

## AGENDA

### **BOARD OF DIRECTORS SPECIAL MEETING** **DELTA DIABLO INTEGRATED FINANCING CORPORATION**

2500 Pittsburg-Antioch Highway  
Antioch, California

WEDNESDAY, MARCH 13, 2019  
4:30 P.M.

**The Delta Diablo Board of Directors Regular Meeting will begin immediately following the Integrated Financing Corporation Meeting**

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

**A. ROLL CALL**

**B. PLEDGE OF ALLEGIANCE**

**C. PUBLIC COMMENTS**

**D. CONSENT CALENDAR**

**Adopt** Resolution No. 1/2019 to Rescind Resolution No. 1/2003, and to **Reauthorize** Designated District Staff to Invest Delta Diablo Integrated Financing Corporation Funds in the Local Agency Investment Fund (Carol Margetich)

**E. DELIBERATION ITEMS:**

**The Board will consider and take action on the following:**

**Approve** Minutes of Annual Integrated Financing Corporation Meeting, January 9, 2019 (Cecelia Nichols-Fritzler)

**F. PRESENTATIONS AND REPORTS:**

None.

**G. ADJOURNMENT**

The next Annual Integrated Financing Corporation meeting will be **January 8, 2020.**

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 at 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal working business hours.

March 13, 2019

ADOPT RESOLUTION NO. 1/2019 TO RESCIND RESOLUTION NO. 1/2003, AND TO REAUTHORIZE DESIGNATED DISTRICT STAFF TO INVEST DELTA DIABLO INTEGRATED FINANCING CORPORATION FUNDS IN THE LOCAL AGENCY INVESTMENT FUND

RECOMMENDATIONS

1. Adopt Resolution No. 1/2019 to rescind Resolution No. 1/2003, and to reauthorize designated District staff to manage the investment of Delta Diablo Integrated Financing Corporation monies in the Local Agency Investment Fund (LAIF) when such monies are not required for the IFC's immediate needs, in accordance with Government Code section 16429.1, *et seq.*
2. Authorize the General Manager, or designee, to execute and deliver to the State Treasurer all documents necessary to effectuate the purposes of Resolution No. 1/2019.

Background Information

Delta Diablo Integrated Financing Corporation (IFC) currently invests a portion of its monies in the State of California State Treasurer Local Agency Investment Fund (LAIF) account, in accordance with Government Code section 16429.1, *et seq.* In 2003, the IFC Board of Directors adopted Resolution 1/2003 (Attachment 1) to designate certain Delta Diablo (District) staff to perform specified treasury functions, including the investments and management of cash flows on behalf of the IFC. Since that time, staff turnover and title changes require Resolution 1/2003 to be replaced.

Analysis

The California State Treasurer's office has requested that the information on file regarding District staff authorized to request deposits and withdrawals from IFC's LAIF account be updated. Resolution No. 1/2019 (Attachment 2) will rescind Resolution 1/2003, and it will reauthorize the investment of IFC monies by specified District staff when the monies are not required for the IFC's immediate needs. The resolution designates the following officials, and their successors, to perform these functions: General Manager (Vincent De Lange); Business Services Director (Carol Margetich); and Finance Manager (currently vacant). Staff recommend adopting the resolution to ensure that appropriate District staff are authorized to manage the IFC's investments in LAIF.

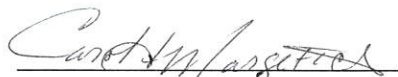
Financial Impact

None

Attachment

1. Resolution No. 1/2003, Authorizing the Investment of Monies in the Local Agency Investment Fund
2. Resolution No. 1/2019

Signature:



Carol Margetich  
Business Services Director

cc: Finance Division



BEFORE THE BOARD OF DIRECTORS  
OF  
DELTA DIABLO INTEGRATED FINANCING CORPORATION

Re: Resolution Authorizing the )  
Investment of Monies in the )  
Local Agency Investment Fund )

RESOLUTION NO. 1/2003

THE BOARD OF DIRECTORS OF DELTA DIABLO INTEGRATED FINANCING CORPORATION HAS DETERMINED THAT:

WHEREAS, Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, in accordance with provisions under which the Delta Diablo Financing Corporation was created, the Delta Diablo Sanitation District staff is designated to perform specified treasury functions for the Delta Diablo Integrated Financing Corporation; and

WHEREAS, for financial reporting the Delta Diablo Integrated Financing Corporation, financial activities are reported as a part of the District financial statements; and

WHEREAS, the Board of Directors does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund, in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, is in the best interests of the Delta Diablo Integrated Financing Corporation; and

WHEREAS, the Board of Directors of Delta Diablo Integrated Financing Corporation previously adopted Resolution 3/1988 which delegated authority for investment of public agency funds; and

WHEREAS, the State Treasurer has developed a format under which they desire all such investments to be authorized by the governing board of the participating agency; and

WHEREAS, this resolution conforms with the State Treasurer's desired format.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby authorize the deposit and withdrawal of Delta Diablo Integrated Financing Corporation monies in the Local Agency Investment Fund in the State Treasury, in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following Delta Diablo Sanitation District employees or their successors in office shall be authorized to order the deposit or withdrawal of monies, on behalf of the Delta Diablo Integrated Financing Corporation, in the Local Agency Investment Fund, and shall submit signatures to be used by the State Treasurer in administering these investments:

<u>Paul H. Causey</u> (Name)	<u>Paul S. Rankin</u> (Name)	<u>Robert Gozza</u> (Name)
<u>Delta Diablo Sanitation District General Manager</u> (Title)	<u>Delta Diablo Sanitation District Administrative Services Mgr</u> (Title)	<u>Delta Diablo Sanitation District Finance Supervisor</u> (Title)

PASSED AND ADOPTED, by the Board of Directors of Delta Diablo Integrated Financing Corporation, County of Contra Costa, State of California on July 9, 2003, by the following vote:

AYES: BEALS, FREITAS and GLOVER      ABSENT: NONE  
NOES: NONE      ABSTAIN: NONE

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo Integrated Financing District on July 9, 2003.

ATTEST: Yvonne Beals  
Board Secretary

By:   
\_\_\_\_\_

cc: District LAIF File  
Finance Department

**RESOLUTION NO. 1/2003**

BEFORE THE BOARD OF DIRECTORS  
OF  
DELTA DIABLO INTEGRATED FINANCING CORPORATION

Re: Resolution Rescinding Resolution )  
1/2003 and Reauthorizing )  
Investment of Monies in the Local )  
Agency Investment Fund and )  
Approving Certain Other Matters )  
and Actions Related Thereto )

RESOLUTION NO. 1/2019

THE BOARD OF DIRECTORS OF DELTA DIABLO INTEGRATED FINANCING CORPORATION (hereinafter called the "IFC Board") HAS DETERMINED THAT:

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1, *et. seq.*, for the deposit of money local agencies, and nonprofit corporations whose membership is confined to public agencies and officials, for purposes of investment by the State Treasurer; and

WHEREAS, in accordance with provisions under which the Delta Diablo Integrated Financing Corporation ("IFC") was created, Delta Diablo (District) staff are designated to perform specified treasury functions for the IFC; and

WHEREAS, the IFC Board previously adopted Resolution 1/2003, which delegated to specified District staff authority to invest IFC funds in the Local Agency Investment Fund when the funds are not required for immediate IFC needs; and

WHEREAS, the IFC Board desires to update its delegation of authority for the investment of IFC funds.

NOW THEREFORE, IT IS RESOLVED BY THE DELTA DIABLO INTEGRATED FINANCING CORPORATION BOARD OF DIRECTORS, as follows:

1. The IFC Board hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund, for the purposes of investment in accordance with Government Code section 16429.1, *et seq.*, is in the best interests of the IFC.
2. IFC Board of Directors Resolution No. 1/2003 is hereby rescinded and replaced by this resolution.
3. The IFC Board hereby reauthorizes the deposit and withdrawal of IFC monies in the Local Agency Investment Fund in the State Treasury, in accordance with the provisions of Government Code 16429.1, *et seq.*, and this resolution, for the purpose of investment as stated therein, when such monies are not required for the IFC's immediate needs.

**ITEM D**  
**Attachment 2**

4. The following Delta Diablo officers holding the titles specified hereinbelow, or their successors in office, are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

_____ Vincent De Lange General Manager	_____ Carol Margetich Business Services Director	_____ Vacant Finance Manager
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5. This resolution shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

PASSED AND ADOPTED, by the Board of Directors of Delta Diablo Integrated Financing Corporation, County of Contra Costa, State of California on March 13, 2019, by the following vote:

AYES:

ABSENT:

NOES:

ABSTAIN:

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo Integrated Financing Corporation on March 13, 2019.

ATTEST: Federal Glover  
Board Secretary

By: \_\_\_\_\_

cc: District LAIF File  
Finance Division

**ITEM E**

**March 13, 2019**

**APPROVE MINUTES OF ANNUAL INTEGRATED FINANCING CORPORATION MEETING, JANUARY 9, 2019**

**RECOMMENDATION**

Approve Minutes of the Annual Integrated Financing Corporation Meeting of January 9, 2019.

**DRAFT**

Minutes of the Annual Meeting of the  
**DELTA DIABLO INTEGRATED FINANCING CORPORATION**  
January 9, 2019

The meeting was called to order by Chair Glover on Wednesday, January 9, 2019 at 5:02 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Present were Chair Federal Glover and Directors Sean Wright and Shanelle Preston-Scales (Alternate). Also present were Mary Ann Mason, District Counsel; Vince De Lange, General Manager; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Carol Margetich, Business Services Director; Dean Eckerson, Resource Recovery Services Director; Brian Thomas, Engineering Services Director/District Engineer; Joaquin Gonzalez, Operations Manager/Management Association Representative; Darrell Cain, Laboratory Manager; Jayne Strommer, Government Affairs Manager; Amanda Roa, Environmental Programs Manager; Thanh Vo, Senior Engineer; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; Cheryl Rhodes Alexander, Human Resources and Risk Manager; Garrett Evans, Acting City Manager, City of Pittsburg, and Holland White, City of Pittsburg Councilmember and Supervisor's Aide for Special Projects, Office of Supervisor Federal D. Glover.

**PUBLIC COMMENTS**

None.

**REORGANIZATION OF THE BOARD FOR 2019**

General Manager, Vince De Lange, outlined the recommended traditional rotation of the board positions, committee members, and representatives for 2019, proposed to take effect on February 1, 2019.

Director Wright moved approval, seconded by Director Scales-Preston, and by unanimous voice vote (*Ayes: Glover, Scales-Preston, and Wright; Noes: None, Absent: None*), the Board approved reorganization of the Board and appointment of committee members, alternates, and representatives for 2019.

**CONSENT CALENDAR**

None.



## **DELIBERATION ITEMS:**

### **Approve Minutes of Special Integrated Financing Corporation Meeting, February 14, 2018**

County Counsel instructed alternate Director, Shanelle Scales-Preston to abstain from the vote, as she was not present at the February 14, 2018 meeting.

Director Glover moved approval, seconded by Director Wright, and by voice vote (Ayes: *Glover* and *Wright*; Noes: *None*, Abstain: *Scales-Preston*), the Board approved the Minutes of the February 14, 2018 Special Integrated Financing Corporation Meeting.

## **PRESENTATIONS AND REPORTS**

### **Receive Report on Grants and Loans**

Ms. Strommer provided an update on grants and loans received by the District. Since 2008, the District has entered into 26 grant and loan agreements. The maximum grant awards total \$15.9 million and the maximum loan awards total \$37.6 million. In 2019, the District anticipates it will receive four grant and loan agreements totaling \$27.5 million (\$0.5 million in grant awards and \$27 million in loan awards). The grants are used for planning studies, research and development, and construction. The low-interest loans are used for construction and rehabilitation.

In 2018, two funded projects were completed: 1) Pittsburg Forcemain Improvement project, which was funded with an \$11.67 million loan from the California State Water Resources Control Board (SWRCB) and 2) Recycled Water Facility Emergency Backup Generator and Recycled Water Fill Stations, which were funded with a \$300,000 grant from United States Bureau of Reclamation (USBR) and a \$309,000 grant from California Department of Water Resources (DWR). The East County Bioenergy project is in progress. Mt. Diablo Resource Recovery (MDRR) awarded CalRecycle a \$4 million grant and Delta Diablo was awarded a \$500,000 grant for design and planning (to date, the District has received \$300,000). Staff continues to look for additional grant and loan opportunities. In 2019, the District anticipates the following projects to be funded: 1) Pump Station Facilities Repair project; 2) Bay Point Sewer Rehabilitation, Phase IV; and 3) Headworks Improvement project.

The Clean Water State Revolving Fund (CWSRF) program has experienced an increase in demand. The program is oversubscribed and has \$9 billion worth of projects. The CWSRF receives almost 200 applications and processes approximately 30 to 40 per year. The SWRCB amended its policy for implementing CWSRF with a new application scoring system, offer of partial funding, and reimbursement of construction costs prior to loan approval. The District is looking at other funding opportunities through the California Infrastructure Bank (IBank). The program is administered by the Governor's Office of Business and Economic Development and includes two programs that are applicable to local government: 1) Infrastructure State Revolving Fund (ISRF) and 2) California Lending for Energy and Environmental Needs (CLEEN). The interest rates are slightly below market rate and can be financed up to 30 years. The funding source is state-only funding and does not include any federal funding. Director Wright inquired about the differences in interest rates for IBank loans compared to the CWSRF program. Ms. Strommer responded the difference is approximately 1.5%. Director Glover asked if the District is currently looking at other grant and loan opportunities. Ms. Strommer replied that the District is looking at funding opportunities within the area of climate change initiatives such as greenhouse gas reduction, water and energy, renewable energy and energy efficiency, and





alternative fuels. The Bay Area Air Quality Management District (BAAQMD) has partnered with IBank and created the Climate Tech Finance program for emerging technology projects that reduce greenhouse gas (GHG) emissions. Director Glover thanked Ms. Strommer for the presentation.

Director Wright moved approval, seconded by Director Preston-Scales, and by voice vote (Ayes: Glover Wright, and Scales-Preston; Noes: *None*, Abstain: *None*), the Board received the report.

Receive Report on Outstanding and Planned Debt

Ms. Margetich provided an overview of the Fiscal Year 2018/19 (FY18/19) Debt. As of July 1, 2018, the existing loan debt is comprised of seven loans, totaling \$24.6 million in outstanding principal and \$5.7 million in interest. The debt service is \$30.4 million. The Recycled Water Capital Facility Capacity Charge and the City of Antioch pay approximately \$3.9 million (13%). The pending debt estimate is \$2.9 million with total interest of \$936k. The long-term debt credit rating by Standard and Poor's is AA/stable. The District debt service coverage ration far exceeds the minimum requirements following the retirement of 1991 Certificates of Participation (COP) debt service in November 2016.

Director Glover thanked Ms. Margetich for the presentation. Director Wright moved approval, seconded by Director Preston-Scales, and by voice vote (Ayes: Glover Wright, and Scales-Preston; Noes: *None*, Abstain: *None*), the Board received the report.

ADJOURNMENT

Chair Glover adjourned the meeting at 5:20 pm. The next Regular meeting will be Wednesday, January 9, 2019.

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Federal Glover  
Board Secretary

(Recording Secretary:

Cecelia Nichols-Fritzler)



## AGENDA

### REGULAR BOARD OF DIRECTORS MEETING DELTA DIABLO

*(a California Special District)*

**2500 Pittsburg-Antioch Highway | Antioch, CA 94509**

**WEDNESDAY, MARCH 13, 2019**

**4:30 P.M.**

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

#### **A. ROLL CALL**

#### **B. PLEDGE OF ALLEGIANCE**

Recited at the preceding Integrated Financing Corporation Meeting

#### **C. PUBLIC COMMENTS**

#### **D. CONSENT CALENDAR**

- 1) **Approve** Minutes of Regular Board of Directors Meeting, February 13, 2019 (Cecelia Nichols-Fritzler)
- 2) **Adopt** Resolution Updating the District's Records Retention Schedule (Cecelia Nichols-Fritzler)
- 3) **Receive** District Monthly Check Register, January 2019 (Eka Ekanem)
- 4) **Authorize** General Manager to Execute Amendment No. 2 to Consulting Services Contract in an Amount Not to Exceed \$13,000, Lee & Ro, Inc., Engineering Services; and **Authorize** General Manager to File California Environmental Quality Act (CEQA) Notice of Exemption with Contra Costa County and State Clearinghouse, Treatment Plant Electrical Switchgear Replacement, Project No. 17120 (Irene O'Sullivan)
- 5) **Authorize** General Manager to File California Environmental Quality Act (CEQA) Notice of Exemption with Contra Costa County and State Clearinghouse, Permanent Brine Transfer Facility Project No. 18109 (Irene O'Sullivan)

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**E. DELIBERATION ITEMS:**

**The Board will consider and take action on the following:**

None.

**F. PRESENTATIONS AND REPORTS:**

**The Board may consider and take action on the following:**

1. **Review** Report on Budget and Rates Development Planning Considerations, Rate Comparison Basis, and Funding Approach for Advanced Treatment Reserve Fund for Fiscal Year 2019/2020 (Carol Margetich)
2. **Receive** Status Report on Facility Condition Assessment Project and Proposed Resource Recovery Facility Master Plan Scope, Project No. 18110 (Irene O’Sullivan and Brian Thomas)

**G. MANAGER'S COMMENTS**

**H. DIRECTORS' COMMENTS**

**I. CORRESPONDENCE**

**Receive** Monthly Lobbyist Report dated February 2019, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024 (Jayne Strommer)

**J. CLOSED SESSION**

None.

**K. ADJOURNMENT**

The next regular monthly meeting will be **Wednesday, April 10, 2019, at 4:30 p.m.**

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 at 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal working business hours.



March 13, 2019

APPROVE MINUTES OF REGULAR BOARD OF DIRECTORS MEETING, FEBRUARY 13, 2019RECOMMENDATION

Approve Minutes of the Regular Board of Directors Meeting of February 13, 2019.

**DRAFT****Minutes of the Regular Board of Directors Meeting****DELTA DIABLO  
February 13, 2019**

The meeting was called to order by Chair Wright on Wednesday, February 13, 2019 at 4:30 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Present were Chair Sean Wright and Directors Juan Banales and Federal Glover. Also present were Mary Ann Mason, District Counsel; Vince De Lange, General Manager; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Carol Margetich, Business Services Director; Dean Eckerson, Resource Recovery Services Director; Brian Thomas, Engineering Services Director/District Engineer; Cheryl Rhodes Alexander, Human Resources and Risk Manager; Joaquin Gonzalez, Operations Manager; Darrell Cain, Laboratory Manager; Jason Wong, Chemist II, Jayne Strommer, Government Affairs Manager; Thanh Vo, Senior Engineer; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; Nick Steiner, Recycled Water Coordinator/P&T Bargaining Unit Representative; and Holland White, City of Pittsburg Councilmember and Supervisor's Aide for Special Projects, Office of Supervisor Federal D. Glover.

**PUBLIC COMMENTS**

None.

**RECOGNITION**

Recognize and Congratulate Jason Wong, Chemist II, for Receiving California Water Environment Association San Francisco Bay Section 2018 Laboratory Person of the Year

Mr. Cain congratulated Mr. Wong for receiving the award, while highlighting his commitment to excellence, dedication to teaching students, and an inquisitive nature that helps drive change and improvement. Chair Wright and Director Glover congratulated Mr. Wong.

**CONSENT CALENDAR**

Director Glover moved approval, seconded by Director Banales. Director Banales abstained from Item E/1 (Approve Minutes of Regular Board of Directors Meeting, January 9, 2019) and recused himself from Item E/7 (Reject Claim of Dow Chemical and Authorize Staff to Forward a Notice of Rejection to the Claimant, Dow Chemical, 901 Loveridge Road, Pittsburg, California) and, by unanimous voice 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, January 9, 2019; Approve Minutes of Special Board of Directors Meeting, February 5, 2019; Receive Meeting Notes of Finance Committee Meeting, February 5, 2019; Approve District Monthly Check Register, December 2018; Receive First-Half of Fiscal Year 2018/2019 Operating Budget Expenditure Report; Authorize General Manager to Execute Amendment No. 3 to Consulting Services Contract in an Amount Not to Exceed \$25,000, Regional Government Services, District Job Classification and Job Description Project,



RFP #51103117; Terminate Contract and Direct General Manager to Record Notice of Cessation, Greentech Industry, Inc., Antioch Pump Station Drywell Ventilation Improvements, Project No. 17128B. The following consent item was approved according to staff recommendations (Ayes: *Glover and Wright*; Noes: *None*; Absent: *None*; Abstain: *Banales*): Reject Claim of Dow Chemical and Authorize Staff to Forward a Notice of Rejection to the Claimant, Dow Chemical, 901 Loveridge Road, Pittsburg, California.

### **DELIBERATION ITEMS**

None.

### **PRESENTATIONS AND REPORTS**

#### **Receive Report on National Pollutant Discharge Elimination System Permit Violation**

Mr. Eckerson provided an overview of the regulatory non-compliance event on December 3, 2018, highlighting loss of both PG&E service and backup power and the associated loss of effluent diversion gate control and dechlorination chemical feed. He summarized communications with the Regional Water Quality Control Board (RWQCB) in accordance with permit requirements. RWQCB has determined this incident resulted in an “unanticipated bypass” and represents a minor permit violation that is not subject to mandatory minimum penalties. Mr. Eckerson noted the tremendous staff effort in achieving the District’s 14-year record, while noting that the District will apply for the National Association of Clean Water Agencies (NACWA) Silver Award for 2018.

Mr. Eckerson summarized the results of a root cause investigation and corresponding corrective actions. Root causes included: 1) two critical systems relying on backup power from a single source, 2) failure of a backup power system, and 3) failure to collect a process monitoring sample. Corrective actions include installation of new and replacement backup power sources with real-time monitoring capabilities and development of a new standard operating procedure.

Director Banales commended the team for its root cause investigation and corrective actions. He inquired if the effluent diversion gate could be placed in a fail-safe mode. Mr. Eckerson responded that power would still be required for the gate to fail closed due to its large size and that installation of a new dedicated backup power system should address this issue. Director Banales asked whether both backup power systems would include real-time monitoring, which was confirmed by Mr. Eckerson. Director Banales thanked Mr. Eckerson for the presentation.

Director Glover asked if the fail-safe mode included battery backup. Mr. Eckerson replied that the backup power system is a battery control system. Chair Wright acknowledged the timely staff response in limiting the impacts of the non-compliance event and thanked Mr. Eckerson for the update.

#### **Receive Status Report on East County Bioenergy Project**

Mr. Thomas provided an update on the East County Bioenergy Project. The project is a public-private partnership with Mt. Diablo Resource Recovery (MDRR) that supports landfill diversion goals (SB 1383) through anaerobic digestion of organics and renewable energy production. The project components include preprocessing slurry at MDRR and receiving, co-digestion, and energy production at the District. Anaergia has completed 30% of the design for preprocessing equipment at MDRR’s site. Anaergia also completed 30% design for required plant improvements at the District. Mr. Thomas provided an overview of the project financials, including estimated capital costs of \$15 million and \$34 million for MDRR and the District, respectively, as well as project revenues and costs.



Director Glover inquired regarding the contingency included in the cost estimate and available grant funding opportunities. Mr. Thomas responded that the contingency will continue to be reduced as the design progresses and that the District continues to investigate potential funding opportunities through the Clean Water State Revolving Fund (CWSRF), IBank, CalRecycle and other programs. Director Glover asked for clarification regarding IBank. Ms. Strommer explained that IBank is the California Infrastructure Bank administered by the Governor's Office of Business and Economic Development and includes two programs that are applicable to local government. The interest rates are slightly below market rate and can be financed up to 30 years.

Mr. Thomas highlighted that BAAQMD is reviewing the District's air permit application and that the District received the System Impact Study results that identified \$217,000 in PG&E improvements needed to export power to the utility grid. This will also require 12 to 18 months for PG&E to construct the improvements after executing the Interconnection Agreement.

Mr. Thomas highlighted uncertainties associated with the E-Biomat program due to the recent bankruptcy filing by PG&E. The financial viability is heavily dependent on the E-Biomat program electricity rate which is \$0.127/kWh. Without the program, it reduces the project net present value by approximately \$8 million (\$0.08/kWh). The District is investigating alternative biogas uses, including renewable natural gas production, which has a significantly higher value than E-Biomat pricing and is heavily dependent on federal and state incentives. Project uncertainty also exists due to the implementation schedule for SB 1383, which is currently in the final rulemaking process. The deadline to starting tracking reduction in organics diversion is 2020 and it is expected regulations enforcement will begin in 2022. The deadline to reduce organics diversion to 75% below 2014 levels will begin in 2025. Director Glover commented that the regulations for SB 1383 are quickly approaching.

The next steps are to review the PG&E SIS results and the interconnection agreement terms, develop the overall project schedule, negotiate the feedstock agreement with MDRR, negotiation the design-build contract with Anaergia and WM Lyles and finalize the 30% GMP, update the financial model to determine viability, and continue to pursue funding opportunities.

Chair Wright questioned when a significant project decision will be brought before the Board. Mr. Thomas responded that it will be several months due to the uncertainty referenced in the presentation. Director Glover commented that while this project is complicated, he encouraged staff to continue their efforts. Chair Wright stated his support for the project, but recognized the financial challenges associated with implementation.

#### Approve Updated Administrative Handbook Policy No. 3020, Investment of District Funds

Ms. Margetich provided an annual review of the District Investment Policy. The information was also presented to the Finance Committee on February 5, 2019 and Chair Wright recommended the report be brought to the full Board. The current Investment Policy was adopted by the Board on February 14, 2018. The District utilizes PFM, a specialized consultant, to conduct an annual review to ensure compliance with legal requirements. Government Section 53646(a)(2) requires Board approval of any proposed policy revisions. The primary policy objectives of the Investment Policy are safety, liquidity, and return on investment. She noted that the policy governs \$46.7 million in investments, which includes \$41.6 million invested in Local Agency Investment Fund and \$5.1 million managed by PFM and highlighted the range of authorized instruments available for cash investments.



Ms. Margetich discussed the proposed recommendation to add “supranational” debt to further diversify investment options, consistent with the stated policy objectives. She also proposed changing the minimum rating for investment in corporate bonds from “AA” to “A” to reflect changes in the methodology used by rating agencies, which has reduced the number of “AAA” and “AA” ratings issued. She noted that this revision would allow optimal portfolio diversification and investment in broader market opportunities without adding undue risk. The next steps are to work with PFM to increase the District’s rate of return for longer term cash flows and to review banking services to optimize interest on short-term cash.

Director Wright commented he conducted research since the Finance Committee meeting and learned that the rules and laws governing investments require the District to invest conservatively. He thanked Ms. Margetich for the report.

Director Glover moved approval, seconded by Director Banales and by unanimous voice vote (Ayes: *Banales, Glover, and Wright*; Noes: *None*, Absent: *None*) the Board approved the updated Administrative Handbook Policy No. 3020, Investment of District Funds

### **MANAGER’S COMMENTS**

Mr. De Lange referenced the regulatory non-compliance issue and recognized staff for the timely and effective response to the incident. He also noted as part of scope of work for the Resource Recovery Facility Master Plan, the District will look broadly at critical systems to identify other potential regulatory compliance vulnerabilities. He highlighted that he would be attending the CASA Washington DC Conference in late February, which will include advocacy for funding for the East County Bioenergy Project.

### **DIRECTORS’ COMMENTS**

Director Glover commented that he has not yet confirmed his attendance for the CASA Washington, D.C., Conference. Ms. Mason informed the Board that she will not be at the March 13, 2019 meeting and will have another attorney attend in her place.

### **CORRESPONDENCE**

Receive Monthly Lobbyist Report dated January 2019, Key Advocates, Inc., Western Recycled Water Coalition, Project No. 90024

The Board received and filed the report.

### **CLOSED SESSION**

None.

### **ADJOURNMENT**

Chair Wright adjourned the meeting at 5:35 pm. The next regular monthly meeting will be Wednesday, March 13, 2019 at 4:30 p.m.

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Federal Glover  
Board Secretary

(Recording Secretary:

Cecelia Nichols-Fritzler)



March 13, 2019

ADOPT RESOLUTION UPDATING THE DISTRICT'S RECORDS RETENTION SCHEDULE

RECOMMENDATION

Adopt Resolution updating the District's Records Retention Schedule.

Background Information

The objective of the District's Records Management Program is to protect District information and manage it efficiently by implementing a system for the creation, maintenance, retrieval, and disposition of official District records. This program ensures that records are readily available when needed by staff and members of the public. The Records Retention Schedule provides the foundation for preserving records that are of historical and legal value, eliminating redundant records, and disposing of obsolete records in accordance with established guidelines.

The District utilizes Gladwell Governmental Services, Inc., (GGS) to conduct an annual review of the retention schedule to ensure the District adheres to a minimum retention schedule for all District records.

Analysis

The District, GGS, and District Counsel conducted an annual review of the proposed update to the Records Retention Schedule and confirmed that all government and special district standards and regulations are being met, including Government Code Sections 60200 through 60204, and specifically Section 60201(b)(2), and the Records Management Guidelines of the Secretary of State. The proposed changes include minor updates to record descriptions and comment/reference sections.

Financial Impact

None

Attachments

Draft Resolution Updating the District Records Retention Schedule

Signature: \_\_\_\_\_

  
Cecelia Nichols-Fritzler  
Office Manager/Secretary to the Board

Reviewed by: \_\_\_\_\_

  
Vince De Lange  
General Manager

cc: District File REC.04-SCHE-00016817





BEFORE THE BOARD OF DIRECTORS  
OF  
DELTA DIABLO

Re: **Approving Revisions to Records Retention** )  
**Schedule Pursuant to Government Code** )  
**Sections 60200 through 60204** )

RESOLUTION NO. /2019

THE BOARD OF DIRECTORS OF DELTA DIABLO HAS DETERMINED THAT:

**WHEREAS**, Government Code Section 60201, subdivision (b)(2), authorizes the District’s governing body to adopt and comply with a record retention schedule that complies with guidelines prepared by the Secretary of State pursuant to Government Code Section 12236, and that classifies all the District’s records by category, and establishes a standard protocol for destruction and disposition of the records;

**WHEREAS**, the District’s consultant, Gladwell Governmental Services, worked with District staff to develop the District’s current Records Retention Schedule;

**WHEREAS**, the Board of Directors adopted Resolution No. 13/2016 and Resolution No. 2/2018 revising the Records Retention Schedule and authorizing destruction of District Records Pursuant to Government Code Sections 60200 through 60204; and

**WHEREAS**, Gladwell Governmental Services has performed the annual review and recommended revisions, attached as Exhibit A to the current Records Retention Schedule to reflect current legal requirements and departmental needs, and the General Manager, Department Directors, and District Counsel concur with these recommendations.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF DELTA DIABLO DOES HEREBY RESOLVE AND ORDER AS FOLLOWS:

1. The revisions to the Records Retention Schedule shown in Exhibit A are hereby adopted and incorporated into the Records Retention Schedule. All District records shall be maintained, disposed of, and destroyed in accordance with the Records Retention Schedule, as revised.
2. Each Department Director shall be responsible for maintaining, destroying, and disposing of records in respective departments in accordance with the Records Retention Schedule.
3. Any future change to the Records Retention Schedule must be approved by the Board of Directors.
4. Nothing in the Records Retention Schedule shall be construed as authorizing the destruction of any record that must be retained, pursuant to Government Code Section 60201, subdivision (d).
5. For the purposes of this Resolution and the Records Retention Schedule, the term “record” has the same meaning as that term has under Government Code Section 60201, subdivision (a).

PASSED AND ADOPTED on March 13, 2019, by the following vote:

AYES:  
NOES:

ABSENT:  
ABSTAIN:

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Directors of Delta Diablo on March 13, 2019.

ATTEST: Federal Glover  
Board Secretary

By: \_\_\_\_\_

March 13, 2019

RECEIVE DISTRICT MONTHLY CHECK REGISTER, JANUARY 2019

RECOMMENDATION

**Receive** District Monthly Check Register for the month ending January 31, 2019.

Background Information

The Check Register for the month of January 2019 is attached. This report reflects payments to the District's suppliers, consultants, service providers, and contractors. A total of \$2,298,926.92 was disbursed in the month of January 2019, which includes 154 checks.


Financial Impact

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

Attachment

Check Register, month ending January 31, 2019

Prepared by:

  
Eka Ekanem  
Senior Accountant

Reviewed by:

  
Carol Margetich  
Business Services Director

# CHECK REGISTER

## DELTA DIABLO

CASH DISBURSEMENTS FOR THE MONTH OF JANUARY 2019

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
1/3/2019	AFLAC		30930	893.50
		45942	893.50	INSURANCE
1/3/2019	ALWAYS UNDER PRESSURE		30931	421.21
		45926	421.21	REPLACE WORN/BROKEN PARTS ON T
1/3/2019	AMERICAN TROPHIES		30932	1,818.30
		45913	649.24	AD
		45914	1,169.06	AD
1/3/2019	BAY AREA BARRICADE SERVICE INC		30933	54.38
		45966	54.38	METAL SIGNS
1/3/2019	BAY AREA COATING CONSULTANT		30934	1,800.00
		45948	1,800.00	TASK A DIGESTER NO 2 ASSESSMEN
1/3/2019	BRENTWOOD PRESS		30935	1,972.00
		45949	1,972.00	AD
1/3/2019	CAROLLO ENGINEERS		30936	15,902.50
		45950	7,485.00	PRIMARY CLARIFIER AREA IMPROVE
		45951	8,417.50	PRIMARY CLARIFIER AREA IMPROVE
1/3/2019	CONVERGEONE INC		30937	5,000.00
		45928	5,000.00	SCADA NETWORK MAINTENANCE
1/3/2019	DEPT OF GENERAL SERVICES		30938	184.42
		45929	184.42	UTILITIES
1/3/2019	JOSEPH PETRONIO		30939	660.00
		45930	660.00	CMMS SUPPORT & SERVICES
1/3/2019	FIRE DETECTION UNLIMITED, INC		30940	580.00
		45931	580.00	EMERGENCY- HHW BLDG FIRE DETEC
1/3/2019	GOLDEN STATE WATER CO.		30941	3,032.47
		45952	2,459.15	UTILITIES
		45953	573.32	UTILITIES
1/3/2019	LEE & RO, INC.		30942	33,320.66
		45915	33,320.66	SWGR DESIGN SERVICES
1/3/2019	LEGAL SHIELD		30943	173.55
		45943	173.55	LEGAL MEMBERSHIPS
1/3/2019	MANAGED HEALTH NETWORK		30944	417.30
		45944	417.30	EAP
1/3/2019	McCAULEY AGRICULTURAL & PEST SERVIC		30945	1,125.00
		45934	750.00	PEST CONTROL SERVICES
		45935	60.00	PEST CONTROL SERVICES

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		45936	60.00	60.00	PEST CONTROL SERVICES
		45937	60.00	60.00	PEST CONTROL SERVICES
		45938	60.00	60.00	PEST CONTROL SERVICES
		45939	75.00	75.00	PEST CONTROL SERVICES
		45940	60.00	60.00	PEST CONTROL SERVICES
<b>1/3/2019</b>	<b>PACIFIC GAS &amp; ELECTRIC COMPANY</b>		<b>30946</b>	<b>26,762.86</b>	
		45923	26,762.86	26,762.86	UTILITIES
<b>1/3/2019</b>	<b>CITY OF PITTSBURG</b>		<b>30947</b>	<b>558.62</b>	
		45954	558.62	558.62	UTILITIES
<b>1/3/2019</b>	<b>CITY OF PITTSBURG</b>		<b>30948</b>	<b>21,186.10</b>	
		45946	21,186.10	21,186.10	STREET SWEEPING - PITTSBURG
<b>1/3/2019</b>	<b>PUBLIC EMPLOYEES UNION</b>		<b>30949</b>	<b>1,621.22</b>	
		3163343	1,621.22	1,621.22	UNION DUES P&T
<b>1/3/2019</b>	<b>PUBLIC EMPLOYEES UNION</b>		<b>30950</b>	<b>3,834.82</b>	
		3163243	3,834.82	3,834.82	UNION DUES O&M
<b>1/3/2019</b>	<b>STANDARD INSURANCE COMPANY</b>		<b>30951</b>	<b>3,894.15</b>	
		45955	3,894.15	3,894.15	LTD INSURANCE
<b>1/3/2019</b>	<b>CA STATE DISBURSEMENT UNIT</b>		<b>30952</b>	<b>750.00</b>	
		CS9648272	750.00	750.00	GARNISHMENT
<b>1/3/2019</b>	<b>STATE OF CALIFORNIA</b>		<b>30953</b>	<b>325.00</b>	
		446179	325.00	325.00	INCOME TAX WITHHOLDING ORDER
<b>1/3/2019</b>	<b>SYSTEM 1 STAFFING</b>		<b>30954</b>	<b>4,233.40</b>	
		45916	4,233.40	4,233.40	O/S TEMP
<b>1/3/2019</b>	<b>UNIFIRST CORPORATION</b>		<b>30955</b>	<b>204.41</b>	
		45918	172.68	172.68	UNIFORM/ LAUNDRY SERVICE AGREE
		45920	31.73	31.73	UNIFORM/ LAUNDRY SERVICE AGREE
<b>1/3/2019</b>	<b>UNITED PARCEL SERVICE</b>		<b>30956</b>	<b>12.90</b>	
		45958	12.90	12.90	OE - POSTAGE
<b>1/3/2019</b>	<b>UNIVAR USA INC</b>		<b>30957</b>	<b>3,164.08</b>	
		45917	3,164.08	3,164.08	SODIUM HYPOCHLORITE
<b>1/3/2019</b>	<b>VALLEY POWER SYSTEMS, INC.</b>		<b>30958</b>	<b>157.49</b>	
		45806	23.88	23.88	ENGINE #3 OIL COOLER
		45885	133.61	133.61	ENGINE #3 OIL COOLER
<b>1/3/2019</b>	<b>VISION SERVICE PLAN</b>		<b>30959</b>	<b>1,820.64</b>	
		45956	1,777.06	1,777.06	VISION INSURANCE
		45957	43.58	43.58	VISION COBRA INS
<b>1/3/2019</b>	<b>WECK LABORATORIES, INC.</b>		<b>30960</b>	<b>507.62</b>	
		45807	253.81	253.81	CONTRACT LABORATORY SERVICES F
		45921	253.81	253.81	CONTRACT LABORATORY SERVICES F
<b>1/3/2019</b>	<b>YORKE ENGINEERING, LLC</b>		<b>30961</b>	<b>1,558.00</b>	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		45922		1,558.00	CONSULTING SERVICES EAST COUNT
<b>1/10/2019</b>	<b>BAY AREA COATING CONSULTANT</b>		<b>30962</b>	<b>420.00</b>	
		46040		420.00	TASK C RWF EMERGENCY BACKUP GE
<b>1/10/2019</b>	<b>CHEMTRADE CHEMICALS US LLC</b>		<b>30963</b>	<b>6,171.29</b>	
		45967		3,120.57	ALUMINUM SULFATE
		45968		3,050.72	ALUMINUM SULFATE
<b>1/10/2019</b>	<b>CCCERA</b>		<b>30964</b>	<b>221,489.00</b>	
		45999		221,489.00	RETIREMENT
<b>1/10/2019</b>	<b>DATCO</b>		<b>30965</b>	<b>163.80</b>	
		46032		163.80	PRE EMPL COSTS
<b>1/10/2019</b>	<b>ANDREW JAMES THELWELL</b>		<b>30966</b>	<b>19,034.00</b>	
		45969		19,034.00	TEMPORARY TRAFFIC CONTROL - AR
<b>1/10/2019</b>	<b>DRAKE HAGLAN &amp; ASSOCIATES, INC</b>		<b>30967</b>	<b>8,247.00</b>	
		45970		8,247.00	CONSULTING SERVICES SODIUM BIS
<b>1/10/2019</b>	<b>EATON CORPORATION</b>		<b>30968</b>	<b>24,328.46</b>	
		46009		24,328.46	APS MAIN BREAKER REPLACEMENT
<b>1/10/2019</b>	<b>FEDERAL EXPRESS</b>		<b>30969</b>	<b>38.00</b>	
		45997		38.00	OE -POSTAGE
<b>1/10/2019</b>	<b>LARRY WALKER ASSOCIATES</b>		<b>30970</b>	<b>5,114.14</b>	
		45976		5,114.14	NPDES PERMIT REISSUANCE ASSIST
<b>1/10/2019</b>	<b>McCAULEY AGRICULTURAL &amp; PEST SERVIC</b>		<b>30971</b>	<b>1,125.00</b>	
		46011		60.00	PEST CONTROL SERVICES
		46012		60.00	PEST CONTROL SERVICES
		46013		60.00	PEST CONTROL SERVICES
		46014		60.00	PEST CONTROL SERVICES
		46015		60.00	PEST CONTROL SERVICES
		46016		75.00	PEST CONTROL SERVICES
		46017		750.00	PEST CONTROL SERVICES
<b>1/10/2019</b>	<b>MDRR PITTSBURG</b>		<b>30972</b>	<b>2,061.55</b>	
		46041		2,061.55	WASTE
<b>1/10/2019</b>	<b>MOTION INDUSTRIES INC.</b>		<b>30973</b>	<b>519.68</b>	
		45977		519.68	INVENTORY
<b>1/10/2019</b>	<b>NELSON STAFFING</b>		<b>30974</b>	<b>3,069.00</b>	
		45978		1,485.00	O/S TEMP
		46018		1,584.00	O/S TEMP
<b>1/10/2019</b>	<b>CRAIG PERRY</b>		<b>30975</b>	<b>150.00</b>	
		46022		150.00	SAFETY SHOES - C. PERRY
<b>1/10/2019</b>	<b>RAILROAD MANAGEMENT CO, LLC</b>		<b>30976</b>	<b>170.00</b>	
		45983		170.00	PERMIT & REGULATORY FEE
<b>1/10/2019</b>	<b>RH TECHNOLOGY</b>		<b>30977</b>	<b>5,513.09</b>	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
		45981		3,138.64	O/S TEMP
		46023		2,374.45	O/S TEMP
<b>1/10/2019</b>	<b>SCHAAF &amp; WHEELER CONSULTING</b>		<b>30978</b>	<b>45,676.56</b>	
		45994		6,276.91	DESIGN FOR PUMP STATION FACILI
		46002		39,399.65	DESIGN FOR PUMP STATION FACILI
<b>1/10/2019</b>	<b>STERICYCLE ENVIRONMENTAL SOLUTIONS</b>		<b>30979</b>	<b>116,627.87</b>	
		45984		41,820.11	HHW TRANSPORTATION/DISPOSAL/LA
		45985		35,496.14	HHW TRANSPORTATION/DISPOSAL/LA
		45987		39,311.62	HHW TRANSPORTATION/DISPOSAL/LA
<b>1/10/2019</b>	<b>SYSTEM 1 STAFFING</b>		<b>30980</b>	<b>2,448.40</b>	
		46021		2,448.40	O/S TEMP
<b>1/10/2019</b>	<b>TRI-VALLEY JANITORIAL SERVICE &amp; SUPPL'</b>		<b>30981</b>	<b>6,966.00</b>	
		46028		6,966.00	JANITORIAL SERVICES
<b>1/10/2019</b>	<b>TURBO MACHINERY, INC</b>		<b>30982</b>	<b>13,294.50</b>	
		46024		6,204.10	OPEN MAINTENANCE POSITIONS TE
		46026		7,090.40	LABOR BACKFILL FOR OPEN MAINTEN
<b>1/10/2019</b>	<b>UNITED PARCEL SERVICE</b>		<b>30983</b>	<b>51.77</b>	
		46037		36.19	OE - POSTAGE
		46038		15.58	OE - POSTAGE
<b>1/10/2019</b>	<b>UNIVAR USA INC</b>		<b>30984</b>	<b>3,165.63</b>	
		46005		3,165.63	SODIUM HYPOCHLORITE
<b>1/10/2019</b>	<b>VERIZON WIRELESS</b>		<b>30985</b>	<b>2,338.05</b>	
		45990		2,338.05	PHONE EXPENSE
<b>1/10/2019</b>	<b>WM LYLES COMPANY</b>		<b>30986</b>	<b>93,546.50</b>	
		45993		93,546.50	CONSTRUCTION SERVICES PN 17140
<b>1/24/2019</b>	<b>AERIAL LIFT SERVICE CO INC</b>		<b>30987</b>	<b>1,120.19</b>	
		46007		1,120.19	ANNUAL INSPECTION/REPAIRS FOR
<b>1/24/2019</b>	<b>AFLAC</b>		<b>30988</b>	<b>1,340.25</b>	
		46218		1,340.25	INSURANCE
<b>1/24/2019</b>	<b>ANAERGIA TECHNOLOGIES LLC</b>		<b>30989</b>	<b>258,160.00</b>	
		46039		258,160.00	ECBP ANAERGIA 30% DESIGN
<b>1/24/2019</b>	<b>CITY OF ANTIOCH- WATER</b>		<b>30990</b>	<b>6,382.46</b>	
		46087		71.61	UTILITIES - WATER
		46096		916.75	UTILITIES - WATER
		46097		116.86	UTILITIES - WATER
		46098		4,926.66	UTILITIES - WATER
		46099		116.86	UTILITIES - WATER
		46100		116.86	UTILITIES - WATER
		46101		116.86	UTILITIES - WATER
<b>1/24/2019</b>	<b>JUAN AREVALO</b>		<b>30991</b>	<b>10.00</b>	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		46088	10.00	MED REIMB
<b>1/24/2019</b>	<b>MICHAEL BAKALDIN</b>		<b>30992</b>	<b>209.45</b>
		46142	209.45	REIMBURSEMENT
<b>1/24/2019</b>	<b>BAY AREA AIR QUALITY MNGMENT</b>		<b>30993</b>	<b>22,161.00</b>
		46157	455.00	PERMIT & REGULATORY FEE
		46158	455.00	PERMIT & REGULATORY FEE
		46159	869.00	PERMIT & REGULATORY FEE
		46160	20,015.00	PERMIT & REGULATORY FEE
		46161	367.00	PERMIT & REGULATORY FEE
<b>1/24/2019</b>	<b>BAY AREA COATING CONSULTANT</b>		<b>30994</b>	<b>4,200.00</b>
		46111	1,680.00	TASK B PRIMARY CLARIFIER AREA
		46112	2,520.00	TASK C RWF EMERGENCY BACKUP GE
<b>1/24/2019</b>	<b>DARRELL CAIN</b>		<b>30995</b>	<b>167.33</b>
		46092	167.33	MED REIMB
<b>1/24/2019</b>	<b>LESLIE J. CAIN</b>		<b>30996</b>	<b>296.00</b>
		46089	105.00	MED REIMB
		46090	161.00	MED REIMB
		46091	30.00	MED REIMB
<b>1/24/2019</b>	<b>CALIFORNIA DEPT OF TAX AND FEE</b>		<b>30997</b>	<b>184.99</b>
		46116	184.99	PERMIT & REGULATORY FEE
<b>1/24/2019</b>	<b>CALIFORNIA WATER TECHNOLOGIES,LLC</b>		<b>30998</b>	<b>16,261.19</b>
		46001	5,420.71	FERROUS CHLORIDE
		46164	5,606.43	FERROUS CHLORIDE
		46165	5,234.05	FERROUS CHLORIDE
<b>1/24/2019</b>	<b>CAROLLO ENGINEERS</b>		<b>30999</b>	<b>8,972.50</b>
		46149	8,972.50	PRIMARY CLARIFIER AREA IMPROVE
<b>1/24/2019</b>	<b>CHEMTRADE CHEMICALS US LLC</b>		<b>31000</b>	<b>12,744.23</b>
		46166	3,248.19	ALUMINUM SULFATE
		46167	3,162.21	ALUMINUM SULFATE
		46226	3,178.34	ALUMINUM SULFATE
		46227	3,155.49	ALUMINUM SULFATE
<b>1/24/2019</b>	<b>FRED CIAPUSCI</b>		<b>31001</b>	<b>50.00</b>
		46225	50.00	COBRA PREMIUM OVERPAYMENT
<b>1/24/2019</b>	<b>CLYDE STEAGALL, INC</b>		<b>31002</b>	<b>78,610.61</b>
		46045	78,610.61	RWF EMERGENCY BACKUP GENERATOR
<b>1/24/2019</b>	<b>COMCAST BUSINESS COMMUNICATIONS, LI</b>		<b>31003</b>	<b>542.57</b>
		46117	542.57	PHONE
<b>1/24/2019</b>	<b>CONTRA COSTA COUNTY</b>		<b>31004</b>	<b>30,243.00</b>
		46143	30,243.00	LEGAL SERVICES
<b>1/24/2019</b>	<b>CONTRA COSTA HEALTH SERVICES</b>		<b>31005</b>	<b>922.00</b>

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		46162	922.00	PERMIT & REGULATORY FEE
<b>1/24/2019</b>	<b>CONTRA COSTA WATER DISTRICT</b>		<b>31006</b>	<b>209.83</b>
		46114	209.83	UTILITIES - WATER
<b>1/24/2019</b>	<b>CONTRACT SWEEPING SERVICES</b>		<b>31007</b>	<b>28,513.49</b>
		46115	28,513.49	STREET SWEEPING
<b>1/24/2019</b>	<b>CORELOGIC INFORMATION SOLUTIONS, INC</b>		<b>31008</b>	<b>165.00</b>
		46113	165.00	REALQUEST PROPERTY INFORMATION
<b>1/24/2019</b>	<b>CSRMA</b>		<b>31009</b>	<b>89,385.00</b>
		45989	89,385.00	INSURANCE
<b>1/24/2019</b>	<b>DATCO</b>		<b>31010</b>	<b>52.00</b>
		46033	52.00	PRE EMPL COSTS
<b>1/24/2019</b>	<b>VINCENT DE LANGE</b>		<b>31011</b>	<b>466.07</b>
		46185	303.44	T&M
		46186	162.63	T&M
<b>1/24/2019</b>	<b>DIABLO WATER DISTRICT</b>		<b>31012</b>	<b>490.09</b>
		46118	490.09	UTILITIES - WATER
<b>1/24/2019</b>	<b>DISCOVERY BENEFITS, INC.</b>		<b>31013</b>	<b>115.50</b>
		46008	115.50	FSA
<b>1/24/2019</b>	<b>JOSEPH PETRONIO</b>		<b>31014</b>	<b>1,080.00</b>
		46146	1,080.00	CMMS SUPPORT & SERVICES
<b>1/24/2019</b>	<b>EVOQUA WATER TECHNOLOGIES, LLC</b>		<b>31015</b>	<b>288.00</b>
		45996	288.00	DI WATER FOR THE LABORATORY
<b>1/24/2019</b>	<b>FARMER BROS CO</b>		<b>31016</b>	<b>253.42</b>
		46188	253.42	COFFEE SERVICE PLAN
<b>1/24/2019</b>	<b>FEDERAL EXPRESS</b>		<b>31017</b>	<b>72.41</b>
		46230	72.41	OE - POSTAGE
<b>1/24/2019</b>	<b>FRAXIA ENGINEERING</b>		<b>31018</b>	<b>35,031.96</b>
		46163	35,031.96	DESIGN SERVICES BP SEWER REHAB
<b>1/24/2019</b>	<b>GOVERNMT FINANCE OFFICERS ASSC</b>		<b>31019</b>	<b>435.00</b>
		46203	435.00	O/S
<b>1/24/2019</b>	<b>THERESE ROUNSEVILLE HOLLEMAN OYARZ</b>		<b>31020</b>	<b>8,670.00</b>
		46219	8,670.00	VEGETATION MANAGEMENT OF ERB
<b>1/24/2019</b>	<b>GP CRANE &amp; HOIST SERVICES</b>		<b>31021</b>	<b>3,370.16</b>
		46221	1,873.26	CRANE REPAIRS/ DEWAT
		46222	1,496.90	CRANE REPAIRS TO THE MAINTENAN
<b>1/24/2019</b>	<b>GRAINGER</b>		<b>31022</b>	<b>5,523.85</b>
		45971	1,106.64	INVENTORY
		45972	982.06	INVENTORY
		46152	2,309.37	INVENTORY
		46192	2,411.73	INVENTORY



CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		46193	-2,309.37	CREDIT MEMO
		46229	1,873.07	INVENTORY
		46234	-849.65	CR MEMO INVENTORY
<b>1/24/2019</b>	<b>GREENTECH INDUSTRY, INC</b>		<b>31023</b>	<b>41,888.44</b>
		46208	41,888.44	ANTIOCH PUMP STATION DRYWELL V
<b>1/24/2019</b>	<b>TIMOTHY J. HAMMETT</b>		<b>31024</b>	<b>74.00</b>
		46093	74.00	MED REIMB
<b>1/24/2019</b>	<b>HDR ENGINEERING, INC.</b>		<b>31025</b>	<b>41,239.36</b>
		45973	41,239.36	EAST COUNTY BIOENERGY PROJECT
<b>1/24/2019</b>	<b>IN SHAPE HEALTH CLUBS</b>		<b>31026</b>	<b>993.00</b>
		46119	993.00	GYM
<b>1/24/2019</b>	<b>JC TREE LLC</b>		<b>31027</b>	<b>4,900.00</b>
		46150	1,000.00	Utility line tree clearance at
		46151	3,900.00	BRIDGEHEAD TREE SERVICE
<b>1/24/2019</b>	<b>JOHN MUIR HEALTH</b>		<b>31028</b>	<b>807.83</b>
		46029	807.83	2018 Corporate Health Services
<b>1/24/2019</b>	<b>KEY ADVOCATES INC.</b>		<b>31029</b>	<b>7,250.00</b>
		45975	7,250.00	FEDERAL ADVOCACY FOR WRWC PN
<b>1/24/2019</b>	<b>KONE. INC.</b>		<b>31030</b>	<b>103.28</b>
		46207	103.28	ELEVATOR SERVICE AGREEMENT
<b>1/24/2019</b>	<b>LANLOGIC INC</b>		<b>31031</b>	<b>370.00</b>
		46010	370.00	SECURITY AWARENESS TESTING AND
<b>1/24/2019</b>	<b>LARRY WALKER ASSOCIATES</b>		<b>31032</b>	<b>10,623.00</b>
		46168	387.00	REGULATORY ASSISTANCE & LOCAL
		46169	10,236.00	NPDES PERMIT REISSUANCE ASSIST
<b>1/24/2019</b>	<b>LEGAL SHIELD</b>		<b>31033</b>	<b>139.65</b>
		46120	139.65	LEGAL MEMBERSHIPS
<b>1/24/2019</b>	<b>LIEBERT, CASSIDY, WHITMORE</b>		<b>31034</b>	<b>2,495.00</b>
		46209	2,495.00	M&D
<b>1/24/2019</b>	<b>LINDE, INC.</b>		<b>31035</b>	<b>636.19</b>
		46147	636.19	LIQUID OXYGEN
<b>1/24/2019</b>	<b>MAINSAYER SOFTWARE</b>		<b>31036</b>	<b>6,841.50</b>
		46148	6,841.50	SOFTWARE RENEWAL
<b>1/24/2019</b>	<b>CAROL MARGETICH</b>		<b>31037</b>	<b>416.35</b>
		46086	416.35	T&M
<b>1/24/2019</b>	<b>MDRR PITTSBURG</b>		<b>31038</b>	<b>796.55</b>
		46135	796.55	WASTE
<b>1/24/2019</b>	<b>MDRR-PARK (MT. DIABLO RESOURCE RECC</b>		<b>31039</b>	<b>494.56</b>
		46154	494.56	WASTE
<b>1/24/2019</b>	<b>MEYERS NAVE</b>		<b>31040</b>	<b>1,499.58</b>

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		46030	1,499.58	LEGAL O/S
<b>1/24/2019</b>	<b>MISSION COMMUNICATIONS, LLC</b>		<b>31041</b>	<b>1,364.40</b>
		46153	1,364.40	MISSION COMMUNICATIONS SOFTWARE
<b>1/24/2019</b>	<b>MONUMENT CAR PARTS</b>		<b>31042</b>	<b>111.03</b>
		46194	111.03	INVENTORY
<b>1/24/2019</b>	<b>MOSS ADAMS LLP</b>		<b>31043</b>	<b>13,416.31</b>
		46210	13,416.31	Professional Services for Purc
<b>1/24/2019</b>	<b>SUE THOMASON</b>		<b>31044</b>	<b>265.00</b>
		45974	265.00	INDOOR PLANT MAINTENANCE
<b>1/24/2019</b>	<b>NATIONAL CINEMEDIA, LLC</b>		<b>31045</b>	<b>12.00</b>
		46122	12.00	AD
<b>1/24/2019</b>	<b>NELSON STAFFING</b>		<b>31046</b>	<b>3,564.00</b>
		46155	1,584.00	TEMP O/S
		46223	1,980.00	O/S TEM
<b>1/24/2019</b>	<b>CECELIA NICHOLS-FRITZLER</b>		<b>31047</b>	<b>49.99</b>
		46187	49.99	MILEAGE & NOTARY FEE
<b>1/24/2019</b>	<b>NORTHSTAR ENGINEERING GROUP INC</b>		<b>31048</b>	<b>3,272.00</b>
		46156	3,272.00	APS LEGAL DESCRIPTION UPDATE
<b>1/24/2019</b>	<b>NV5 INC.</b>		<b>31049</b>	<b>525.00</b>
		45979	525.00	RWF EMERGENCY BACKUP GENERATOR
<b>1/24/2019</b>	<b>NWN CORPORATION</b>		<b>31050</b>	<b>3,911.45</b>
		46121	3,911.45	PHONE EXP
<b>1/24/2019</b>	<b>ONSITE ERGONOMICS, INC.</b>		<b>31051</b>	<b>1,176.20</b>
		46170	1,176.20	ERGO EVALUATIONS
<b>1/24/2019</b>	<b>PACIFIC GAS &amp; ELECTRIC COMPANY</b>		<b>31052</b>	<b>85,137.34</b>
		46123	345.15	UTILITIES
		46124	58.09	UTILITIES
		46125	73,805.60	UTILITIES
		46189	10,928.50	UTILITIES
<b>1/24/2019</b>	<b>ABEL PALACIO</b>		<b>31053</b>	<b>736.34</b>
		46144	736.34	REIMBURSEMENT
<b>1/24/2019</b>	<b>PILLSBURY WINTHROP SHAW PITTMAN LLP</b>		<b>31054</b>	<b>3,402.00</b>
		46031	3,402.00	LEGAL SERVICES
<b>1/24/2019</b>	<b>PITTSBURG UNIFIED SCHOOL DISTR</b>		<b>31055</b>	<b>109,798.80</b>
		46126	109,798.80	REFUND OF OVERPAYMENT
<b>1/24/2019</b>	<b>POLYDYNE INC</b>		<b>31056</b>	<b>25,932.96</b>
		45980	14,627.31	LIQUID POLYMER
		46231	11,305.65	LIQUID POLYMER
<b>1/24/2019</b>	<b>RAIN DEFENSE INC.</b>		<b>31057</b>	<b>1,215.50</b>
		46129	1,215.50	EMERGENCY ROOF REPAIR(S) WET W

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
1/24/2019	READY PRINT		31058	147.90
		46044	147.90	AD
1/24/2019	RED WING SHOE STORE 165		31059	336.09
		46212	336.09	SAFETY SHOES
1/24/2019	REDWOOD PAINTING CO		31060	2,880.00
		46211	2,880.00	ON CALL COATING AND PAINTING
1/24/2019	REGIONAL GOVERNMENT SERVICES		31061	2,682.56
		46128	2,682.56	JOB DESCRIPTION PROJECT
1/24/2019	REPUBLIC SERVICES #210		31062	4,502.79
		46130	950.25	WASTE
		46131	3,552.54	WASTE
1/24/2019	RH TECHNOLOGY		31063	5,756.66
		46172	2,319.86	O/S TEMP
		46232	3,436.80	TEMP O/S
1/24/2019	ROTO-ROOTER SERVICES COMPANY		31064	550.00
		46196	550.00	TREATMENT PLANT SERVICES AS NE
1/24/2019	TAC AMERICAS, INC.		31065	3,103.34
		46204	1,551.67	POC HVAC SYSTEM SERVICE AGREEM
		46205	1,551.67	POC HVAC SYSTEM SERVICE AGREEM
1/24/2019	SHARP ELECTRONICS CORP		31066	2,981.67
		46197	2,981.67	SHARP MAINTENANCE SERVICES
1/24/2019	CA STATE DISBURSEMENT UNIT		31067	750.00
		CS9648273	750.00	GARNISHMENT
1/24/2019	STATE OF CALIFORNIA		31068	325.00
		4461710	325.00	INCOME TAX WITHOLDING ORDER
1/24/2019	STERICYCLE ENVIRONMENTAL SOLUTIONS		31069	83,924.90
		46034	34,193.25	HHW TRANSPORTATION/DISPOSAL/LA
		46035	14,427.03	HHW TRANSPORTATION/DISPOSAL/LA
		46036	35,304.62	HHW TRANSPORTATION/DISPOSAL/LA
1/24/2019	SUPERIOR AUTO PARTS WAREHOUSE		31070	37.85
		46195	37.85	INVENTORY
1/24/2019	SYNAGRO WEST, LLC		31071	77,378.35
		46133	39,833.90	BIOSOLIDS HAULING
		46134	37,544.45	BIOSOLIDS HAULING
1/24/2019	SYSTAT		31072	4,393.99
		46175	4,393.99	DIVERSION UPS6101 CAPACITOR RE
1/24/2019	SYSTEM 1 STAFFING		31073	8,674.20
		46173	2,640.40	O/S TEMP
		46176	3,393.40	O/S TEMP
		46224	2,640.40	O/S TEMP

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
1/24/2019	TRANSENE COMPANY, INC.		31074	2,763.63
		46177	2,763.63	INVENTORY
1/24/2019	STACY TUCKER		31075	55.00
		46094	55.00	MED REIMB
1/24/2019	TURBO MACHINERY, INC		31076	33,607.62
		46213	14,951.00	P12504 TEAR DOWN AND INSPECT F
		46214	4,874.65	LABOR BACKFILL FOR OPEN MAINT
		46215	2,260.07	LABOR BACKFILL FOR OPEN MAINT
		46216	6,204.10	LABOR BACKFILL FOR OPEN MAINT
		46217	5,317.80	LABOR BACKFILL FOR OPEN MAINT
1/24/2019	TYLER TECHNOLOGIES, INC.		31077	25,323.00
		46190	8,775.00	MUNIS PACE 10 TRAINING PROGRAM
		46235	16,548.00	TYLER SERVICE FEES FOR Q3 AND
1/24/2019	UNIFIRST CORPORATION		31078	974.82
		46180	114.31	UNIFORM/ LAUNDRY SERVICE AGREE
		46181	140.54	UNIFORM/ LAUNDRY SERVICE AGREE
		46182	140.54	UNIFORM/ LAUNDRY SERVICE AGREE
		46183	25.86	UNIFORM/ LAUNDRY SERVICE AGREE
		46184	131.29	UNIFORM/ LAUNDRY SERVICE AGREE
		46202	216.12	UNIFORM/ LAUNDRY SERVICE AGREE
		46236	67.62	UNIFORM/ LAUNDRY SERVICE AGREE
		46237	138.54	UNIFORM/ LAUNDRY SERVICE AGREE
1/24/2019	MICHAEL BLUEBAUGH		31079	1,850.00
		46179	1,850.00	TURKEY ERADICATION
1/24/2019	UNIVAR USA INC		31080	11,284.93
		46004	3,164.92	SODIUM HYPOCHLORITE
		46027	4,954.38	SODIUM BISULFITE
		46043	3,165.63	SODIUM HYPOCHLORITE
1/24/2019	V.W. HOUSEN & ASSOCIATES, INC.		31081	4,295.75
		46200	2,006.00	DESIGN WORK
		46201	2,289.75	DESIGN FOR BLOWDOWN LINE RE-RO
1/24/2019	WM LYLES COMPANY		31082	308,477.82
		46206	308,477.82	CONSTRUCTION SERVICES PN 17140
1/24/2019	ROBERT WRIGHT		31083	35.00
		46095	35.00	MED REIMB
<b>GRAND TOTAL</b>				<b><u>2,298,926.92</u></b>

March 13, 2019

AUTHORIZE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 2 TO CONSULTING SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$13,000, LEE & RO, INC., ENGINEERING SERVICES; AND AUTHORIZE GENERAL MANAGER TO FILE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) NOTICE OF EXEMPTION WITH CONTRA COSTA COUNTY AND STATE CLEARINGHOUSE, TREATMENT PLANT ELECTRICAL SWITCHGEAR REPLACEMENT, PROJECT NO. 17120

#### RECOMMENDATIONS

1. Authorize the General Manager to execute Amendment No. 2 to the Consulting Services Contract with LEE & RO, Inc. (LEE & RO) to provide additional engineering support services in an amount not to exceed \$13,000, for a new total contract amount of \$488,600.
2. Authorize General Manager to file a CEQA Notice of Exemption with the Contra Costa County Recorder's Office and the State Clearinghouse for the Project, in accordance with CEQA Guidelines 15062 and in compliance with Public Resources Code Section 21152.

#### Background Information

In July 2016, the Board authorized an engineering contract with LEE & RO for planning, design, cost estimating, and CEQA documentation to replace the existing main electrical switchgear at the District's Wastewater Treatment Plant. The existing electrical switchgear is a critical component of the treatment process, responsible for distributing utility, cogeneration, and standby emergency power to the Treatment Plant building, Treatment Plant processes, and Household Hazardous Waste Collections Facility. The electrical switchgear is near the end of its useful life. The project design documents are complete and will be released for public bidding upon receiving approval from PG&E, which is anticipated in March 2019.

#### Analysis

The project plan included retrofitting the existing backup diesel generator engine system to automatically and seamlessly transfer from backup to utility power at the end of a facility power outage. The diesel system retrofit design was submitted to PG&E Service Planning group along with the project design for review as a single application in November 2018. Recently, PG&E informed the District that a different PG&E group must review and approve the retrofit work. It is recommended that the Board authorize the General Manager to execute Amendment No. 2 to the LEE & RO Consulting Services Contract in an amount not to exceed \$13,000 to prepare the PG&E Rule 21 application, associated attachments, and address PG&E comments. Attachment 1 summarizes the scope of work and estimated cost for these additional services.

It is also recommended that the Board of Directors find the project is categorically exempt and authorize the General Manager to file a CEQA Notice of Exemption with the Contra Costa County Recorder's Office in compliance with Public Resources Code Section 21152. The project is categorically exempt under CEQA Guidelines (California Code of Regulations Title 14) Class 1, Class 2, Class 3, and Class 4. A Class 1 exemption "consists of the...repair [or]



maintenance...of existing public structures, facilities, mechanical equipment...involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination." A Class 2 exemption "consists of replacement or reconstruction of existing structures and facilities...and will have substantially the same purpose and capacity of the structure replaced..." A Class 3 exemption "consists of construction and location of limited numbers of new, small facilities or structures" including accessory structures. A Class 4 exemption "consists of minor public or private alterations in the condition of land, water, and/or vegetation..."


CEQA action is required to be filed prior to the commencement of construction to satisfy State of California requirements. If the Notice of Exemption is not filed at this time, the statute of limitations period for legal challenges to the project will increase from 35 days to 180 days, resulting in a risk of project delays and associated costs.


#### Financial Impact

The adopted Fiscal Year 2018/2019 – Fiscal Year 2022/2023 (FY18/19 – FY22/23) Capital Improvement Program Wastewater Capital Asset Replacement Fund includes an appropriation of \$2.8 million through FY18/19 for the Treatment Plant Electrical Switchgear Replacement Project. The estimated cost for the Amendment No. 2 scope of work is \$13,000, for a new total contract amount of \$488,600. There is sufficient budget for this additional work.

#### Attachments

- 1) Scope of Work and Cost Estimate Summary
- 2) Draft Notice of Exemption

Prepared by:   
Irene O'Sullivan  
Associate Engineer

Reviewed by:   
Brian Thomas  
Engineering Services Director/  
District Engineer

cc: District File No. 17120.01.01

**TREATMENT PLANT ELECTRICAL SWITCHGEAR REPLACEMENT  
PROJECT NO. 17120**

**AMENDMENT NO. 2  
LEE & RO, INC. (CONSULTANT)**

**SCOPE OF WORK AND COST ESTIMATE SUMMARY**

<b><u>DESCRIPTION</u></b>	<b><u>COST</u></b>
ORIGINAL AUTHORIZED CONTRACT AMOUNT	\$425,600
AMENDMENT NO. 1	\$50,600
<u>AMENDMENT NO. 2 SCOPE OF WORK:</u>	
Project management, status calls, minutes	\$2,000
PG&E Rule 21 application preparation	\$4,800
Respond to PG&E comments	\$2,200
Application attachments and design updates per PG&E	\$4,000
Amendment No. 2 Subtotal	\$13,000
<b>GRAND TOTAL</b>	<b><u><u>\$488,600</u></u></b>

**NOTICE OF EXEMPTION**

**TO:** County Clerk  
County of Contra Costa  
555 Escobar Street  
Martinez, CA 94553

**FROM:** Vince De Lange, General Manager  
Delta Diablo  
2500 Pittsburg-Antioch Highway  
Antioch, CA 94509-1373  
Telephone: (925) 756-1900

\_\_\_\_\_  
Signature

**SUBJECT:** FILING OF NOTICE OF EXEMPTION IN COMPLIANCE WITH PUBLIC RESOURCES CODE 21152

**PROJECT TITLE:** TREATMENT PLANT ELECTRICAL SWITCHGEAR REPLACEMENT, PROJECT NO. 17120

**STATE CLEARINGHOUSE NUMBER:** N/A

**PROJECT LOCATION:** Delta Diablo, 2500 Pittsburg-Antioch Hwy, Antioch, CA 94509

**PROJECT DESCRIPTION:** The proposed project consists of replacing the existing electrical switchgear and an existing transformer, relocating existing aboveground oil tanks and an HVAC compressor, as well as installing a new covered walk-in area and underground utility piping.

**AGENCY APPROVING AND CARRYING OUT PROJECT:** Delta Diablo

**EXEMPT STATUS:** The Board of Directors of the District finds this project is categorically exempt from CEQA as Class 1, Class 2, Class 3, and Class 4 Categorical Exemptions under Public Resources Code Section 21084.

**REASONS WHY PROJECT IS EXEMPT:** Based on review of the project, it was determined the project would not result in a significant effect on the environment, meets the qualifications for Class 1, 2, 3, and 4 Categorical Exemptions, and none of the exceptions to the use of a categorical exemption apply. Documentation is on file with Delta Diablo.

**AFFIDAVIT OF POSTING**

I declare that on \_\_\_\_\_, I received and posted this Notice as required by Public Resources Code 21152 (c). It will remain posted for 30 days.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title



March 13, 2019

AUTHORIZE GENERAL MANAGER TO FILE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) NOTICE OF EXEMPTION WITH CONTRA COSTA COUNTY AND STATE CLEARINGHOUSE, PERMANENT BRINE TRANSFER FACILITY, PROJECT NO. 18109

RECOMMENDATION

Authorize General Manager to file a CEQA Notice of Exemption with the Contra Costa County Recorder's Office and the State Clearinghouse for the Project, in accordance with CEQA Guidelines 15062 and in compliance with Public Resources Code Section 21152.

Background Information

In March 2018, the Board awarded an engineering contract to V.W. Housen & Associates (VWHA) for planning, design, cost estimating, and CEQA documentation for a new permanent brine transfer facility. The new brine facility will replace the existing temporary facility that was installed in 2013 to receive brine wastewater from The Dow Chemical Company (Dow) pursuant to the Temporary License and Brine Discharge Agreement executed between the District and Dow in July 2013. Project design is near completion and is scheduled to be issued for public bids in late March 2019.

Analysis

Staff recommends that the Board of Directors find the project is categorically exempt and authorize the General Manager to file a CEQA Notice of Exemption with the Contra Costa County Recorder's Office in compliance with Public Resources Code Section 21152. The project is categorically exempt under CEQA Guidelines (California Code of Regulations Title 14) Class 1, Class 2, and Class 3. A Class 1 exemption "consists of the...repair [or] maintenance...of existing public structures, facilities, mechanical equipment...involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination." A Class 2 exemption "consists of replacement or reconstruction of existing structures and facilities...and will have substantially the same purpose and capacity of the structure replaced..." A Class 3 exemption "consists of construction and location of limited numbers of new, small facilities or structures" including accessory structures.

CEQA action is required to be filed prior to the commencement of construction to satisfy State of California's requirements. If the Notice of Exemption is not filed at this time, the statute of limitations period for legal challenges to the project will increase from 35 days to 180 days, resulting in a risk of project delays and associated costs.

Financial Impact

The adopted Fiscal Year 2018/2019 – Fiscal Year 2022/2023 Capital Improvement Program includes an overall budget of \$1 million for the Permanent Brine Transfer Facility Project. Dow is responsible for all costs incurred for the project and will reimburse the District in accordance with the 2016 Brine Facility Construction Agreement.

Attachments

Draft Notice of Exemption

Prepared by: Ih  
Irene O'Sullivan  
Associate Engineer

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

cc: District File No. 18109.01.01

**NOTICE OF EXEMPTION**

**TO:** County Clerk  
County of Contra Costa  
555 Escobar Street  
Martinez, CA 94553

**FROM:** Vince De Lange, General Manager  
Delta Diablo  
2500 Pittsburg-Antioch Highway  
Antioch, CA 94509-1373  
Telephone: (925) 756-1900

\_\_\_\_\_  
Signature

**SUBJECT:** FILING OF NOTICE OF EXEMPTION IN COMPLIANCE WITH PUBLIC RESOURCES CODE 21152

**PROJECT TITLE:** PERMANENT BRINE TRANSFER FACILITY, PROJECT NO. 18109

**STATE CLEARINGHOUSE NUMBER:** N/A

**PROJECT LOCATION:** Delta Diablo, 2500 Pittsburg-Antioch Hwy, Antioch, CA 94509

**PROJECT DESCRIPTION:** A new brine facility will replace the existing temporary facility that was installed in 2013 to receive brine wastewater from The Dow Chemical Company (Dow). The facility will include two 10,000-gallon storage tanks, pumping equipment, and piping.

**AGENCY APPROVING AND CARRYING OUT PROJECT:** Delta Diablo

**EXEMPT STATUS:** The Board of Directors of the District finds this project is categorically exempt from CEQA as Class 1, Class 2, and Class 3 Categorical Exemptions under Public Resources Code Section 21084.

**REASONS WHY PROJECT IS EXEMPT:** The project will result in a new accessory structure and system to replace an existing system in use since 2013. A Class 1 exemption “consists of the...repair [or] maintenance...of existing public structures, facilities, mechanical equipment...involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination.” A Class 2 exemption “consists of replacement or reconstruction of existing structures and facilities...and will have substantially the same purpose and capacity of the structure replaced...” A Class 3 exemption “consists of construction and location of limited numbers of new, small facilities or structures” including accessory structures.

**AFFIDAVIT OF POSTING**

I declare that on \_\_\_\_\_, I received and posted this Notice as required by Public Resources Code 21152 (c). It will remain posted for 30 days.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

REVIEW REPORT ON BUDGET AND RATES DEVELOPMENT PLANNING  
CONSIDERATIONS, RATE COMPARISON BASIS, AND FUNDING APPROACH FOR  
ADVANCED TREATMENT RESERVE FUND FOR FISCAL YEAR 2019/2020

RECOMMENDATION

Review budget and rates development planning considerations, rate comparison basis, and funding approach for the Advance Treatment Reserve Fund for Fiscal Year 2019/2020 (FY19/20).

Background

Staff is currently developing proposed Sewer Service Charges (SSCs or “rates”) and the associated budget (capital, operating) for FY19/20. Staff intends to submit the proposed SSCs for Board review at the April 10, 2019 Board Meeting, as well as a request to distribute Proposition 218 notices and set the SSC public hearing for June 12, 2019. Staff intends to review key budget assumptions at the May 8, 2019 Board Meeting with Board consideration of the recommended FY19/20 budget at the June 12, 2019 Board Meeting.

At the March 13, 2019 Board Meeting, staff will highlight key guiding principles used in developing the budget and rates for FY19/20. In addition, staff will present the District’s peer agency rate comparison basis for last year’s rate-setting process with recommended clarifications and modifications for FY19/20. Last, staff will present key considerations and alternatives associated with the Advanced Treatment (AT) Reserve Fund relative to updated long-term nutrient management assumptions. The goal is to seek additional input from the Board on these budget and rate development considerations prior to planned Board engagement activities over the next few months.

Analysis

*Guiding Principles:* Staff is developing a 5-year rate model for FY19/20 – FY23/24 that considers capital improvement needs and operating cost projections, while maintaining a strong focus on financial sustainability and compliance with fiscal policies. In addition, staff is conducting critical reviews of the proposed operating and capital budgets to ensure effective and efficient use of ratepayer funds, while both planning for the future and maintaining a high level of reliable service in the District’s wastewater collection, conveyance, and treatment systems. Key guiding principles include:

- Identify and implement operating budget reduction strategies and opportunities
- Ensure effective prioritization of a capital improvement program that addresses critical infrastructure needs
- Maintain cash reserves at a minimum of 40% of budgeted operating expenses during the 5-year period
- Target lowest cost of capital (e.g., grants, low-interest loans [California State Revolving Fund, IBank])
- Utilize 5-year outlook for CIP and rates to prevent rate spikes
- Maintain rates near average relative to peers



*Peer Agency Rate Comparison Basis:* As part of the rate-setting process, staff has historically presented a peer agency comparison for the District's proposed SSCs for wastewater treatment plus the wastewater collection fees charged by the cities of Pittsburg and Antioch (for Pittsburg and Antioch residents) or the District (for Bay Point residents). The District has strived to provide high-quality, reliable wastewater collection and treatment services at a rate that is at or below the average when compared to 12 peer agencies in the region. At the March 13, 2019 Board Meeting, staff will present the comparison chart presented during last year's rate-setting process as well as additional comparisons for the District's average customer. In addition, staff will highlight that the AT Reserve Fund comprises approximately 15 percent of the District's SSC to meet a long-term future regulatory requirement to remove nutrients (i.e., nitrogen and phosphorus) from the treatment plant effluent prior to discharge to the Delta. Most of the District's peer agencies do not include a similar rate component in their respective rates.

*AT Reserve Fund Considerations:* As presented to the Board at its June 13, 2018 meeting, advanced treatment for nutrient removal may be required to meet future regulatory requirements. In FY11/12, funding for this effort began when the Board established a designated AT Reserve Fund and approved a new SSC component to provide a funding source that would fund planning, design, and debt service for a major nutrient management treatment plant expansion originally estimated to cost \$125 million in order to avoid significant, multi-year rate increases in the future. At the time the AT Fund was established, the assumed in-service timeframe for these new plant processes was FY23/24. As reported to the Board at its November 8, 2017 meeting, however, the updated timeframe for completion of nutrient removal facility construction is estimated at FY33/34, which provides additional time to refine the estimated capital cost estimate and collect the required funds. For FY18/19, the Board approved a reduction in the planned rate increase for the AT Reserve Fund component last year from 2.7% to 1.0% of the overall SSC rate. The AT Reserve Fund has been used to fund nutrient removal pilot studies, a nutrient removal sidestream treatment study, and 50 percent of the 28-acre property purchase from Dow Chemical Company. Staff will provide additional considerations and various options for AT Reserve Fund collection in FY19/20, while noting that this will be a focus area for study under the planned Resource Recovery Facility Master Plan.

#### Next Steps

At the April 10, 2019 Board meeting, staff will review the proposed FY19/20 SSC increases and seek Board authorization to set the SSC public hearing for June 12, 2019 and distribute the associated Proposition 218 notices. After the public hearing, the Board will be asked to consider approval of the proposed SSC adjustments. In addition, key budget assumptions will be presented to the Board for consideration at its May 8, 2019 meeting. Approval of FY19/20 budget appropriations will be submitted to the Board for consideration at its June 12, 2019 meeting.

Signature:

  
Carol S. Margetich  
Business Services Director



March 13, 2019

RECEIVE STATUS REPORT ON FACILITY CONDITION ASSESSMENT PROJECT AND PROPOSED RESOURCE RECOVERY FACILITY MASTER PLAN SCOPE, PROJECT NO. 18110

RECOMMENDATION

Receive status report on the Facility Condition Assessment Project and proposed Resource Recovery Facility Master Plan scope of work.

Background Information

In late 2017, the District initiated a Facility Condition Assessment (FCA) Project to assess the condition of critical infrastructure in its wastewater conveyance (i.e., Bay Point gravity sewers, gravity interceptors, pump station discharge force mains) and treatment systems. This work was originally planned to be included in a proposed Resource Recovery Facility Master Plan (RRFMP); however, it was accelerated to allow timely incorporation of recommended infrastructure rehabilitation and renewal projects in the District's capital improvement program (CIP).

The FCA Project was divided into two distinct phases—Wastewater Conveyance Systems (Phase 1) and Treatment Plant Systems (Phase 2). In April 2018, the Board authorized a contract with Kennedy/Jenks Consultants to conduct the Phase 1 work with the District reserving the option to subsequently include Phase 2 in the contract scope or solicit another consultant. The Phase 1 work is nearly complete and staff is recommending that the Phase 2 work be combined with the planned scope of work for the upcoming RRFMP. Staff will present the FCA Phase 1 results and key focus areas for the RRFMP at the March 13, 2019 Board Meeting.

Analysis

*FCA Phase 1 Results:* The District has completed inspection and condition assessment for approximately 30,000 lineal feet of gravity sewers (including gravity interceptors), 100 manholes, and the treatment plant outfall. Remaining Phase 1 work includes inspection of the District's force mains, which is scheduled to be completed by spring 2019 following the current wet weather season. Overall, the inspected infrastructure is in fair condition with approximately 10% of the gravity mains and manholes requiring future repairs. These findings have been used to develop and prioritize new or existing (i.e., expanded scope for the Bay Point Phase IV Project) in the proposed Fiscal Year 2019/2020 – Fiscal Year 2023/2024 (FY19/20 – FY23/24) CIP. In addition, the gravity sewer inspections were completed on time to ensure compliance with the requirements of the Northern California River Watch Settlement Agreement and Mutual Release of Claims, which the District executed on June 13, 2013.

Although the Phase 2 work was originally planned to immediately follow completion of Phase 1, staff is recommending that this work be include in the RRFMP to better align plant infrastructure needs with long-term master planning considerations.

*RRFMP Major Scope of Work Elements:* In addition to the FCA Phase 2 work, the proposed RRFMP scope would include identification and evaluation of key long-term strategic planning issues associated with the District's Resource Recovery Facility (i.e., the Wastewater Treatment



Plant and Recycled Water Facility (RWF]). Significant focus areas would include investigating biogas utilization options for the East County Bioenergy Project, assessing plant expansion and upgrade needs to meet future nutrient management regulatory requirements, evaluating long-term RWF operating scenarios and costs, identifying potential treatment process regulatory compliance vulnerabilities and enhanced process monitoring and control tools, updating future growth projections, supporting development of the Asset Management Program, evaluating biosolids management options, and developing a prioritized CIP to reflect FCA findings. The RRGMP would also include recommendations for additional, more detailed master planning activities in subsequent years for specific focus areas.

Financial Impact

The adopted FY18/19 – FY22/23 CIP includes an appropriation of \$2.5 million through FY18/19 for the Resource Recovery Master Plan Project. Staff is currently evaluating the RRMPP's overall scope of work and estimated level of effort with the goal of establishing the most efficient use of the District's available resources.

Attachments

None

Prepared by: *IS*  
Irene O'Sullivan  
Associate Engineer

Reviewed by: *BMT*  
Brian Thomas  
Engineering Services  
Director/District Engineer

cc: District File No. 18110.06.01



ITEM I

March 13, 2019

RECEIVE MONTHLY LOBBYIST REPORT DATED FEBRUARY 2019, 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 February 2019, which was produced by KA and distributed to members of the Western Recycled Water Coalition.

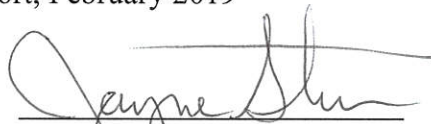
Financial Impact

None

Attachment

Monthly Report, February 2019

Prepared by:

  
Jayne Strommer  
Government Affairs Manager

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

Feb. 28, 2019

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

**NOTE:** The February 28<sup>th</sup> D.C. meetings are updated in Attachment 1 to this report.

### **“Water” Committee/Subcommittee Assignments and Staff Changes**

On the House Transportation and Infrastructure (T&I) Committee (Clean Water SRF and Alternative Water Source Program), Congresswoman Grace Napolitano (D-CA-32) was elected Chair of the Water Resources and Environment Subcommittee. Congressman Bruce Westerman (R-AR-4) is the Ranking Member. Mike Brain, Democratic Professional Staff member, left the Subcommittee for the Energy and Water Subcommittee of the House Appropriations Committee. Mike has been a strong supporter of the Coalition’s issues. We will miss him but now have a great contact at the Appropriations Committee. Replacing Mike is Camille Touton, joining the Subcommittee from the Senate Energy and Natural Resources Committee. We know her well as she has worked in the House in the past. Also, a strong supporter of water funding. On the House Natural Resources Committee (WIIN Grant Program), Congressman Jared Huffman (D-CA- 2) was elected Chair of Water, Oceans and Wildlife Subcommittee. Congressman Tom McClintock (R-CA-4) is the Republican Leader. At the staff level, Jackie Silvers, Deputy General Counsel, has left the Hill, with replacement to be determined. We worked well with her for a number of years. On the Energy and Commerce Committee (Safe Drinking Water SRF), Congressman Paul Tonko (D-NY-20), a strong Safe Drinking Water SRF supporter, was elected Chair of the Environment and Climate Change Subcommittee. Congressman John Shimkus (R-IL-15) is the Ranking Member. Staff assignments still in progress. Lastly, Congressman Earl Blumenauer (D-OR-3) (National Water Trust Fund), sits on the Ways and Means Committee (new revenues).

On the Senate Environment and Public Works Committee (Clean Water and Safe Drinking Water SRFs and the Alternative Water Source Program), Senator Kevin Cramer, (R-ND) was elected Chair of the Fisheries, Water, and Wildlife Subcommittee. Senator Tammy Duckworth (D-IL) is the Ranking Member. The new staffer on the Republican side is Lizzy Olsen. On the Senate Energy and Natural Resources Committee, Senator Martha McSally (R-AR) was elected Chair of the Water and Power Subcommittee. Senator Cortez Masto (D-NV) is the Ranking Member. Lane Dickson, with whom we have dealt in the past, is the majority staffer. Rebecca Bonner, new staffer, is his minority counterpart.



## **Infrastructure**

On Feb. 27, Key Advocates met with T&I Chairman DeFazio and Ranking Republican Sam Graves in separate meetings to discuss infrastructure. Both are committed to a major bill sooner rather than later. That is especially true regarding DeFazio who said that extensive drafting is already underway. When pressed, he did admit that the three infrastructure bills he introduced last Congress - for highways, aviation and water – include much of what would be in his mega proposal. Graves took a more guarded approach. While expressing his support for addressing the infrastructure issue, he said that he needed to hear from The White House on their latest position which, he believes, has evolved from the original \$1.5T proposal of last January. In both meetings I made a pitch for Clean Water SRF reauthorization and cited how the Coalition has successfully availed itself of the program. Regarding the Senate, not picking up much except for occasional committee staff meetings. Official word from the Senate is still that they will likely wait on the House to see what they will do and when.

## **Hearings**

On Feb. 7, the House Committee on Transportation and Infrastructure held a hearing on “The Cost of Doing Nothing: Why Investing in Our Nation’s Infrastructure Cannot Wait.” Witnesses were:

Tim Walz, Governor of Minnesota, on behalf of the National Governors Association  
Eric Garcetti, Mayor, City of Los Angeles, on behalf of the Conference of Mayors  
Ray LaHood, Co-Chair, Building America’s Future, Former Secretary, U.S. Department of Transportation  
Richard Anderson, President and CEO, Amtrak  
Eric K. Fanning, President and CEO, Aerospace Industries Association  
Lawrence J. Krauter, CEO, Spokane International Airport  
Angela Lee, Director, Charlotte Water; on behalf of The Water Environment Federation and The National Association of Clean Water Agencies  
Rich McArdle, President, UPS Freight; on behalf of the Chamber of Commerce  
Kristin Meira, Executive Director, Pacific Northwest Waterways Association  
Larry I. Willis, President, Transportation Trades Department, AFL-CIO

On Feb. 12, the Senate Committee on Commerce, Science, and Transportation held a hearing titled, “America’s Infrastructure Needs: Keeping Pace with a Growing Economy.” The hearing focused on opportunities for infrastructure improvement, including federal funding, financing programs, and permitting and regulatory streamlining. Witnesses were:

William Friedman, Chairman, American Association of Port Authorities, President and Chief Executive Officer, Cleveland-Cuyahoga County Port Authority  
Ian Jefferies, President and Chief Executive Officer, Association of American Railroads  
Matthew Polka, President and CEO, American Cable Association  
Chris Spear, President and CEO, American Trucking Association  
Larry Willis, President, Transportation Trades Department

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

On Feb. 13, the Congresswoman introduced the above bill (with 17 cosponsors – all Dems) which the Coalition reported to her office its support. The Coalition supported her bill last Congress. Two changes were made from last year’s version: 1) the EPA grant program was dropped so the focus could be on Title XVI; and, 2) the cap on the Federal share for individual projects was kept but 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.*

## **The “Water Quality Protection and Job Creation Act of 2019.”**

On March 7 or 8, Chair DeFazio, Subcommittee Chair Napolitano, and Representatives Don Young and John Katko are expected to introduce the above bill which the Coalition advised the Committee of its support (we will be submitting a support letter) for the authorization levels with the caveat of its opposition to the continued inclusion in the Alternative Water Source Projects program of the prohibition regarding projects that have received any USBR funds from funding eligibility under the Program. The bill:

- Authorizes \$20 billion in Federal grants over five years for Clean Water SRFs.
- Authorizes \$1.5 billion over five years for grants to implement state water pollution control programs.
- Provides \$600 million over five years for Clean Water pilot programs (including Federal technical assistance and/or grants) for watershed-based or system-wide efforts to address wet weather discharges, to promote storm water best management practices, to undertake integrated water resource management, and to increase the resiliency of treatment works to natural or man-made disasters.
- Authorizes \$375 million in grants over five years for alternative water source projects including projects that reuse wastewater and storm water to augment the existing sources of water.

## **Coalition D.C. Meetings**

On Feb. 28 the Coalition met with staff of key committees and Members, including the House Committees on Natural Resources and Transportation and Infrastructure, the Senate Committee on Energy and Natural Resources, and the offices of Senators Feinstein and Harris, and Representatives McNerney, DeSaulnier, Harder, Napolitano, Huffman, and Garamendi. A report on the meetings will be forthcoming.

## **Coalition Hill Contact Database**

The Coalition is developing two 116th Congress organizational databases. The first is WRWC Hill contacts, which will identify a contact from each Coalition member agency, and then the member agency's Representative(s), and that Representative's contact information, Legislative Assistant for water issues, and email addresses. The second will identify the Democrat and Republican staffs for the Coalition's key committees and those Members of Congress who may not be associated with a WRWC member.

## **Coalition 2019 Priorities**

To review, the Coalition's priorities include supporting a mega-infrastructure bill with robust funding for water; reauthorizing the WIIN Grant program with an increased program authorization; supporting Clean Water Act reauthorization; supporting earmarks for water projects; and, advocating for increased CWSRF and water funding in general in the FY 20 appropriations process.

## **FY19 Federal Funding Generally**

The omnibus appropriations bill to fund the remaining Federal agencies was signed into law on Feb. 15.

## **FY19 "Water" Funding**

- Clean Water SRF — \$1.7 billion, which is equal to the 2018 enacted level and \$300 million above the President's budget request.
- Safe Drinking Water SRF— \$1.2 billion, which is equal to the 2018 enacted level and \$300 million above the President's budget request.
- WIFIA— \$68 million, \$5 million above the 2018 enacted level and \$48 million above the President's budget request.

## **FY19 Energy and Water Appropriations Bill**

This bill was already enacted and included an appropriation of the final \$20M authorized funding for the WIIN Act recycled water grant program.

## **FY20 President's Budget**

By law, the President's budget is supposed to be submitted by the first Monday in February. That has slipped this year. A budget summary is expected the week of March 4 with the formal budget to be submitted the week of March 11. We continue to keep in touch with OMB on budget issues, but additional funding is always a tough sell with them and they tend to keep information to themselves.

## WIIN Grants Round #2

On Feb. 13, the USBR submitted the list of grantees to the Congress. It was too late to make it into the FY19 Omnibus Appropriations Bill that extended funding from Feb. 15 to the end of the fiscal year. The list of awardees is (trying to get more specifics on project names):

San Buenaventura Water Pure Project, \$2.4M  
Monterey One Water, \$4.1M  
WRD of Southern CA GRIP Project, \$4.1M  
Del Puerto North Valley, \$4.1M  
Sacramento Regional Sanitation District, \$4.1M  
City of Pismo Central Coast Blue, \$796K

However, since the listing of projects did not make it into the appropriations bill, the USBR will not be going beyond notification until that happens. They are hoping for a spring supplemental. If not, the next appropriation opportunity is months away. Regarding the next round NOFA, the Bureau says two weeks to a month away, with applicants to be given 60 days to apply.

## FY20 Congressional Budget Resolution

Congress has an April 15 deadline to pass a Congressional Budget Resolution. Given the slippage in the submission of the President's Budget, this deadline may slip as well. A budget resolution is in the form of a concurrent resolution – passed by both House and Senate – but does not have the force of law. It does not go to the President for signature (in contrast to appropriation bills which must be signed into law). A budget resolution sets upper limits for spending under major functions, which serves as the basis for allocating funding levels to the appropriations subcommittees.

## Bill Tracking

[S.352](#) — 116th Congress (2019-2020) **BUILD Act**

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

**Committees:** Senate – Finance **Latest Action:** Senate - 02/06/2019 Read twice and referred to the Committee on Finance.

[H.R.180](#) — 116th Congress (2019-2020) **Build America Act of 2019**

**Sponsor:** [Rep. Hastings, Alcee L. \[D-FL-20\]](#) (Introduced 01/03/2019) **Cosponsors:** (9)

**Committees:** House - Transportation and Infrastructure, Ways and Means **Latest Action:** House - 02/07/2019 Referred to the Subcommittee on Railroads, Pipelines, and Hazardous Materials.

[S.146](#) — 116th Congress (2019-2020) **Move America Act of 2019**

**Sponsor:** [Sen. Hoeven, John \[R-ND\]](#) (Introduced 01/16/2019) **Cosponsors:** (1)

**Committees:** Senate – Finance **Latest Action:** Senate - 01/16/2019 Read twice and referred to the Committee on Finance

[H.R.658](#) — 116th Congress (2019-2020) **National Infrastructure Development Bank Act of 2019**

**Sponsor:** [Rep. DeLauro, Rosa L. \[D-CT-3\]](#) (Introduced 01/17/2019) **Cosponsors:** (60)  
**Committees:** House - Energy and Commerce, Transportation and Infrastructure, Financial Services, Ways and Means **Latest Action:** House - 02/07/2019 Referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management.

[S.353](#) — 116th Congress (2019-2020) **RAPID Act**

**Sponsor:** [Sen. Cornyn, John \[R-TX\]](#) (Introduced 02/06/2019) **Cosponsors:** (1)  
**Committees:** Senate - Environment and Public Works **Latest Action:** Senate - 02/06/2019 Read twice and referred to the Committee on Environment and Public Works

[S.403](#) — 116th Congress (2019-2020) **IMAGINE Act**

**Sponsor:** [Sen. Whitehouse, Sheldon \[D-RI\]](#) (Introduced 02/07/2019) **Cosponsors:** (6)  
**Committees:** Senate - Environment and Public Works  
**Latest Action:** Senate - 02/07/2019 Read twice and referred to the Committee on Environment and Public Works.

[H.R.680](#) — 116th Congress (2019-2020) **Securing Energy Infrastructure Act**

**Sponsor:** [Rep. Ruppertsberger, C. A. Dutch \[D-MD-2\]](#) (Introduced 01/17/2019)  
**Cosponsors:** (1) **Committees:** House - Science, Space, and Technology **Latest Action:** House - 02/12/2019 Referred to the Subcommittee on Energy.

[S.40](#) — 116th Congress (2019-2020) **Bureau of Reclamation Transparency Act**

**Sponsor:** [Sen. Barrasso, John \[R-WY\]](#) (Introduced 01/08/2019) **Cosponsors:** (1)  
**Committees:** Senate - Energy and Natural Resources **Latest Action:** Senate - 01/08/2019 Read twice and referred to the Committee on Energy and Natural Resources

[H.R.228](#) — 116th Congress (2019-2020) **Increase Transportation Alternatives Investment Act of 2019**

**Sponsor:** [Rep. Velazquez, Nydia M. \[D-NY-7\]](#) (Introduced 1/03/2019) **Cosponsors:** (2)  
**Committees:** House - Transportation and Infrastructure **Latest Action:** House - 02/07/2019 Referred to the Subcommittee on Highways and Transit.

[H.R.1162](#) — 116th Congress (2019-2020) **Water Recycling Investment and Improvement Act**

**Sponsor:** [Rep. Napolitano, Grace F. \[D-CA-32\]](#) (Introduced 02/13/2019) **Cosponsors:** (20)  
**Committees:** House - Natural Resources **Latest Action:** House - 02/13/2019 Referred to the House Committee on Natural Resources.

[S.611](#) — 116th Congress (2019-2020) **A bill to provide adequate funding for water and sewer infrastructure, and for other purposes.**

**Sponsor:** [Sen. Sanders, Bernard \[I-VT\]](#) (Introduced 02/28/2019) **Cosponsors:** (1)  
**Committees:** Senate - Environment and Public Works **Latest Action:** Senate - 02/28/2019 Read twice and referred to the Committee on Environment and Public Works.

Attachment 1  
February 28, 2019 Meeting Summaries

On February 28<sup>th</sup>, the Coalition (Jayne Strommer) and Key Advocates (Sante Esposito) met with the staff of key Members and Committees. The main purpose of the meetings was to learn as much as possible regarding the various issues of interest to the Coalition.

**The Meetings:**

- Rishi Sahgal, Legislative Director (LD) for Congressman McNerney
- John Watts, LD for Senator Feinstein
- Catherine Pomposi, Ph.D., Legislative Fellow, Senator Harris
- Lane Dickson, Majority Professional Staff Member, Water and Power Subcommittee, Senate Energy and Natural Resources Committee
- Andrew Perlstein, Legislative Assistant (LA) for Congressman DeSaulnier (D-CA-11)
- Adela Amador, Deputy Chief of Staff & LD for Congressman Harder (D-CA-10)
- Joe Sheehy, LD, and Morgan Leonard, LA for Congresswoman Napolitano (D-CA-32)
- Logan Ferree, Deputy Chief of Staff for Congressman Huffman (D-CA-2)
- Matthew Muirragui, Majority Staff Director, and Marnie Kremer, Professional Staff Member, Water, Oceans and Wildlife Subcommittee, House Committee on Natural Resources
- Ian Hart, Sr. Policy Advisor, and Tigran Agdaian, LA for Congressman Garamendi (D-CA-3)
- Camille Touton and Navis Bermudez, Majority Professional Staff Members, T&I Water Resources Subcommittee

**Issues of Interest**

- DeFazio (T&I) Clean Water Bill (“Water Quality Protection and Job Creation Act”)
- Napolitano WIIN Grant Bill (“Water Recycling Investment and Improvement Act”, HR 1162)
- Coalition Projects Bill
- McNerney WEST Act
- Infrastructure Bill
- Earmarks

**DeFazio Bill**

There is real interest in the bill. In part, it authorizes \$20B over five fiscal years for the CWSRF and \$375M also over five fiscal years for the Alternative Water Source Project (AWSP) program. The T&I Water Resources and Environment Subcommittee will hold a general hearing on clean water. Markup of the bill is planned for 4-6 weeks. It could move as a separate bill or be rolled into an infrastructure bill. We indicated the Coalition’s support for the authorization levels in the bill (with a letter to be sent to that effect). However, we did mention in all our House meetings our opposition to the limitation that is currently in existing law, and which is not changed in the bill, that would prohibit any project that has received any USBR funds from being

able to apply for AWSP funds. Our preference would be that the limitation be repealed. Absent that, we offered that the word “construction” be inserted so that the prohibition would only apply to projects that have received USBR construction funds. Our position on this issue and our proposed solution was well received by all the Members’ staff with whom we met. They all said that they would support our request and inform the T&I Committee accordingly. There was, however, some push back from the T&I Water Resources Subcommittee Majority staff. While they couldn’t explain why the limitation is in the law, they said that maybe it was because if a project already had received funding from USBR that to allow it to apply for additional funding via the AWSP would be “double-dipping” and could also potentially crowd out other projects that have not received any previous funding. We raised the concern that Reclamation projects were being singled out in the prohibition. When we pointed out the specific situation with projects having received only feasibility study funds and so would be barred, they asked if we could get them a list of those projects, so they could see the magnitude of the problem. Jayne is preparing the list.

### **Napolitano WIIN Grant Bill**

A lot of interest in this from both Houses including the Senate Republicans. In the House, the bill is pending before the Natural Resources Committee. They plan to do a hearing in April/May. The Committee’s policy is to hold hearings on all bills of interest. The hope is to at least roll the bill into a mega infrastructure bill. We asked that they keep the Coalition in mind in deciding hearing witnesses. At the very least, we indicated that we would likely submit a statement for the record. Hearing support for the bill and optimism on its movement was not surprising from our House meetings, we were indeed very much surprised by what we heard in the Senate. Apparently, John Watts of Senator Feinstein’s office, and Lane Dickson, Republican staffer of the Energy and Natural Resources Water and Power Subcommittee, have engaged in discussions about a “West water bill” that would use the Napolitano bill as the basis and address additional issues such as storage, desal, R&D, etc. In the words of Watts: “we are looking for a Republican to partner on this.” Last year, the Coalition met with Lane. He was mister doom-and-gloom. Not helpful re: Title XVI and/or the WIIN grant program, but just the opposite in the meeting this on Thursday. John and Lane both were very positive and upbeat on the prospects of a bill that has as its underpinning reauthorizing the WIIN grant program at increased funding levels.

### **Coalition Projects Bill**

Brought this up in the McNerney and Harris meetings, the request being for introduction of the bill. Rishi from McNerney’s office has only been there a year and so was unaware of the Congressman’s past efforts on behalf of the Coalition. Jayne explained the bill and the past process. She gave him a draft with the caveat that she needed to verify the final authorization levels. He asked about cosponsors. We told that the past two times that his office had taken the lead on garnering them. He asked for, and we will provide him, a list of projects with the corresponding House Member(s). In Harris’ office we met with Catherine who has been with the Senator for 5-6 months. If you recall, last Congress we tried at least three times to request that Harris introduce a companion bill. Every time, no answer. Catherine was definitely more engaged and interested in the request. Jayne mentioned a news article in which the Senator touted the importance of recycled water. She is to email it to Catherine. We understand that Catherine has to run our request “up the flagpole” but we are guardedly optimistic given the tenor of our meeting.

## **McNerney's WEST Act**

We had worked with his office on the formulation of the bill last Congress and asked what his plans are for this Congress. Per Rishi, not too much news. Nothing decided but they are looking at the possibility of breaking off pieces of the bill, since they are now in the majority, and see what they can do with the various committees of jurisdiction. Interestingly, Congressman Harder's staff said that they are working on an omnibus water bill with the focus being on agricultural issues and needs.

## **Infrastructure Bill**

When we asked staff what the plan for a bill is, the answer we received from most was "I don't know." The T&I staff was the most definitive. Said House Floor action late Spring early Summer, the financing of the program being the main challenge. They said that DeFazio's clean water bill might be the first leg of a mega bill. Some speculated that while the House may take action on a bill this year, Senate action is not likely until next year.

## **Earmarks**

Our question being "what have you heard on the return of earmarks?" Nothing definitive although most of the House Members' staff we met with indicated support for it. One staffer speculated that maybe not this year because of a number of pressing legislative issues such as the debt limit, the congressional budget, the FAST Act reauthorization, etc. Coincidentally, the very day of our meetings, Chairman DeFazio was quoted in the press regarding earmarks:

"House Transportation Chairman DeFazio is planning to bring back earmarks -- just don't call them that, please. His language of choice is "Article I projects," named after the article of the Constitution that established the legislative branch of the federal government. DeFazio said bringing back earmarks will help build support for a gas tax increase he says is needed to push through a surface infrastructure bill. "Why shouldn't elected representatives, through a transparent process, be able to spend a small amount of money, bring it home, and show people what they're going to get for a small increase in their gas tax?" he asked at a gathering of the American Association of State Highway and Transportation Officials. DeFazio told the state DOT officials he would need their help convincing members of Congress, so "go forth and beat 'em up." Sen. Tom Carper (D-Del.), Ranking Democrat on the Environment and Public Works Committee who spoke after him, said he was on board with DeFazio's effort to "sanitize" earmarks, saying lawmakers have to be able to "point to a project in your state."

## **Conclusion**

Very good meetings. We learned a lot, much positive. Definite air of optimism and excitement, especially in the House, about being able to legislate in areas that in the past they were blocked.