

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

2500 Pittsburg-Antioch Highway | Antioch, CA 94509
WEDNESDAY, NOVEMBER 13, 2019
4:30 P.M.

Persons who wish to address the Board during Public Comments 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 Comments period depending on the number of speakers and the business of the day. Your patience is appreciated. A break may be called, or an item may be taken out of order, at the discretion of the Board Chair.

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. PUBLIC COMMENTS

D. RECOGNITION

Receive Presentation of Certificate of Achievement for Excellence in Financial Reporting and **Recognize** and **Commend** the Finance Division and Business Services Director for Receiving the Award of Financial Reporting Achievement for Fiscal Year 2017/2018 from the Government Finance Officers Association (Carol Margetich)

E. CONSENT CALENDAR

- 1) **Approve** Minutes of Regular Board of Directors Meeting, October 9, 2019 (Cecelia Nichols-Fritzler)
- 2) **Receive** Notes from Personnel Committee Meeting, October 30, 2019 (Cecelia Nichols-Fritzler)
- 3) **Approve** Job Description and Salary Range for New Maintenance Planner/Scheduler Classification (Carol Margetich)
- 4) **Approve** Actions Related to Headworks Improvement Project, Project No. 17117 (Patricia Chapman):
 - a) **Approve** Project and Design; Grant Bid Relief for Construction Bid Submitted By Myers and Sons Construction, LLC; Waive Minor Irregularities in Bid Documents Submitted by C.W. Roen Construction Company; **Award** and **Authorize** General Manager to Execute Construction Services Contract in an Amount Not to Exceed \$9,514,000, C.W. Roen Construction Company; **Authorize** General Manager or His Designee to Approve Contract Change Orders in an Amount Not to Exceed 5% of

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 the Treatment Plant Building, 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal working business hours.

- Contract Amount; and Related Actions, Headworks Improvements Project, Project No. 17117 (Patricia Chapman)
- b) **Authorize** General Manager to Execute Amendment No. 4 to Consulting Services Contract in an Amount Not to Exceed \$572,493 Engineering Services, Carollo Engineers, Inc.; and **Authorize** General Manager to Execute Consulting Services Contract in an Amount Not to Exceed \$780,181, Construction Management Services, Psomas, Headworks Improvements Project, Project No. 17117 (Patricia Chapman)
- 5) **Receive** District Monthly Check Register, September 2019 (Eka Ekanem)
 - 6) **Receive** First Quarter Fiscal Year 2019/2020 District Investment Report (Eka Ekanem)
 - 7) **Authorize** General Manager to Execute Amendment No. 2 to Consulting Services Contract, Dewberry Engineers, Inc., Sodium Bisulfite Tank and Chemical Building Replacement Project, Project No. 17139 (Ian Bronswick)
 - 8) **Receive** Notes from Finance Committee Meeting, November 7, 2019 (Cecelia Nichols-Fritzler)

F. DELIBERATION ITEMS

Approve Debt Management and Continuing Disclosure Policy (Carol Margetich)

G. PRESENTATIONS AND REPORTS

- 1) **Receive** Update on Safety Program (Mary Harvey)
- 2) **Receive** Update on National Pollutant Discharge Elimination System and Nutrient Watershed Permits (Amanda Roa)

H. MANAGER'S COMMENTS

I. DIRECTORS' COMMENTS

J. CORRESPONDENCE

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

K. CLOSED SESSION

Conference with Legal Counsel - Anticipated Litigation:

Significant exposure to litigation - Gov. Code, § 54956.9 (d) (2). (One case)

L. ADJOURNMENT

The next regular meeting of the Board of Directors is scheduled for December 11, 2019 at 4:30 pm.

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ITEM D

November 13, 2019

RECEIVE PRESENTATION OF CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING AND RECOGNIZE AND COMMEND THE FINANCE DIVISION AND BUSINESS SERVICES DIRECTOR FOR RECEIVING THE AWARD OF FINANCIAL REPORTING ACHIEVEMENT FOR FISCAL YEAR 2017/2018 FROM THE GOVERNMENT FINANCE OFFICERS ASSOCIATION

RECOMMENDATION

Receive the Certificate of Achievement for Excellence in Financial Reporting and recognize and commend the Finance Division and Business Services Director (Ms. Carol Margetich) for receiving Awards of Financial Reporting Achievement (AFRAs) for Fiscal Year 2017/2018 (FY17/18) from the Government Finance Officers Association (GFOA).

Background Information

In September 2019, GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for FY17/18 (Attachment 1). In addition to recognizing the District, GFOA presented AFRAs to the Finance Division and Ms. Margetich (Attachment 2).

GFOA is a non-profit association serving approximately 20,000 government finance professionals in the United States and Canada. It is estimated that 1.4% of California Special Districts and approximately 0.8% of Special Districts on a national level received this prestigious recognition in 2017.

Analysis

The Certificate of Achievement is a prestigious national award and represents the highest form of recognition in the area of governmental accounting and financial reporting. This achievement is intended to recognize a significant accomplishment by a government and its management. In order to be awarded a Certificate of Achievement, a government agency must publish an easily readable and efficiently-organized CAFR. This report must satisfy both generally-accepted accounting principles (GAAP) and applicable legal requirements. The CAFR has been judged by an impartial panel as meeting the high program standards, which include a constructive “spirit of full disclosure” to clearly communicate an agency’s financial story and motivate potential users and user groups to read the CAFR.

In addition, AFRAs are presented to individuals designated by the agency as primarily responsible for its having earned the certificate. The Finance Division worked to compile the award-winning CAFR by gathering the required information and statistical data related to District operations for the past ten years, coordinating and preparing the report content, and ensuring that the report fully complied with rigorous GFOA standards.

The District has achieved 15 consecutive “clean” financial audits, which is a tribute to Finance Division staff efforts. Receiving the Certificate of Achievement and AFRA can only be



accomplished upon completion of a CAFR, which is a more accurate and meaningful report on the District's financial condition than the basic financial statements typically completed. The District previously achieved this recognition in FY13/14. The District plans to submit the FY18/19 CAFR for program recognition. The efforts of Finance Division staff and Ms. Margetich have contributed to the District's very strong "AA" debt rating from Standard and Poor's.

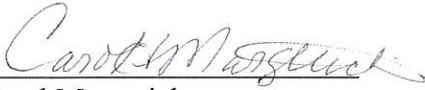
Financial Impact

None

Attachment

- 1) GFOA Notification of Award of Certificate of Achievement for Excellence in Financial Reporting to Chair Wright dated September 26, 2019
- 2) GFOA Notification of Awards of Financial Reporting Achievements to Ms. Carol Margetich dated September 26, 2019

Prepared by:



Carol Margetich
Business Services Director

cc:

District File





Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

September 26, 2019

Sean Wright
Board Chair
Delta Diablo
2500 Pittsburg Antioch Highway
Antioch, CA 94509

Dear Mr. Wright:

We are pleased to notify you that your comprehensive annual financial report (CAFR) for the fiscal year ended 2018 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

Michele Mark Levine
Director, Technical Services Center



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

09/26/2019

For more information contact:
Michele Mark Levine, Director/TSC
Phone: (312) 977-9700
Fax: (312) 977-4806
E-mail: mlevine@gfoa.org

(Chicago, Illinois)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **Delta Diablo** by Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s) or department designated by the government as primarily responsible for preparing the award-winning CAFR.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

Government Finance Officers Association is a major professional association servicing the needs of over 20,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington, D.C.



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

September 26, 2019

Carol Margetich
Business Services Director
Delta Diablo
2500 Pittsburg Antioch Highway
Antioch, CA 94509

Dear Ms. Margetich:

We are pleased to notify you that your 2018 fiscal year end comprehensive annual financial report (CAFR) qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment. Congratulations for having satisfied the high standards of the program. We hope that your example will encourage others in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

A "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements are enclosed. We want to strongly encourage the recommended improvements be made in the next report, and that the report be submitted to the program within six months of your next fiscal year end. Certificate of Achievement Program policy requires that written responses to the comments and suggestions for improvement accompany the next fiscal year's submission. The written responses should provide details about how each item is addressed within this report. These responses will be provided to those Special Review Committee members participating in the review. If a comment is unclear or there appears to be a discrepancy, please contact the Technical Services Center at (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.

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Continuing participants will find a brass medallion enclosed with these results. First-time recipients will receive a plaque in about 10 weeks. We hope that appropriate publicity will be given to this notable achievement. A sample news release has been enclosed.

A current holder of a Certificate of Achievement may include a reproduction of the Certificate in its immediately subsequent CAFR. A camera-ready copy of your Certificate is enclosed for that purpose. If you reproduce your Certificate in your next report, please refer to the enclosed instructions. A Certificate of Achievement is valid for a period of one year.

Over the course of the year, we are anticipating some changes to our application process. We will still be asking governments for the same documents we asked for in the past, but we are encouraging electronic submissions to cafrprogram@gfoa.org and expect to be making other changes going forward. We will keep members informed of any changes via email, and application instructions will be updated on our website.

Your continued interest in and support of the Certificate of Achievement Program is most appreciated. If we may be of any further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink, reading "Michele Mark Levine". The signature is written in a cursive style with a large, stylized initial "M".

Michele Mark Levine
Director, Technical Services Center



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

09/26/2019

For more information contact:
Michele Mark Levine, Director/TSC
Phone: (312) 977-9700
Fax: (312) 977-4806
E-mail: mlevine@gfoa.org

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November 13, 2019

APPROVE MINUTES OF REGULAR BOARD OF DIRECTORS MEETING, OCTOBER 9, 2019RECOMMENDATION

Approve Minutes of the Regular Board of Directors Meeting of October 9, 2019

DRAFT**Minutes of the Regular Board Of Directors Meeting
OCTOBER 9, 2019**

The meeting was called to order by Vice Chair Juan Antonio Banales on Wednesday, October 9, 2019, at 4:38 p.m., in the Board Room, located at 2500 Pittsburg-Antioch Highway, Antioch. Also present were Federal Glover, Director; 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; Amanda Roa, Environmental Programs Manager; Darrell Cain, Laboratory Manager; Jayne Strommer, Government Affairs Manager; Joaquin Gonzalez, Operations Manager; Dustin Bloomfield, Maintenance Supervisor; Steve Rodriguez, Operations Supervisor; Thanh Vo, Senior Engineer; Nick Steiner, Recycled Water Coordinator/P&T Bargaining Unit Representative; Matt Gotshall, Computer Analyst/P&T Bargaining Unit Representative; Cindy Kirk, Administrative Assistant III; Holland White, City of Pittsburg Councilmember and Supervisor's Aide for Special Projects, Office of Supervisor Federal D. Glover; and Rocky Pompa.

PUBLIC COMMENTS

None.

RECOGNITIONReceive Presentation of Utility of the Future Award from National Association of Clean Water Agencies (NACWA)

Mr. Eckerson presented the NACWA Utility of the Future Award, which recognizes the achievements of innovative water utilities that provide resilient, value-added, community services with a focus on community engagement, watershed stewardship, and recovery of resources such as water, energy, and nutrients. Mr. Eckerson noted that this is the second consecutive year the District has received this prestigious award and highlighted the District's Utility of the Future vision, which embraces innovation, progressive leadership, and an organizational culture of continuous improvement to benefit the environment, maintain reasonable rates, and serve as responsible stewards of public resources and trust. Director Glover thanked staff for making this award possible. Director Banales acknowledged the hard work by staff and stated that the recent awards are a reflection of the great work done at the District.

CONSENT CALENDAR

Director Banales called for a motion for approval of the Consent Calendar, Director Glover moved approval, and by voice vote (Ayes: *Banales and Glover*; Noes: *None*, Absent: *Wright* Abstain: *None*), the following consent items were approved according to staff recommendations: Adopt

Resolution Commending and Congratulating Michael Auer, Environmental Compliance Specialist II, on his Retirement from the District; Approve Minutes of Regular Board of Directors Meeting, October 9, 2019; and Receive District Monthly Check Register, August 2019.

DELIBERATION ITEMS

Adopt Resolution to Fly District Flag at Half-Staff Commencing at Sunrise on October 10, 2019, for a Period of Seven Days in Memory of Leonard Pompa, Senior Operator, who Passed Away on September 24, 2019

Mr. Eckerson presented a Resolution to the Board, requesting to fly the District flag at half-staff in memory of Mr. Leonard Pompa (Senior Operator), who passed away on September 24, 2019. Mr. Eckerson highlighted Mr. Pompa's career and certification progression from an Operator-in-Training beginning in 1985 to Senior Operator, while noting that he was the longest serving current District employee with 34 years and 29 days of continuous service until his passing. He received the Operator of the Year award from the California Water Environment Association (CWEA) San Francisco Bay Section in 2012. Mr. Pompa was a valuable Operations Division team member and contributed significantly to operational excellence at the District. He was well-respected by his peers for his strong work ethic, cheerful demeanor, loyalty, and commitment to the success of the District and its staff. Mr. Pompa was well-liked throughout the District and his presence will be greatly missed. Mr. Eckerson noted that the recommendation to fly the flag at half-staff is a small gesture that acknowledges the positive impact Mr. Pompa made while serving the District.

Director Glover thanked Mr. Eckerson for the presentation and for recognizing Mr. Pompa's life and his love for his District family. He stated that Mr. Pompa was a hard worker, an innovator, a kind person, and a friend to all. Director Glover closed his remarks by stating Mr. Pompa will be missed and the District lost a very good family member. Director Banales commented that Mr. Pompa's passing is a huge loss for the District, and it is fitting to lower the flag in his honor. He thanked staff for the suggestion and acknowledged how much Mr. Pompa meant to staff. Director Banales extended his condolences to the Pompa family.

Director Banales called for a motion for approval, Director Glover moved approval, and by voice vote (Ayes: *Banales and Glover*; Noes: *None*, Absent: *Wright*; Abstain: *None*) the Board Adopted a Resolution to Fly the District Flag at Half-Staff Commencing at Sunrise on October 10, 2019, for a Period of Seven Days in Memory of Leonard Pompa, Senior Operator, who Passed Away on September 24, 2019.

The Board observed a moment of silence in memory of Leonard Pompa.

Authorize General Manager to Execute Consultant Services Contract in an Amount Not to Exceed \$1,504,943, Hazen and Sawyer, Engineering Services, Resource Recovery Facility Master Plan, Project No. 18120

Mr. Thomas discussed the Resource Recovery Facility Master Plan (RRFMP), which is an essential element of the District's overall financial sustainability. He commented that the RRFMP will provide the District with a strategic planning document focused on near- and long-term infrastructure improvements to address asset condition, hydraulic capacity, treatment capacity, and regulatory requirements. Mr. Thomas added that the project is intended to provide the District with an integrated, strategic planning focused document to guide significant infrastructure investment decisions. The RRFMP will be an "action-oriented" document highlighting specific measures and triggers that support decision making over the next few years, while maintaining a 20-year planning

horizon. Mr. Thomas reviewed the consultant selection process which included soliciting requests for proposals, interviews, and reference checks. The anticipated project completion timeline is approximately 18 months with certain tasks prioritized for early delivery to meet District needs. Director Glover thanked Mr. Thomas for the presentation. Director Banales called for a motion for approval, Director Glover moved approval, and by voice vote (Ayes: *Banales and Glover*; Noes: *None*, Absent: *Wright*; Abstain: *None*) the Board Authorized the General Manager to Execute Consultant Services Contract in an Amount Not to Exceed \$1,504,943, Hazen and Sawyer, Engineering Services, Resource Recovery Facility Master Plan, Project No. 18120.

PRESENTATIONS AND REPORTS

Receive Delta Household Hazardous Waste Collection Facility Fiscal Year 2018/2019 Report

Ms. Roa provided an update on the Delta Household Hazardous Waste Collection Facility (DHHWCF), which is a partnership with the cities of Antioch, Brentwood, Oakley and Pittsburg, and Contra Costa County. The District has operated the facility since 1996 and accepts HHW and electronic waste (e-waste). During the last fiscal year, 17,544 vehicles utilized the facility for HHW disposal (not including e-waste). Over 556 tons of waste were delivered with 70.8% of material collected being either reused or recycled. Over 167 tons of e-waste was collected in FY18/19. E-waste revenue, which has helped offset HHW program costs in the past, is no longer received due to disruption in global recycling markets and associated decreases in e-waste value. The program continues to evaluate adding new wastes, such as solar panels and e-cigarettes/ vaping cartridges. Ms. Roa noted future considerations will include a flare disposal event, hours of operation, staffing, and evaluation of the facility condition.

Director Glover commented that the HHW program has grown and commended Ms. Roa for doing an outstanding job throughout the years. He noted the importance for the community to have a drop-off site for various materials. Director Glover asked for clarification on the amount of e-waste collected. Ms. Roa responded that the HHW continues to receive e-waste, noting that the weight of e-waste has been reduced as electronics have become smaller and lighter. Director Banales thanked Ms. Roa for the report.

Review and Comment on Draft Strategic Communications Plan

Ms. Margetich provided a review of the Draft Strategic Communications Plan. She noted that the District established a Strategic Business Plan Initiative in FY18/19 under “Stakeholder Engagement” to “Develop strategic planning framework to guide proactive public information and outreach activities and ensure alignment with key District initiatives.” Ms. Margetich emphasized that the District values strong collaboration and engagement with the local community and key stakeholders, transparency, and serving as responsible stewards of the public’s resources and trust. She further highlighted that the plan is intended to: 1) guide communications activities by identifying key focus areas, stakeholders, and messaging points, while providing goals and strategies that form the basis of the District’s communications framework; 2) provide a reference document for District staff to support consistent communications and raise overall awareness; and 3) identify objectives to continue enhancing public communications and outreach efforts. She also noted staff identified both near- and long-term initiatives to guide implementation of the District’s communications efforts over the next two years.

Director Glover thanked Ms. Margetich for the presentation and commented that the draft document is excellent, visionary, and should be finalized. He shared his support for linking the District’s

website to city and county websites, and providing Board members with the ability to direct members of the public to the website for more information.

Director Banales thanked Ms. Margetich for the presentation and commented that he is pleased with the document. He asked that the District consider the most effective communication channels (e.g., direct mail, email, social media, website) and augment the plan to identify opportunities to grow and measure progress. Director Banales noted that use of social media is an effective, low-cost communication tool. Mr. De Lange responded that the plan includes an evaluation of use of social media and associated resource needs. He added that the District will assess current use of the website, explore opportunities to partner with neighboring cities to direct traffic to the website, and identify opportunities to share information in a timely manner. Mr. De Lange stated that suggestion to identify the effectiveness of communication channels will be added to the plan as a near-term initiative to be completed over the next year.

MANAGER'S COMMENTS

Mr. De Lange commented that the District has not been impacted by the recent PG&E power outages, but is prepared to implement emergency bypass pumping at remote pump stations, if needed. He also commented that the District received an award from the Government Finance Officers Association (GFOA), which will be presented to the Board at the November 13, 2019 meeting.

DIRECTORS' COMMENTS

None.

CORRESPONDENCE

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

The Board received and filed the report.

CLOSED SESSION

None.

ADJOURNMENT

Director Banales adjourned the meeting at 5:35 p.m. The next regular meeting of the Board of Directors is scheduled for November 13, 2019 at 4:30 pm.

Federal Glover
Board Secretary

(Recording Secretary:
Cecelia Nichols-Fritzler)

November 13, 2019

RECEIVE NOTES FROM PERSONNEL COMMITTEE MEETING, OCTOBER 30, 2019

RECOMMENDATION

Note receipt and file.

Background Information

The Personnel Committee met on October 30, 2019. The meeting was attended by Committee Chair Federal Glover; Vince De Lange, General Manager; Dean Eckerson, Resource Recovery Services Director; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

The purpose of the meeting was to review and comment on the Draft Job Description and Salary Level for the Maintenance/Planner Scheduler. Mr. Eckerson provided an overview, which is summarized in the meeting notes.

Analysis

Committee Chair Glover recommended the Draft Job Description and Salary Level for the Maintenance/Planner Scheduler position be submitted to the full Board for consideration at the November 13, 2019 meeting. Committee notes are provided as an informational report at regular Board meetings as part of the Consent Calendar.

Financial Impact

In anticipation of implementing this new position in the current fiscal year, the approved operating budget included funding to support reclassification of a Maintenance Mechanic III position to a Maintenance Planner/Scheduler position. The compensation for this position is proposed to be equivalent to the Senior Operator, resulting in a base salary range of \$8,514.50 to \$10,633.45. This salary range was determined as a result of a market comparison with benchmark agencies and is consistent with similar positions at other special districts in the region.

Prepared by:



Cecelia Nichols-Fritzler
Office Manager/Secretary to the Board

Reviewed by:



Vince De Lange
General Manager

Attachment

1. Personnel Committee Meeting Notes, October 30, 2019
2. Personnel Committee Memorandum and Attachments, October 30, 2019



MEETING NOTES

BOARD OF DIRECTORS PERSONNEL COMMITTEE MEETING
DELTA DIABLO

WEDNESDAY, OCTOBER 30, 2019
9:00 A.M.

The meeting was called to order by Committee Chair Federal Glover on Wednesday, October 30, 2019 at 9:00 am in the Offices of Contra Costa County District 5, 190 East Fourth Street, Pittsburg, California. Also present were Vince De Lange, General Manager; Dean Eckerson, Resource Recovery Services Director; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

PUBLIC COMMENTS

None.

REVIEW AND COMMENT ON DRAFT JOB DESCRIPTION AND SALARY LEVEL FOR MAINTENANCE PLANNER/SCHEDULER

Mr. Eckerson provided an overview of maintenance workflow, organizational structure, and planning and scheduling activities. He highlighted opportunities to improve organizational efficiency and support implementation of the District's formalized Asset Management Program by consolidating the maintenance planning and scheduling function in this dedicated new position. Mr. Eckerson noted the associated organizational benefits and key job duties, which include planning, coordinating, and scheduling; analyzing work methods and strategies; organizing materials and information required for various maintenance disciplines; managing the computerized maintenance management system (CMMS) for tracking asset condition and historical data; and directly supporting the District's current strategic focus on developing an Asset Management Program. He noted that the approved Fiscal Year 2019/2020 operating budget included funding to support reclassification of a Maintenance Mechanic III position to a Maintenance Planner/Scheduler position with a base monthly salary range of \$8,514.50 to \$10,633.45, which is consistent with a market comparison with regional benchmark agencies.

Committee Chair Glover asked if the Bargaining Unit is amenable to the proposed change. Mr. Eckerson conveyed that the Operations & Maintenance (O&M) Representation Unit was in overall agreement with the draft job description and salary level; he stated that the District would effectively integrate this new role into District work functions to address associated concerns from O&M. Committee Chair Glover also asked whether this position would impact existing job descriptions. Mr. De Lange stated that the existing job descriptions would not need to be changed, because planning and scheduling functions would still need to be completed by other staff, as needed; however, the balance and focus of this activity would shift to other more core functions for other maintenance staff. Mr. De Lange also noted that the District is currently completing a comprehensive update to its existing job descriptions. Mr. Eckerson noted the recruitment process would be a promotional recruitment beginning in December. Committee Chair Glover asked if there are current vacancies in the Maintenance Division. Mr. Eckerson

noted that there are two current vacancies—a Maintenance Mechanic II and an Instrumentation Technician III position.

Chair Glover thanked Mr. Eckerson for the report and recommended that the item be submitted to the full Board for consideration at its November 13, 2019 meeting.

ADJOURNMENT

The meeting was adjourned by Chair Glover at 9:23 am.

(Recording Secretary: Cecelia Nichols-Fritzler)

DRAFT

AGENDA

BOARD OF DIRECTORS PERSONNEL COMMITTEE MEETING **DELTA DIABLO**

(a California Special District)

190 E. 4TH STREET | PITTSBURG, CA 94565
WEDNESDAY, OCTOBER 30, 2019
9:00 A.M.

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- A. PUBLIC COMMENTS
- B. REVIEW AND COMMENT ON DRAFT JOB DESCRIPTION AND SALARY LEVEL FOR MAINTENANCE PLANNER/SCHEDULER
- C. ADJOURNMENT

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 the Treatment Plant Building located at 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal working business hours.





MEMORANDUM

Date: October 30, 2019

To: Federal D. Glover, Chair, Personnel Committee

From: Dean Eckerson, Resource Recovery Services Director

SUBJECT: REVIEW AND COMMENT ON DRAFT JOB DESCRIPTION AND SALARY LEVEL FOR MAINTENANCE PLANNER/SCHEDULER

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Recommendation

Review and comment on draft Job Description and salary level for Maintenance Planner/Scheduler.

Background

The District is committed to ensuring the continuous and reliable operation and performance of equipment and facilities, and ensuring well-maintained assets through the implementation of effective maintenance control. The maintenance control function is the foundation of any maintenance organization, providing the necessary coordination and support to all operation and maintenance activities. The maintenance control function includes work order planning and scheduling, and management of the work order process and asset information system. Planning and scheduling of maintenance work orders ensures the necessary parts, supplies, equipment, and personnel resources are organized and available to accomplish the necessary preventative and corrective asset maintenance activities in the necessary timeframe.

The District's planning and scheduling of maintenance work is currently performed by technical staff, typically the team leads. This decentralized approach lacks overall coordination between the various work disciplines, presents organizational efficiency challenges, and limits the available time for the lead workers to provide direction in the field to the work crews. The current approach limits the potential efficiency of purchasing and procurement practices for the warehoused parts inventory, and the necessary parts and supplies for completing planned maintenance and repair projects. The proposed Maintenance Planner/Scheduler will serve as a dedicated and highly-skilled staff member focused on planning the work activities, procuring all necessary parts and supplies, developing the weekly maintenance work schedule, and managing the asset data collection and information gathering system.

Analysis

The District has set a goal to improve overall maintenance performance for ensuring sufficient operational reliability of all equipment and facilities, and minimize equipment downtime when conducting service and repair activities. Progress toward this goal has been achieved through revisions to the Maintenance Division staffing and organizational structure, as well as improvements to the maintenance and repair activity workflow. In order to further improve maintenance performance, it is

October 30, 2019

REVIEW AND COMMENT ON DRAFT JOB DESCRIPTION AND SALARY LEVEL FOR
MAINTENANCE PLANNER SCHEDULER

Page 2

necessary to adopt a more comprehensive approach to the planning and scheduling function. The resulting improvement in work planning and scheduling will enhance the overall performance of the maintenance technicians through improved work quality, work quantity, and work efficiency. This approach is best achieved by establishing a dedicated planner/scheduler role that is performed by a trained and dedicated staff resource, rather than the existing technical staff. This will optimize maintenance labor and resources, improve coordination between the various maintenance disciplines and operations staff, and provide a more sustainable approach to accomplishing the ongoing preventative and corrective maintenance and repair activities by reducing reactive work activities and supporting implementation of a predictive approach to accomplishing maintenance work needs.

The proposed Maintenance Planner/Scheduler would be responsible for planning and coordinating the scheduling of all maintenance and repair work, after determining the best way to accomplish the work. This individual would act as the primary contact and liaison between maintenance and operation resources, and obtain and organize all the materials and information required for the various maintenance disciplines to perform the work. The Maintenance Planner/Scheduler would manage the computerized maintenance management system (CMMS) to improve tracking of asset condition and historical maintenance and repair activities. Improving the CMMS function supports the District's current strategic focus on developing a formalized Asset Management Program, resulting in better decision making regarding the District's asset investments. The Maintenance Planner/Scheduler position is critical to the development and implementation of this Program. The proposed Maintenance Planner/Scheduler classification description includes comprehensive experience, training, and certification requirements consistent with successful performance of these duties.

The proposed Maintenance Planner/Scheduler is an experienced specialist position who would work closely with a variety of other staff members within the Maintenance Division, as well as other departments and divisions. Because of the broad responsibilities, work scope, and authority for this position, it is recommended the Maintenance Planner/Scheduler receive general supervision from the Maintenance Supervisor.

The planning and scheduling of maintenance work is currently performed by the Maintenance Mechanic III (Lead). A second Maintenance Mechanic III (Lead) position was vacated as a result of a retirement over two years ago and has been filled on a temporary out of class assignment, on an as-needed basis. Based on an evaluation of the work volume and organizational needs, it is recommended the existing vacant Maintenance Mechanic III (Lead) position be re-classified to Maintenance Planner/Scheduler to provide the optimal management of all maintenance and repair work activities.

The proposed Maintenance Planner/Scheduler classification description and salary range were presented to the Operations & Maintenance Representation Unit (O&M) officers for review and discussion. O&M requested and received clarification of the typical duties and certification requirements and indicated overall agreement with the classification description and salary range.

Should the Personnel Committee recommend, and the Board of Directors approve, the new position, recruitment would occur in December. This recruitment activity is considered promotional, and it is

Federal D. Glover, Chair, Personnel Committee Chair

October 30, 2019

REVIEW AND COMMENT ON DRAFT JOB DESCRIPTION AND SALARY LEVEL FOR
MAINTENANCE PLANNER SCHEDULER

Page 3

anticipated that the new Planner/Scheduler would be filled by an existing internal District employee following a competitive recruitment process. Staff recommends proceeding with a promotional recruitment process upon approval by the Personnel Committee and the Board of Directors.

Financial Impact

In anticipation of implementing this new position in the current fiscal year, the approved operating budget included funding to support reclassification of a Maintenance Mechanic III position to a Maintenance Planner/Scheduler position. The compensation for this position is proposed to be equivalent to the Senior Operator, resulting in a base salary range of \$8,514.50 to \$10,633.45 (as shown on Attachment 2). This salary range was determined as a result of a market comparison with benchmark agencies, and is consistent with similar positions at other special districts in the region.

Attachments

- 1) Draft Position Description Classification
- 2) Operations & Maintenance Bargaining Unit Salary Schedule, effective date of July 1, 2019

DE:de

cc: District File No. HR.09.04.03-DOCS-2

Delta Diablo	Classification Specifications
TITLE:	Maintenance Planner/Scheduler PAY LEVEL OM 160

ESSENTIAL FUNCTION

Working under general supervision in a team environment, the Maintenance Planner/Scheduler plans, coordinates and schedules various maintenance and repair projects to ensure the continuous operation and reliable performance of the treatment plant buildings, facilities, machinery, equipment and fleet. Collaborates with other departments and divisions to manage work priorities, develop job plans, identify the necessary resources (parts, materials, supplies, skillset and personnel) to complete projects.

DISTINGUISHING CHARACTERISTICS

This is an advance journey-level classification in the Maintenance Mechanic job family.

The Maintenance Planner/Scheduler evaluates, analyzes and provides equipment-related expertise and technical guidance to management on maintenance and repair processes.

SUPERVISION RECEIVED AND EXERCISED

Receives direct supervision from the Maintenance Supervisor, and functional supervision from the Maintenance Manager and other District management staff.

The Planner/Scheduler exercises functional supervision over lower level Maintenance Mechanic and Maintenance Worker classifications. Provides direction to warehouse personnel. Supervises and directs the work of temporary/contract warehouse and/or maintenance support staff.

ESSENTIAL DUTIES

The following duties are representative of the duties performed by this classification but is not intended to be an inclusive list.

Serves as principal contact and liaison between Maintenance and Operations to plan, schedule and coordinate routine and non-routine corrective, preventive and predictive maintenance work on agency-operated treatment plant systems, buildings, facilities, machinery, equipment and vehicle fleet. Contacts and works with personnel from other divisions and departments as needed.

Receives and reviews requests for maintenance and repair work and determines the most efficient and effective method to accomplish the work. Consults with others as necessary.

Provides job estimates for the work to be performed: labor, supplies and material, and any outside services.

Works with maintenance leads and supervisors to determine resource availability and balance the workforce load. Develops preliminary workforce schedules. Verifies all material, information, tools and labor are available prior to scheduling.

Provides direction to warehouse personnel for the procurement and pre-staging of all parts and material required for the completion of maintenance jobs.

TITLE:**Maintenance Planner/Scheduler****PAY LEVEL OM 160**

Manages and administers the Computerized Maintenance Management System (CMMS), including developing a metrics program to measure division efficiency and labor utilization and to produce work performance reports for management information and use.

OTHER ASSIGNED DUTIES

General: Provides information and assistance to the public, other District officials and staff. Assumes responsibility for covering a part of the work assignments of co-workers during short absences as assigned. Participates in teams engaged with process and customer service improvements, cross-training, and team evaluations. Performs other work consistent with the responsibilities assigned to the classification and necessary to the effective operations of the District. May assist with special maintenance and repair projects.

QUALIFICATIONS

Knowledge of the following is required to perform the essential function:

- Industrial maintenance equipment-related expertise
- Understanding of reactive, preventive and predictive maintenance to effectively manage and plan maintenance and repair projects including estimating labor, materials and skills needed to complete jobs.
- Maintenance and repair processes in a wastewater treatment facility and working knowledge of the work order system, planning and scheduling and storeroom processes.
- Technical writing skills to provide simple and accurate instructions on improving preventive maintenance activities.
- Standard blueprints, machine and process drawings.
- Basic math skills to plan and organize jobs and projects.
- Good time management, organizational and planning skills.
- Inventory management and CMMS.

Ability to do the following is required to perform the essential function:

- Establish, maintain and improve the Maintenance planning and scheduling business flow process; schedule maintenance work into production plan.
- Scope the full extent of maintenance work needed to conduct the relevant repair/preventive/predictive/design-out activities on the organization's plant and equipment.
- Communicate clearly and concisely, both orally and in writing.
- Develop cost and time estimates of planned maintenance work.
- Manage multiple priorities or projects simultaneously and keep them progressing to completion.
- Purchase all necessary parts, equipment, services and documentation to perform the maintenance work.
- Write applicable maintenance procedures that promote defect-free maintenance work quality.
- Maintain accurate equipment maintenance history and job records database and technical information on processes, plant and equipment.
- Convert the organization's asset management and maintenance strategy into workplace activities.

TITLE: Maintenance Planner/Scheduler PAY LEVEL OM 160

- Able and competent in root cause failure analysis leadership and investigations.
- Apply good stores management practices and parts management to ensure parts and equipment retain full reliability while stored.
- Ensure key performance indicators are captured and reported for equipment reliability, maintenance department performance and planning and scheduling business flow process
- Continually improving planning, scheduling, purchasing, stores, data management and job reporting systems to increase planning effectiveness and efficiency
- Collaborate with maintenance supervision to schedule manpower and resources for the most effective production and maintenance outcomes
- Must have a demonstrated ability to visualize and communicate the execution of work.
- Have the ability to sketch or redline existing drawings.
- Persuasively communicate ideas and assert a point of view in complex or controversial situations.
- Intermediate computer experience, including working knowledge of MS Office software such as Word and Excel

QUALIFYING TRAINING AND EXPERIENCE

A combination of training and experience which demonstrates that a person has obtained the required knowledge and is able to perform the required work (with reasonable accommodation, if needed). A person with the following combined training and experience would typically qualify to compete in a selection process:

EDUCATION: High School Diploma or equivalent, supplemented by vocational or technical training in mechanical maintenance and repair. College-level coursework in project planning and supervision is desirable; **and**

EXPERIENCE: Minimum of five (5) years of industrial maintenance and repair experience, including two (2) years of prior experience planning and scheduling maintenance and repair work. A combination of education and specialized planning and scheduling experience may substitute for the two years of prior experience.

Working knowledge of pumps, motors, general and specialized parts, electrical, welding and mechanical equipment typically used in water/wastewater treatment plant operations or comparable facilities is required. Computer skills and experience with inventory management and Computerized Maintenance Management System software necessary.

REQUIRED LICENSES, CERTIFICATIONS AND REGISTRATIONS:

A valid California State Class C license must be maintained at all times.

A valid California Water Environment Association (CWEA) Mechanical Technologist certification (Grade II or higher) is required or must be obtained prior to the completion of probationary period. CWEA Mechanical Technologist Grade III or IV is highly desirable.

TITLE: Maintenance Planner/Scheduler**PAY LEVEL OM 160**

Forklift certification is desirable.

Failure to obtain and maintain the required license and certifications may result in termination of employment.

ADDITIONAL REQUIREMENTS

May be required to work overtime as needed.

Would be expected to respond or report to duty in emergency situations, which may occur after hours, on weekends and/or holidays.

PHYSICAL DEMANDS AND WORKING CONDITIONS

The work environment characteristics are representative of those an employee encounters while performing the essential functions of this job. The physical demands are representative of those that must be met by an employee to successfully perform the essential functions of the job.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

- Work in warehouse and office building environments with controlled lighting, ventilation and moderate noise levels.
- Frequent sitting for prolonged periods while operating telephone system and computer; intermittently twisting and reaching to operate other equipment and access resource materials.
- Employees may use and be exposed to hand, power and noise producing tools and equipment and the noise level in the work environment may be loud.
- Occasionally exposed to outside weather conditions, including extreme heat and cold including rain, ice, fog, wind and various terrains.
- Regularly exposed to moving mechanical parts.
- Periodically exposed to high, precarious places, toxic or caustic chemicals, fumes, odors, dust and pollen.
- Occasionally exposed to fumes or airborne particles, risk of electrical shock, and vibration.
- Occasionally may be required to wear personal protective equipment.
- Regularly operate safety devices and equipment and apply proper safety procedures in hazardous environments.
- Periodically required to ascend and descend ladders and stairs.
- Periodically required to operate forklifts, hand trucks, and carts.
- Regularly lift and/or move up to 10 pounds, frequently lift and/or move up to 25 pounds, occasionally lift and/or move up to 50 pounds.
- Periodically required to walk, climb or balance and stop, kneel, crouch, or crawl.
- Visual acuity to read fine details on blue prints, drawings, work orders, correspondence, and/or reports. Regularly required to use hands and fingers to grasp, handle tools and use general office equipment and/or computer.

TITLE:

Maintenance Planner/Scheduler

PAY LEVEL OM 160

EMPLOYMENT CONDITIONS

Fair Labor Standards Act Classification: Non-Exempt, classification qualifies for overtime compensation in accordance with federal and state wage and hour laws

Collective Bargaining Representation Unit: Operations & Maintenance Bargaining Unit/Public Employees Union, Local One

Job Specifications Approved by: Board of Directors on xx/xx/xxxx

Appointment and Removal Authority: General Manager

Amended & Approved by: General Manager on *xx/xx/xxxx*

DELTA DIABLO
SECTION 1 - OPERATIONS & MAINTENANCE BARGAINING UNIT
SALARY RANGES EFFECTIVE July 1, 2019

RANGE	CLASSIFICATIONS	Note	A	B	C	D	E	F	G	H	I	J
OM 120	Utility Laborer	00	\$5,648.86	\$5,790.08	\$5,934.83	\$6,083.20	\$6,235.28	\$6,391.16	\$6,550.94	\$6,714.72	\$6,882.58	\$7,054.65
		01	\$5,790.08	\$5,934.83	\$6,083.20	\$6,235.28	\$6,391.16	\$6,550.94	\$6,714.72	\$6,882.58	\$7,054.65	\$7,231.01
		02	\$5,931.30	\$6,079.58	\$6,231.57	\$6,387.36	\$6,547.05	\$6,710.72	\$6,878.49	\$7,050.45	\$7,226.71	\$7,407.38
OM 124	Maintenance Mechanic Trainee; Maintenance Worker; WWTP Operator-In-Training;	00	\$5,914.91	\$6,062.78	\$6,214.35	\$6,369.71	\$6,528.96	\$6,692.18	\$6,859.48	\$7,030.97	\$7,206.75	\$7,386.91
		01	\$6,062.78	\$6,214.35	\$6,369.71	\$6,528.96	\$6,692.18	\$6,859.48	\$7,030.97	\$7,206.75	\$7,386.91	\$7,571.59
		02	\$6,210.66	\$6,365.92	\$6,525.07	\$6,688.20	\$6,855.40	\$7,026.79	\$7,202.46	\$7,382.52	\$7,567.08	\$7,756.26
OM 126	Electrical/Instrumentation Technician Trainee	00	\$6,075.59	\$6,227.48	\$6,383.17	\$6,542.75	\$6,706.32	\$6,873.98	\$7,045.83	\$7,221.97	\$7,402.52	\$7,587.58
		01	\$6,227.48	\$6,383.17	\$6,542.75	\$6,706.32	\$6,873.98	\$7,045.83	\$7,221.97	\$7,402.52	\$7,587.58	\$7,777.27
		02	\$6,379.37	\$6,538.86	\$6,702.33	\$6,869.89	\$7,041.63	\$7,217.68	\$7,398.12	\$7,583.07	\$7,772.65	\$7,966.96
OM 130	Warehouse Technician I	00	\$6,213.76	\$6,369.11	\$6,528.34	\$6,691.54	\$6,858.83	\$7,030.30	\$7,206.06	\$7,386.21	\$7,570.87	\$7,760.14
		01	\$6,369.11	\$6,528.34	\$6,691.54	\$6,858.83	\$7,030.30	\$7,206.06	\$7,386.21	\$7,570.87	\$7,760.14	\$7,954.14
		02	\$6,524.45	\$6,687.56	\$6,854.75	\$7,026.12	\$7,201.78	\$7,381.82	\$7,566.37	\$7,755.52	\$7,949.41	\$8,148.15
OM 134	Collection Systems Worker I; Maint. Mech. I; WWTP Operator I; Household Hazardous Waste Tech I;	00	\$6,506.42	\$6,669.08	\$6,835.80	\$7,006.70	\$7,181.86	\$7,361.41	\$7,545.45	\$7,734.08	\$7,927.44	\$8,125.62
		01	\$6,669.08	\$6,835.80	\$7,006.70	\$7,181.86	\$7,361.41	\$7,545.45	\$7,734.08	\$7,927.44	\$8,125.62	\$8,328.76
		02	\$6,831.74	\$7,002.53	\$7,177.59	\$7,357.03	\$7,540.96	\$7,729.48	\$7,922.72	\$8,120.79	\$8,323.81	\$8,531.90
OM 140	Electrical/Instrumentation Technician I	00	\$6,683.14	\$6,850.22	\$7,021.47	\$7,197.01	\$7,376.94	\$7,561.36	\$7,750.39	\$7,944.15	\$8,142.76	\$8,346.33
		01	\$6,850.22	\$7,021.47	\$7,197.01	\$7,376.94	\$7,561.36	\$7,750.39	\$7,944.15	\$8,142.76	\$8,346.33	\$8,554.98
		02	\$7,017.30	\$7,192.73	\$7,372.55	\$7,556.86	\$7,745.78	\$7,939.43	\$8,137.91	\$8,341.36	\$8,549.89	\$8,763.64
OM 142	Collection Systems Worker II; Maint. Mech. II; Warehouse Technician II; WWTP Operator II; Household Hazardous Waste Tech. II	00	\$7,157.08	\$7,336.01	\$7,519.41	\$7,707.39	\$7,900.08	\$8,097.58	\$8,300.02	\$8,507.52	\$8,720.21	\$8,938.21
		01	\$7,336.01	\$7,519.41	\$7,707.39	\$7,900.08	\$8,097.58	\$8,300.02	\$8,507.52	\$8,720.21	\$8,938.21	\$9,161.67
		02	\$7,514.94	\$7,702.81	\$7,895.38	\$8,092.76	\$8,295.08	\$8,502.46	\$8,715.02	\$8,932.90	\$9,156.22	\$9,385.12
OM 150	Electrical/Instrumentation Technician II	00	\$7,350.75	\$7,534.51	\$7,722.88	\$7,915.95	\$8,113.85	\$8,316.69	\$8,524.61	\$8,737.73	\$8,956.17	\$9,180.07
		01	\$7,534.51	\$7,722.88	\$7,915.95	\$8,113.85	\$8,316.69	\$8,524.61	\$8,737.73	\$8,956.17	\$9,180.07	\$9,409.58
		02	\$7,718.28	\$7,911.24	\$8,109.02	\$8,311.75	\$8,519.54	\$8,732.53	\$8,950.84	\$9,174.61	\$9,403.98	\$9,639.08
OM 152	Collection Systems Worker III; Maint. Mech. III; WWTP Operator III; Household Hazardous Waste Tech. III;	00	\$7,872.85	\$8,069.67	\$8,271.41	\$8,478.20	\$8,690.15	\$8,907.40	\$9,130.09	\$9,358.34	\$9,592.30	\$9,832.11
		01	\$8,069.67	\$8,271.41	\$8,478.20	\$8,690.15	\$8,907.40	\$9,130.09	\$9,358.34	\$9,592.30	\$9,832.11	\$10,077.91
		02	\$8,266.49	\$8,473.15	\$8,684.98	\$8,902.11	\$9,124.66	\$9,352.77	\$9,586.59	\$9,826.26	\$10,071.92	\$10,323.71
OM 156	Electrical/Instrumentation Technician III Control Systems Specialist	00	\$8,086.61	\$8,288.78	\$8,496.00	\$8,708.40	\$8,926.11	\$9,149.26	\$9,377.99	\$9,612.44	\$9,852.75	\$10,099.07
		01	\$8,288.78	\$8,496.00	\$8,708.40	\$8,926.11	\$9,149.26	\$9,377.99	\$9,612.44	\$9,852.75	\$10,099.07	\$10,351.55
		02	\$8,490.95	\$8,703.22	\$8,920.80	\$9,143.82	\$9,372.41	\$9,606.73	\$9,846.89	\$10,093.07	\$10,345.39	\$10,604.03
OM 158	WWTP Senior Operator	00	\$8,266.47	\$8,473.13	\$8,684.96	\$8,902.08	\$9,124.64	\$9,352.75	\$9,586.57	\$9,826.23	\$10,071.89	\$10,323.69
		01	\$8,473.13	\$8,684.96	\$8,902.08	\$9,124.64	\$9,352.75	\$9,586.57	\$9,826.23	\$10,071.89	\$10,323.69	\$10,581.78
		02	\$8,679.79	\$8,896.79	\$9,119.21	\$9,347.19	\$9,580.87	\$9,820.39	\$10,065.90	\$10,317.55	\$10,575.48	\$10,839.87
OM 160	WWTP Senior Operator - Grade IV/V	00	\$8,514.50	\$8,727.37	\$8,945.55	\$9,169.19	\$9,398.42	\$9,633.38	\$9,874.22	\$10,121.07	\$10,374.10	\$10,633.45
		01	\$8,727.37	\$8,945.55	\$9,169.19	\$9,398.42	\$9,633.38	\$9,874.22	\$10,121.07	\$10,374.10	\$10,633.45	\$10,899.29
		02	\$8,940.23	\$9,163.74	\$9,392.83	\$9,627.65	\$9,868.34	\$10,115.05	\$10,367.93	\$10,627.12	\$10,892.80	\$11,165.12

*Note : 00 designates base range. 01 designates base range plus 2.5% longevity adjustment for employees with between 10-15 years of service.
Subrange 02 designates base range plus 5% longevity adjustment for employees with 15 or more years of service.

Approved:  Federal Glover, Board Secretary

Date: July 10, 2019

November 13, 2019

APPROVE JOB DESCRIPTION AND SALARY RANGE FOR NEW MAINTENANCE
PLANNER/SCHEDULER CLASSIFICATION

RECOMMENDATION

Approve job description and salary range for Maintenance Planner/Scheduler.

Background

The District is committed to the continuous and reliable operation and performance of equipment and facilities and ensuring well-maintained assets through the implementation of effective maintenance control. The maintenance control function is the foundation of any maintenance organization, providing the necessary coordination and support to all operation and maintenance activities. The maintenance control function includes work order planning and scheduling, and management of the work order process and asset information system. Planning and scheduling of maintenance work orders ensures the necessary parts, supplies, equipment, and personnel resources are organized and available to accomplish the ongoing preventative and corrective asset maintenance activities in the necessary timeframe.

The District's planning and scheduling of maintenance work is currently performed by technical staff, typically the team leads. This decentralized approach lacks overall coordination between the various work disciplines, presents organizational efficiency challenges, and limits the available time for the lead workers to provide direction in the field to the work crews. The current approach also limits the potential efficiency of purchasing and procurement practices for the warehoused parts inventory, and the necessary parts and supplies for completing planned maintenance and repair projects. The proposed Maintenance Planner/Scheduler will serve as a dedicated and highly-skilled staff member focused on planning the work activities, procuring all necessary parts and supplies, developing the weekly maintenance work schedule, and managing the asset data collection and information gathering system.

Analysis

The District has set a goal to improve overall maintenance performance for ensuring sufficient operational reliability of all equipment and facilities and minimize equipment downtime when conducting service and repair activities. Progress toward this goal has been achieved through revisions to the Maintenance Division staffing and organizational structure, as well as improvements to the maintenance and repair activity workflow. In order to further improve maintenance performance, it is necessary to adopt a more comprehensive approach to the planning and scheduling function. Improving the work planning and scheduling function will enhance the overall performance of the maintenance technicians through improved work quality, work quantity, and work efficiency. This approach is best achieved by establishing a dedicated planner/scheduler role that is fulfilled by a trained and dedicated staff resource, rather than the existing technical staff. This will optimize maintenance labor and resources, improve coordination between the various maintenance disciplines and operations staff, and provide a more sustainable approach to accomplishing the ongoing preventative and corrective



maintenance and repair activities by reducing reactive work activities and supporting implementation of a predictive approach to accomplishing maintenance work needs.

The proposed Maintenance Planner/Scheduler would be responsible for planning and coordinating the scheduling of all maintenance and repair work, after determining the best way to accomplish the work. This individual would act as the primary contact and liaison between maintenance and operation resources and obtain and organize all the materials and information required for the various maintenance disciplines to perform the work. The Maintenance Planner/Scheduler would manage the computerized maintenance management system (CMMS) to improve tracking of asset condition and historical maintenance and repair activities. Improving the CMMS function supports the District's current strategic focus on developing a formalized Asset Management Program, resulting in better decision making regarding the District's asset investments. The Maintenance Planner/Scheduler position is critical to the development and implementation of this Program. The proposed Maintenance Planner/Scheduler classification description includes comprehensive experience, training, and certification requirements consistent with successful performance of these duties.

The proposed Maintenance Planner/Scheduler is an experienced specialist position who would work closely with a variety of other staff members within the Maintenance Division, as well as other departments and divisions. Because of the broad responsibilities, work scope, and authority for this position, it is recommended the Maintenance Planner/Scheduler receive general supervision from the Maintenance Supervisor.

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The proposed Maintenance Planner/Scheduler classification description and salary range were presented to the Operations & Maintenance Representation Unit (O&M) officers for review and discussion. O&M requested and received clarification of the typical duties and certification requirements and indicated overall agreement with the classification description and salary range.

The proposed job description and salary range for the Maintenance Planner/Scheduler was reviewed by the Personnel Committee at its meeting of October 30, 2019. The Committee recommended submitting the item to the Board of Directors for consideration. This recruitment activity is considered promotional, and it is anticipated that the new Planner/Scheduler would be filled by an existing internal District employee following a competitive recruitment process. Staff recommends proceeding with a promotional recruitment process upon approval by the Board of Directors.



Financial Impact

In anticipation of implementing this new position in the current fiscal year, the approved operating budget included funding to support reclassification of a Maintenance Mechanic III position to a Maintenance Planner/Scheduler position. The compensation for this position is proposed to be equivalent to the Senior Operator, resulting in a monthly base salary range of \$8,514.50 to \$10,633.45. This salary range was determined as a result of a market comparison with benchmark agencies and is consistent with similar positions at other special districts in the region.

Attachments

1. Position Description Classification
2. Position Salary Schedule

Prepared by:



Dean Eckerson
Resource Recovery Services Director

Reviewed by:



Carol Margetich
Business Services Director

cc: District File No.



Delta Diablo	Classification Specifications
TITLE: Maintenance Planner/Scheduler	PAY LEVEL OM 160

ESSENTIAL FUNCTION

Working under general supervision in a team environment, the Maintenance Planner/Scheduler plans, coordinates and schedules various maintenance and repair projects to ensure the continuous operation and reliable performance of the treatment plant buildings, facilities, machinery, equipment and fleet. Collaborates with other departments and divisions to manage work priorities, develop job plans, identify the necessary resources (parts, materials, supplies, skillset and personnel) to complete projects.

DISTINGUISHING CHARACTERISTICS

This is an advance journey-level classification in the Maintenance Mechanic job family.

The Maintenance Planner/Scheduler evaluates, analyzes and provides equipment-related expertise and technical guidance to management on maintenance and repair processes.

SUPERVISION RECEIVED AND EXERCISED

Receives direct supervision from the Maintenance Supervisor, and functional supervision from the Maintenance Manager and other District management staff.

The Planner/Scheduler exercises functional supervision over lower level Maintenance Mechanic and Maintenance Worker classifications. Provides direction to warehouse personnel. Supervises and directs the work of temporary/contract warehouse and/or maintenance support staff.

ESSENTIAL DUTIES

The following duties are representative of the duties performed by this classification but is not intended to be an inclusive list.

Serves as principal contact and liaison between Maintenance and Operations to plan, schedule and coordinate routine and non-routine corrective, preventive and predictive maintenance work on agency-operated treatment plant systems, buildings, facilities, machinery, equipment and vehicle fleet. Contacts and works with personnel from other divisions and departments as needed.

Receives and reviews requests for maintenance and repair work and determines the most efficient and effective method to accomplish the work. Consults with others as necessary.

Provides job estimates for the work to be performed: labor, supplies and material, and any outside services.

Works with maintenance leads and supervisors to determine resource availability and balance the workforce load. Develops preliminary workforce schedules. Verifies all material, information, tools and labor are available prior to scheduling.

Provides direction to warehouse personnel for the procurement and pre-staging of all parts and material required for the completion of maintenance jobs.

TITLE: Maintenance Planner/Scheduler**PAY LEVEL OM 160**

Manages and administers the Computerized Maintenance Management System (CMMS), including developing a metrics program to measure division efficiency and labor utilization and to produce work performance reports for management information and use.

OTHER ASSIGNED DUTIES

General: Provides information and assistance to the public, other District officials and staff. Assumes responsibility for covering a part of the work assignments of co-workers during short absences as assigned. Participates in teams engaged with process and customer service improvements, cross-training, and team evaluations. Performs other work consistent with the responsibilities assigned to the classification and necessary to the effective operations of the District. May assist with special maintenance and repair projects.

QUALIFICATIONS

Knowledge of the following is required to perform the essential function:

- Industrial maintenance equipment-related expertise
- Understanding of reactive, preventive and predictive maintenance to effectively manage and plan maintenance and repair projects including estimating labor, materials and skills needed to complete jobs.
- Maintenance and repair processes in a wastewater treatment facility and working knowledge of the work order system, planning and scheduling and storeroom processes.
- Technical writing skills to provide simple and accurate instructions on improving preventive maintenance activities.
- Standard blueprints, machine and process drawings.
- Basic math skills to plan and organize jobs and projects.
- Good time management, organizational and planning skills.
- Inventory management and CMMS.

Ability to do the following is required to perform the essential function:

- Establish, maintain and improve the Maintenance planning and scheduling business flow process; schedule maintenance work into production plan.
- Scope the full extent of maintenance work needed to conduct the relevant repair/preventive/predictive/design-out activities on the organization's plant and equipment.
- Communicate clearly and concisely, both orally and in writing.
- Develop cost and time estimates of planned maintenance work.
- Manage multiple priorities or projects simultaneously and keep them progressing to completion.
- Purchase all necessary parts, equipment, services and documentation to perform the maintenance work.
- Write applicable maintenance procedures that promote defect-free maintenance work quality.
- Maintain accurate equipment maintenance history and job records database and technical information on processes, plant and equipment.
- Convert the organization's asset management and maintenance strategy into workplace activities.

TITLE:	Maintenance Planner/Scheduler	PAY LEVEL OM 160
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- Able and competent in root cause failure analysis leadership and investigations.
- Apply good stores management practices and parts management to ensure parts and equipment retain full reliability while stored.
- Ensure key performance indicators are captured and reported for equipment reliability, maintenance department performance and planning and scheduling business flow process
- Continually improving planning, scheduling, purchasing, stores, data management and job reporting systems to increase planning effectiveness and efficiency
- Collaborate with maintenance supervision to schedule manpower and resources for the most effective production and maintenance outcomes
- Must have a demonstrated ability to visualize and communicate the execution of work.
- Have the ability to sketch or redline existing drawings.
- Persuasively communicate ideas and assert a point of view in complex or controversial situations.
- Intermediate computer experience, including working knowledge of MS Office software such as Word and Excel

QUALIFYING TRAINING AND EXPERIENCE

A combination of training and experience which demonstrates that a person has obtained the required knowledge and is able to perform the required work (with reasonable accommodation, if needed). A person with the following combined training and experience would typically qualify to compete in a selection process:

EDUCATION: High School Diploma or equivalent, supplemented by vocational or technical training in mechanical maintenance and repair. College-level coursework in project planning and supervision is desirable; **and**

EXPERIENCE: Minimum of five (5) years of industrial maintenance and repair experience, including two (2) years of prior experience planning and scheduling maintenance and repair work. A combination of education and specialized planning and scheduling experience may substitute for the two years of prior experience.

Working knowledge of pumps, motors, general and specialized parts, electrical, welding and mechanical equipment typically used in water/wastewater treatment plant operations or comparable facilities is required. Computer skills and experience with inventory management and Computerized Maintenance Management System software necessary.

REQUIRED LICENSES, CERTIFICATIONS AND REGISTRATIONS:

A valid California State Class C license must be maintained at all times.

A valid California Water Environment Association (CWEA) Mechanical Technologist certification (Grade II or higher) is required or must be obtained prior to the completion of probationary period. CWEA Mechanical Technologist Grade III or IV is highly desirable.

TITLE: Maintenance Planner/Scheduler**PAY LEVEL OM 160**

Forklift certification is desirable.

Failure to obtain and maintain the required license and certifications may result in termination of employment.

ADDITIONAL REQUIREMENTS

May be required to work overtime as needed.

Would be expected to respond or report to duty in emergency situations, which may occur after hours, on weekends and/or holidays.

PHYSICAL DEMANDS AND WORKING CONDITIONS

The work environment characteristics are representative of those an employee encounters while performing the essential functions of this job. The physical demands are representative of those that must be met by an employee to successfully perform the essential functions of the job.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

- Work in warehouse and office building environments with controlled lighting, ventilation and moderate noise levels.
- Frequent sitting for prolonged periods while operating telephone system and computer; intermittently twisting and reaching to operate other equipment and access resource materials.
- Employees may use and be exposed to hand, power and noise producing tools and equipment and the noise level in the work environment may be loud.
- Occasionally exposed to outside weather conditions, including extreme heat and cold including rain, ice, fog, wind and various terrains.
- Regularly exposed to moving mechanical parts.
- Periodically exposed to high, precarious places, toxic or caustic chemicals, fumes, odors, dust and pollen.
- Occasionally exposed to fumes or airborne particles, risk of electrical shock, and vibration.
- Occasionally may be required to wear personal protective equipment.
- Regularly operate safety devices and equipment and apply proper safety procedures in hazardous environments.
- Periodically required to ascend and descend ladders and stairs.
- Periodically required to operate forklifts, hand trucks, and carts.
- Regularly lift and/or move up to 10 pounds, frequently lift and/or move up to 25 pounds, occasionally lift and/or move up to 50 pounds.
- Periodically required to walk, climb or balance and stop, kneel, crouch, or crawl.
- Visual acuity to read fine details on blue prints, drawings, work orders, correspondence, and/or reports. Regularly required to use hands and fingers to grasp, handle tools and use general office equipment and/or computer.

TITLE:

Maintenance Planner/Scheduler

PAY LEVEL OM 160

EMPLOYMENT CONDITIONS

Fair Labor Standards Act Classification: Non-Exempt, classification qualifies for overtime compensation in accordance with federal and state wage and hour laws

Collective Bargaining Representation Unit: Operations & Maintenance Bargaining Unit/Public Employees Union, Local One

Job Specifications Approved by: Board of Directors on xx/xx/xxxx

Appointment and Removal Authority: General Manager

Amended & Approved by: General Manager on *xx/xx/xxxx*

DELTA DIABLO
SECTION I - OPERATIONS & MAINTENANCE BARGAINING UNIT
SALARY RANGES EFFECTIVE July 1, 2019

RANGE	CLASSIFICATIONS	Note	A	B	C	D	E	F	G	H	I	J	
OM 120	Utility Laborer	00	\$5,648.86	\$5,790.08	\$5,934.83	\$6,083.20	\$6,235.28	\$6,391.16	\$6,550.94	\$6,714.72	\$6,882.58	\$7,054.65	
		01	\$5,790.08	\$5,934.83	\$6,083.20	\$6,235.28	\$6,391.16	\$6,550.94	\$6,714.72	\$6,882.58	\$7,054.65	\$7,231.01	
		02	\$5,931.30	\$6,079.58	\$6,231.57	\$6,387.36	\$6,547.05	\$6,710.72	\$6,878.49	\$7,050.45	\$7,226.71	\$7,407.38	
OM 124	Maintenance Mechanic Trainee; Maintenance Worker; WWTP Operator-In-Training;	00	\$5,914.91	\$6,062.78	\$6,214.35	\$6,369.71	\$6,528.96	\$6,692.18	\$6,859.48	\$7,030.97	\$7,206.75	\$7,386.91	\$7,571.59
		01	\$6,062.78	\$6,214.35	\$6,369.71	\$6,528.96	\$6,692.18	\$6,859.48	\$7,030.97	\$7,206.75	\$7,386.91	\$7,571.59	\$7,761.14
		02	\$6,210.66	\$6,365.92	\$6,523.07	\$6,688.20	\$6,855.40	\$7,026.79	\$7,202.46	\$7,382.52	\$7,567.08	\$7,756.26	
OM 126	Electrical/Instrumentation Technician Trainee	00	\$6,075.59	\$6,227.48	\$6,383.17	\$6,542.75	\$6,706.32	\$6,873.98	\$7,045.83	\$7,221.97	\$7,402.52	\$7,587.58	\$7,777.27
		01	\$6,227.48	\$6,383.17	\$6,542.75	\$6,706.32	\$6,873.98	\$7,045.83	\$7,221.97	\$7,402.52	\$7,587.58	\$7,777.27	\$7,971.14
		02	\$6,379.37	\$6,538.86	\$6,702.33	\$6,869.89	\$7,041.63	\$7,217.68	\$7,398.12	\$7,583.07	\$7,772.65	\$7,966.96	
OM 130	Warehouse Technician I	00	\$6,213.76	\$6,369.11	\$6,528.34	\$6,691.54	\$6,858.83	\$7,030.30	\$7,206.06	\$7,386.21	\$7,570.87	\$7,760.14	\$7,954.14
		01	\$6,369.11	\$6,528.34	\$6,691.54	\$6,858.83	\$7,030.30	\$7,206.06	\$7,386.21	\$7,570.87	\$7,760.14	\$7,954.14	\$8,148.15
		02	\$6,524.45	\$6,687.56	\$6,854.75	\$7,026.12	\$7,201.78	\$7,381.82	\$7,566.37	\$7,755.52	\$7,949.41	\$8,148.15	
OM 134	Collection Systems Worker I; Maint. Mech. I; WWTP Operator I; Household Hazardous Waste Tech. I.	00	\$6,506.42	\$6,669.08	\$6,835.80	\$7,006.70	\$7,181.86	\$7,361.41	\$7,545.45	\$7,734.08	\$7,927.44	\$8,125.62	\$8,328.76
		01	\$6,669.08	\$6,835.80	\$7,006.70	\$7,181.86	\$7,361.41	\$7,545.45	\$7,734.08	\$7,927.44	\$8,125.62	\$8,328.76	\$8,531.90
		02	\$6,831.74	\$7,002.53	\$7,177.59	\$7,357.03	\$7,540.96	\$7,729.48	\$7,922.72	\$8,120.79	\$8,323.81	\$8,531.90	
OM 140	Electrical/Instrumentation Technician I	00	\$6,683.14	\$6,850.22	\$7,021.47	\$7,197.01	\$7,376.94	\$7,561.36	\$7,750.39	\$7,944.15	\$8,142.76	\$8,346.33	\$8,554.98
		01	\$6,850.22	\$7,021.47	\$7,197.01	\$7,376.94	\$7,561.36	\$7,750.39	\$7,944.15	\$8,142.76	\$8,346.33	\$8,554.98	\$8,763.64
		02	\$7,017.30	\$7,192.73	\$7,372.55	\$7,556.86	\$7,745.78	\$7,939.43	\$8,137.91	\$8,341.36	\$8,549.89	\$8,763.64	
OM 142	Collection Systems Worker II; Maint. Mech. II; Warehouse Technician II; WWTP Operator II; Household Hazardous Waste Tech. II	00	\$7,157.08	\$7,336.01	\$7,519.41	\$7,707.39	\$7,900.08	\$8,097.58	\$8,300.02	\$8,507.52	\$8,720.21	\$8,938.21	\$9,161.67
		01	\$7,336.01	\$7,519.41	\$7,707.39	\$7,900.08	\$8,097.58	\$8,300.02	\$8,507.52	\$8,720.21	\$8,938.21	\$9,161.67	\$9,393.12
		02	\$7,514.94	\$7,702.81	\$7,895.38	\$8,092.76	\$8,295.08	\$8,502.46	\$8,715.02	\$8,932.90	\$9,156.22	\$9,385.12	
OM 150	Electrical/Instrumentation Technician II	00	\$7,350.75	\$7,534.51	\$7,722.88	\$7,915.95	\$8,113.85	\$8,316.69	\$8,524.61	\$8,737.73	\$8,956.17	\$9,180.07	\$9,409.58
		01	\$7,534.51	\$7,722.88	\$7,915.95	\$8,113.85	\$8,316.69	\$8,524.61	\$8,737.73	\$8,956.17	\$9,180.07	\$9,409.58	\$9,639.08
		02	\$7,718.28	\$7,911.24	\$8,109.02	\$8,311.75	\$8,519.54	\$8,732.53	\$8,950.84	\$9,174.61	\$9,403.98		
OM 152	Collection Systems Worker III; Maint. Mech. III; WWTP Operator III; Household Hazardous Waste Tech. III.	00	\$7,872.85	\$8,069.67	\$8,271.41	\$8,478.20	\$8,690.15	\$8,907.40	\$9,130.09	\$9,358.34	\$9,592.30	\$9,832.11	\$10,077.91
		01	\$8,069.67	\$8,271.41	\$8,478.20	\$8,690.15	\$8,907.40	\$9,130.09	\$9,358.34	\$9,592.30	\$9,832.11	\$10,077.91	\$10,323.69
		02	\$8,266.49	\$8,473.15	\$8,684.98	\$8,902.11	\$9,124.66	\$9,352.77	\$9,586.59	\$9,826.26	\$10,071.92	\$10,323.71	
OM 156	Electrical/Instrumentation Technician III Control Systems Specialist	00	\$8,086.61	\$8,288.78	\$8,496.00	\$8,708.40	\$8,926.11	\$9,149.26	\$9,377.99	\$9,612.44	\$9,852.75	\$10,099.07	\$10,351.55
		01	\$8,288.78	\$8,496.00	\$8,708.40	\$8,926.11	\$9,149.26	\$9,377.99	\$9,612.44	\$9,852.75	\$10,099.07	\$10,351.55	\$10,604.03
		02	\$8,490.95	\$8,703.22	\$8,920.80	\$9,143.82	\$9,372.41	\$9,606.73	\$9,846.89	\$10,093.07	\$10,345.39	\$10,604.03	
OM 158	WWTP Senior Operator	00	\$8,266.47	\$8,473.13	\$8,684.96	\$8,902.08	\$9,124.64	\$9,352.75	\$9,586.57	\$9,826.23	\$10,071.89	\$10,323.69	\$10,581.78
		01	\$8,473.13	\$8,684.96	\$8,902.08	\$9,124.64	\$9,352.75	\$9,586.57	\$9,826.23	\$10,071.89	\$10,323.69	\$10,581.78	\$10,839.87
		02	\$8,679.79	\$8,896.79	\$9,119.21	\$9,347.19	\$9,580.87	\$9,820.39	\$10,065.90	\$10,317.55	\$10,575.48	\$10,839.87	
OM 160	WWTP Senior Operator - Grade IV/V	00	\$8,514.50	\$8,727.37	\$8,945.55	\$9,169.19	\$9,398.42	\$9,633.38	\$9,874.22	\$10,121.07	\$10,374.10	\$10,633.45	\$10,899.29
		01	\$8,727.37	\$8,945.55	\$9,169.19	\$9,398.42	\$9,633.38	\$9,874.22	\$10,121.07	\$10,374.10	\$10,633.45	\$10,899.29	\$11,165.12
		02	\$8,940.23	\$9,163.74	\$9,392.83	\$9,627.65	\$9,868.34	\$10,115.05	\$10,367.93	\$10,627.12	\$10,892.80		

*Note: 00 designates base range plus 2.5% longevity adjustment for employees with between 10-15 years of service.
Subrange 02 designates base range plus 5% longevity adjustment for employees with 15 or more years of service.

Approved:  Federal Glover, Board Secretary

Date: July 10, 2019

ITEM E/4 (a)

November 13, 2019

APPROVE PROJECT AND DESIGN; GRANT BID RELIEF FOR CONSTRUCTION BID SUBMITTED BY MYERS AND SONS CONSTRUCTION, LLC; WAIVE MINOR IRREGULARITIES IN BID DOCUMENTS SUBMITTED BY C.W. ROEN CONSTRUCTION COMPANY; AWARD AND AUTHORIZE GENERAL MANAGER TO EXECUTE CONSTRUCTION SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$9,514,000, C.W. ROEN CONSTRUCTION COMPANY; AUTHORIZE GENERAL MANAGER OR HIS DESIGNEE TO APPROVE CONTRACT CHANGE ORDERS IN AN AMOUNT NOT TO EXCEED 5% OF CONTRACT AMOUNT; AND RELATED ACTIONS, HEADWORKS IMPROVEMENTS PROJECT, PROJECT NO. 17117

RECOMMENDATION

1. Approve the plans, specifications, and design for the Headworks Improvements Project (Project).
2. Grant relief for mistake in the bid submitted by Myers and Sons Construction, LLC (MSC), without forfeiture of bid security pursuant to Public Contract Code Sections 5101 through 5103.
3. Waive minor irregularities in the bid documents submitted by C.W. Roen Construction Company (CWR), the second lowest responsive and responsible bidder.
4. Award a Construction Services Contract for the Project to CWR in an amount not to exceed \$9,514,000.
5. Authorize the General Manager or his Designee to approve construction contract change orders up to 5% of the contract amount (i.e., \$475,700 additional), for a total authorization of \$9,989,700.
6. Direct that CWR present two good and sufficient surety bonds in the amount of \$9,514,000 and that the General Manager or his Designee shall prepare the contract.
7. Authorize the General Manager or his Designee to execute the Construction Services Contract after CWR has signed the contract and returned it, together with the bonds, certificates of insurance, and other required documents, and after the General Manager or his Designee has reviewed and found them to be sufficient.
8. Direct that, in accordance with the project specifications and/or upon the execution of the contract by the General Manager or his Designee, any bid bonds posted by the bidders be exonerated and any checks or cash submitted for bid security be returned.
9. Declare that, should the contract award be invalidated for any reason, the Board in any event would not have awarded the contract to the third lowest bidder or any other bidder but instead would have exercised its discretion to reject all bids received. Nothing herein shall prevent the Board from awarding the contract to another bidder in cases where the successful bidder establishes a mistake, refuses to sign the contract, or fails to furnish required bonds or insurance (see Public Contract Code, Sections 5100-5107).

Background Information

In September 2019, Carollo Engineers, Inc. completed design of the Headworks Improvements Project. The project scope of work primarily involves rehabilitating the existing headworks



structure and replacing mechanical equipment at the District's Wastewater Treatment Plant. These construction activities require a temporary bypass pump and screening system to enable completion of the work. If the Board awards a construction contract, construction activities are expected to be complete in early 2021.

Analysis

Three bids were received for the project on October 23, 2019 as shown in Attachment 1. The apparent low bid was submitted by MSC in the amount of \$8,296,000, which is \$4,000 (less than 0.05%) lower than the engineer's estimate of \$8,300,000. The second lowest bid for the project was submitted by CWR in the amount of \$9,514,000 (14.6% higher than the engineer's estimate). According to the cost estimate classification table from AACE International (formerly known as the American Association of Cost Engineering), the engineer's estimate is expected to be within -10% to +15% of the contractor bids. Based on this industry standard, CWR's bid is within the range of industry acceptability. In order to assess the bid climate, staff contacted the contractors who attended the pre-bid meeting but did not submit a bid for the project. These contractors generally indicated that they are very busy and that construction costs in the Bay Area have been steadily increasing. It is expected that rebidding the project would not result in lower bids. Additionally, rebidding this important project would result in a one-year delay due to equipment delivery schedules and required summer construction schedules.

On October 28, 2019, within five (5) business days of the bid opening, the District received a letter from MSC requesting bid relief (Attachment 2). MSC's letter stated that a clerical error was made in preparing the bid, and requested relief from its apparent low bid and bid security. The letter explained that MSC mistakenly failed to add all estimated costs in Bid Item 2, which in turn resulted in a bid shortfall of over \$300,000. This dollar amount is equivalent to 3.6% of MSC's bid.

Under Public Contract Code Sections 5101 and 5103, a bidder may request relief from a bid within five (5) days after bid opening in the event of a clerical or arithmetical error in preparation of the bid proposal. The law allows for relief to be granted by the awarding authority where the following circumstances are demonstrated by the bidder:

- a. A mistake was made.
- b. The bidder gave the public entity written notice within five (5) days after the opening of the bids of the mistake, specifying in detail how the mistake occurred.
- c. The mistake made the bid materially different than the bidder intended it to be.
- d. The mistake was made in filling out the bid, and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans and specifications.

Subsequently, MSC submitted additional information to staff to corroborate its assertion of mistakes and request for bid relief. After reviewing information from MSC, staff concluded that that there were items inadvertently omitted from MSC's bid calculations and submission to the District.

Under the Public Contract Code, there is a sufficient basis to grant MSC relief from the low bid due to a mistake. Staff has determined that the facts, as outlined in MSC's letter, qualify as a



mistake from which MSC may be relieved. Thus, it is recommended that MSC be granted relief from the low bid due to a mistake without forfeiting its bid security.

Based on a detailed review of the submitted bid documents, the second lowest responsive and responsible bidder, CWR, which submitted the second lowest monetary bid, complied with the bid requirements but that certain minor items were missing from the submitted bid. The missing items included two safety informational items not completed in the bid package. The safety informational items were subsequently provided and reviewed. These items are considered to be minor irregularities, none of which have a material impact on the bid and all of which have been cured by CWR. Therefore, it is recommended that the minor irregularities be waived.

It is recommended that the Board award and authorize the General Manager to execute a Construction Services Contract with CWR in an amount not to exceed \$9,514,000 to perform the Project work. In addition, it is requested that the Board authorize the General Manager or his Designee to execute change orders up to 5% of the construction contract amount (i.e., an additional \$475,700) to account for potential changes, for a total contract authorization of \$9,989,700.

The Project's contract documents, consisting of plans and specifications, are available at the District's administrative office for Board member and public review.

The Board of Directors previously approved the Project at its September 11, 2019 meeting and determined that the Project is exempt from California Environmental Quality Act (CEQA) environmental review pursuant to CEQA Guidelines Section 15301, or, alternatively, 15302. A CEQA Notice of Exemption was filed with the County Clerk-Recorder on October 2, 2019


Financial Impact

The adopted Fiscal Year 2019/2020 – 2023/2024 (FY19/20 – FY23/24) Capital Improvement Program (CIP) includes appropriations of \$4,000,000 through FY19/20 with a total project budget of \$12,000,000 for the Headworks Improvements Project in the Wastewater Capital Asset Fund. There is sufficient budget appropriated in the current fiscal year for the planned expenditures. Additional appropriations will be made in the future CIP to account for the new total project cost estimate of \$13,300,000 which includes planning, design, construction management and inspection, and contingencies.


Attachment

- 1) Headworks Improvements Project Bid Summary
- 2) Letter dated October 28, 2019 from Myers and Sons Construction, LLC Requesting Bid Relief

Prepared by:


Patricia Chapman
Associate Engineer

Reviewed by:


Brian Thomas
Engineering Services
Director/ District Engineer

cc: Project File No. P.17117.09.02





HEADWORKS IMPROVEMENTS PROJECT
BID NO. 17117

Bid Opening: Wednesday, October 23, 2019, 11:00 am
Construction Cost Estimate: \$8,300,000

BID RESULTS

<u>BIDDER</u>	<u>BID AMOUNT</u>
Myers & Sons Co. ⁽¹⁾	\$ 8,296,000
C.W. Roen Construction Co. ⁽²⁾	\$ 9,514,000
Pacific Infrastructure (PIC)	\$ 9,948,000
_____	\$ _____
_____	\$ _____
_____	\$ _____

⁽¹⁾Contractor requested bid relief due to a clerical error
⁽²⁾Lowest responsive and responsible bidder.



October 28, 2019

RECEIVED

DELTA DIABLO
Contra Costa County, California
2500 Pittsburg-Antioch Highway
Antioch, CA 94509

OCT 30 2019

DELTA
DIABLO

Re: Headworks Improvements Project No. 17117

Dear Madam:

As you are aware, Myers & Sons submitted a bid on the Delta Diablo Headworks Improvements Project No. 17117 (the "Project"). Myers is writing to request relief from its bid under Public Contracts Code sections 5101 and 5103. When preparing its bid, Myers had calculated the cost of its labor and materials to conduct the work required in Bid Item Number 2, Screening and Metering Channels Concrete Repair and Coating. Myers also knew it was going to have a subcontractor do work on Bid Item Number 2 as well, thus it could not fill out the Bid Item Number 2 until it received the subcontractor bid cost. On bid day, Myers obtained its subcontractor's number for Bid Item Number 2 and, when it started filling out the bid, Myers began adding up its costs for the various bid items. Unfortunately, when adding up the cost for Bid Item Number 2, Myers made an error in totaling the costs for Bid Item Number 2 as it mistakenly failed to add its costs into the bid item total. This resulted in Myers' bid being materially different than Myers intended, as it made Myers bid over \$300,000 less than Myers intended. Because Myers made an error in filling out its bid that made the bid materially different than Myers intended, Myers is requesting relief from its bid pursuant to Public Contract Code sections 5101 and 5103.

We appreciate your consideration of this matter. Should you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,

Myers and Sons Construction, LLC

A handwritten signature in red ink, appearing to read "M. Justin Blickle", is written over the printed name.

M. Justin Blickle
Waterworks Manager

Cc: Kurtis Frailey

November 13, 2019

AUTHORIZE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 4 TO CONSULTING SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$572,493, ENGINEERING SERVICES, CAROLLO ENGINEERS, INC.; AND AUTHORIZE GENERAL MANAGER TO EXECUTE CONSULTING SERVICES CONTRACT IN AN AMOUNT NOT TO EXCEED \$780,181, CONSTRUCTION MANAGEMENT SERVICES, PSOMAS, HEADWORKS IMPROVEMENTS PROJECT, PROJECT NO. 17117

RECOMMENDATION

1. Authorize the General Manager to execute Amendment No. 4 to the Consulting Services Contract with Carollo Engineers, Inc. (Carollo) to provide engineering services during construction in an amount not to exceed \$572,493, for a new total contract amount of \$1,847,709.
2. Authorize the General Manager to execute Consulting Services Contract with Psomas to provide construction management and inspection services in an amount not to exceed \$780,181.

Background Information

In September 2019, Carollo completed design of the Headworks Improvements Project. The project scope includes rehabilitating the existing headworks structure and replacing mechanical equipment at the District's Wastewater Treatment Plant. Staff has included a related item on the agenda for the November 13, 2019 Board Meeting for award of the associated construction services contract.

Analysis

As the project transitions into the construction phase, engineering services during construction (e.g., reviewing submittals, responding to requests for information) are required to support successful project delivery. As the Engineer-of-Record for this project, Carollo is the most cost-effective consulting firm to provide these services and ensure continuity with project design intent. A summary of the scope of work and anticipated costs associated with these services is provided in Attachment 1.

The project scope and complexity requires considerable technical and administrative support to effectively manage and inspect the construction activities. Staff is recommending construction management outside consultant support for these activities to ensure full compliance with the project documents. In September 2019, the District solicited proposals for construction management firms. Nine proposals were received and evaluated. After formal interviews with the top-ranked firms, Psomas was determined to be the most qualified to provide the requested services. Psomas has extensive experience in managing headworks construction projects, which minimizes "learning curve" issues and enhances effective project administration to support timely completion. A summary of the scope of work and anticipated costs associated with these services is provided in Attachment 2.



Financial Impact

The adopted Fiscal Year 2019/2020 – 2023/2024 (FY19/20 – FY23/24) Capital Improvement Program (CIP) includes appropriations of \$4,000,000 through FY19/20 with a total project budget of \$12,000,000 for the Headworks Improvements Project in the Wastewater Capital Asset Fund. There is sufficient budget appropriated in the current fiscal year for the planned expenditures. Additional appropriations will be made in the future CIP to account for the new total project cost estimate of \$13,300,000, which includes planning, design, construction management and inspection, and contingencies.

Attachment

- 1) Carollo Engineers, Inc. Scope and Cost Summary
- 2) Psomas Scope and Cost Summary

Prepared by:



Patricia Chapman
Associate Engineer

Reviewed by:



Brian Thomas
Engineering Services
Director/ District Engineer

cc: Project File No. P.17117.09.02



SCOPE AND COST ESTIMATE SUMMARY – AMENDMENT NO. 4

Project: Headworks Improvements Project

Consultant: Carollo Engineers, Inc.

Scope of Work Items:

Estimated Cost:

TASK	
1. Project Management and Meetings	\$ 50,246
2. Engineering Support Services	\$ 445,872
3.1 Record Drawings	\$ 25,639
3.2 O&M Manual Updates	\$ 36,976
4. Update Headworks Facility 1978 and 1999 Drawings	\$ 13,760
TOTAL AMENDMENT NO. 4	\$ 572,493

SCOPE AND COST ESTIMATE SUMMARY

Project: Headworks Improvements Project

Consultant: PSOMAS

Scope of Work Items:

Estimated Cost:

TASK	
1. Project Management and Clerical Support	\$ 60,196
2. Construction Manager/Construction Engineer Services	\$ 334,240
3. Construction Inspection	\$ 313,400
4 Specialty Inspection and Testing	\$ 72,345
- Electrical and Controls	
- Coating	
- Material Testing	
TOTAL CM SERVICES	\$ 780,181

November 13, 2019

RECEIVE DISTRICT MONTHLY CHECK REGISTER, SEPTEMBER 2019

RECOMMENDATION

Receive District Monthly Check Register for the month ending September 30, 2019.

Background Information

The Check Register for the month of September 2019 is attached. The report reflects payments to the District's suppliers, consultants, service providers, and contractors. A total of \$1,264,500.75 was disbursed in September 2019, which includes 160 checks.


Financial Impact

All payments made during the month are within funding levels included in the adopted operating and capital budgets for Fiscal Year 2019/2020.

Attachment

Check Register, month ending September 30, 2019

Prepared by:



Eka Ekanem
Senior Accountant

Reviewed by:



Carol Margetich
Business Services Director



CHECK REGISTER

DELTA DIABLO

CASH DISBURSEMENTS FOR THE MONTH OF SEPTEMBER 2019

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
9/5/2019	APG NEUROS INC.		32314	915.90
		48652	915.90	INVENTORY
9/5/2019	AT&T		32315	1,209.97
		48692	1,209.97	PHONE EXPENSE
9/5/2019	BARTEL ASSOCIATES, LLC		32316	9,000.00
		48591	9,000.00	Actuarial Services FY 2019
9/5/2019	CALIFORNIA DIESEL & POWER		32317	130.44
		48675	130.44	INVENTORY
9/5/2019	CALTEST ANALYTICAL LABORATORY		32318	405.90
		48514	33.30	NPDES LABORATORY SERVICES
		48515	33.30	NPDES LABORATORY SERVICES
		48533	306.00	LAB SERVICES ANTIOCH WATER PLA
		48534	33.30	LAB SERVICES ANTIOCH WATER PLA
9/5/2019	CHEMTRADE CHEMICALS US LLC		32319	3,536.05
		48624	3,536.05	ALUMINUM SULFATE
9/5/2019	CONTINENTAL CONTROLS CORPORATION		32320	4,842.34
		48720	4,842.34	ECV5 AIR FUEL RATIO CONTROL VA
9/5/2019	CONTRACT SWEEPING SERVICES		32321	29,881.10
		48721	29,881.10	STREET SWEEPING SERVICES
9/5/2019	FASTENAL COMPANY		32322	292.01
		48706	292.01	MAINTENANCE CONSUMABLE ITEMS
9/5/2019	FRAXIA ENGINEERING		32323	3,835.26
		48666	3,835.26	DESIGN SERVICES BP SEWER REHAB
9/5/2019	GOLDEN STATE WATER CO.		32324	1,187.04
		48718	724.73	UTILITIES
		48719	462.31	UTILITIES
9/5/2019	HACH COMPANY		32325	636.08
		48654	636.08	INVENTORY
9/5/2019	LOS MEDANOS COLLEGE		32326	300.00
		48678	300.00	AD
9/5/2019	ANGELA LOWREY		32327	234.63
		48679	234.63	T&M
9/5/2019	MANAGED HEALTH NETWORK		32328	406.60
		48680	406.60	EAP
9/5/2019	MCCAMPBELL ANALYTICAL, INC.		32329	295.20
		48681	295.20	LABORATORY SERVICES FOR PRETRE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
9/5/2019	MEYERS NAVE		32330	5,985.36	
		48633		5,985.36	LEGAL SERVICES
9/5/2019	NEW IMAGE LANDSCAPE COMPANY		32331	465.00	
		48538		465.00	Landscape Services
9/5/2019	OFFICE DEPOT		32332	272.64	
		48686		64.98	OFFICE SUPPLIES
		48688		121.33	OFFICE SUPPLIES
		48690		86.33	OFFICE SUPPLIES
9/5/2019	PEOPLE 2.0 GLOBAL INC.		32333	204.00	
		48691		204.00	O/S TEMP
9/5/2019	READY PRINT		32334	3,688.40	
		48519		3,688.40	AD
9/5/2019	RED WING SHOE STORE 165		32335	151.00	
		48542		151.00	SAFETY SHOES - A. BECERRA
9/5/2019	JAYNE STROMMER		32336	197.51	
		48697		197.51	T&M
9/5/2019	SYSTEM 1 STAFFING		32337	3,531.23	
		48700		3,531.23	O/S TEMP
9/5/2019	TURBO MACHINERY, INC		32338	14,003.54	
		48649		14,003.54	DIGESTER AREA REHABILITATION
9/5/2019	UNIFIRST CORPORATION		32339	341.07	
		48606		132.49	UNIFORM/ LAUNDRY SERVICE
		48607		176.83	UNIFORM/ LAUNDRY SERVICE
		48608		31.75	UNIFORM/ LAUNDRY SERVICE
9/5/2019	UNIVAR USA INC		32340	6,686.85	
		48560		3,373.24	SODIUM HYPOCHLORITE
		48581		3,313.61	SODIUM HYPOCHLORITE
9/5/2019	VERIZON WIRELESS		32341	2,647.88	
		48705		2,647.88	PHONE EXPENSE
9/5/2019	VISION SERVICE PLAN		32342	1,918.12	
		48703		1,835.46	VISION INSURANCE
		48704		82.66	COBRA VISION INS
9/5/2019	ZORO TOOLS, INC		32343	4,093.49	
		48667		4,093.49	INVENTORY
9/12/2019	ALHAMBRA & SIERRA SPRGS WATER		32344	125.35	
		48735		125.35	BOTTLED WATER SERVICE
9/12/2019	ALLIED FLUID PRODUCTS CORP		32345	2,151.63	
		48732		2,151.63	RWF INVENTORY
9/12/2019	CITY OF ANTIOCH- WATER		32346	6,175.93	
		48822		99.47	UTILITIES

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		48824		94.60	UTILITIES
		48825		94.60	UTILITIES
		48826		94.60	UTILITIES
		48827		68.90	UTILITIES
		48828		4,857.66	UTILITIES
		48829		866.10	UTILITIES
9/12/2019	BAYVIEW ENGINEERING & CONSTRUCTION		32347	22,800.00	
		48612		22,800.00	CONSTRUCTION SERVICES FOR 1810
9/12/2019	BINDER INC		32348	3,353.89	
		48812		3,353.89	LABORATORY INCUBATOR
9/12/2019	CALTEST ANALYTICAL LABORATORY		32349	676.80	
		48622		307.80	NPDES LABORATORY SERVICES
		48623		369.00	NPDES LABORATORY SERVICES
9/12/2019	CHEMTRADE CHEMICALS US LLC		32350	3,386.55	
		48791		3,386.55	ALUMINUM SULFATE
9/12/2019	COMCAST BUSINESS COMMUNICATIONS, LI		32351	542.72	
		48810		542.72	PHONE EXPENSE
9/12/2019	CONTRACT SWEEPING SERVICES		32352	29,988.81	
		48793		29,988.81	STREET SWEEPING SERVICES
9/12/2019	COUNTY RECORDER		32353	50.00	
		48803		50.00	PERMIT & REG FEE
9/12/2019	COUNTY RECORDER		32354	50.00	
		48804		50.00	PERMIT & REG FEE
9/12/2019	DATCO		32355	104.00	
		48717		104.00	PRE EMPLOYMENT COSTS
9/12/2019	VINCENT DE LANGE		32356	214.67	
		48734		214.67	T&M
9/12/2019	DELL COMPUTER CORP. MARKETING		32357	41,466.81	
		48736		28,170.92	DELL LAPTOPS AND DESKTOPS
		48737		13,295.89	DELL LAPTOPS AND DESKTOPS
9/12/2019	FRANCISCO & ASSOCIATES, INC		32358	14,845.00	
		48604		14,845.00	PARCEL BILLING AUDIT & ADMINIS
9/12/2019	FRESCHI AIR SYSTEMS		32359	38,981.44	
		48638		468.00	RWF AIR DRYER TROUBLESHOOTING
		48639		21,689.00	HVAC9016 REPLACEMENT
		48641		16,824.44	COP SERVER ROOM HVAC9011 REPLA
9/12/2019	GRAINGER		32360	5,402.94	
		48660		1,923.38	INVENTORY
		48821		39.93	INVENTORY
		48830		358.74	INVENTORY

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		48831	3,080.89	INVENTORY
9/12/2019	HACH COMPANY		32361	504.74
		48661	504.74	INVENTORY
9/12/2019	IN SHAPE HEALTH CLUBS		32362	974.48
		48752	974.48	GYM
9/12/2019	JOHNSON CONTROLS FIRE PROTECTION LF		32363	4,416.70
		48693	4,416.70	FIRE SYSTEM INSPECTION AND TES
9/12/2019	KEMIRA WATER SOLUTIONS, INC.		32364	14,037.72
		48614	6,783.08	FERROUS CHLORIDE
		48619	7,254.64	FERROUS CHLORIDE
9/12/2019	KONE. INC.		32365	577.79
		48724	577.79	ELEVATOR SERVICE
9/12/2019	LARRY WALKER ASSOCIATES		32366	1,338.50
		48627	1,338.50	NPDES PERMIT REISSUANCE ASSIST
9/12/2019	LEGAL SHIELD		32367	139.65
		48808	139.65	LEGAL MEMBERSHIPS
9/12/2019	MCCAMPBELL ANALYTICAL, INC.		32368	798.60
		48682	798.60	LABORATORY SERVICES FOR PRETRE
9/12/2019	MCMASTER CARR SUPPLY CO		32369	253.54
		48806	253.54	INVENTORY
9/12/2019	MDRR PITTSBURG		32370	1,065.10
		48738	1,065.10	WASTE
9/12/2019	MDRR-PARK (MT. DIABLO RESOURCE RECC		32371	426.26
		48807	426.26	WASTE
9/12/2019	MSC INDUSTRIAL SUPPLY CO. INC.		32372	2,238.71
		48656	225.10	INVENTORY
		48711	1,117.11	INVENTORY
		48744	809.69	INVENTORY
		48745	-22.22	CREDIT MEMO
		48746	131.25	INVENTORY
		48747	-22.22	CREDIT MEMO
9/12/2019	NWN CORPORATION		32373	4,003.43
		48739	4,003.43	PHONE EXPENSE
9/12/2019	PACIFIC WATER RESOURES		32374	17,515.58
		48662	17,515.58	RWF INVENTORY
9/12/2019	PETERSON POWER SYSTEMS, INC		32375	1,813.39
		48733	1,813.39	ENGINE #3 BLOCK HEATER
9/12/2019	PUBLIC EMPLOYEES UNION		32376	1,845.03
		3163351	1,845.03	UNION DUES P&T
9/12/2019	PUBLIC EMPLOYEES UNION		32377	4,115.25

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		3163251	4,115.25	UNION DUES O&M
9/12/2019	RGM AND ASSOCIATES		32378	1,172.50
		48799	420.00	CONSULTING SERVICES RWF EMERGE
		48800	752.50	LABOR COMPLIANCE MONITORING PN
9/12/2019	ROCKWELL SOLUTIONS INC.		32379	1,773.97
		48628	1,773.97	INVENTORY
9/12/2019	SHAPE INCORPORATED		32380	10,780.70
		48707	10,780.70	INVENTORY
9/12/2019	SHARP ELECTRONICS CORP		32381	3,742.73
		48708	3,742.73	SHARP MAINTENANCE SERVICES
9/12/2019	STANDARD INSURANCE COMPANY		32382	3,837.98
		48753	3,837.98	LIFE INSURANCE
9/12/2019	CA STATE DISBURSEMENT UNIT		32383	750.00
		CS9648288	750.00	GARNISHMENT
9/12/2019	STATE OF CALIFORNIA		32384	325.00
		4461727	325.00	INCOME TAX WITHOLDING ORDER
9/12/2019	STATE WATER RESOURCES		32385	125.00
		48811	125.00	M&D - RON CROWELL
9/12/2019	NICHOLAS STEINER		32386	3,000.00
		48834	3,000.00	TUITION REIMB
9/12/2019	WILLIAM SVOBODA		32387	43.96
		48766	43.96	MILEAGE REIMB
9/12/2019	SWAN ASSOCIATES INC.		32388	2,803.06
		48743	2,803.06	INVENTORY
9/12/2019	SYNAGRO WEST, LLC		32389	40,042.00
		48709	40,042.00	BIOSOLIDS HAULING
9/12/2019	SYSTEM 1 STAFFING		32390	2,791.40
		48835	2,791.40	O/S TEMP
9/12/2019	THOMAS & ASSOCIATES		32391	1,851.18
		48664	1,851.18	RWF INVENTORY
9/12/2019	UNIFIRST CORPORATION		32392	346.92
		48609	134.46	UNIFORM/ LAUNDRY SERVICE
		48610	178.83	UNIFORM/ LAUNDRY SERVICE
		48611	33.63	UNIFORM/ LAUNDRY SERVICE
9/12/2019	UNITED PARCEL SERVICE		32393	28.09
		48823	28.09	OE - POSTAGE
9/12/2019	UNIVAR USA INC		32394	17,589.96
		48582	5,909.80	SODIUM BISULFITE
		48602	5,986.19	SODIUM BISULFITE
		48629	3,390.63	SODIUM HYPOCHLORITE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
		48751		-980.30	CREDIT MEMO
		48801		3,283.64	SODIUM HYPOCHLORITE
9/12/2019	WM LYLES COMPANY		32395	179,681.58	
		48616		179,681.58	CONSTRUCTION SERVICES PN 17140
9/13/2019	FUTURE FORD OF CONCORD LLC		32396	56,768.12	
		48855		56,768.12	REPLACEMENT DISTRICT SERVICE TR
9/13/2019	RESTORATION MANAGEMENT COMPANY		32397	13,519.68	
		48856		13,519.68	EMER PO- WATER LINE BREAK -TP
9/19/2019	BARNETT MEDICAL SERVICES, LLC		32398	117.00	
		48889		117.00	SHARPS/PHARMACEUTICAL DISPOSAL
9/19/2019	BIGGE CRANE AND RIGGING		32399	9,929.00	
		48809		9,929.00	CRANE AND OPERATOR PN 18112
9/19/2019	DARRELL CAIN		32400	34.00	
		48887		19.00	REIMBURSEMENT
		48888		15.00	REIMBURSEMENT
9/19/2019	CHEMTRADE CHEMICALS US LLC		32401	3,521.11	
		48792		3,521.11	ALUMINUM SULFATE
9/19/2019	CONTRA COSTA WATER DISTRICT		32402	20.87	
		48857		20.87	UTILITIES
9/19/2019	CORELOGIC INFORMATION SOLUTIONS, INC		32403	165.00	
		48846		165.00	REALQUEST PROPERTY INFORMATION
9/19/2019	DARRIN G. STANLEY		32404	10,764.05	
		48859		4,846.96	REMOVE & REPLACE LIFTED SIDWAL
		48860		2,417.09	REMOVE & REPLACE LIFTED SIDWAL
		48861		3,500.00	RWF SMPLE TRAILER PN 10187
9/19/2019	DIABLO WATER DISTRICT		32405	432.85	
		48862		432.85	UTILITIES
9/19/2019	EVOQUA WATER TECHNOLOGIES, LLC		32406	936.73	
		48710		936.73	PROVIDE DI WATER FOR LABORATOR
9/19/2019	FARMER BROS CO		32407	207.60	
		48676		207.60	COFFEE SERVICE PLAN
9/19/2019	FLYERS ENERGY LLC		32408	4,511.66	
		48847		4,511.66	LUBE OIL FOR ENGINE #3
9/19/2019	MICHAEL CRAMBLIT FOSTER		32409	6,516.07	
		48722		1,962.13	DIGESTOR MIX PUMP PIPING EXPAN
		48723		4,553.94	FORCE MAIN ARV ISOLATION VALVE
9/19/2019	FRANK A. OLSEN CO.		32410	9,969.78	
		48848		9,969.78	DEC DUMP VALVE REPLACEMENT
9/19/2019	FREMONT ANALYTICAL INC.		32411	1,750.00	
		48849		1,180.00	DIGESTER GAS ANALYSIS need q

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO. INVOICE AMOUNT	CHECK AMOUNT DESCRIPTION
		48850	570.00	DIGESTER GAS ANALYSIS need q
9/19/2019	HAZEN & SAWYER		32412	7,795.00
		48748	7,795.00	CONSULTING SERVICES 2019
9/19/2019	HUNT & SONS INC		32413	432.32
		48898	432.32	INVENTORY LUBICANTS-
9/19/2019	JOHN MUIR HEALTH		32414	822.50
		48877	822.50	2019 CORPORATE WELLNESS SERVIC
9/19/2019	KEMIRA WATER SOLUTIONS, INC.		32415	6,607.62
		48694	6,607.62	FERROUS CHLORIDE
9/19/2019	KENNEDY/JENKS CONSULTANTS INC.		32416	7,847.48
		48749	7,847.48	FACILITY CONDITION ASSESSMENT
9/19/2019	OFFICE DEPOT		32417	341.23
		48882	341.23	OFFICE SUPPLIES
9/19/2019	PACIFIC GAS & ELECTRIC COMPANY		32418	87,879.37
		48864	58.09	UTILITIES
		48865	345.15	UTILITIES
		48874	38,329.73	UTILITIES
		48895	49,146.40	UTILITIES
9/19/2019	PHIL'S DIESEL CLINIC INC.		32419	858.91
		48900	858.91	HEAVY DUTY TRUCK REPAIR(S)
9/19/2019	REBUILD-IT SERVICES GROUP, LLC		32420	30,480.00
		48902	30,480.00	DU2101 REPLACEMENT
9/19/2019	REPUBLIC SERVICES #210		32421	5,024.90
		48866	983.79	WASTE
		48867	4,041.11	WASTE
9/19/2019	SHAPE INCORPORATED		32422	17,411.17
		48728	1,884.63	FLYGT LIFTING MATERIALS
		48852	15,526.54	FLYGT REBUILD PARTS BHPS
9/19/2019	SUBTRONIC CORP.		32423	1,648.00
		48698	1,648.00	UNDERGROUND UTILITY LOCATION F
9/19/2019	SYSTEM 1 STAFFING		32424	7,077.63
		48892	3,536.40	O/S TEMP
		48893	3,541.23	O/S TEMP
9/19/2019	TELSTAR INSTRUMENTS INC		32425	7,494.01
		48632	852.94	INVENTORY
		48663	6,641.07	RWF INVENTORY
9/19/2019	UNIFIRST CORPORATION		32426	325.48
		48729	132.46	UNIFORM/ LAUNDRY SERVICE
		48730	167.24	UNIFORM/ LAUNDRY SERVICE
		48731	31.63	UNIFORM/ LAUNDRY SERVICE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
		48873		-5.85	CREDIT MEMO
9/19/2019	UNIVAR USA INC		32427		13,001.61
		48630		3,316.26	SODIUM HYPOCHLORITE
		48631		3,009.64	SODIUM BISULFITE
		48701		3,358.05	SODIUM HYPOCHLORITE
		48702		3,317.66	SODIUM HYPOCHLORITE
9/26/2019	AFLAC		32428		974.34
		48969		974.34	INSURANCE
9/26/2019	MICHAEL BAKALDIN		32429		209.45
		48915		209.45	REIMBURSEMENT
9/26/2019	BARNETT MEDICAL SERVICES, LLC		32430		269.00
		48890		234.00	SHARPS/PHARMACEUTICAL DISPOSAL
		48891		35.00	SHARPS/PHARMACEUTICAL DISPOSAL
9/26/2019	BAYVIEW ENGINEERING & CONSTRUCTION		32431		94,387.25
		48970		94,387.25	CONSTRUCTION SERVICES FOR 1810
9/26/2019	DARRELL CAIN		32432		40.00
		48868		40.00	REIMBURSEMENT
9/26/2019	CHEMTRADE CHEMICALS US LLC		32433		3,262.44
		48916		3,262.44	ALUMINUM SULFATE
9/26/2019	COSTCO WHOLESALE MEMBERSHIPS		32434		300.00
		48836		300.00	MEMBERSHIPS
9/26/2019	DISCOVERY BENEFITS, INC.		32435		115.50
		48802		115.50	FSA
9/26/2019	JOSEPH PETRONIO		32436		1,250.00
		48911		1,000.00	CMMS SUPPORT
		48912		250.00	CMMS SUPPORT
9/26/2019	EAST BAY TIMES		32437		131.03
		48923		131.03	SUBSCRIPTION NEWSPAPER
9/26/2019	JERRY EASTLAND		32438		54.34
		48869		54.34	REIMBURSEMENT
9/26/2019	EPIC INTERNATIONAL		32439		38,111.20
		48897		38,111.20	RAS PUMP LOWER BEARINGS
9/26/2019	FRESCHI AIR SYSTEMS		32440		152.00
		48956		152.00	POC 2ND FLOOR VALVE ACTUATOR T
9/26/2019	GURMUKH SINGH GREWAL		32441		44.00
		48870		44.00	REIMBURSEMENT
9/26/2019	HDR ENGINEERING, INC.		32442		6,516.96
		48927		6,516.96	EAST COUNTY BIOENERGY PROJECT
9/26/2019	HYDROSCIENCE ENGINEERS, INC		32443		3,555.00
		48896		3,555.00	RECYCLED WATER STANDARDS REVIE

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	DESCRIPTION
9/26/2019	INFERRERA CONSTRUCTION MANAGEMENT		32444	20,948.26	
		48797	20,948.26		CSC PN 80008 (17128, 17129, 17
9/26/2019	KEY ADVOCATES INC.		32445	7,750.00	
		48695	7,750.00		FEDERAL ADVOCACY FOR WRWC PN
9/26/2019	KONE. INC.		32446	106.67	
		48851	106.67		ELEVATOR SERVICE
9/26/2019	LEE & RO, INC.		32447	18,077.00	
		48883	18,077.00		SWGR DESIGN SERVICES
9/26/2019	ANGELA LOWREY		32448	32.36	
		48978	32.36		MILEAGE REIMBURSEMENT
9/26/2019	MARINE SCIENCE INSTITUTE		32449	20,000.00	
		48930	20,000.00		SPONSORSHIP
9/26/2019	MCCAMPBELL ANALYTICAL, INC.		32450	3,293.40	
		48931	315.20		LABORATORY SERVICES FOR PRETRE
		48932	315.20		LABORATORY SERVICES FOR PRETRE
		48933	315.20		LABORATORY SERVICES FOR PRETRE
		48934	782.60		LABORATORY SERVICES FOR PRETRE
		48935	782.60		LABORATORY SERVICES FOR PRETRE
		48983	782.60		LABORATORY SERVICES FOR PRETRE
9/26/2019	McCAULEY AGRICULTURAL & PEST SERVIC		32451	1,200.00	
		48936	75.00		PEST CONTROL SERVICES
		48937	825.00		PEST CONTROL SERVICES
		48938	60.00		PEST CONTROL SERVICES
		48939	60.00		PEST CONTROL SERVICES
		48940	60.00		PEST CONTROL SERVICES
		48941	60.00		PEST CONTROL SERVICES
		48942	60.00		PEST CONTROL SERVICES
9/26/2019	MDRR PITTSBURG		32452	2,061.55	
		48971	2,061.55		WASTE
9/26/2019	MESSER LLC		32453	639.11	
		48833	639.11		LIQUID OXYGEN
9/26/2019	MISSION COMMUNICATIONS, LLC		32454	227.40	
		48725	227.40		SERVICE ON MANHOLE MONITORS
9/26/2019	SUE THOMASON		32455	275.00	
		48684	275.00		INDOOR PLANT MAINTENANCE
9/26/2019	NATIONAL ASSOC OF CLEAN WATER AGENC		32456	12,820.00	
		48946	12,820.00		M&D DISTRICT WIDE
9/26/2019	NEW IMAGE LANDSCAPE COMPANY		32457	2,563.00	
		48832	2,563.00		Landscape Services
9/26/2019	NV5 INC.		32458	5,168.50	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT	CHECK AMOUNT DESCRIPTION
		48945		5,168.50	RWF EMERGENCY BACKUP GENERATOR
9/26/2019	OFFICE DEPOT		32459	598.17	
		48947		61.04	OFFICE SUPPLIES
		48948		27.69	OFFICE SUPPLIES
		48949		222.17	OFFICE SUPPLIES
		48974		287.27	OFFICE SUPPLIES
9/26/2019	ABEL PALACIO		32460	736.34	
		48953		736.34	REIMBURSEMENT
9/26/2019	CITY OF PITTSBURG		32461	534.66	
		48994		534.66	UTILITIES
9/26/2019	CITY OF PITTSBURG		32462	22,107.33	
		48951		22,107.33	STREET SWEEPING SERVICE
9/26/2019	CITY OF PITTSBURG		32463	25,379.70	
		48952		25,379.70	STREET SWEEPING SERVICE
9/26/2019	LEONARD M. POMPA		32464	52.22	
		48618		52.22	REIMBURSEMENT
9/26/2019	PAULETTE RIOS		32465	377.13	
		48954		377.13	REIMBURSEMENT
9/26/2019	CA STATE DISBURSEMENT UNIT		32466	750.00	
		CS9648289		750.00	GARNISHMENT
9/26/2019	STATE OF CALIFORNIA		32467	325.00	
		4461728		325.00	INCOME TAX WITHOLDING ORDER
9/26/2019	SYSTEM 1 STAFFING		32468	4,537.40	
		48979		4,537.40	O/S TEMP
9/26/2019	STACY TUCKER		32469	40.34	
		48871		40.34	REIMBURSEMENT
9/26/2019	TURBO MACHINERY, INC		32470	40,326.65	
		48957		12,053.68	AERATION BASIN REHABILITATION
		48958		14,180.80	HYPO PIT REHABILITATION
		48959		14,092.17	HYPO PIT REHABILITATION
9/26/2019	UNIFIRST CORPORATION		32471	331.33	
		48740		132.46	UNIFORM/ LAUNDRY SERVICE
		48741		167.24	UNIFORM/ LAUNDRY SERVICE
		48742		31.63	UNIFORM/ LAUNDRY SERVICE
9/26/2019	UNIVAR USA INC		32472	9,370.97	
		48712		3,382.23	SODIUM HYPOCHLORITE
		48750		5,988.74	SODIUM BISULFITE
9/26/2019	ZORO TOOLS, INC		32473	1,926.35	
		48796		1,926.35	INVENTORY

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	CHECK AMOUNT
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GRAND TOTAL

1,264,500.75

November 13, 2019

RECEIVE FIRST QUARTER FISCAL YEAR 2019/2020 DISTRICT INVESTMENT REPORTRECOMMENDATION

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

Background Information

Attached is the Investment Report (Quarterly Schedule of Cash and Investments) for the first quarter of Fiscal Year 2019/2020 (FY19/20). The purpose of this report is to provide the Board with an update of the District's investment portfolio as of September 30, 2019, in accordance with the District's Investment Policy, which was adopted on February 13, 2019. Included in the report are the District's portfolio composition, portfolio performance, and other key investment and cash flow information.

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

Analysis

The District's total Cash and Investments as of September 30, 2019, was \$56.6 million, including \$2.8 million (5%) in cash, \$48.6 million (86%) in LAIF, and \$5.2 million (9%) in the California Asset Management Program (CAMP). This was a decrease of \$8 million from the quarter ending June 30, 2019, and an increase of \$10 million from the same period last year of \$46.7 million. Cash and Investment balances fluctuate from quarter to quarter primarily due to the timing of when service charges and/or loan proceeds are received, and debt service and/or large progress payments are disbursed.

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

Cash on deposit with Wells Fargo Bank is used for operating purposes and the interest earned is used to offset the Wells Fargo service fees. For investment yield calculation purposes, the Wells Fargo balance is excluded. For the quarter ending September 30, 2019, LAIF had an effective yield of 2.45%, while CAMP had a yield of 2.33%. The blended yield for the quarter was 2.44%. This yield was on par with the target rate-of-return for the overall portfolio, which was designed to exceed the LAIF and be comparable to the six-month Treasury Bill rate, which was 1.83% as of September 30, 2019.




Financial Impact

In FY18/19, annual investment earnings contributed approximately \$1.6 million or 4.0% to the District's total revenue of \$44.9 million. Since the start of calendar year 2019, interest rates have been moving lower in response to three rate cuts by the Federal Reserve. Lower interest rates will likely result in moderately decreased earnings rates on the District's invested funds and therefore lower earnings for the next fiscal year. Staff will continue to monitor yields and implement strategies within the District's Investment Policy to maximize yields for fiscal stewardship.

Attachment

Quarterly Schedule of Cash and Investments as of September 30, 2019

Prepared by: 
Eka Ekanem
Senior Accountant

Reviewed by: 
Carol Margetich
Business Services Director



Delta Diablo
Quarterly Schedule of Cash and Investments Ending September 30, 2019

DESCRIPTION OF SECURITY	CUSIP NUMBER	SECURITY TYPE	COUPON RATE	MATURITY DATE	INVESTED AMOUNT	% OF TOTAL INVESTMENTS	PAR VALUE	MARKET VALUE	Quarterly Yield	PRICING SOURCE
<u>FUNDS SUBJECT TO INVESTMENT POLICY</u>										
<i>Cash Accounts</i>										
Cash - Wells Fargo			N/A	N/A	\$ 2,125,237.84	3.76%	\$ 2,125,237.84	\$ 2,125,237.84	See note (1)	
Cash - Cash Held at the County			N/A	N/A	659,184.22	1.17%	659,184.22	659,184.22		
Cash - Petty Cash			N/A	N/A	600.00	0.00%	600.00	600.00		
Cash and Cash Equivalents-MUFG-Union Bank			N/A	N/A	1,371.27	0.00%	1,371.27	1,371.27		
Total Cash					\$ 2,786,393.33	4.92%	\$ 2,786,393.33	\$ 2,786,393.33		
<i>Investment</i>										
LAIF:										
County Treasurer-Capital Exp Project Funds		Public Agency Pool	N/A	N/A	\$ 76,223.63	0.13%	\$ 76,223.63	\$ 76,348.85	2.450%	LAIF
District/Integrated Finance		Public Agency Pool	N/A	N/A	48,486,718.18	85.70%	48,486,718.18	48,566,372.98	2.450%	LAIF
California Asset Management Program (CAMP)		Short-term Cash Portfolio	N/A	N/A	5,225,608.11	9.24%	5,225,608.11	5,225,608.11	2.330%	CAMP
Total Investments:					\$ 53,788,549.92	95.07%	\$ 53,788,549.92	\$ 53,868,329.94		
Grand Total					\$ 56,574,943.25	100.00%	\$ 56,574,943.25	\$ 56,654,723.27		

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

COMPLIANCE STATEMENT:

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

Eka Ekanem
Senior Accountant

November 13, 2019

AUTHORIZE GENERAL MANAGER TO EXECUTE AMENDMENT NO. 2 TO CONSULTING SERVICES CONTRACT, DEWBERRY ENGINEERS, INC. (FORMERLY DRAKE HAGLAN AND ASSOCIATES, INC.), SODIUM BISULFITE TANK AND CHEMICAL BUILDING REPLACEMENT PROJECT, PROJECT NO. 17139

RECOMMENDATION

Authorize the General Manager to execute Amendment No. 2 to the Consulting Services Contract for modification of consultant's name from Drake Haglan and Associates, Inc. (DHA) to Dewberry Engineers, Inc. (Dewberry)

Background Information

In February 2018, the Board authorized the General Manager to enter into a Consulting Services Contract with DHA for design services to prepare construction contract documents to replace the existing sodium bisulfite tanks at the District's Wastewater Treatment Plant. The District also executed Amendment No. 1 in April 2019 to increase DHA's contract amount and extend the project completion date to January 1, 2020.

DHA recently completed preparation of project contract documents. The project is currently being advertised for public bids and staff intends to request that the Board award a Construction Services Contract at its December 11, 2019 Meeting.

Analysis

On September 27, 2019, DHA became a wholly-owned subsidiary of Dewberry. The District desires to continue to receive consultant services under the terms of the existing contract. Staff recommends the Board authorize the General Manager to execute Amendment No. 2 to officially change the consultant's name.

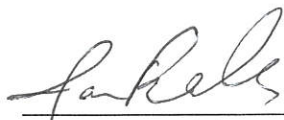
Financial Impact

None.

Attachments

None.

Prepared by:



Ian Brownswick
Associate Engineer

Reviewed by:



Brian Thomas
Engineering Services
Director/District Engineer

cc: Project File No. P.17139.09.02



November 13, 2019

RECEIVE NOTES FROM FINANCE COMMITTEE MEETING, NOVEMBER 7, 2019

RECOMMENDATION

Note receipt and file.

Background Information

A Finance Committee meeting was held on November 7, 2019. The meeting was attended by Committee Chair Sean Wright; Vince De Lange, General Manager; Carol Margetich, Business Services Director; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

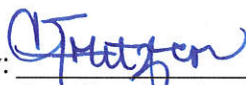
The purpose of the meeting was to review and comment on the Draft Debt Management and Continuing Disclosure Policy. Ms. Margetich provided an overview, which is summarized in the meeting notes (Attachment 1).

Analysis

Committee Chair Wright recommended that the Draft Debt Management and Continuing Disclosure Policy be submitted to the full Board for consideration at the November 13, 2019 meeting. Committee notes are provided as an informational report at regular Board meetings as part of the Consent Calendar.

Financial Impact

The adoption of the Debt Policy would not have an immediate financial impact, but the content of the policy governs any subsequent debt issuance. Future debt issuance would continue to be managed to minimize the potential for negative financial impacts by ensuring adequate revenue is collected via rates and fees to meet debt service payments, while ensuring a minimum debt service coverage ratio (1.80) to support the District's overall financial sustainability strategic goal. The draft Debt Policy would not require any adjustments from key funding assumptions associated with rate approval by the Board for Fiscal Year 2019/2020 (FY19/20).

Prepared by: 
Cecelia Nichols-Fritzler
Office Manager/Secretary to the Board

Reviewed by: 
Vince De Lange
General Manager

Attachment

1. Finance Committee Meeting Notes, November 7, 2019
2. Finance Committee Memorandum and Attachments, November 7, 2019



MEETING NOTES

BOARD OF DIRECTORS FINANCE COMMITTEE MEETING
DELTA DIABLO

WEDNESDAY, NOVEMBER 7, 2019
9:00 A.M.

The meeting was called to order by Committee Chair Sean Wright on Wednesday, November 7, 2019 at 9:05 am in the Plant Operations Center Conference Room, located at 2600 Pittsburg-Antioch Highway, Antioch, California. Also present were Vince De Lange, General Manager; Carol Margetich, Business Services Director; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

PUBLIC COMMENTS

None.

REVIEW AND COMMENT ON DRAFT DEBT MANAGEMENT AND CONTINUING DISCLOSURE POLICY

Ms. Margetich provided an overview of key drivers for developing a Debt Management policy, including supporting the District's financial sustainability, meeting loan documentation needs, and complying with Senate Bill 1029 (SB 1029) requirements. She reviewed the main elements of SB 1029, which include specifying allowable uses of debt, types of debt, and internal control procedures. Ms. Margetich stated that the draft Debt Management policy was developed based on existing policies from other special districts and public agencies and tailored to meet the District's needs and risk profile. She noted that the policy includes a moderate level of detail and will be augmented by an associated administrative procedure. Ms. Margetich highlighted the recommended debt service coverage ratio (minimum of 1.8), which would help ensure the District continues to maintain a strong bond rating. She noted that debt-related transactions require Board authorization, which ensures regular Board reporting, transparency, and maintenance of internal controls. Mr. De Lange stated that the draft policy is not expected to have direct impacts to near-term financial decision making; however, this may change as the District considers implementation of the East County Bioenergy Project and treatment plant upgrades to meet future nutrient removal requirements. Ms. Margetich noted that there is no requirement for adjustments to funding assumptions in the Fiscal Year 2019/2020 (FY19/20) rates and the draft Debt Policy will also need to be adopted by the Board at the Integrated Finance Corporation meeting in January 2020.

Chair Wright thanked Ms. Margetich for the report and recommended that the item be submitted to the full Board at its November 13, 2019 meeting.

ADJOURNMENT

The meeting was adjourned by Chair Wright at 9:20 am.

(Recording Secretary: Cecelia Nichols-Fritzler)

AGENDA

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

PLANT OPERATIONS CENTER CONFERENCE ROOM
2600 PITTSBURG-ANTIOCH HIGHWAY
ANTIOCH, CA 94509

THURSDAY, NOVEMBER 7, 2019
9:00 A.M.

Persons who wish to address the Board during Public Comments 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 Comments 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. PUBLIC COMMENTS**
- B. REVIEW DRAFT DEBT MANAGEMENT AND CONTINUING DISCLOSURE POLICY (Carol Margetich)**
- C. ADJOURNMENT**

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 the Treatment Plant Building located at 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal working business hours.





MEMORANDUM

Date: November 7, 2019
To: Sean Wright, Chair, Finance Committee
From: Carol Margetich, Business Services Director *em*
SUBJECT: REVIEW DRAFT DEBT MANAGEMENT AND CONTINUING
DISCLOSURE POLICY

RECOMMENDATION

Review and comment on draft Debt Management and Continuing Disclosure Policy

Background Information

Financial Sustainability is one of the five goal areas in the District's Strategic Business Plan with 1) maintaining prudent reserves and a high bond rating, and 2) planning for the preservation, replacement, and expansion of District assets as two primary supporting objectives. In order to formalize the District's approach to managing debt and ensuring compliance with all federal and state legal requirements, staff has developed a draft "Debt Management and Continuing Disclosure Policy" (Debt Policy) that addresses the permissible uses, types, and parameters associated with debt management. California Senate Bill No. 1029 (SB 1029), approved by the Governor on September 12, 2016, amends California Government Code Section 8855 related to local government debt management and requires that any issuer of state or local government debt shall submit a report on the issuance of any debt to the California Debt and Investment Advisory Commission (CDIAC), provide certain ongoing reporting related to such debt, and adopt a debt policy concerning any debt issuance.

The draft Debt Policy includes the following five elements, as required by SB 1029:

1. The purposes for which the debt proceeds may be used
2. The types of debt that may be issued
3. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable
4. Policy goals related to the issuer's planning goals and objectives
5. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use

Analysis

Staff prepared the attached draft Debt Policy using the following methodology:

- Reviewed numerous debt policies developed by the District's financial advisor (PFM) for other agencies and municipalities, which met the requirements of SB 1029, as well as debt policies from other regional agencies
- Integrated key, relevant provisions of the various policies to develop a comprehensive draft

- Analyzed and addressed specific matters of interest to the District and reconciled feedback received from internal staff
- Elected to provide additional guidance and address specific issues via a more detailed administrative procedure document, which is currently under development
- Coordinated legal and financial advisor review and incorporated comments

In developing the draft Debt Policy, staff considered the level of detail, the District's overall risk profile, and the need to ensure appropriate Board reporting, transparency, and internal controls associated with debt management. The document provides a moderate level of detail and specificity, while including a number of conservative provisions, including:

- Targets the highest possible credit ratings consistent with the District's debt management objective
- Specifies a debt service coverage ratio minimum of 1.80
- Specifies that the use of debt financing will be for eligible capital projects, including acquisition, construction or major rehabilitation of capital facilities, and the proceeds derived from long-term borrowing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures
- Specifies that the weighted-average maturity of bonds should not exceed 100 percent of the weighted-average useful life of the capital assets being financed

Because the draft Debt Policy specifies that Board authorization is required for each debt transaction, this ensures appropriate Board reporting, transparency, and maintenance of internal controls regarding debt administration.

In addition, the Debt Policy addresses required disclosures related to debt and appoints the Business Services Director as responsible for these disclosures. This includes required disclosures at the time of issuance, and continuing disclosures to CDIAC under the Municipal Securities Rulemaking Board.

Fiscal Impacts

The adoption of the Debt Policy would not have an immediate financial impact, but the content of the policy governs any subsequent debt issuance. Future debt issuance would continue to be managed to minimize the potential for negative financial impacts by ensuring adequate revenue is collected via rates and fees to meet debt service payments, while ensuring a minimum debt service coverage ratio (1.80) to support the District's overall financial sustainability strategic goal. The draft Debt Policy would not require any adjustments from key funding assumptions associated with rate approval by the Board for Fiscal Year 2019/2020 (FY19/20).

Attachment

Proposed Debt Management and Continuing Disclosure Policy

CM/VD:st

Delta Diablo

ADMINISTRATIVE POLICY HANDBOOK

POLICY TITLE: DEBT MANAGEMENT AND CONTINUING DISCLOSURE
POLICY NUMBER: 3075
PROCEDURE: XXXXXX
DATE APPROVED: XXXXXX

Federal Glover, Board Secretary

3075.1 Purposes and General Provisions. The Government Finance Officers Association (GFOA) recommends that state and local governments adopt comprehensive written debt management policies as a best management practice to improve the quality of decisions, articulate policy goals, provide guidelines for the structure of debt issuance, and demonstrate a commitment to long-term capital financial planning. Additionally, Government Code Section 8855(i) requires public agency issuers of debt to adopt comprehensive written debt management policies. This Debt Management and Continuing Disclosure Policy (Debt Policy) is intended to comply with Government Code Section 8855(i). The purpose of this Debt Policy is to organize and formalize debt issuance and management related policies and procedures for Delta Diablo. This Debt Policy governs all debt issuances by the District and by the Delta Diablo Integrated Financing Corporation. Except where any provision of this Debt Policy refers separately to the IFC, each use of the term “District” in this Debt Policy means the District and the IFC.

State and federal laws and regulations govern the District’s activities under this Debt Policy. In its implementation of this Debt Policy, the District must comply with all applicable state and federal laws and regulations, including but not limited to laws and regulations limiting the types of debt the District may issue and how that debt may be issued, and any applicable appropriations limits and debt limits. Those state and federal laws and regulations may limit the application of this Debt Policy. If any provision of this Debt Policy conflicts with any state or federal law or regulation, either (a) if feasible, the conflicting provision of this Debt Policy shall be modified to be compliant with the applicable conflicting state or federal law or regulation, or (b) if the conflicting provision of this Debt Policy cannot be so modified, it shall not be implemented by District staff.

3075.2 Objectives. The primary objectives of the District’s debt and financing related activities are the following:

- 3075.2.1** Maintain cost-effective access to public and private capital markets through prudent fiscal management policies and practices;
- 3075.2.2** Specify parameters related to the prudent use of debt in the context of the District’s rates and financial planning;
- 3075.2.3** Ensure debt proceeds are expenditures for permissible uses as defined in this policy, and in accordance with bond covenants and other applicable requirements;

- 3075.2.4** Minimize debt service commitments through effective planning and cash management;
- 3075.2.5** Ensure the District is compliant with all applicable federal and state securities laws;
- 3075.2.6** Protect the District's creditworthiness and achieve the highest practical credit ratings; and,
- 3075.2.7** Maintain the District's sound financial position.

3075.3 Scope and Delegation of Authority. This Debt Policy will govern the issuance and management of all debt issued by the District, including the selection and management of related financial and advisory services and products, and the investment of bond proceeds, all in accordance with state and federal laws and regulations.

The District's Board of Directors retains authority to modify, repeal, or replace this Debt Policy. Responsibility for implementation of the Debt Policy, and day-to-day responsibility for structuring, implementing, and managing the District's debt and finance program, will reside with the General Manager or his/her designee. The General Manager may develop procedures consistent with this Debt Policy to direct the implementation of this Debt Policy by District staff. The Board's adoption of the District's Annual Budget and Capital Improvement Program (CIP), or review of the financial plan, does not constitute authorization for debt issuance for any capital projects. This Debt Policy requires that the Board of Directors specifically authorize each debt financing in accordance with all applicable state and federal laws and regulations.

The Board of Directors recognizes that changes in the public and private capital markets, District programs, and other unforeseen circumstances may, from time to time, produce situations that are not covered by the Debt Policy and will require modifications or exceptions to achieve policy goals. In these cases, the Board of Directors may consider modifying this Debt Policy to provide District staff with flexibility to respond to changed circumstances, while ensuring this policy remains compliant with state and federal laws and regulations.

3075.4 Roles and Responsibilities

- 3075.4.1** General Manager or his/her designee – Provides oversight of debt program and prepares recommendations on debt to the Board of Directors.
- 3075.4.2** Executive Director of the IFC – Provides oversight of debt program and prepares recommendations on debt to the Board of Directors.
- 3075.4.3** Business Services Director – Has primary responsibility for implementing the General Manager's direction on debt issuance recommendations, financing transaction execution, oversight of bond proceeds expenditures, and ongoing debt management.
- 3075.4.4** Board of Directors – Sets debt policy and authorizes individual transactions.

3075.5 Ethics and Conflicts of Interest. Members of the Board of Directors and District staff members who have roles and responsibilities under this Policy: (a) will not engage in any personal business activities that could conflict with proper and lawful execution of securing capital financing, (b) will comply with the District's Conflict of Interest Code, as may be updated from time to time; and (c) will comply with all other applicable state and federal conflict of interest laws and regulations.

3075.6 Integration with Other Financial Policies and Documents. The District is committed to long-term capital and financial planning, maintaining appropriate reserve levels, and employing prudent practices in governance, management, and budget administration. Policies related to these topics are adopted separately but affect this Debt Policy. If debt service is a component of proposed new or increased fees or charges (e.g., Sewer Service Charges), at the time the Board of Directors is asked to approve those new or increased fees or charges, the Board of Directors will be presented with financial information in support of the proposed fees or charges, including but not limited to the District budget, any relevant provisions of the CIP, and the terms of any debt service repaid by the fees or charges.

3075.7 Standards for Use of Debt Financing. In financial planning, the District will evaluate the use of various alternatives including, but not limited to, current year funding of capital projects through rates, various forms of debt financing, use of reserves, and inter-fund loans and transfers. The District will utilize the most advantageous financing alternative and balance the goals of long-term cost minimization, risk exposure, and compliance with generally-accepted rate-setting principles. The District's debt management program will consider debt issuance where public policy, equity (including intergenerational equity), generally-accepted rate-setting principles, economic efficiency, and compliance with long-term financial planning parameters that favor financing over cash funding.

3075.7.1 Use and Timing of Debt. The District will integrate its debt issuances with the goals of its CIP by timing the issuance of debt to ensure that projects are planned when needed in furtherance of the District's public purposes (as articulated in, inter alia, the District's mission, vision, and goals) and are consistent with the District's budget, any applicable debt or appropriations limits, and other financial information the General Manager or Business Services Director deems relevant. When the Board of Directors is asked to approve new or increased fees or charges (e.g., Sewer Service Charges), the Board of Directors will be provided all legally-required financial information in support of the new or increased fees or charges, and additional financial information the General Manager or Business Services Director deems relevant.

3075.7.1.1 All capital projects in the CIP are eligible to use debt financing, so long as the minimum revenues are generated as described in Section 3075.7.1.

Debt financing will be used to finance eligible capital projects, including the acquisition, construction, or rehabilitation of capital facilities, when funding requirements cannot be met with current revenues, cash reserves or interfund loans and/or transfers or the use of such funds would be contrary to rate-setting principles. The proceeds derived from long-term borrowing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures.

With respect to debt repayment and amortization, the debt repayment period will be structured so that the weighted average maturity of the debt does not exceed 100% of the expected average useful life of the project being financed.

3075.7.2 Credit Quality. All District debt management activities for new debt issuances will be conducted in a manner conducive to receiving the highest credit ratings possible consistent with the District's debt management objectives and legal terms and covenants of outstanding debt obligations. As debt service coverage is a key ratings consideration, the District shall target a debt service coverage ratio of at least 1.75 for financial planning and rate-setting purposes.

3075.7.3 Ongoing Debt Administration and Internal Controls. The District will maintain all debt-related records according to the District's Retention Policy or debt financing documents, whichever retention timeline is longer. The District will maintain internal controls to ensure compliance with the Debt Policy (including use of bond proceeds for purposes specified in the applicable Bond Official Statements and in compliance with this debt policy), all debt covenants, and any applicable requirements of federal and state law, including but not limited to the following: initial bond disclosure, continuing disclosure, tax-exemption, post-issuance compliance, investment of bond proceeds (including, for example, any continuing disclosure obligations under Securities and Exchange Commission (SEC) Rule 15c2-12, and tax covenants, and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements), and annual transparency reporting to California Debt and Investment Advisory Commission.

3075.7.4 Rebate Policy and System. The District will develop a system of reporting interest earnings that relates to and complies with Internal Revenue Code requirements relating to rebate, yield limits, and arbitrage. The District will accurately account for all interest earnings in debt-related funds to ensure that the District is compliant with all debt covenants and with state and federal laws. The District will invest funds in accordance with the investment parameters set forth in each respective bond indenture, and as permitted by the District's Investment of District Funds (Policy No. 3020).

3075.8 Financing Criteria. When staff intends to recommend that the District incur indebtedness, or when requested by the Board of Directors, the General Manager will provide a report to the Board that, among other things:

3075.8.1 Describes the intended use of the financing proceeds (i.e., funding for new projects or to refund existing bonds);

3075.8.2 Recommends a specific debt type to include duration, type, interest rate characteristics, call features, credit enhancement, or financial derivatives to be used in the transaction;

3075.8.3 Presents the impact of the bonds on the District's forecasted rates based on the anticipated maturity schedule; and,

3075.8.4 For refunding transactions, includes a comprehensive report on the debt to be redeemed, the replacement debt, and the anticipated benefits of the transaction shall be provided.

3075.9 Terms and Conditions of Debt. The Board of Directors will approve all terms and conditions relating to the issuance of debt, and will approve the control, management, and investment all debt proceeds. The proposed debt terms, coupon structure, debt service structure,

redemption features, any use of capitalized interest, and lien structure must be approved by the Board of Directors.

3075.10 Types of Debt. Subject to the approval of the Board of Directors in accordance with applicable state and federal laws and regulations, the following types of debt are allowable under this Debt Policy:

- State Revolving Fund loans
- California Infrastructure and Economic Development Bank loans
- Revenue bonds
- Lease revenue bonds and certificates of participation
- Commercial paper
- General obligation bonds
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
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3075.11 Derivatives. The District will not use municipal derivative products in connection with its borrowing needs.

3075.12 Credit Enhancements. The District may consider the use of credit enhancement on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when a clearly demonstrable savings or other measurable advantages can be shown will the Board of Directors consider authorizing the enhancement.

3075.13. Refunding Outstanding Debt. Refundings are important debt management strategies for the District. Refundings are commonly used to lower future debt service costs but can also be used to change existing legal terms/covenants or restructure debt service. The District will periodically evaluate outstanding bond issues for refunding opportunities and will bring to the attention of the Board those opportunities that are in the District's interest. Reports to the Board on potential refunding shall describe anticipated savings and the structure of refunding and refunded debt, and any refunding transaction executed will be followed with a report on actual savings. Unless necessary or beneficial to do so, the District's refundings will not extend the final maturity of the debt being refunded.

There are two types of refundings: current refundings and advance refundings. These two refunding types differ by the timing in which they occur.

Current Refunding. A current refunding is one in which the refinancing is closed within 90 days of the date on which the refunded debt is redeemed. In most circumstances, the District's Board of Directors will set minimum Present Value (PV) Savings threshold of 3% of refunded par for a current refunding.

Advance Refunding. An advance refunding is one in which the refinancing is closed more than 90 days prior to the date on which the refunded debt is redeemed. In most circumstances, the

District's Board of Directors will set a minimum PV Savings threshold of 5% of refunded par for an advanced refunding. Lower savings thresholds for both current and advance refundings may be justified in certain circumstances. In those situations, the Business Services Director, in consultation with the District's financial advisor, will recommend an appropriate action by the Board of Directors.

3075.14 Methods of Issuance. District bonds may be sold by way of a competitive sale, negotiated sale, or private placement. A recommendation regarding the proposed use method will be prepared by the Business Services Director and General Manager, or his/her designee, and provided to the Board of Directors at the time the Board of Directors is asked to consider approval a proposed bond issuance.

The District will consider the following factors when determining the appropriate method of sale:

3075.14.1 Competitive Sale. In a competitive sale, the District's bonds will be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official notice of sale. Conditions under which a competitive sale would be preferred are as follows:

- Bond prices are stable and/or demand is strong
- Market timing and interest rate sensitivity are not critical to the pricing
- There are no complex explanations required during marketing regarding the District's projects, media coverage, political structure, political support, funding, or credit quality
- The bond type and structure are conventional
- Manageable transaction size
- The bonds carry strong credit ratings
- Issuer is well known to investors

3075.14.2 Negotiated Sale. The District recognizes that some securities are best sold through negotiation under the following conditions:

- Bond prices are volatile
- Demand is weak or supply of competing bonds is high
- Market timing is important, such as for refundings
- The bonds will carry lower credit ratings or are not rated
- Issuer is not well known to investors
- The bond type and/or structural features are unusual, such as for a forward delivery bond sale, issuance of variable rate bonds, or where there is the use of derivative products
- Bond insurance is not available
- Early structuring and market participation by underwriters are desired
- The par amount for the transaction is significantly larger than normal
- Demand for the bonds by retail investors is expected to be high

3075.14.3 Private Placement. If authorized by law, the District may elect to privately place its debt under certain conditions. Such placement will only be considered where a cost savings can be achieved by the District relative to other methods of debt

issuance, or to enable the financing to be completed within a shorter timeframe. Private placements will include not only direct placements with investors or lenders, but also state and federal loan programs.

3075.15 Market Relationships

3075.15.1 Rating Agencies and Investors. The General Manager and Business Services Director will be responsible for maintaining the District's relationships with rating agencies, which will typically include two or more of the nationally-recognized statistical rating agencies.

3075.15.2 Board Communication. The General Manager will make available to the Board any ratings report or other relevant feedback provided from rating agencies and/or investors regarding the District's financial strengths and weaknesses and recommendations for addressing any weaknesses.

3075.15.3 Continuing Disclosure. The District will remain in compliance with SEC Rule 15c2-12, which addresses continuing disclosure obligations. The District will also comply with state reporting requirements as specified in Senate Bill (SB) 1029, which requires initial and ongoing debt reporting requirements for California public agencies.

3075.15.4 Rebate Reporting. The use and investment of bond proceeds shall be monitored to ensure compliance with arbitrage restrictions.

3075.15.5 Other Jurisdictions. From time to time, the District may issue bonds to fund projects that provide a benefit to other public entities that the District serves. The District will conduct such analyses as deemed necessary to assure adequate cost recovery for such funding and mitigate risks to the District (including consideration of the use of limited bonding capacity).

3075.16 Consultants

3075.16.1 Selection of Financing Team Members. The Business Services Director will make recommendations for all financing team members, and the Board of Directors providing final approval. Financing team members may include a financial advisor, bond counsel, disclosure counsel (which may be the same firm as bond counsel), and underwriter. In the event of a competitive bond sale, the District's debt will be offered to the underwriter providing the most cost-advantageous proposal to the District, as determined by the Board of Directors.

3075.16.2 Financial Advisor. The District may utilize a financial advisor to assist in its debt issuance and debt administration processes as is deemed prudent and necessary by the Board of Directors and in compliance with applicable Municipal Securities Rulemaking Board (MSRB) regulations. The District's financial advisor should be independent and not provide underwriting services to ensure they are free of real or perceived conflicts of interest.

3075.16.3 Bond Counsel. District debt will include a written opinion by legal bond counsel affirming that the District is authorized to issue the proposed debt, and that the District has met all constitutional and statutory requirements necessary for issuance and a determination of the proposed debt's federal income tax status. The approving

opinion and other documents relating to the issuance of debt will be prepared by bond counsel with extensive experience in public finance and tax issues. Bond counsel will be retained by the Board of Directors.

3075.16.4 Disclosure Counsel. The District may utilize a separate law firm to serve as disclosure counsel whenever the Board of Directors deems necessary. If cost effective, the Board of Directors may retain the same firm to serve both as bond counsel and as disclosure counsel.

3075.16.5 Underwriter. The District's Board of Directors will have the right to select a senior manager for a proposed negotiated sale, as well as co-managers and selling group members, as appropriate.

3075.16.6 Conflict of Interest Disclosure by Financing Team Members. All financing team members will be required to provide full and complete disclosures relative to agreements with other financing team members and outside parties. The extent of each disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements will be permitted that could compromise the firm's ability to provide independent advice that is solely in the District's interests (to the extent the firm's role involves a duty to do so) or which could reasonably be perceived as a conflict of interest.

3075.17 Initial and Continuing Disclosure Compliance

3075.17.1 Disclosure Coordinator and Overall Requirements for Initial and Continuing Disclosure

The Business Services Director or his/her designee will be the disclosure coordinator of the District (Disclosure Coordinator). The Disclosure Coordinator will perform the following functions:

3075.17.1.1 Ensure that any Official Statement meets appropriate standards and is approved by the Board of Directors, as required.

3075.17.1.2 Ensure that initial and continuing disclosure obligations undertaken by the District related to each debt issuance are met, including State of California requirements, and MSRB requirements that the District commits to undertake in the Continuing Disclosure Certificate or Agreement over the life of the bonds to investors.

3075.17.1.2.1 Initial Disclosure requirements include preparation of the Bond Official statement and reports on the issuance to the California Debt and Investment Advisory Commission (CDIAC).

3075.17.1.2.2 Ongoing disclosure requirements include annual reports with the MSRB Electronic Municipal Market Access (EMMA) system and the CDIAC.

3075.18 Exceptions. In the event there are any deviations or exceptions from the Debt Policy when a certain bond issue is structured, those exceptions will be discussed in the staff report at the time that the bond proposal is presented to the Board of Directors for its consideration.

3075.19 Policy Review. Any proposed changes to this Debt Policy must be approved by the Board of Directors.

November 13, 2019

APPROVE ADMINISTRATIVE HANDBOOK POLICY NO. 3075, DEBT MANAGEMENT AND CONTINUING DISCLOSURE

RECOMMENDATION

Approve Administrative Handbook Policy No. 3075, Debt Management and Continuing Disclosure.

Background Information

Financial Sustainability is one of the five goal areas in the District's Strategic Business Plan with 1) maintaining prudent reserves and a high bond rating, and 2) planning for the preservation, replacement, and expansion of District assets as two primary supporting objectives. In order to formalize the District's approach to managing debt and ensuring compliance with all federal and state legal requirements, staff has developed a draft "Debt Management and Continuing Disclosure Policy" (Debt Policy) that addresses the permissible uses, types, and parameters associated with debt management. California Senate Bill No. 1029 (SB 1029), approved by the Governor on September 12, 2016, amends California Government Code Section 8855 related to local government debt management and requires that any issuer of state or local government debt shall submit a report on the issuance of any debt to the California Debt and Investment Advisory Commission (CDIAC), provide certain ongoing reporting related to such debt, and adopt a debt policy concerning any debt issuance.

The draft Debt Policy includes the following five elements, as required by SB 1029:

1. The purposes for which the debt proceeds may be used
2. The types of debt that may be issued
3. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable
4. Policy goals related to the issuer's planning goals and objectives
5. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use

Analysis

Staff prepared the attached draft Debt Policy using the following methodology:

- Reviewed numerous debt policies developed by the District's financial advisor (PFM) for other agencies and municipalities, which met the requirements of SB 1029, as well as debt policies from other regional agencies
- Integrated key, relevant provisions of the various policies to develop a comprehensive draft
- Analyzed and addressed specific matters of interest to the District and reconciled feedback received from internal staff
- Elected to provide additional guidance and address specific issues via a more detailed administrative procedure document, which is currently under development
- Coordinated legal and financial advisor review and incorporated comments



In developing the draft Debt Policy, staff considered the level of detail, the District's overall risk profile, and the need to ensure appropriate Board reporting, transparency, and internal controls associated with debt management. The document provides a moderate level of detail and specificity, while including a number of conservative provisions, including:

- Targets the highest possible credit ratings consistent with the District's debt management objective
- Specifies a debt service coverage ratio minimum of 1.80
- Specifies that the use of debt financing will be for eligible capital projects, including acquisition, construction or major rehabilitation of capital facilities, and the proceeds derived from long-term borrowing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures
- Specifies that the weighted-average maturity of bonds should not exceed 100 percent of the weighted-average useful life of the capital assets being financed

Because the draft Debt Policy specifies that Board authorization is required for each debt transaction, this ensures appropriate Board reporting, transparency, and maintenance of internal controls regarding debt administration.

In addition, the Debt Policy addresses required disclosures related to debt and appoints the Business Services Director as responsible for these disclosures. This includes required disclosures at the time of issuance, and continuing disclosures to CDIAC under the Municipal Securities Rulemaking Board.

The proposed policy was discussed with the Finance Committee at its meeting of November 7, 2019, and the Committee recommended that the policy be submitted to the Board of Directors for consideration at the November 13, 2019 Board Meeting.

Fiscal Impacts

The adoption of the Debt Policy would not have an immediate financial impact, but the content of the policy governs any subsequent debt issuance. Future debt issuance would continue to be managed to minimize the potential for negative financial impacts by ensuring adequate revenue is collected via rates and fees to meet debt service payments, while ensuring a minimum debt service coverage ratio (1.80) to support the District's overall financial sustainability strategic goal. The draft Debt Policy would not require any adjustments from key funding assumptions associated with rate approval by the Board for Fiscal Year 2019/2020 (FY19/20).

Attachment

Proposed Debt Management and Continuing Disclosure Policy

Signature:



Carol S. Margetich, Business Services Director

cc: District File FIN.07-REP



Delta Diablo

ADMINISTRATIVE POLICY HANDBOOK

POLICY TITLE: DEBT MANAGEMENT AND CONTINUING DISCLOSURE
POLICY NUMBER: 3075
PROCEDURE: N/A
DATE APPROVED: November 13, 2019

Federal Glover, Board Secretary

3075.1 Purposes and General Provisions. The Government Finance Officers Association (GFOA) recommends that state and local governments adopt comprehensive written debt management policies as a best management practice to improve the quality of decisions, articulate policy goals, provide guidelines for the structure of debt issuance, and demonstrate a commitment to long-term capital financial planning. Additionally, Government Code Section 8855(i) requires public agency issuers of debt to adopt comprehensive written debt management policies. This Debt Management and Continuing Disclosure Policy (Debt Policy) is intended to comply with Government Code Section 8855(i). The purpose of this Debt Policy is to organize and formalize debt issuance and management related policies and procedures for Delta Diablo. This Debt Policy governs all debt issuances by the District and by the Delta Diablo Integrated Financing Corporation. Except where any provision of this Debt Policy refers separately to the IFC, each use of the term “District” in this Debt Policy means the District and the IFC.

State and federal laws and regulations govern the District’s activities under this Debt Policy. In its implementation of this Debt Policy, the District must comply with all applicable state and federal laws and regulations, including but not limited to laws and regulations limiting the types of debt the District may issue and how that debt may be issued, and any applicable appropriations limits and debt limits. Those state and federal laws and regulations may limit the application of this Debt Policy. If any provision of this Debt Policy conflicts with any state or federal law or regulation, either (a) if feasible, the conflicting provision of this Debt Policy shall be modified to be compliant with the applicable conflicting state or federal law or regulation, or (b) if the conflicting provision of this Debt Policy cannot be so modified, it shall not be implemented by District staff.

3075.2 Objectives. The primary objectives of the District’s debt and financing related activities are the following:

- 3075.2.1** Maintain cost-effective access to public and private capital markets through prudent fiscal management policies and practices;
- 3075.2.2** Specify parameters related to the prudent use of debt in the context of the District’s rates and financial planning;
- 3075.2.3** Ensure debt proceeds are expenditures for permissible uses as defined in this policy, and in accordance with bond covenants and other applicable requirements;

- 3075.2.4 Minimize debt service commitments through effective planning and cash management;
- 3075.2.5 Ensure the District is compliant with all applicable federal and state securities laws;
- 3075.2.6 Protect the District's creditworthiness and achieve the highest practical credit ratings; and,
- 3075.2.7 Maintain the District's sound financial position.

3075.3 Scope and Delegation of Authority. This Debt Policy will govern the issuance and management of all debt issued by the District, including the selection and management of related financial and advisory services and products, and the investment of bond proceeds, all in accordance with state and federal laws and regulations.

The District's Board of Directors retains authority to modify, repeal, or replace this Debt Policy. Responsibility for implementation of the Debt Policy, and day-to-day responsibility for structuring, implementing, and managing the District's debt and finance program, will reside with the General Manager or his/her designee. The General Manager may develop procedures consistent with this Debt Policy to direct the implementation of this Debt Policy by District staff. The Board's adoption of the District's Annual Budget and Capital Improvement Program (CIP), or review of the financial plan, does not constitute authorization for debt issuance for any capital projects. This Debt Policy requires that the Board of Directors specifically authorize each debt financing in accordance with all applicable state and federal laws and regulations.

The Board of Directors recognizes that changes in the public and private capital markets, District programs, and other unforeseen circumstances may, from time to time, produce situations that are not covered by the Debt Policy and will require modifications or exceptions to achieve policy goals. In these cases, the Board of Directors may consider modifying this Debt Policy to provide District staff with flexibility to respond to changed circumstances, while ensuring this policy remains compliant with state and federal laws and regulations.

3075.4 Roles and Responsibilities

- 3075.4.1 General Manager or his/her designee – Provides oversight of debt program and prepares recommendations on debt to the Board of Directors.
- 3075.4.2 Executive Director of the IFC – Provides oversight of debt program and prepares recommendations on debt to the Board of Directors.
- 3075.4.3 Business Services Director – Has primary responsibility for implementing the General Manager's direction on debt issuance recommendations, financing transaction execution, oversight of bond proceeds expenditures, and ongoing debt management.
- 3075.4.4 Board of Directors – Sets debt policy and authorizes individual transactions.

3075.5 Ethics and Conflicts of Interest. Members of the Board of Directors and District staff members who have roles and responsibilities under this Policy: (a) will not engage in any personal business activities that could conflict with proper and lawful execution of securing capital financing, (b) will comply with the District's Conflict of Interest Code, as may be updated from time to time; and (c) will comply with all other applicable state and federal conflict of interest laws and regulations.

3075.6 Integration with Other Financial Policies and Documents. The District is committed to long-term capital and financial planning, maintaining appropriate reserve levels, and employing prudent practices in governance, management, and budget administration. Policies related to these topics are adopted separately but affect this Debt Policy. If debt service is a component of proposed new or increased fees or charges (e.g., Sewer Service Charges), at the time the Board of Directors is asked to approve those new or increased fees or charges, the Board of Directors will be presented with financial information in support of the proposed fees or charges, including but not limited to the District budget, any relevant provisions of the CIP, and the terms of any debt service repaid by the fees or charges.

3075.7 Standards for Use of Debt Financing. In financial planning, the District will evaluate the use of various alternatives including, but not limited to, current year funding of capital projects through rates, various forms of debt financing, use of reserves, and inter-fund loans and transfers. The District will utilize the most advantageous financing alternative and balance the goals of long-term cost minimization, risk exposure, and compliance with generally-accepted rate-setting principles. The District's debt management program will consider debt issuance where public policy, equity (including intergenerational equity), generally-accepted rate-setting principles, economic efficiency, and compliance with long-term financial planning parameters that favor financing over cash funding.

3075.7.1 Use and Timing of Debt. The District will integrate its debt issuances with the goals of its CIP by timing the issuance of debt to ensure that projects are planned when needed in furtherance of the District's public purposes (as articulated in, inter alia, the District's mission, vision, and goals) and are consistent with the District's budget, any applicable debt or appropriations limits, and other financial information the General Manager or Business Services Director deems relevant. When the Board of Directors is asked to approve new or increased fees or charges (e.g., Sewer Service Charges), the Board of Directors will be provided all legally-required financial information in support of the new or increased fees or charges, and additional financial information the General Manager or Business Services Director deems relevant.

3075.7.1.1 All capital projects in the CIP are eligible to use debt financing, so long as the minimum revenues are generated as described in Section 3075.7.1.

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- Bond insurance is not available
- Early structuring and market participation by underwriters are desired
- The par amount for the transaction is significantly larger than normal
- Demand for the bonds by retail investors is expected to be high

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3075.15.5 Other Jurisdictions. From time to time, the District may issue bonds to fund projects that provide a benefit to other public entities that the District serves. The District will conduct such analyses as deemed necessary to assure adequate cost recovery for such funding and mitigate risks to the District (including consideration of the use of limited bonding capacity).

3075.16 Consultants

3075.16.1 Selection of Financing Team Members. The Business Services Director will make recommendations for all financing team members, and the Board of Directors providing final approval. Financing team members may include a financial advisor, bond counsel, disclosure counsel (which may be the same firm as bond counsel), and underwriter. In the event of a competitive bond sale, the District's debt will be offered to the underwriter providing the most cost-advantageous proposal to the District, as determined by the Board of Directors.

3075.16.2 Financial Advisor. The District may utilize a financial advisor to assist in its debt issuance and debt administration processes as is deemed prudent and necessary by the Board of Directors and in compliance with applicable Municipal Securities Rulemaking Board (MSRB) regulations. The District's financial advisor should be independent and not provide underwriting services to ensure they are free of real or perceived conflicts of interest.

3075.16.3 Bond Counsel. District debt will include a written opinion by legal bond counsel affirming that the District is authorized to issue the proposed debt, and that the District has met all constitutional and statutory requirements necessary for issuance and a determination of the proposed debt's federal income tax status. The approving

opinion and other documents relating to the issuance of debt will be prepared by bond counsel with extensive experience in public finance and tax issues. Bond counsel will be retained by the Board of Directors.

3075.16.4 Disclosure Counsel. The District may utilize a separate law firm to serve as disclosure counsel whenever the Board of Directors deems necessary. If cost effective, the Board of Directors may retain the same firm to serve both as bond counsel and as disclosure counsel.

3075.16.5 Underwriter. The District's Board of Directors will have the right to select a senior manager for a proposed negotiated sale, as well as co-managers and selling group members, as appropriate.

3075.16.6 Conflict of Interest Disclosure by Financing Team Members. All financing team members will be required to provide full and complete disclosures relative to agreements with other financing team members and outside parties. The extent of each disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements will be permitted that could compromise the firm's ability to provide independent advice that is solely in the District's interests (to the extent the firm's role involves a duty to do so) or which could reasonably be perceived as a conflict of interest.

3075.17 Initial and Continuing Disclosure Compliance

3075.17.1 Disclosure Coordinator and Overall Requirements for Initial and Continuing Disclosure

The Business Services Director or his/her designee will be the disclosure coordinator of the District (Disclosure Coordinator). The Disclosure Coordinator will perform the following functions:

3075.17.1.1 Ensure that any Official Statement meets appropriate standards and is approved by the Board of Directors, as required.

3075.17.1.2 Ensure that initial and continuing disclosure obligations undertaken by the District related to each debt issuance are met, including State of California requirements, and MSRB requirements that the District commits to undertake in the Continuing Disclosure Certificate or Agreement over the life of the bonds to investors.

3075.17.1.2.1 Initial Disclosure requirements include preparation of the Bond Official statement and reports on the issuance to the California Debt and Investment Advisory Commission (CDIAC).

3075.17.1.2.2 Ongoing disclosure requirements include annual reports with the MSRB Electronic Municipal Market Access (EMMA) system and the CDIAC.

3075.18 Exceptions. In the event there are any deviations or exceptions from the Debt Policy when a certain bond issue is structured, those exceptions will be discussed in the staff report at the time that the bond proposal is presented to the Board of Directors for its consideration.

3075.19 Policy Review. Any proposed changes to this Debt Policy must be approved by the Board of Directors.

November 13, 2019

RECEIVE UPDATE ON DISTRICT'S SAFETY PROGRAM

RECOMMENDATION

Receive report on the District's Safety Program.

Background Information

The Injury and Illness Prevention Program (IIPP) is the foundation for the District's Safety Program, which promotes the health and well-being of its employees, contractors, and the public through established procedures and safe work practices. Although the responsibility for safety belongs to everyone, the Safety Manager is responsible for administering the District's Safety Program and ensuring it is updated and compliant with California Occupational Safety and Health Administration (Cal/OSHA) requirements. Over the past year, the Safety Manager has focused on development of a comprehensive Business Continuity Plan and coordination of an emergency preparedness training fair, which were both included as Fiscal Year 2018/2019 Strategic Business Plan Initiatives under Operational Excellence. In addition, the Safety Manager has focused on conducting employee safety training in a more engaging and participatory manner.

Analysis

The District's comprehensive IIPP includes the eight required program elements highlighted below and is designed to prepare employees to recognize and avoid unsafe conditions while working near potentially hazardous conditions inherent in the wastewater industry.

- | | |
|---|---|
| 1. Safety program responsibilities | 5. Accident reporting and investigation |
| 2. Safety communication | 6. Process for reporting and correcting unsafe working conditions |
| 3. Compliance with safe work practices | 7. Health and safety training requirements |
| 4. Hazard assessment, inspection, and control | 8. Recordkeeping and documentation |

Staff will present these major IIPP elements at the Board meeting with emphasis on elements 3 and 7, an explanation of safety directives and their importance, an explanation of the Consolidated Emergency Plan, and the importance of training for emergencies. Element 3 will be considered in the review of established safety directives and the development of new directives to ensure required safety-related programs are current and properly addressed. Element 7 will be considered in the coordination of response and recovery exercises to support emergency preparedness and resiliency.

Financial Impact

None

Attachments

None

Prepared by: Mary Harvey
Mary Harvey
Safety Manager

Reviewed by: Dean Eckerson
Dean Eckerson
Resource Recovery
Services Director

cc: District File No. SFTY.03-PROC1-XXXX



November 13, 2019

RECEIVE UPDATE ON NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM AND NUTRIENT WATERSHED PERMITSRECOMMENDATION

Receive report and file.

Background Information

National Pollutant Discharge Elimination System (NPDES) Permit: Discharge to New York Slough from the District's Wastewater Treatment Plant is regulated through a National Pollutant Discharge Elimination System (NPDES) permit issued by the San Francisco Bay Regional Water Quality Control Board (Water Board). NPDES permits are reissued every five years through a public process and contain specific requirements that limit the pollutants in discharges and require agencies to monitor plant performance and discharges to ensure permit compliance.

Nutrient Watershed Permit: The Water Board adopted the first Nutrient Watershed Permit on April 9, 2014 in response to increased regulatory focus on the impacts of nutrient (i.e., nitrogen and phosphorus) loading on the health of San Francisco Bay and the Delta. Although not currently impaired by nutrients, the historical resiliency of San Francisco Bay to withstand nutrient loadings may be declining. The Nutrient Watershed Permit is designed to manage nutrients on a regional level rather than with individual agency NPDES permits. As a member of the Bay Area Clean Water Agencies (BACWA), the District has been participating in a regional collaboration with the Water Board and the scientific community to develop and implement a nutrient management strategy that uses a sound-science based approach to determine the need for future regulatory actions.

Analysis

NPDES Permit: The District's draft permit is scheduled for adoption at the Water Board's December 11, 2019 Board Meeting. The draft permit, also known as a Tentative Order, was issued for public review on October 17, 2019. The Tentative Order is largely the same as the District's current permit with a few minor revisions. Most of these changes are related to the acceptance of reverse osmosis (RO) concentrate from the City of Antioch's planned Brackish Water Desalination Project. There are no changes in the proposed limits for conventional pollutants and only minor adjustments to effluent limits for toxic pollutants. The Tentative Order is consistent with other NPDES permits in the region and does not impose an undue compliance risk. Notable changes include:

- Five new effluent limits (chromium, lead, nickel, zinc, and dichlorobromomethane)
- Lower limit for ammonia (maximum daily limit lowered from 220 mg/L to 110 mg/L)
- Incorporation of dilution credit for enterococcus
- Changes in toxicity monitoring frequency
- New monitoring requirements for various waste streams (Calpine facility "blowdown", Dow brine waste, RO concentrate)



Nutrient Watershed Permit: The Water Board adopted “Waste Discharge Requirements for Nutrients from Municipal Wastewater Discharges to San Francisco Bay” (Nutrient Watershed Permit) on May 8, 2019, which is the second five-year watershed permit related to nutrients. The permit went into effect on July 1, 2019 and includes the following components:

- Influent and effluent monitoring for nutrients
- Annual reporting on nutrient loads
- Receiving water monitoring and modeling as well as scientific studies needed to assess the impact of nutrients on San Francisco Bay (\$2.2 million per year for the next five years from all Bay Area wastewater treatment plants combined)
- Requirements to conduct regional studies related to the evaluation of nutrient reductions through natural systems and water recycling

Previously anticipated load caps have been deferred to the third watershed permit and future nutrient reduction requirements are still unknown. The District is initiating a Resource Recovery Facility Master Plan that will evaluate the timing and cost of nutrient removal treatment plant upgrade alternatives, which will be used to recommend potential future adjustments to the Advanced Treatment Reserve Fund.


Financial Impact

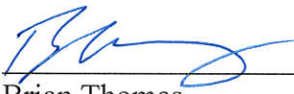
NPDES Permit: If adopted on December 11, 2019, the new NPDES permit will go into effect on February 1, 2020. A minimal financial impact is anticipated, because some of the permit changes will likely increase laboratory costs, while others will reduce operating costs. Any significant increased costs will be incorporated into future operating budgets, as necessary.

Nutrient Watershed Permit: Except for District managed influent and effluent monitoring, the requirements of the Nutrient Watershed Permit will be coordinated through BACWA. The Fiscal Year 2019/2020 Budget has sufficient funds for the District’s monitoring costs and BACWA’s nutrient-related annual dues (\$44,058 per year).

Attachments

None

Prepared by: 
Amanda Roa
Environmental Programs Manager

Reviewed by: 
Brian Thomas
Engineering Services Director

cc: District File No. XXXX



ITEM J

November 13, 2019

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

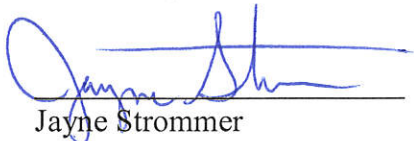
Financial Impact

None

Attachment

Monthly Report, October 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

October 31, 2019

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

Infrastructure

No substantive activities other than for a few meetings DOT had with OMB on its proposed outline of principals. A mega infrastructure bill issue requires the involvement of both the White House and the Congress. The relationship between the two has deteriorated because of the impeachment process. House Dems blame the President for backing away from his \$2B infrastructure suggestion for which subsequent meetings were to be held. None have.

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

To review, introduced on June 20 by Senator Cory Gardner (D-CO) with cosponsors Senators Feinstein, McSally (R-AZ) and Sinema (D-AZ). The bill was referred to the Energy and Natural Resources Committee. McSally is the Chair of its Water and Power Subcommittee. Gardner is a member of the Subcommittee. Feinstein and Sinema are not on the Committee. The bill would authorize for FY19-24 \$670M for surface and groundwater storage projects, \$100M for water recycling projects, and \$60M for desalination projects. It would also create a new loan program at 30-year Treasury rates for water supply projects known as the Reclamation Infrastructure Finance and Innovation Act (RIFIA). The \$150M authorized for the program would make available \$8 to \$12B in lending authority for the low interest loans. The loans would use existing criteria under the WIFIA program, with projects for funding to be recommended by the Bureau of Reclamation, and with the loans to be administered by EPA. The bill would also authorize \$140M for restoration and environmental compliance projects. The bill provides offsets, one of which is a process to de-authorize inactive water recycling projects – projects for which no Federal or sponsor funds were spent on construction in the past 10 years, with an allowance of two and one-half years to spend funds to prevent de-authorization.

Status Update: Per John Watts, the Committee is still working toward a November markup of the bill.

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

To review, on Feb.13, Congresswoman Napolitano introduced the above bill (with 17 cosponsors, now 26– all Dems) which the Coalition supports. The Coalition supported her bill last Congress. Two changes were made from last year’s version: the EPA grant program was dropped so the focus could be on Title XVI; and, the cap on the Federal share for individual projects was increased from \$20M to \$30M. Per the Congresswoman’s office, the following summary was provided:

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

Does not change the 25% federal cost share.

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

Status Update: Per Joe Sheehy on Sept. 27, “we are pushing to have it done soon. I think the Committee is working out some political issues on water before they decide how and when to move water bills. As you may have noticed, they have not moved any water bills recently.”

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

To review, introduced on May 2 by Congressman Josh Harder (D-CA-10) with 7 cosponsors – all CA Dems including Reps. Napolitano, McNERney and Panetta. Note: on Feb. 28, the Coalition met with Harder’s staff in DC and were told that he was working on a water bill. The official summary of the bill is not online. However, in general the bill provides \$100M for Title XVI WIIN grants from deposits made to the Reclamation Fund; authorizes \$150M for a reclamation infrastructure finance and innovation pilot program; increases the current Title XVI WIIN grant authorization from \$50M to \$500M (the same increase as in Cong. Napolitano’s H.R. 1162) and raises the Federal share cap from \$20M to \$30M; and, establishes a water technology investment program to expand use of technology for improving the availability and resiliency of water supplies and power delivers, and authorizes \$5M per fiscal year for the program. The bill was referred to the Natural Resources Committee. On June 13, the Subcommittee on Water, Oceans, and Wildlife (WOW) of the House Natural Resources Committee held a hearing on the bill.

Status Update: Same as above.

Coalition Projects Bill

We have a final on the bill text (reviewed by the Coalition). No word from Catherine Pomposi (Senator Harris) regarding my meeting request to discuss the Coalition's request that the Senator introduce the projects bill.

Status Update: Still waiting on introduction. On Oct 30, Mike Stover emailed that he would "circle back with some folks (I'm assuming regarding co-sponsorship) and hopefully provide something more detailed by the end of the week."

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

To review, on March 5th Chair DeFazio, Subcommittee Chair Napolitano, and Representatives Don Young and John Katko introduced the above bill (now with 47 cosponsors) which the Coalition sent a letter of support to the Committee. 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.

Status Update: On Oct. 29, the T&I Committee ordered the bipartisan bill reported. The amended bill includes the Coalition's suggested language allowing projects that have not received USBR construction funds to be eligible to apply for alternative water source grants, keeping the current Title XVI cost share cap (25%/\$20M) in place. The bill also authorizes \$14B over the next five fiscal years for the CWSRF, thereby giving the appropriators the necessary legislative justification to support increased CWSRF funding, \$1.125B for overflow and sewer grants, \$1.295B for state water pollution control programs, \$110M for innovative water grants, and \$150M for alternative water source projects. On behalf of the Coalition, the Committee was lobbied in support of the bill, and a support letter urging its enactment was submitted.

McNerney "West Act"

To review, Congressman McNerney is breaking up his omnibus WEST Act of last Congress and will be introducing pieces that go to specific committees of jurisdiction. For example, he has introduced two bills (on April 2 and May 16), both entitled the "Smart Energy and Water Efficiency Act of 2019," one referred to the Science Committee, the other to the Energy and Commerce, Natural Resources and T&I Committees.

FY20 Appropriations in General

On Sept. 27, the President signed into law the FY20 Continuing Resolution to fund the government until Nov. 21. Previously, on Sept. 19, the House, on a bipartisan vote of 301-123, passed the Resolution. That action was necessary given the House has passed only 10 of 12 appropriations bills and the Senate has reported (not passed) only 9 of 12. The Senate followed suit with passage on Sept. 26, also on a bipartisan vote of 81-16.

FY20 Interior Appropriations Bill

The House has decided to package appropriations bills into what they call “minibuses” rather than consider bills individually on the Floor. On June 25, the House passed a minibus that includes the FY20 Interior Appropriations Bill providing \$1.810B for the Clean Water SRF, \$1.3B (the amount authorized by the Americas Water Infrastructure Act of 2018) for the Safe Drinking Water SRF, and \$50M for WIFIA.

On Sept. 26, the Senate reported its version of the bill which provides \$1.638B for the CWSRF, \$1.13B for the SDWSRF, and \$65M for WIFIA.

FY20 Energy and Water Appropriations Bill

On June 19, the House passed its version of the FY20 Energy and Water Appropriations bill as part of another minibus which provides \$63.617M for Title XVI (of which \$10M is for the Title XVI WIIN grant program) and \$60M for WaterSMART and lists the names of the FY18 USBR Title XVI grant awardees, as required by law.

On September 12, the Senate reported its version of the bill which provides \$65.017M for Title XVI, of which \$20M is for Title XVI WIIN grants, and \$60M for WaterSMART.

Senate Appropriations Update

On Oct. 22, the Senate Appropriations Committee reported its version of a mini bill that includes funding for the Commerce, Agriculture, Interior and Transportation bills per the above.

WIIN Grants

No change since the last report. The FY19 funding opportunity of \$20M for Title XVI recycled water projects under the WIIN Act is in process. There were 19 applications, decisions having been made subject to review. Per above, the list of FY18 awardees is included in the FY20 House Energy and Water Appropriations Bill which also includes \$10M for Title XVI WIIN grants. The list was not included in the Senate bill or the Continuing Resolution.

Bill Tracking

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

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

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

Committees: Environment and Public Works

S.1518 — **Rebuild America Now Act**

Sponsor: Sen. Sullivan, Dan [R-AK] (Introduced 05/16/2019) Cosponsors: (4)

Committee: Environment and Public Works. To improve the processes by which environmental documents are prepared and permits and applications are processed and regulated by Federal departments and agencies, and for other purposes.

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

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

Committees: House - Transportation

S.40 — **Bureau of Reclamation Transparency Act**

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

Energy and Natural Resources

H.R.180 — **Build America Act of 2019**

Sponsor: Rep. Hastings, Alcee L. [D-FL-20] (Introduced 01/03/2019) Cosponsors: (7, now 10)

Committees: Transportation and Infrastructure and Ways and Means

S.146 — **Move America Act of 2019**

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

Committees: Finance

H.R.658 — **National Infrastructure Development Bank Act of 2019** Sponsor: Rep. DeLauro, Rosa L. [D-CT-3] (Introduced 01/17/2019) Cosponsors: (60, now 61) Committees: Energy and Commerce, Transportation and Infrastructure, Financial Services and Ways and Means

S.353 — **RAPID Act**

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

Committees: Environment and Public Works

S.403 — **IMAGINE Act**

Sponsor: Sen. Whitehouse, Sheldon [D-RI] (Introduced 02/07/2019) Cosponsors: (5, now 7)

Committees: Environment and Public Works

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

Sponsor: Rep. Brownley, Julia [D-CA-26] (Introduced 01/30/2019) Cosponsors: (1)

Committees: Ways and Means and Transportation and Infrastructure