAM WESLEY BRANNON			33471	530.56
		50772		530.56	INVENTORY
3/26/2020	CALTEST ANALYTICAL LABORATORY			33472	10,877.40
		50812		960.30	PROVIDE LAB ANALYTICAL SERVICES
		50835		3,275.10	ANALYTICAL TESTING FOR RRFMP
		50837		6,642.00	ANALYTICAL TESTING FOR RRFMP
3/26/2020	CAROLLO ENGINEERS			33473	79,647.50

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		50811	79,647.50	CONSULTING SERVICES HEADWORK I
3/26/2020	CHEMTRADE CHEMICALS US LLC		33474	7,285.91
		50773	3,672.10	ALUMINUM SULFATE
		50774	3,613.81	ALUMINUM SULFATE
3/26/2020	CONCENTRA/OCCUPATIONAL HEALTH CENT		33475	187.50
		50775	187.50	OCCUP SAFETY
3/26/2020	COURT-ORDERED DEBT COLLECTIONS		33476	155.00
		50866	155.00	PAYROLL GARNISHMENT
3/26/2020	CSMFO		33477	110.00
		50845	110.00	M&D - C. MARGETICH
3/26/2020	DIABLO WATER DISTRICT		33478	551.90
		50789	551.90	UTILITIES
3/26/2020	JOSEPH PETRONIO		33479	687.50
		50778	687.50	CMMS SUPPORT
3/26/2020	EKA EKANEM		33480	695.12
		50794	695.12	T&M
3/26/2020	EVOQUA WATER TECHNOLOGIES, LLC		33481	846.90
		50776	846.90	PROVIDE DI WATER FOR LABORATOR
3/26/2020	FEDERAL EXPRESS		33482	30.65
		50809	30.65	OE - POSTAGE
3/26/2020	GRAINGER		33483	1,385.13
		50820	1,385.13	INVENTORY
3/26/2020	TIMOTHY J. HAMMETT		33484	387.71
		50791	100.00	REIMBURSEMENT
		50792	247.71	REIMBURSEMENT
		50793	40.00	REIMBURSEMENT
3/26/2020	HDR ENGINEERING, INC.		33485	6,828.36
		50828	6,828.36	ON-CALL TASK ORDER NO. 1 - BOD
3/26/2020	HUNT & SONS INC		33486	824.08
		50581	-100.00	CREDIT MEMO
		50781	924.08	INVENTORY LUBICANTS-
3/26/2020	KENNEDY/JENKS CONSULTANTS INC.		33487	24,303.12
		50816	24,303.12	FAILURE MODES AND EFFECTS CRITICAL
3/26/2020	LARRY WALKER ASSOCIATES		33488	1,711.50
		50862	1,711.50	NPDES PERMIT REISSUANCE ASSIST
3/26/2020	LEE & ASSOCIATES RESCUE EQUIPMENT IN		33489	7,000.00
		50782	7,000.00	CONFINED SPACE STANDBY RESCUE SEF
3/26/2020	MESSER LLC		33490	639.11
		50810	639.11	LIQUID OXYGEN
3/26/2020	OFFICE DEPOT		33491	551.97

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		50852	77.17		OFFICE SUPPLIES
		50853	192.30		OFFICE SUPPLIES
		50854	43.97		OFFICE SUPPLIES
		50855	51.23		OFFICE SUPPLIES
		50856	49.85		OFFICE SUPPLIES
		50857	41.76		OFFICE SUPPLIES
		50858	95.69		OFFICE SUPPLIES
3/26/2020	ABEL PALACIO		33492	1,064.20	
		50822	1,064.20		REIMBURSEMENT
3/26/2020	CITY OF PITTSBURG		33493	644.62	
		50867	644.62		UTILITIES
3/26/2020	CITY OF PITTSBURG		33494	20,460.00	
		50868	20,460.00		STREET SWEEPING SERVICE
3/26/2020	RANGER PIPELINES INC		33495	606,104.75	
		50827	350,863.50		CONSTRUCTION SERVICES PROJECT
		50834	255,241.25		CONSTRUCTION SERVICES PROJECT
3/26/2020	REGIONAL GOVERNMENT SERVICES		33496	1,562.25	
		50831	1,395.00		JOB DESCRIPTION PROJECT
		50832	167.25		JOB DESCRIPTION PROJECT
3/26/2020	RH TECHNOLOGY		33497	4,646.00	
		50823	4,646.00		O/S TEMP
3/26/2020	TAC AMERICAS, INC.		33498	1,598.17	
		50783	1,598.17		POC BUILDING HVAC SERVICES
3/26/2020	CA STATE DISBURSEMENT UNIT		33499	750.00	
		CS9648301	750.00		GARNISHMENT
3/26/2020	STATE OF CALIFORNIA		33500	150.00	
		4461741	150.00		INCOME TAX WITHOLDING ORDER
3/26/2020	SUBTRONIC CORP.		33501	412.00	
		50785	412.00		GPR LOCATION SERVICES
3/26/2020	SYSTEM 1 STAFFING		33502	2,669.08	
		50824	2,669.08		O/S TEMP
3/26/2020	STACY TUCKER		33503	19.34	
		50790	19.34		REIMBURSEMENT
3/26/2020	UNIQUE SCAFFOLD		33504	9,005.00	
		50801	3,500.00		SG4602 SCAFFOLDING FOR VALVE REPLA
		50802	5,505.00		SCAFFOLD AT PITTSBURG PUMP STATION
3/26/2020	WECO INDUSTRIES		33505	12,541.58	
		50803	240.00		CCTV CAMERA REPAIRS
		50804	5,786.85		CCTV CAMERA REPAIRS
		50805	1,642.24		CCTV CAMERA REPAIRS

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		50807	1,392.37	CCTV CAMERA REPAIRS
		50808	3,480.12	CCTV CAMERA REPAIRS
3/26/2020	WOLLBORG MICHELSON PERSONNEL		33506	2,304.00
		50860	2,304.00	O/S TEMP
GRAND TOTAL				<u>2,074,490.54</u>

May 13, 2020

AUTHORIZE AMENDMENT TO PURCHASE ORDER IN THE AMOUNT OF \$35,000 FOR NEW AMOUNT NOT TO EXCEED \$245,000, KEMIRA, INC., SUPPLY AND DELIVERY OF FERROUS CHLORIDE AND AMENDMENT TO PURCHASE ORDER IN THE AMOUNT OF \$15,000 FOR NEW AMOUNT NOT TO EXCEED \$243,000, UNIVAR USA, INC., SUPPLY AND DELIVERY OF SODIUM BISULFITE FOR FISCAL YEAR 2019/2020

RECOMMENDATION

1. Authorize amendment of the Purchase Order with Kemira, Inc., in the amount of \$35,000 for supply and delivery of ferrous chloride for Fiscal Year 2019/20, for a new total amount not to exceed \$245,000.
2. Authorize amendment of the Purchase Order with Univar USA, Inc., in the amount of \$15,000 for supply and delivery of sodium bisulfite for Fiscal Year 2019/20, for a new total amount not to exceed \$243,000.

Background Information

Ferrous chloride is used at the District's Wastewater Treatment Plant (WWTP) for hydrogen sulfide control in the anaerobic digesters. Controlling hydrogen sulfide levels in biogas extends the time interval between cogeneration engine overhauls. In addition, this chemical is used for odor and corrosion control purposes at the District's pump stations. The District participated in the Bay Area Chemical Consortium (BACC) bid process for ferrous chloride and issued a purchase order to the lowest responsible bidder, Kemira, Inc., for the supply and delivery of ferrous chloride in FY19/20. The ferrous chloride unit cost is \$830.05 per dry ton in FY19/20, which is 20.6% higher than the previous fiscal year.

Sodium bisulfite is used at the WWTP to eliminate chlorine from the plant effluent prior to discharge to New York Slough. The District's National Pollutant Discharge Elimination System permit requires a 0.0 mg/L chlorine residual in its discharge. The District participated in the BACC bid process for sodium bisulfite and issued a purchase order to the lowest responsible bidder, Univar USA Inc., for the supply and delivery of sodium bisulfite in FY19/20. The sodium bisulfite unit cost is \$1.16 per gallon in FY19/20, which is 10.4% higher than the previous fiscal year.

Analysis

The annual chemical usage projections and budget estimates are developed using historical data and are established for the subsequent fiscal year before final chemical unit pricing is known. Price increases were higher this year than past averages for both ferrous chloride and sodium bisulfite. Staff attempted additional operational strategies to optimize chemical usage for both ferrous chloride and sodium bisulfite to minimize the impacts of the higher chemical unit costs. However, WWTP and conveyance process requirements prevented a full realization of the chemical cost reduction measures. The previous Board authorizations of \$210,000 for ferrous chloride and \$228,000 for sodium bisulfite are anticipated to be fully spent prior to the end of the fiscal year. Staff recommends additional purchase authority for the remainder of the fiscal year



in the amount of \$35,000 for ferrous chloride and \$15,000 for sodium bisulfite to ensure sufficient availability of these essential chemicals for any unforeseen needs.

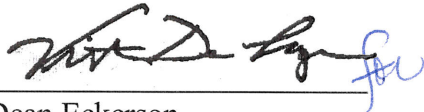
Financial Impact

The WWTP chemical budget for FY19/20 is approximately \$1.1 million. There are sufficient funds in the adopted FY19/20 operating budget to provide for the recommended ferrous chloride and sodium bisulfite purchase order amendments.

Attachments

None

Reviewed by:



Dean Eckerson
Resource Recovery Services Director

cc: Kemira, Inc.
Univar, USA, Inc.
District File No. OPS.04



ITEM E/5

May 13, 2020

AUTHORIZE ISSUANCE OF THE FOLLOWING PURCHASE ORDERS FOR ONE YEAR BEGINNING JULY 1, 2020: IN AN AMOUNT NOT TO EXCEED \$268,000, UNIVAR USA, INC., SUPPLY AND DELIVERY OF SODIUM BISULFITE; IN AN AMOUNT NOT TO EXCEED \$284,000, KEMIRA, INC., SUPPLY AND DELIVERY OF FERROUS CHLORIDE; IN AN AMOUNT NOT TO EXCEED \$320,000, CHEMTRADE CHEMICALS-US, LLC, SUPPLY AND DELIVERY OF LIQUID ALUMINUM SULFATE; IN AN AMOUNT NOT TO EXCEED \$373,000, UNIVAR USA, INC., SUPPLY AND DELIVERY OF SODIUM HYPOCHLORITE; IN AN AMOUNT NOT TO EXCEED \$293,000, POLYDYNE, INC., SUPPLY AND DELIVERY OF DRY POLYMER; AND IN AN AMOUNT NOT TO EXCEED \$116,000, POLYDYNE, INC., SUPPLY AND DELIVERY OF LIQUID POLYMER.

RECOMMENDATION

Authorize issuance of purchase orders Fiscal Year 2020/2021 (FY20/21) (one year beginning July 1, 2020 through June 30, 2021) for the following:

1. Univar USA, Inc. in an amount not to exceed \$268,000 for supply and delivery of sodium bisulfite.
2. Kemira, Inc in an amount not to exceed \$284,000 for supply and delivery of ferrous chloride.
3. Chemtrade Chemicals-US, LLC, in an amount not to exceed \$320,000 for supply and delivery of liquid aluminum sulfate.
4. Univar USA, Inc., in an amount not to exceed \$373,000 for supply and delivery of sodium hypochlorite.
5. Polydyne, Inc., in an amount not to exceed \$293,000 for supply and delivery of dry polymer.
6. Polydyne, Inc. in an amount not to exceed \$116,000 for supply and delivery of liquid polymer.

Background Information

The District uses various treatment chemicals in order to meet its National Pollution Discharge Elimination System (NPDES) permit discharge requirements, provide high quality recycled water to industrial and irrigation users, and control odors. The District is a member of the Bay Area Chemical Consortium (BACC), which administers an annual bidding process for water and wastewater treatment chemicals, to leverage maximum buying power among member agencies. In FY19/20, the District secured bid prices for sodium bisulfite, ferrous chloride, liquid aluminum sulfate, and sodium hypochlorite through the BACC bidding process. Dry polymer and liquid polymer were not included in the BACC's bid process. Due to the impacts of the COVID-19 pandemic impact on the BACC bidding process, prices from FY19/20 for the chemicals previously included in the BACC bid were extended through FY20/21 with no increase in unit costs. The District was able to negotiate a one-year extension with Polydyne, Inc. for supply and delivery of dry and wet polymer with increase in unit cost.



Analysis

Sodium bisulfite is used at the Wastewater Treatment Plant (WWTP) to eliminate chlorine from the plant effluent prior to discharge to New York Slough. The District's NPDES permit requires a 0.0 mg/L chlorine residual in its discharge. The price obtained from the lowest responsive, responsible bidder in Fiscal Year 2019/2020 (FY19/20) from Univar, USA Inc. (Univar) at \$1.16 per gallon has been extended through FY20/21.

Ferrous chloride is used at the WWTP for hydrogen sulfide control in the anaerobic digesters. Controlling hydrogen sulfide levels in biogas extends the time interval between cogeneration engine overhauls. In addition, this chemical is used for odor and corrosion control purposes at the District's pump stations. The price obtained from the lowest responsive, responsible bidder in FY19/20 from Kemira, Inc., at \$830.05 per dry ton, delivered, which is \$142 per dry ton, has been extended through FY20/21.

Liquid aluminum sulfate is used for coagulation of solids at the District's Recycled Water Facility (RWF) prior to settling in the tertiary clarifiers. The price obtained from the lowest responsive, responsible bidder in FY19/20 from Chemtrade Chemicals US, LLC (Chemtrade) at \$0.762 per gallon, delivered, has been extended through FY20/21.

Sodium hypochlorite is used for disinfecting treated wastewater, disinfecting recycled water prior to delivery to industrial and irrigation users, and controlling odors at several District facilities. The price obtained from the lowest responsive, responsible bidder in FY19/20 from Univar USA, Inc. at \$0.675 per gallon, delivered, has been extended through FY20/21.

Dry Polymer (Clarifloc WE-223) is used as part of the solids dewatering centrifuge process at the WWTP. In response to a sole-source solicitation, Polydyne, Inc. agreed to a price of \$2.12 per pound delivered, which is the same price as FY19/20.

Liquid Polymer (Clarifloc WE-363) is used for solids coagulation at the RWF. In response to a sole-source solicitation, Polydyne Inc. has agreed to a price of \$1.30 per pound, delivered, which is the same price as FY19/20.

Financial Impact

The estimated chemical budget for FY20/21 is approximately \$1.7 million, including \$1.1 million for wastewater and \$0.6 million for recycled water. Sufficient funds are included in the proposed FY20/21 operating budget for these purchase orders. The overall budgeted chemical costs are projected to be lower than in FY19/20 due to lower projected quantities and associated budget contingencies.

Attachments

None

Signature:

Reviewed by:


Carol Margetich
Business Services Director



May 13, 2020

RECEIVE SECOND QUARTER FISCAL YEAR 2019/2020 DISTRICT INVESTMENT REPORT

RECOMMENDATION

Receive Second Quarter Fiscal Year 2019/2020 (FY19/20) District Investment Report.

Background Information

Attached is the Investment Report (Quarterly Schedule of Cash and Investments) for the second quarter of FY19/20. The purpose of this report is to provide the Board with an update of the District's investment portfolio as of December 31, 2019, in accordance with the District's Investment Policy, which was adopted on February 12, 2020. 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 investments 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 December 31, 2019, was \$65.2 million, including \$21.2 million (33%) in cash, \$38.7 million (59%) in LAIF, and \$5.3 million (8%) in the California Asset Management Program (CAMP). This was an increase of \$8.6 million from the quarter ending September 3, 2019, and an increase of \$4.0 million from the same period last year of \$61.2 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 \$5.3 million in CAMP, which is a California Joint Powers Authority (JPA) established in 1989 to provide public agencies with professional investment services. The District's current Investment Policy included the ability to use the CAMP pool to provide further diversification of invested funds, as 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 is used for operating purposes and the interest earned is used to offset the Wells Fargo service fees. For investment yield calculation purposes, the Wells Fargo balance is excluded. For the quarter ending December 31, 2019, LAIF had an effective yield of 2.29%, while CAMP had an average distribution yield of 1.91%. The blended yield for the quarter was 2.24%. This yield was on par with the target rate-of-return for the overall



portfolio, which was designed to exceed the LAIF and be comparable to the six-month Treasury Bill rate, which was 1.66% as of December 31, 2019.

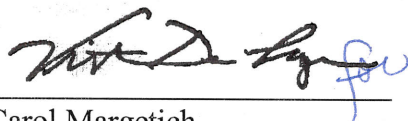
Financial Impact

In FY18/19, annual investment earnings contributed approximately \$1.6 million or 4.0% to the District's total revenue of \$44.9 million. Since the start of calendar year 2019, interest rates have been moving lower in response to three rate cuts by the Federal Reserve. Lower interest rates will result in decreased earnings rates on the District's invested funds and therefore lower earnings for the next fiscal year. 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 December 31, 2019

Reviewed by:



Carol Margetich
Business Services Director



Delta Diablo
Quarterly Schedule of Cash and Investments Ending December 31, 2019

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	\$ 2,048,255.34	3.14%	\$ 2,048,255.34	\$ 2,048,255.34	See note (1)	
Cash - Cash Held at the County			N/A	N/A	19,181,535.76	29.42%	19,181,535.76	19,181,535.76		
Cash - Petty Cash			N/A	N/A	600.00	0.00%	600.00	600.00		
Cash and Cash Equivalents-MUFG-Union Bank			N/A	N/A	1,376.51	0.00%	1,376.51	1,376.51		
				Total Cash	\$ 21,231,767.61	32.56%	\$ 21,231,767.61	\$ 21,231,767.61		
<i>Investment</i>										
LAIF:										
County Treasurer-Capital Exp Project Funds		Public Agency Pool	N/A	N/A	\$ 76,693.15	0.12%	\$ 76,693.15	\$ 76,828.92	2.290%	LAIF
District/Integrated Finance		Public Agency Pool	N/A	N/A	38,647,564.41	59.27%	38,647,564.41	38,715,982.12	2.290%	LAIF
California Asset Management Program (CAMP)		Short-term Cash Portfolio	N/A	N/A	5,250,834.92	8.05%	5,250,834.92	5,250,834.92	1.910%	CAMP
				Total Investments:	\$ 43,975,092.48	67.44%	\$ 43,975,092.48	\$ 44,043,645.96		
				Grand Total	\$ 65,206,860.09	100.00%	\$ 65,206,860.09	\$ 65,275,413.57		

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.

Eka Ekanem
Senior Accountant

ITEM F

May 13, 2020

RECEIVE PRESENTATION ON DRAFT FISCAL YEAR 2020/2021 THROUGH 2024/2025 CAPITAL IMPROVEMENT PROGRAM AND SET PUBLIC HEARING FOR JUNE 25, 2020 TO CONSIDER APPROVAL OF FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

RECOMMENDATION

- 1) Receive presentation on the District's draft Fiscal Year 2020/2021-2024/2025 (FY20/21-FY24/25) Capital Improvement Program (CIP).
- 2) Set Public Hearing for June 25, 2019 at 4:30 p.m. to consider approval of the FY20/21-FY24/25 CIP.

Background Information

Staff has developed a new 5-year CIP for FY20/21-FY24/25 to guide planning, design, construction, and financing of prioritized capital projects in the District's wastewater conveyance, collection, and treatment systems and recycled water system. These critical projects are necessary to ensure the continued effective and reliable operation of existing infrastructure, address future service needs, and meet current and future regulatory requirements. Staff prepares an updated 5-year CIP each year to reflect current priorities, address new project needs, and adjust estimated project costs and implementation schedules. In addition, this process assists in identifying long-term financial and resource needs, and required budget appropriations required to support project implementation at the start of each fiscal year. The draft 5-year CIP was considered in developing both the proposed Sewer Service Charges (SSCs) for FY20/21 and the 5-year SSC forecast that were presented to the Board on April 23, 2020. The preliminary draft CIP was presented to the Finance Committee on April 29, 2020, and the Committee recommended that the proposed CIP be presented to the Board for consideration.

Supporting documentation used during CIP development includes city and county General Plans, city collection system master plans, and detailed master plans prepared by the District for its wastewater treatment, recycled water, and conveyance system facilities. The District completed a Conveyance System Master Plan update in April 2010 and a Recycled Water Master Plan in August 2013 and is currently preparing a Resource Recovery Facility Master Plan (RRFMP) that will supersede the District's 2011 Treatment Plant Master Plan.

Analysis

The draft FY20/21-FY 24/25 CIP includes a total of approximately \$81.3 million in prioritized capital improvements. As reported to the Board on March 11, 2020, staff has addressed significant changes to existing projects, as well as addition of new priorities, in developing the draft 5-year CIP. Key CIP highlights include the following:

- Addressing New Infrastructure Needs: Based on new capital investment priorities, 14 new projects were added to the CIP with an estimated total project cost of \$20.3 million. This includes \$8.3 million for the Antioch Pump Station and Conveyance System Improvements Project, which was developed in response to the failure of Antioch Force Main 102 and the associated sanitary sewer overflow on December 3, 2019.



- *Investing in Existing Wastewater Infrastructure Renewal:* Approximately 70% of the CIP total is allocated to support rehabilitation and/or replacement of existing critical wastewater infrastructure, including Antioch Pump Station and Conveyance System Improvements (\$8.3 million), Headworks Improvements (\$8.0 million), Cogeneration System Improvements (\$5.0 million), Electrical Switchgear Replacement (\$3.8 million), and Pump Station Facility Repair (\$3.5 million).
- *Adapting to Shifting Project Priorities and Changes*
 - East County Bioenergy Project (ECBP): As reported to the Board on March 11, 2020, the District is no longer pursuing implementation of this project, which included a total cash flow in the current CIP of \$28.3 million, most of which was neutral relative to SSC impacts as project costs were to be paid through project revenues. However, staff has included \$6.5 million in the draft CIP to address ECBP-related infrastructure investment needs that were placed on hold pending integration with ECBP.
 - Nutrient Management: As reported to the Board on March 11, 2020 and April 23, 2020, the implementation timeline and initial capital cost estimate for nutrient removal have been extended and reduced, respectively, while preliminary master planning findings indicate that continued major capital investment in the existing tower trickling filters does not support flexibility for future nutrient removal. In addition, staff now anticipates integration of future secondary capacity and nutrient removal plant upgrades. In response, staff has renamed the “Tower Trickling Filter Improvements Project” that was included in the current CIP to “Secondary Treatment Upgrades with Nutrient Management” in the draft CIP.
- *Driving Organizational Improvement*
 - Asset Management Program (AMP): In FY19/20, staff has completed significant efforts to build the foundation of a formalized AMP with a plan to continue program development over the next few years. The draft CIP includes \$1.7 million to support continued development of an AMP to support effective, efficient, and prioritized management of critical District infrastructure assets through implementation of enhanced business practices, data metrics, and engagement throughout the organization.
 - Information Technology (IT): In FY19/20, staff initiated an IT Assessment to identify prioritized business needs and implementation plans to enhance business processes and use of IT to support organizational effectiveness and efficiency. The draft CIP includes \$0.75 million in continued IT investment in support of this initiative.
- *Planning for the Future:* The draft CIP identifies funding for multiple master planning efforts, including the current RRFMP (\$1.0 million), Electrical System Master Plan (\$0.4 million in FY22/23), Supervisory Control and Data Acquisition Master Plan (\$0.5 million in FY22/23), Biosolids Management Master Plan (\$0.4 million in FY23/24), and Recycled Water Master Plan Update (\$0.3 million in FY23/24).

The draft 5-year CIP is provided in the CIP Program Summary (refer to Attachment), which includes a summary of capital projects by major fund, which is highlighted in Table 1.



Table 1 – Draft FY20/21 – FY24/25 CIP Totals by Major District Fund

Fund	5-year CIP Total (\$M)	% of 5-Year CIP Total
Wastewater		
Capital Asset	3.5	4.3
Capital Asset Replacement	56.8	69.9
Expansion	4.5	5.5
Advanced Treatment	3.3	4.0
Recycled Water		
Capital Asset	2.5	3.0
Capital Asset Replacement	4.7	5.8
Expansion	0.2	0.2
Bay Point Collection	5.3	6.5
Household Hazardous Waste	0.5	0.6
Total	\$81.3M	100%

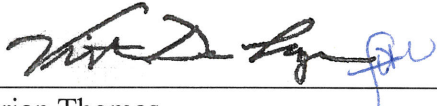
The FY20/21 – FY24/25 CIP includes information regarding the location, scope, schedule, budget, risk, financing needs, and other information to adequately justify the need for capital projects. During development of the CIP, staff coordinated with planning agencies in the District’s service area (i.e., the cities of Antioch and Pittsburg, and Contra Costa County) to ensure that recommended projects in the CIP are consistent with the respective agency’s applicable specific and general plans. Staff used previously developed District planning documents to determine the recommended timing, scope, and budget for projects in the CIP. In accordance with the District’s CIP development process, the CIP shall be adopted by, and shall be annually reviewed and revised by, resolution of the Board, following issuance of a notice of public hearing. Notice of the hearing will be given in accordance with Government Code Section 65090. Annual CIP revisions will be presented for approval at the same time the budget is presented for approval. Following the Board’s adoption of the CIP, staff will provide copies of the approved CIP to the planning agencies in the District’s service area and update the District’s website to describe priority projects. Staff anticipates presenting the final CIP for consideration at the June 25, 2020 Board meeting.

Financial Impact

The draft FY20/21-FY24/25 CIP includes approximately \$81.3 million in capital investment needs. As recommended at the Board meeting on April 23, 2020, staff is recommending that the majority of the District’s capital spending be cash funded (versus debt financed) to provide the highest overall value to the District’s customers. The draft CIP has been incorporated into the current FY20/21 SSC analysis, which would provide funding required to support capital spending needs in FY20/21.

Attachment

CIP Program Summary

Reviewed by: 
 Brian Thomas
 Engineering Services Director/District Engineer

cc: District File No. CORP.09-CORRES



Attachment 1
Delta Diablo Five Year Capital Improvement Program
FY2020/2021 - FY2024/2025

Page	Project Name	Project No.	Priority	Lead Dept.*	Available Budget through FY19/20	Anticipated Budgets					Anticipated Budget By Fund								
						FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	5-Year Total	WW CA	WW CAR	WW Exp	AT	RW CA	RW CAR	RW Exp	BP Coll.
Wastewater Capital Asset (Fund 120)																			
	CA-4		TBA	1	ES					\$500,000	\$1,200,000	\$1,700,000	\$850,000			\$850,000			
	CA-5	19109	3	ES	\$250,391	\$700,000	\$300,000	\$300,000	\$200,000	\$200,000	\$1,700,000	\$1,700,000							
	CA-6	18107	3	RRS	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000	\$250,000							
	CA-7	18908	3	ES	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000	\$125,000	\$125,000						
	CA-8	18908	3	ES	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	\$250,000	\$250,000						
	FY19/20	18109	1	ES	\$776,986														
	FY19/20	16117	1	ES	\$4,555,784														
	Wastewater Capital Asset Fund Total					\$5,783,161	\$900,000	\$500,000	\$500,000	\$900,000	\$1,600,000	\$4,400,000	\$3,175,000	\$375,000		\$850,000			
Wastewater Capital Asset Replacement (Fund 130)																			
	CAR-3		TBA	1	ES	\$100,000	\$200,000				\$200,000		\$200,000						
	CAR-5		TBA	1	RRS		\$60,000				\$120,000		\$120,000						
	CAR-6		TBA	1	RRS				\$500,000	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000						
	CAR-8	18113	1	ES	\$1,245,381		\$400,000	\$1,000,000	\$2,000,000	\$2,082,837	\$5,482,837	\$5,482,837							
	CAR-10	17117	1	ES	\$2,700,109	\$5,000,000	\$3,000,000				\$8,000,000	\$8,000,000							
	CAR-11		TBA	1	IT	\$70,000	\$325,000	\$50,000	\$400,000	\$50,000	\$50,000	\$875,000	\$875,000						
	CAR-12		TBA	1	RRS	\$25,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000	\$250,000							
	CAR-13		TBA	1	ES		\$400,000	\$600,000			\$1,000,000	\$700,000				\$200,000	\$100,000		
	CAR-14		TBA	1	ES		\$600,000	\$1,500,000	\$900,000		\$3,000,000	\$2,100,000				\$900,000			
	CAR-15	19112	1	ES	\$490,749														
	FY19/20		TBA	1	RRS	\$90,000													
	FY19/20	18112	1	ES	\$1,542,130														
	FY19/20		TBA	1	RRS	\$215,000													
	FY19/20	17140	1	ES	\$1,187,637														
	FY19/20	17120	1	RRS	\$116,320														
	FY19/20	15120	1	RRS	\$99,985														
	CAR-18		TBA	1	ES			\$400,000	\$500,000	\$500,000	\$1,400,000	\$1,400,000							
	CAR-19	80008	1	ES	\$9,313,678	\$3,500,000					\$3,500,000	\$3,500,000							
	CAR-20		TBA	1	RRS	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	\$500,000							
	CAR-21	18120	1	ES	\$600,000	\$1,000,000					\$1,000,000	\$350,000	\$500,000	\$100,000		\$50,000			
	CAR-22	18114	1	RRS	\$617,585		\$253,145				\$253,145	\$227,831			\$25,315				
	CAR-23		TBA	1	ES			\$500,000			\$500,000	\$450,000			\$50,000				
	CAR-24	13105	1	ES	\$506,261														
	CAR-25		TBA	1	ES			\$550,000	\$870,000		\$1,420,000	\$1,420,000							
	CAR-26	17117	1	ES	\$2,562,058	\$750,000	\$3,000,000				\$3,750,000	\$3,750,000							
	CAR-27		TBA	1	BS	\$129,641				\$1,461,028	\$1,461,028	\$1,461,028							
	CAR-28	19111	1	ES	\$500,000														
	CAR-29	20109	1	ES	\$960,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000	\$1,000,000							
	CAR-30		TBA	2	ES				\$400,000		\$400,000	\$400,000							
	CAR-31		TBA	2	ES			\$400,000			\$400,000	\$400,000							
	CAR-32	19110	2	RRS	\$50,000			\$750,000			\$750,000	\$750,000							
	CAR-33		TBA	2	RRS		\$80,000	\$80,000	\$80,000		\$240,000	\$240,000							
	CAR-34		TBA	2	ES	\$250,000					\$250,000	\$250,000							
	CAR-35		TBA	2	ES			\$300,000			\$300,000	\$300,000							
	CAR-36	18107	2	IT	\$50,000														
	CAR-37		TBA	2	RRS	\$645,000	\$400,000	\$100,000	\$100,000	\$100,000	\$800,000	\$800,000							
New	Remote Sites Connectivity Improvements		TBA		ES		\$300,000				\$300,000	\$300,000							
New	Digester No. 1 Cleaning & Repair		TBA		ES		\$200,000	\$200,000			\$400,000	\$400,000							
New	Digester No. 3 Cleaning & Repair		TBA		ES		\$200,000	\$200,000	\$200,000		\$400,000	\$400,000							
New	Digester Gas Handling and Compressors Replacement		TBA		ES	\$100,000	\$600,000				\$700,000	\$700,000							
New	Cogen System Improvements		TBA		ES		\$800,000	\$3,000,000	\$1,200,000		\$5,000,000	\$5,000,000							
New	Secondary Clarifier Area Improvements		TBA		ES				\$350,000	\$650,000	\$1,000,000	\$1,000,000							
New	Primary Clarifiers Area Control System Upgrade		TBA		ES			\$150,000			\$150,000	\$150,000							
New	Primary Service Water Filter Replacement		TBA		RRS		\$100,000				\$100,000	\$100,000							
New	Antioch Pump Station and Conveyance System Improvements		TBA		ES	\$1,000,000	\$300,000	\$3,000,000			\$8,300,000	\$8,300,000							
	Wastewater Capital Asset Replacement Fund Total					\$24,916,534	\$13,915,000	\$14,593,145	\$13,930,000	\$8,070,000	\$4,693,865	\$55,202,010	\$350,000	\$53,426,696	\$100,000	\$75,315	\$50,000	\$1,100,000	\$100,000
Wastewater Expansion (Fund 140)																			
	E-3		10178	3	ES				\$700,000	\$3,300,000	\$4,000,000		\$4,000,000						
	Wastewater Expansion Fund Total								\$700,000	\$3,300,000	\$4,000,000		\$4,000,000						

Attachment 1
Delta Diablo Five Year Capital Improvement Program
FY2020/2021 - FY2024/2025

Page	Project Name	Project No.	Priority	Lead Dept.*	Available Budget through FY19/20	Anticipated Budgets					Anticipated Budget By Fund									
						FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	5-Year Total	WW CA	WW CAR	WW Exp	AT	RW CA	RW CAR	RW Exp	BP Coll.	HHW
Advanced Treatment (Fund 125)																				
AT-3	Nutrient Technology Research and Innovation	17123	1	ES	\$82,000				\$250,000	\$250,000	\$500,000			\$500,000						
AT-4	Secondary Treatment Upgrades with Nutrient Management	TBA	1	ES					\$2,000,000	\$4,000,000	\$6,000,000		\$3,000,000		\$3,000,000					
Advanced Treatment Fund Total					\$82,000				\$2,250,000	\$4,250,000	\$6,500,000		\$3,000,000	\$500,000	\$3,000,000					
Recycled Water Capital Asset (Fund 220)																				
RWA-3	RWF IPS, Process Line Modification, and Blowdown	TBA	3	ES				\$250,000	\$850,000		\$1,100,000				\$1,100,000					
RWA-4	Recycled Water Master Plan Update	TBA	3	ES					\$300,000		\$300,000		\$150,000		\$150,000					
RWA-5	Small Recycled Water Facility Capital Asset Project	19103	3	ES	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000				\$250,000					
RWA-6	Treatment Plant Flow Equalization Improvements - Emergency Storage Basin	TBA	3	ES					\$125,000		\$125,000				\$125,000					
Recycled Water Capital Asset Fund Total					\$50,000	\$50,000	\$50,000	\$300,000	\$1,325,000	\$50,000	\$1,775,000				\$150,000	\$1,625,000				
Recycled Water Capital Asset Replacement (Fund 230)																				
RWR-3	DEC and CCT Vavles Replacement	TBA	1	ES				\$225,000	\$375,000		\$600,000				\$600,000					
RWR-4	DEC Storage Tank Rehabilitation	TBA	2	ES					\$250,000	\$750,000	\$1,000,000				\$1,000,000					
RWR-5	Sand Filter and Filter Cover Improvements	TBA	2	RRS	\$75,000			\$500,000	\$582,000		\$1,082,000				\$1,082,000					
RWR-6	Recycled Water Distribution System Improvements	19114	3	ES					\$500,000		\$500,000				\$500,000					
RWR-6	Unanticipated Recycled Water Infrastructure Repairs	19114	3	ES	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000				\$500,000					
New	Sand Filter Intermittent Backwash System	TBA		RRS		\$750,000					\$750,000				\$750,000					
New	DEC Tank Isolation Valves Replacement	TBA		RRS			\$100,000				\$100,000				\$100,000					
New	Sand Filter Air Compressor Replacement	TBA		RRS		\$90,000					\$90,000				\$90,000					
New	RWF Clarifier Liner Rehabilitation	TBA		RRS			\$50,000				\$50,000				\$50,000					
Recycled Water Capital Asset Replacement Fund Total					\$175,000	\$940,000	\$200,000	\$875,000	\$1,807,000	\$850,000	\$4,672,000					\$4,672,000				
Recycled Water Expansion (Fund 240)																				
RWE-3	Recycled Water Distribution System Expansion	18110	3	ES						\$150,000	\$150,000							\$150,000		
Recycled Water Expansion Fund Total										\$150,000	\$150,000							\$150,000		
Bay Point Collection (Fund 520)																				
BP-3	Bay Point Overlay Manhole Adjustments	TBA	1	ES	\$250,000															
FY19/20	Bay Point Rehabilitation Phase 4	18119	1	ES	\$4,422,117															
FY19/20	Facility Condition Assessment	18121	1	ES	\$682,952															
BP-5	River Watch Settlement Compliance	TBA	1	ES	\$670,000	\$720,000					\$720,000				\$720,000			\$720,000		
BP-7	Unanticipated Bay Point Repairs	TBA	1	ES	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000				\$500,000			\$500,000		
New	Bay Point Sewer Repairs - Phase 5	18119	1	ES						\$3,000,000	\$3,000,000				\$3,000,000			\$3,000,000		
Bay Point Collections Fund Total					\$6,125,069	\$820,000	\$100,000	\$100,000	\$100,000	\$3,100,000	\$4,220,000							\$4,220,000		
Household Hazardous Waste (Fund 310)																				
HHW-3	Household Hazardous Waste Improvements	18105	3	ES	\$25,000	\$25,000	\$25,000	\$25,000	\$300,000	\$25,000	\$400,000							\$400,000		
Household Hazardous Waste Fund Total					\$25,000	\$25,000	\$25,000	\$25,000	\$300,000	\$25,000	\$400,000							\$400,000		
Total					\$37,156,764	\$16,650,000	\$15,468,145	\$15,730,000	\$15,452,000	\$18,018,865	\$81,319,010	\$3,525,000	\$56,801,696	\$4,500,000	\$3,250,000	\$2,475,000	\$4,747,315	\$200,000	\$5,320,000	\$500,000

ITEM G

May 13, 2020

RECEIVE REPORT ON KEY ASSUMPTIONS FOR PROPOSED FISCAL YEAR 2020/2021 OPERATING BUDGET

RECOMMENDATION

Receive report on key assumptions for the proposed Fiscal Year 2020/2021 (FY20/21) Operating Budget.

Background

Following critical review of operating budget adjustment needs and opportunities, staff has developed a proposed FY20/21 Operating Budget, which served as the baseline for calculation of the proposed Sewer Service Charges (SSCs) presented to the Board on April 23, 2020. This critical review directly supports the District's long-term financial sustainability and effective stewardship of limited ratepayer funds in operating the District's wastewater collection, conveyance, and treatment systems; recycled water system; household hazardous waste collection facility; and street sweeping services program. Following review of key assumptions for the FY20/21 Operating Budget by the Finance Committee on April 29, 2020, staff would present these assumptions to the Board on May 13, 2020. Staff would subsequently present the single-year FY20/21 Budget, which will include revenues, operating expenses, and capital expenditures, for consideration and approval at the Board meeting on June 25, 2020.

The key operating budget assumptions were presented to the Finance Committee for review and comment on April 29, 2020. The Committee concurred with presenting the key assumptions to the Board on May 13, 2020 for review and comment. For additional information, please refer to Notes from the Finance Committee Meeting, April 29, 2020 within this Board meeting agenda packet. After receiving Committee and Board comments on key assumptions, the proposed FY20/21 Budget will be presented to the Board for consideration of approval on June 25, 2020.

Analysis

The District continues to experience progressive increases in annual operating costs over time due to escalations in labor, chemical, energy, materials, supplies, equipment, hauling, and services costs, as well as increasingly more stringent regulatory requirements. The proposed FY20/21 Operating Budget totals \$29.6 million, which represents a \$0.9 million increase (3.0%) relative to FY19/20 (\$28.7 million). This section highlights major cost categories in the FY20/21 Operating Budget, including salaries and benefits, chemicals, utilities, office and operating, and outside services.

Salaries and Benefits: This category represents approximately 59% of the District's FY20/21 operating budget.

- Cost-of-Living Adjustment: (COLA). An annual COLA is specified in the memoranda of understanding (MOUs) for each of the District's three bargaining units. The MOUs specify that the District will adjust salaries for the first full pay period after July 1 each year, from a minimum of 2% up to 5% based on the April to April change in the



Consumer Price Index (CPI), San Francisco/Bay Area Wage Earners. The percentage will be available in May and COLAs will be included in the FY20/21 Salaries and Benefits budget for the Board's consideration in June.

- Unfunded Positions: A total of 79.0 full-time equivalent (FTE) positions will be budgeted in FY19/20. Based on an assessment of resource needs, staff estimates that three positions will remain unfilled and unfunded in FY20/21, which results in an annual savings of \$0.9 million.
- Position Changes: No new positions are recommended, but two vacant positions will be flexibly staffed in FY20/21 following retirement of two incumbents in the Engineering Technician and Associate Engineer positions. The District intends to fill these positions at the Junior and/or Assistant Engineer level in FY20/21. In addition, a Maintenance Intern position is included, which adds 0.5 FTEs to the FY20/21 Operating Budget at an annual cost of \$50,000.
- Medical Insurance: Annual medical insurance premium costs have been increased by 7.25%, while most other health benefits (e.g., vision, Employee Assistance Program, and life insurance) are not expected to increase.
- California Public Employees' Retirement System (CalPERS) Funding: In November 2011, the Board adopted CalPERS Tier 2 (2.0% at age 55), which applies to employees hired between July 1, 2012 and December 31, 2012, or hired on or after January 1, 2013, as a member of a qualified public pension plan (e.g., CalPERS, Contra Costa County Employee Retirement Plan, etc.). Prior to July 1, 2012, 100% of all employees were enrolled in CalPERS Tier 1 (2.7% at age 55). Furthermore, the Public Employees' Pension Reform Act of 2013 (PEPRA), effective January 1, 2013, established Tier 3 (2.0% at age 62), which applied to employees hired on or after January 1, 2013, who are not members of a qualified public pension plan. As of FY19/20, 49% of all employees are in either Tier 2 or Tier 3 and since new hires are no longer eligible to become members of Tier 1, there are ongoing savings as employees leave the District and vacant positions are filled at Tiers 2 and 3. The District assumes that new journey level, professional, and management hires will be Tier 2, because it is likely that they would have been a member in CalPERS or a reciprocal plan. The District assumes that new entry level hires will be Tier 3, because it is unlikely that these hires would have been members in CalPERS or a reciprocal plan. In addition to the lower employer-paid contributions into CalPERS, all new hires pay their full employee contributions into CalPERS, as well as contributions into the Other Post-employment Benefits (OPEB) trust, which is at 3% of base salary.
- CalPERS Pension Unfunded Liability Contribution: This cost is budgeted at \$1.1 million, which is an increase of approximately \$0.1 million from FY19/20.
- Succession Planning: There was no change from FY19/20 in the \$0.1 million budget for overlap of new hires and incumbents in critical positions.
- Contra Costa County Retirees' Association (CCCERA) Funding: In July 2014, the Board established Contributed Benefit Savings (CBS) funding levels of 3.75% of salaries to maintain the integrity of the CCCERA plan for District retirees and employees who remained in the CCCERA system after the District transitioned from the CCCERA pension plan to CalPERS in July 2014.
- OPEB Trust Fund Annual Funding: The Board's adopted OPEB Funding Policy states the intent to fully fund the District's Actuarially Determined Contribution (ADC), which



the Board has done each year since the trust fund was established in February 2010. District employees pay 3% of base salaries into the trust and the District budgets the required 3% match, as well as actual retiree medical costs which are deposited into the OPEB trust fund. The FY20/21 Operating Budget includes an ADC of \$0.9 million.

- **Public Agency Retirement Services (PARS) Funding:** The FY20/21 Operating Budget includes a one-time payment of \$0.1 million to PARS. The PARS trust account was established to pre-fund both CalPERS pension obligations and/or OPEB obligations. The additional funds in PARS will provide funding to mitigate future rate revenue required for projected sharp increases in pension or OPEB costs due to decreases in discount rates, an accelerated amortization schedule, and/or investment losses.

Chemicals: This cost is approximately 6% of the FY20/21 Operating Budget. The District normally participates in the Bay Area Chemical Consortium (BACC), which administers an annual bidding process for water and wastewater treatment chemicals, to leverage purchasing power among the members and receive cost-effective bids. As external factors (e.g., tariffs) cause chemical prices to rise, this approach allows the District to benefit from the most competitive market prices. However, because BACC eliminated the bidding process this year due to the COVID-19 pandemic, the District secured one-year contract extensions at no additional cost. Staff has conducted a comprehensive review of chemical unit costs, estimated quantities, and associated contingencies. The FY20/21 chemical budget totals \$1.7 million, including \$1.1 million for wastewater and \$0.6 million for recycled water, which represents a \$0.2 million annual decrease due to more efficient chemical dosing at the Recycled Water Facility.

Utilities: This category represents approximately 7% of the FY20/21 Operating Budget.

- **Energy Costs:** Staff continues to identify opportunities to reduce on-site energy demand and increase renewable energy production. Staff has identified and implemented changes to operating strategies based on variable energy cost schedules to reduce energy costs. The budget assumes a 90% uptime for the on-site cogeneration engine, which is expected to meet over 55% of plant power demand, while providing waste heat for the anaerobic digesters.

Office and Operating: This category represents approximately 11% of the FY20/21 Operating Budget. Permit and regulatory fees are expected to increase by 8% in FY20/21 for a total budget of \$0.3 million. As presented to the Board on March 11, 2020, the District expects a significant increase in annual biosolids management costs following receipt of bids in early May 2020 and expiration of the current long-term biosolids management services agreement with an outside contractor.

Outside Services: This category represents approximately 15% of the FY20/21 Operating Budget and includes items such as temporary, legal, and professional services. Professional services are the largest item in the Outside Services category and is budgeted in the amount of \$1.2 million. This represents a 33% increase over last year or a \$0.29 million increase and is representative of planned organizational improvement initiatives, including Munis Enterprise Resource Planning enhancements, as well as cost-of-service (SSC, Recycled Water, Capital Facilities Capacity Charges), fee schedule, and total compensation studies planned for FY20/21.



Financial Impact

The key operating budget assumptions provided herein are geared toward assisting the District in recovering its operating expenses, while also highlighting the District's efforts to implement budget adjustment strategies that support long-term financial sustainability and responsible stewardship of limited ratepayer funds. Staff has included these assumptions in the District's long-term 5-year SSC analysis, which was presented to the Board for review on April 23, 2020.

Attachments

None

Prepared and Reviewed By: _____


Carol S. Margetich
Business Services Director

cc: District File CORP.08-CORRES



ITEM J

May 13, 2020

RECEIVE MONTHLY LOBBYIST REPORT DATED APRIL 2020, 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 April 2020, which was produced by KA and distributed to members of the Western Recycled Water Coalition.

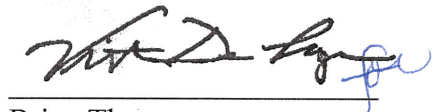
Financial Impact

None

Attachment

Monthly Report, April 2020

Reviewed by:



Brian Thomas
Engineering Services Director/District Engineer

cc: Project File No. P.90024.06.01





1701 Pennsylvania Avenue
Suite 300
Washington, D.C. 20006
(202) 722-0167

April 30, 2020

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

Note: Covid-19 has greatly impacted the congressional legislative process. As of this writing, Congress has not resumed its “normal” legislative schedule, and all Hill buildings remain closed except for Members, staff and credentialed press. Members’ offices and committees are functioning via email and phones. The situation is challenging for everyone. With these constraints, we have learned the following.

Infrastructure

Comments continue on an infrastructure bill. Speaker Pelosi has held two press conferences on it and wanted to include it in the recently enacted Phase 4 coronavirus economic stimulus law. She got push back from Senators McConnell, McCarthy and Schumer, all of whom did not express opposition to an infrastructure proposal but rather preference for not doing it now, the focus being on health care issues. Pelosi continues to push as Congress begins deliberations on Phase 5. McConnell continues to resist. The President also continues to talk up infrastructure although in his most recent comment he said he didn’t have strong feelings one way or the other regarding doing infrastructure in one of the coronavirus phases or as a separate initiative. Senator Barrasso, Chair of the Environment and Public Works Committee, has already said that he wants the Committee’s bipartisan FAST Act and WRDA reauthorization bills included in any infrastructure package.

To review, on January 28, the House Democratic leadership along with the chairs of the key congressional committees of jurisdiction (T&I, Energy and Commerce, and Ways and Means) rolled out a mega infrastructure framework – with more details and legislative language to follow – that focuses on surface transportation issues, broadband, 911 updates, brownfields, safe drinking water, with mention of housing, education and natural resources. See the following: <https://transportation.house.gov/imo/media/doc/Moving%20Forward%20Framework.pdf>. Water highlights of interest (note: these do **not** include water programs from other committees such as the Natural Resource Committee not yet available but to be included in the package) –

- **Clean Water & Wastewater Infrastructure — \$50.5 Billion**
 - Funds building new, modern clean water and wastewater infrastructure by

investing \$40 billion in the Clean Water State Revolving Fund (CWSRF), to address local water quality challenges, with dedicated funds for urban and rural communities with affordability concerns.

- Encourages the use of energy-efficient and water-efficient technologies.
 - Helps communities affordably address local sewer overflow and storm water infrastructure needs, preventing pollution in local rivers and waterways, and disruptions to service.
 - Establishes a new EPA program to detect, prevent, and treat discharge of industrial chemicals, including PFAS.
- **Water Infrastructure (Flood protection, navigation, etc.) — \$10 Billion**
 - Addresses the impact of severe weather events by tackling the backlog of Army Corps' projects designed to protect communities at risk of flooding, to enhance community resiliency, and to enhance national, regional, and local economic growth.
 - **Safe Drinking Water — \$25.4 Billion**
 - Protects Americans' drinking water – particularly for vulnerable communities – by investing in the Drinking Water State Revolving Fund and programs to ensure clean drinking water in schools, day care centers and on Native American Reservations.
 - Provides funding to local communities dealing with PFAS contamination in the drinking water and requires EPA identify and assist these and other communities with effective decontamination techniques.
 - **Alternative Water Source Project - \$600 Million** Reauthorizes Federal investments in alternative water source projects to address critical water supply needs, especially in arid areas of the Nation.

President's Infrastructure Proposal

To review, the President's FY21 Budget has two major infrastructure components. The first is a \$810 billion, 10-year reauthorization of surface transportation programs. The second is a \$190 billion in investments across a range of infrastructure, as follows:

- **\$60 Billion for a new Building Infrastructure Great grants program:** This “mega-projects” program will focus on delivery of such projects across a range of sectors: surface transportation road, bridge, rail, transit, pipeline, landside port, and intermodal connection capital investments; lock, dam, and canal investments; drinking water and waste treatment capital investments; and energy and broadband capital investments.
- **\$50 billion for a new Moving America's Freight Safely and Efficiently program.** This program will support projects with significant economic, mobility, and safety benefits on our strategic highway, rail, port, and waterway freight networks.
- **\$35 billion for a new Bridge Rebuilding program.** This program will make targeted investments in critical bridge infrastructure to restore them to good condition. \$12 billion

will be provided for “off- system” bridges allocated via formula, and \$23 billion will be provided for larger bridges via a competitive process.

- **\$25 billion for a new Revitalizing Rural America program.** This program focuses on the needs and contributions to our economy made by rural communities and helps them deliver broadband, transportation, water and other infrastructure projects.
- **\$20 billion for a Transit State of Good Repair Sprint program.** The program will focus exclusively on rehabilitating existing transit assets (no new capacity projects).
- **\$6.5 billion for a Public Lands Infrastructure Fund.** This program would address the deferred maintenance backlog in our national parks, forests, wildlife refuges and other public lands, along with Bureau of Indian Education

Coalition Projects Bill

Status: Waiting on decision from Senate offices regarding Coalition’s request for introduction of a Senate companion bill. Coordinating with Cal Water and Hawaii Water Service the best way to influence and find out the decision.

On Feb. 26, the Coalition (Jayne, Ironhouse representatives and Key Advocates met with a number of Hill staffers on various issues (all referenced in this report). Two of the meetings were with the staffs of Senator Hirono (D-HI) – Jen Burks and Tiffany Crawford, LA’s - and Senator Schatz (D-HI) – Christine Blackburn and Jake Rascoff, LA’s. The purpose of the meetings was to request that the Senators – either one or both – introduce the companion bill to the McNerney Coalition project bill. Background information on the Coalition, a copy of the McNerney bill and a request letter from the Hawaii Water Service were provided at the meetings. Our request was taken under advisement with more interest expressed by the Hirono staffers. A third meeting was held with Dave Chun (LD, Congresswoman Tulsi Gabbard (D-HI-2), a cosponsor of the McNerney bill. A very positive meeting. Chun agreed to contact Burks in support of our request. HR 5302 introduced on Dec. 4 by Congressman McNerney with Reps Gabbard, Swalwell, and Panetta as cosponsors. McNerney press release with Coalition quote.

Senate WRDA Bill

Last week the Senate Environment and Public Works Committee released two water bills - the America’s Water Infrastructure Act of 2020 (AWIA) and the Drinking Water Infrastructure Act of 2020 (see links below for texts and section-by-sections). The two bills are intended to form the Senate 2020 WRDA bill. There are two bills because of the split jurisdiction in the House - AWIA is a Corps of Engineers/clean water bill which is under the jurisdiction of the House T&I Committee; the Drinking Water bill falls under the jurisdiction of the House Energy and Commerce Committee.

Highlights and thoughts on both bills -

- \$25M for FY 2022-2024 for the Alternative Water Source Grants Program - the DeFazio bill (H.R. 1497) authorizes \$75M for each of 5 fiscal years;
- \$2B in FY 2022, \$2.5B in FY 2023 and \$3B in FY 2024 for the Clean Water SRF

(subject to scorekeeping and offsets if necessary) - the DeFazio bill authorizes \$40B over 5 fiscal years;

- Reauthorization and expansion of the Drinking Water Infrastructure Risk and Resiliency Program (50M for FY 2022-2024 of the Drinking Water bill), and the creation of a companion \$50M for FY2022-2024 program for clean water systems;
- \$250M for FY 2021-2022 for reauthorization of the Sewer Overflow and Stormwater Reuse Grant Program - the DeFazio bill authorizes \$225M for each of five fiscal years;
- \$50M for WIFIA for FY 2022-2024;
- No authorizations for the Safe Drinking Water SRF as that was re-authorized and increased last Congress;
- No funds for the Title XVI WIIN grant program as that falls under the jurisdiction of the Senate Energy and Natural Resources Committee;
- The two Senate bills taken together as its version of WRDA 2020 is a stark contrast to past Senate WRDA bills that focused almost exclusively on Corps of Engineers issues and,
- The inclusion of various EPA water provisions opens the door for the inclusion of the DeFazio bill in the House 2020 WRDA bill, setting up conference deliberations on the differences.

We expect the Committee to debate and pass the bills as early as next month.

House 2020 WRDA

Status: Drafting ongoing. No details. Bill expected next month.

Current law expires Sept. 30 of this year. Goal is to re-authorize the program this year to keep it on a two-year cycle. The focus is on the Corps of Engineers – projects and process – although in the past WRDA has been the vehicle for inclusion of other “water” issues of interest.

S. 1932, “Drought Resiliency and Water Supply Infrastructure Act”

Status: Still trying to reach agreement on the compromise bill. Hearing and markup to follow. The essence of the compromise is that the Republicans got “more” on the water storage issue in return for the Dems getting “more” on the recycled water issue (\$160M over 5 years).

To review, introduced on June 20 by Senator Cory Gardner (R-CO) with cosponsors Senators Feinstein, McSally (R-AZ), Sinema (D-AZ) and Rosen (D-NV). The bill was referred to the Energy and Natural Resources Committee. McSally is the Chair of its Water and Power Subcommittee. Gardner is a member of the Subcommittee. Feinstein and Sinema are not on the Committee. The bill would authorize for FY19-24 \$670M for surface and groundwater storage projects, \$100M for water recycling projects, and \$60M for desalination projects. It would also create a new loan program at 30-year Treasury rates for water supply projects known as the Reclamation Infrastructure Finance and Innovation Act (RIFIA). The \$150M authorized for the program would make available \$8 to \$12B in lending authority for the low interest loans. The loans would use existing criteria under the WIFIA program, with projects for funding to be recommended by the Bureau of Reclamation, and with the loans to be administered by EPA. The bill would also authorize \$140M for restoration and environmental compliance projects. The bill provides offsets, one of which is a process to de-authorize inactive water recycling projects –

projects for which no Federal or sponsor funds were spent on construction in the past 10 years, with an allowance of two and one-half years to spend funds to prevent de-authorization.

H.R. 1162, the “Water Recycling Investment and Improvement Act”

Status: Bill marked up by House Natural Resources Full Committee on March 11. Floor schedule not yet determined.

To review, on Feb.13, Congresswoman Napolitano introduced the bill (with 17 cosponsors, now 27– all Dems) which the Coalition supports. The Coalition supported her bill last Congress. Two changes were made from last year’s version: the EPA grant program was dropped so the focus could be on Title XVI; and, the cap on the Federal share for individual projects was increased from \$20M to \$30M. Per the Congresswoman’s office, the following summary was provided:

- Increases the WIIN Act authorization for Title XVI from \$50 million to \$500 million
- Makes the WIIN Act Title XVI program permanent as it currently expires in 2021.
- Strikes the requirement that projects must be in drought or disaster areas
- Strikes the requirement that the projects need to be designated in an appropriations legislation
- Increase the limitation on the federal share of individual Title XVI projects from the current \$20 million in October 1996 prices to \$30 million in January 2019 prices.

Does not change the 25% federal cost share.

On June 13, the Subcommittee on Water, Oceans, and Wildlife (WOW) of the Natural Resources Committee held a hearing on the bill.

H.R. 2473, “Securing Access for the Central Valley and Enhancing (SAVE) Water

Resources Act

Status: Bill marked up by House Natural Resources Full Committee on March 11. Floor schedule not yet determined.

To review, introduced on May 2 by Congressman Josh Harder (D-CA-10) with 7 cosponsors. The bill provides \$100M for Title XVI WIIN grants from deposits made to the Reclamation Fund; authorizes \$150M for a reclamation infrastructure finance and innovation pilot program; increases the current Title XVI WIIN grant authorization from \$50M to \$500M (the same increase as in Cong. Napolitano’s H.R. 1162) and raises the Federal share cap from \$20M to \$30M; and, establishes a water technology investment program to expand use of technology for improving the availability and resiliency of water supplies and power delivers, and authorizes \$5M per fiscal year for the program. On June 13, the Subcommittee on Water, Oceans, and Wildlife (WOW) of the Natural Resources Committee held a hearing on the bill.

DeFazio H.R.1497, the “Water Quality Protection and Job Creation Act of 2019.”

Status: CBO scorekeeping report received. Next steps to be determined.

To review, on March 10 Chair DeFazio, Subcommittee Chair Napolitano, and Representatives

Don Young and John Katko introduced the above bill (now with 56 cosponsors) which was amended in markup to authorize \$14B over the next five fiscal years for the CWSRF, \$1.125B for overflow and sewer grants, \$1.295B for state water pollution control programs, \$110M for innovative water grants, and \$150M for alternative water source projects. A Coalition support letter was submitted.

Huffman Omnibus Water Bill

Status: Completed review of stakeholders' comments on draft. No specifics on next steps - introduction, hearing or markup.

On January 10, Congressman Jared Huffman (D-CA-2), Chair of the Water, Oceans, and Wildlife Subcommittee of the Natural Resources Committee, unveiled a draft for comment of his omnibus water bill, the "FUTURE Drought Resiliency Act," that includes Cong. Napolitano's HR. 1162 and a section from Cong. Harder's HR. 2473 (both also included in this monthly report). The Coalition worked with both Members on these two efforts and with the Natural Resources Committee and Cong. Huffman's personal staff on the omnibus bill.

The included Napolitano language increases from \$50M to \$500M the authorization for Title XVI WIIN grants and from \$20M to \$30M the Federal share.

The included Harder language authorizes \$300M per year for a new "Water Infrastructure and Drought Solutions Fund," of which \$100M is for ground water storage projects, \$100M for water reclamation and reuse projects, and \$100M for WaterSMART grants. Because it will take years for revenues (they would come from the existing reclamation fund) to reach the \$300M level, the authorizations are for FY2030-2060.

Other provisions in the omnibus -

- \$750M for storage projects
- \$240M for desalination projects
- \$100M for disadvantaged communities without adequate drinking water
- Various technology provisions
- Various ecosystem protection provisions

Senate Highway Bill

FAST Act reauthorization required by Sept. 30 when current program expires. Senate EPW has reported its version of the bill (see below). Other Senate committees that need to act include Banking (mass transit), Commerce (trucking, rail and safety), and Finance (how to pay for the bill). Senate Banking Committee held an authorization hearing on Feb. 25. House T&I working on a draft. Other House committees that need to act include Energy and Commerce (safety) and Ways and Means (how to pay for the bill).

To review, the EPW bipartisan bill would authorize \$287 billion in highway spending, 90-percent of which would be distributed to the states by formula. The bill also features a title on climate change, which would authorize \$10.8 billion for various programs addressing resiliency and other climate issues over the next five fiscal years. That includes \$1 billion for electric,

hydrogen, and natural gas vehicle charging and fueling stations. It would also provide billions for programs aimed at curbing emissions and reducing congestion and truck idling. The legislation would also streamline infrastructure permitting and set a two-year target for environmental reviews. Lastly, the bill would authorize \$12.5 million per year to fund state and regional pilot testing of user-based alternative revenue mechanisms to the gas tax.

Earmarks

Status: No new developments. Continue to monitor in conjunction with the Office of House Majority Leader.

To review, recent reports indicate discussion, and in some cases real interest, in bringing back earmarks. Many House Democrats have voiced support for overturning the current ban on earmarks. Most noticeably is Majority Leader Hoyer who is shopping an earmark return plan that would require for every earmark the recipient be a public, not a private entity, the Member requesting the earmark be identified, the earmark project be located in the Member's district/state, and the Member acknowledge under penalty that he or she has no vested interest in the earmark project. Transparency and accountability, Hoyer says, are the cornerstones of his proposal. To date, House Republicans are either opposed or silent on the return as are Senate Republicans. Senate Democrats support overturning the ban with accompanying stringent rules.

President's FY21 "Water" Budget

- **Clean Water SRF** - \$1.119B versus \$1.638 for FY20
- **Safe Drinking Water SRF** - \$863.2M versus \$1.126B for FY20
- **Title XVI/WINN** - \$3M versus \$63.6M for FY20
- **WaterSMART grants** - \$7.8M versus \$55M for FY20
- **WIFIA** - \$28M versus \$63M for FY20
- **CALFED** - \$33M versus \$35M for FY20

WIIN Grants

FY19 awardees still at OMB. FY20 ready to go but not until FY19 awards are announced/sent to Congress.

Bill Tracking - 116th Congress (2019-2020)

NOTE: the summary of bills will appear only once but can be made available as requested.

S.40 — Bureau of Reclamation Transparency Act

Sponsor: Sen. Barrasso, John [R-WY] (Introduced 01/08/2019) Cosponsors: (1) Committees: Energy and Natural Resources

S.611 — Water Affordability, Transparency, Equity, Reliability Act of 2019

Sponsor: Sen. Sanders, Bernard [I-VT] (Introduced 02/28/2019) Cosponsors: (2, now 3) Committees: Environment and Public Works

H.R.1764 — To amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.

Sponsor: Rep. Garamendi, John [D-CA-3] (Introduced 03/14/2019) **Cosponsors:** (8, now 10)

Committees: House - Transportation and Infrastructure

H.R.5628 — Clean Water Allotment Modernization Act

Sponsor: Rep. Waltz, Michael [R-FL-6] (Introduced 01/16/2020) **Cosponsors:** (8)

Committees: House - Transportation and Infrastructure

S.3211 — Clean Water Allotment Modernization Act

Sponsor: Sen. Rubio, Marco [R-FL] (Introduced 01/16/2020) **Cosponsors:** (1)

Committees: Senate - Environment and Public Works

S.3160 — Affordable Safe Drinking Water Act of 2020

Sponsor: Sen. Warren, Elizabeth [D-MA] (Introduced 01/08/2020) **Cosponsors:** (1)

Committees: Senate - Environment and Public Works

H.R.5539 — Clean Water Standards for PFAS Act of 2020

Sponsor: Rep. Pappas, Chris [D-NH-1] (Introduced 01/03/2020) **Cosponsors:** (13)

Committees: House - Transportation and Infrastructure

H.R.5513 — Affordable Safe Drinking Water Act of 2019

Sponsor: Rep. Kennedy, Joseph P., III [D-MA-4] (Introduced 12/19/2019) **Cosponsors:** (8)

Committees: House - Energy and Commerce; Transportation and Infrastructure

H.R.5445 — Critical Infrastructure Act of 2019

Sponsor: Rep. Stewart, Chris [R-UT-2] (Introduced 12/17/2019) **Cosponsors:** (6)

Committees: House - Natural Resources

H.R.5361 — Safe Drinking Water Assistance Act of 2019

Sponsor: Rep. Blunt Rochester, Lisa [D-DE-At Large] (Introduced 12/09/2019) **Cosponsors:** (1)

Committees: House - Energy and Commerce; Science, Space, and Technology

H.R.4780 — National Infrastructure Investment Corporation Act of 2019

Sponsor: Rep. Carbajal, Salud O. [D-CA-24] (Introduced 10/22/2019) **Cosponsors:** (0)

Committees: House - Transportation and Infrastructure

H.R.4687 — SMART Infrastructure Act

Sponsor: Rep. Rouda, Harley [D-CA-48] (Introduced 10/16/2019) **Cosponsors:** (3, now 5)

Committees: Transportation and Infrastructure; Science, Space, and Technology; Agriculture; Energy and Commerce

S.352 — BUILD Act

Sponsor: Sen. Cornyn, John [R-TX] (Introduced 02/06/2019) **Cosponsors:** (1)

Committees: Finance Increases from \$15 billion to \$20.8 billion the national limitation on the amount of tax-exempt highway or surface freight transfer facility bonds.

H.R.180 — Build America Act of 2019

Sponsor: Rep. Hastings, Alcee L. [D-FL-20] (Introduced 01/03/2019) Cosponsors: (7, now 12)
Committees: Transportation and Infrastructure and Ways and Means Directs the Department of Transportation (DOT) to carry out a national infrastructure investment grant program for capital investments in surface transportation infrastructure. Projects eligible for funding under the program include, at a minimum, highway and bridge projects, public transportation projects, passenger and freight rail transportation projects, and port infrastructure investments. In distributing grants under the program, DOT shall ensure an equitable geographic distribution of funds, an appropriate balance in addressing the needs of urban and rural areas, and investment in a variety of transportation modes. At least 20% of grant funds must be set aside for projects in rural areas. The bill amends the Internal Revenue Code to: (1) establish a National Infrastructure Investment Trust Fund, and (2) increase the tax on gasoline other than aviation gasoline and on diesel fuel or kerosene.

S.146 — Move America Act of 2019

Sponsor: Sen. Hoeven, John [R-ND] (Introduced 01/16/2019) Cosponsors: (1)
Committees: Finance Allows tax exempt Move America bonds and Move America tax credits to be used for certain infrastructure projects. A Move America bond is treated as a tax-exempt private facility bond with certain exceptions. At least 95% of the net proceeds from the issuance of the bond must be used for infrastructure projects. The bill specifies exceptions and modifications to existing rules for bonds regarding land acquisition, government ownership, rehabilitation expenditures, and the alternative minimum tax. The bonds are subject to a volume cap equal to 50% of a state's current private activity bond volume cap. States may exchange all or a portion of the volume cap for Move America tax credits to be allocated to taxpayers. The credits include (1) an equity credit for a portion of the basis of each qualified facility; and (2) an infrastructure fund credit for investments in qualified infrastructure funds, including a state infrastructure bank, a water pollution control revolving fund, or a drinking water treatment revolving loan fund.

H.R.658 — National Infrastructure Development Bank Act of 2019

Sponsor: Rep. DeLauro, Rosa L. [D-CT-3] (Introduced 01/17/2019) Cosponsors: (60, now 61)
Committees: Energy and Commerce, Transportation and Infrastructure, Financial Services and Ways and Means

S.353 — RAPID Act

Sponsor: Sen. Cornyn, John [R-TX] (Introduced 02/06/2019) Cosponsors: (1)
Committees: Environment and Public Works This bill revises the transportation infrastructure finance and innovation (TIFIA) program to (1) require program applicants to obtain investment grade ratings from at least two credit rating agencies, unless the federal credit instrument is less than \$150 million (currently, less than \$75 million), in which case one rating will suffice; (2) require the Department of Transportation (DOT) to implement an expedited decision timeline for public agency borrowers seeking secured loans; and (3) require DOT to publish status reports on program applications on the TIFIA website.

S.403 — IMAGINE Act

Sponsor: Sen. Whitehouse, Sheldon [D-RI] (Introduced 02/07/2019) Cosponsors: (5, now 7)
Committees: Environment and Public Works. Encourages the use of innovative construction materials and techniques to accelerate the deployment, extend the service life, improve the performance, and reduce the cost of domestic transportation and water infrastructure projects.

H.R.228 — 116th Congress (2019-2020)

Increase Transportation Alternatives Investment Act of 2019

Sponsor: Rep. Velazquez, Nydia M. [D-NY-7] (Introduced 01/03/2019) Cosponsors: (2) Committees: Transportation and Infrastructure Directs the Department of Transportation (DOT) to ensure that states give preference under the Surface Transportation Block Grant Program to eligible projects that (1) are located in areas that are undergoing extensive repair or reconstruction of transportation infrastructure, including federal-aid highways, federally owned roads open for public travel, passenger rail facilities, and public transportation facilities; and (2) will provide transportation alternatives related to the closure of transportation infrastructure in such areas. DOT shall (1) carry out a competitive grant program to support community efforts to invest in transportation alternatives; and (2) give preference in awarding grants to projects located in such areas. Entities eligible for grants include state and local governments, metropolitan planning organizations, and rural planning organizations.^[1]_[SEP]

H.R.880 — **Surface Transportation Investment Act of 2019**

Sponsor: Rep. Brownley, Julia [D-CA-26] (Introduced 01/30/2019) Cosponsors: (1)
Committees: Ways and Means and Transportation and Infrastructure. This bill limits or repeals certain tax benefits for major integrated oil companies, including (1) the foreign tax credit for companies that are dual capacity taxpayers, (2) the tax deduction for intangible drilling and development costs, (3) the percentage depletion allowance for oil and gas wells, and (4) the tax deduction for qualified tertiary injectant expenses.
The bill modifies the definition of "major integrated oil company" to include certain successors in interest that control more than 50% of the crude oil production or natural gas production of the company. The bill establishes a Transportation Block Grant Fund and appropriates to the fund amounts equal to the increase in revenues as a result of this bill. The funds must be used for making grants under the Surface Transportation Block Grant Program.

S.1518 — **Rebuild America Now Act**

Sponsor: Sen. Sullivan, Dan [R-AK] (Introduced 05/16/2019) Cosponsors: (4)
Committee: Environment and Public Works. To improve the processes by which environmental documents are prepared and permits and applications are processed and regulated by Federal departments and agencies, and for other purposes.

H.R.3134 — **To direct the Secretary of Transportation to assist States to rehabilitate or replace certain bridges, and for other purposes.** Sponsor: Rep. Langevin, James R. [D-RI-2] (Introduced 06/05/2019) Cosponsors: (2) Committee: Transportation and Infrastructure. To direct the Secretary of Transportation to assist States to rehabilitate or replace certain bridges, and for other purposes.